

SUSTAINABILITY REPORT 2020

DARE TOGETHER



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ABOUT US

At Majid Al Futtaim, we strive to create great moments for everyone, everyday. Founded in 1992, Majid Al Futtaim is the leading shopping mall, communities, retail and leisure pioneer across the Middle East, Africa and Asia. A remarkable business success story, Majid Al Futtaim started from one man's vision to transform the face of shopping, entertainment and leisure. It has since grown into one of the United Arab Emirates' (UAE's) most respected and successful businesses spanning 17 international markets, employing more than 43,000 people, and maintaining the highest credit rating (BBB) among privately-held corporates in the region.

Our brand is a legacy that represents our founder's heritage, culture and vision for a future where families, friends and communities connect, create and experience those great moments, everyday. Representing our past, present and future, the Majid Al Futtaim brand is the glue that holds the magic and moments together.

ABOUT THIS REPORT

This report covers the period from 1 January to 31 December 2020. It demonstrates our actions to deliver an ambitious sustainability vision to employees, tenants, operators, customers and suppliers, to regional and global peers, communities, NGOs, governments and global investors. We have adopted internationally accepted best practice to measure and report our sustainability activities and therefore benchmark our performance with reference to the GRI Standards and Communication on Progress to the Ten Principles of the United Nations Global Compact, which can be found on page 56 and 54 of this report.

This report includes all the operations and assets in our portfolio, including four office buildings, one of which is our Headquarters. Our UAE property portfolio includes Matajer Malls, a neighbourhood retail centre concept by Sharjah Holding, and Al Zahia, Sharjah's first gated mixed-use community; both are joint ventures with the government of Sharjah. This excludes other joint venture projects where we did not have full operational control or responsibility for 100% of the floor area in 2020. According to the new 2021 business restructure, LEC & Lifestyle is referred to in place of the Ventures Operating Company.

The absolute environmental data in this report covers 100% of the floor area* of the assets over which we have operational control, and which were operational at any point in 2020. In addition, the environmental impacts of all Majid Al Futtaim's major construction projects underway during 2020 have also been included in the annex to the report. In order to increase transparency and ensure accuracy of disclosed information, we have appointed a third-party auditor to provide independent assurance of our 2020 environmental data. This report includes assurance of our Majid Al Futtaim - Properties' Green Sukuk portfolio and by the end of 2021, our full portfolio will be assured. The scope of the assurance engagement as well as the Assurance Statement can be found on page 40. Our Green Sukuk 2020 report can be found [here](#).

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



A MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER

“Our resilience, humility, empathy and determination whilst facing COVID-19 showed me what we are capable of when we prioritise collaboration and strength in the midst of a crisis.”

While the events of the past year presented exceptional challenges for our business, our people, our customers and our communities, they also raised a global consciousness that has driven a fundamental shift in the way we interact with the world around us. Our resilience, humility, empathy and determination has shown me the significant impact we can drive when we are unified by a common purpose and working towards a common goal.

At Majid Al Futtaim, MAFers consistently and persistently went the extra mile to help those in need, retraining and reskilling to be able to provide vital services, while looking at ways in which we could further support our customers and communities for the long-term. These fantastic efforts saw us achieve 97% of our annual sustainability targets last year.

Representative of our mindset of continuous improvement, over the last year we have increased the transparency of our reporting, including achievement against global benchmarks and initiatives, and enhancing our GRI disclosures.

For the first time, this year's report also showcases our contribution to the United Nations Global Compact Communication on Progress, providing a more holistic update on our progress, actions and initiatives to embed the UN's Sustainable Development Goals and supporting principles across our operations.

Looking ahead, now more than ever there is opportunity and means for every one of us to contribute to the best of our abilities in driving continued positive change. I am certain that continuing in this spirit of connectivity and collaboration for the long-term, will make great progress in addressing humankind's greatest social, environmental and economic challenges.

ALAIN BEJJANI
Chief Executive Officer
Majid Al Futtaim

OUR BUSINESS AT A GLANCE



Financial and operational figures as of 31 December 2020

WHERE WE OPERATE

Our growing shopping mall, communities, retail and leisure portfolio spans 17 countries across the Middle East, Africa and Asia.



IN CONVERSATION WITH OUR OPERATING COMPANIES' CHIEF EXECUTIVE OFFICERS

As our business continues to experience significant growth, we must evolve to ensure we remain lean, agile, and prepared for the challenges and opportunities ahead. In early 2021, our Ventures Operating Company was replaced by two new Operating Companies: Leisure, Entertainment and Cinemas (LEC) and Lifestyle. These two businesses have grown substantially in scale to become significant contributors to the company's overall performance. Below, our Operating Companies' CEOs share their perspectives on notable moments in a globally challenging year.



PROPERTIES

The local and regional lockdowns and government mandated closures of our assets had an undeniable impact on our business. Our proactive decision to provide support to our tenants through rent relief mechanisms demonstrated our commitment to building long-term partnerships. Yet, our focus on improving the performance of our assets remained strong and we became the first hotel portfolio in the world to be LEED Platinum certified.

Ahmed Galal Ismail

Chief Executive Officer
Majid Al Futtaim – Properties

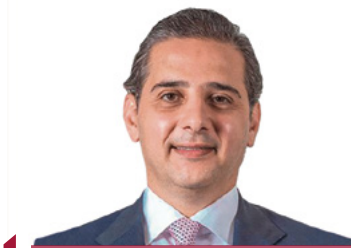


LEISURE, ENTERTAINMENT AND CINEMAS

From prioritising the wellness of our employees to ensuring the safety of our visitors, the pandemic has unveiled our ability to act effectively in a crisis and continue tackling society's greatest challenges like the climate crisis. One of my favourite highlights was hosting the region's first carbon-neutral drive-in cinema screening. Our partnership with Dubai Carbon Centre of Excellence will ensure all future screenings held at the VOX Cinemas' Drive-In have a carbon neutral footprint. This is a significant step in influencing sustainable behaviours not just for our customers but across the region too.

Cameron Mitchell

Chief Executive Officer
Majid Al Futtaim – Leisure, Entertainment & Cinemas



LIFESTYLE

Delivering a first-class customer experience is the very essence of the Majid Al Futtaim – Lifestyle business. An exciting and invaluable addition to our portfolio in 2020 is the THAT app, a curated multi-brand mobile app offering unique, niche and sustainable edits which has expanded our digital footprint and added a new dimension to our customers' shopping experience. Coupled with the immense success of our THAT pop-up store, I'm confident that we can keep evolving with the lives of our customers.

Fahed Ghanim

Chief Executive Officer
Majid Al Futtaim – Lifestyle



RETAIL

The retail business has been at the heart of Majid Al Futtaim's response to the pandemic, providing vital products and services to our communities. At the same time, the company leveraged the opportunity to accelerate its digital offering and strengthen its fulfilment and delivery capabilities, with the opening of new fulfilment centres. Despite the pandemic, we expanded our operations and opened our first Carrefour store in Uzbekistan. I am inspired by our agility to react quickly when faced with unprecedented demand, commitment to our people and ability to deploy over 1,000 MAFers to be upskilled and explore new experiences.

Hani Weiss

Chief Executive Officer
Majid Al Futtaim – Retail



A MESSAGE FROM OUR CHIEF SUSTAINABILITY OFFICER



“
Despite the challenges of 2020, we continue to scale up on our Net Positive efforts and embed climate-related risk management to further enhance our business resilience.
”

The past 12 months have seen our world change beyond our imagination. We have lost loved ones, had our movement restricted, seen vast changes in the workplace landscape and witnessed the struggles that many have faced as a result. However, even in all the frustration, upset and emotional turmoil that the pandemic thrust upon us, we have also seen hope of a new, better world.

We have seen businesses and communities come together to support each other. We have seen a love for our natural landscape grow exponentially. We have seen the climate crisis movement take centre stage and we have seen what is truly possible when governments, business, academics and citizens collaborate.

Receiving my vaccine against COVID-19 proved exactly how important these collaborations are, with results which impact and benefit us all. Although the roll-out of vaccines around the world will take time, there is now light at the end of the tunnel. It is time for us all to push forward our ambitions to support the better, greener world we want to see.

Even though the past 12 months have been tough, I'm proud of our progress in 2020: having achieved 97% of our Transforming Lives annual commitments, 96% of our Rethinking Resources targets, and 100% for Empowering our People. Our recently launched circular economy strategy, *Unlocking Value*, will be pivotal in changing and futureproofing how we operate and how we do business. As we report in line with the best practice recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) for the first time, we continue to scale up on our Net Positive efforts and embed climate-related risk management to further enhance our business resilience.

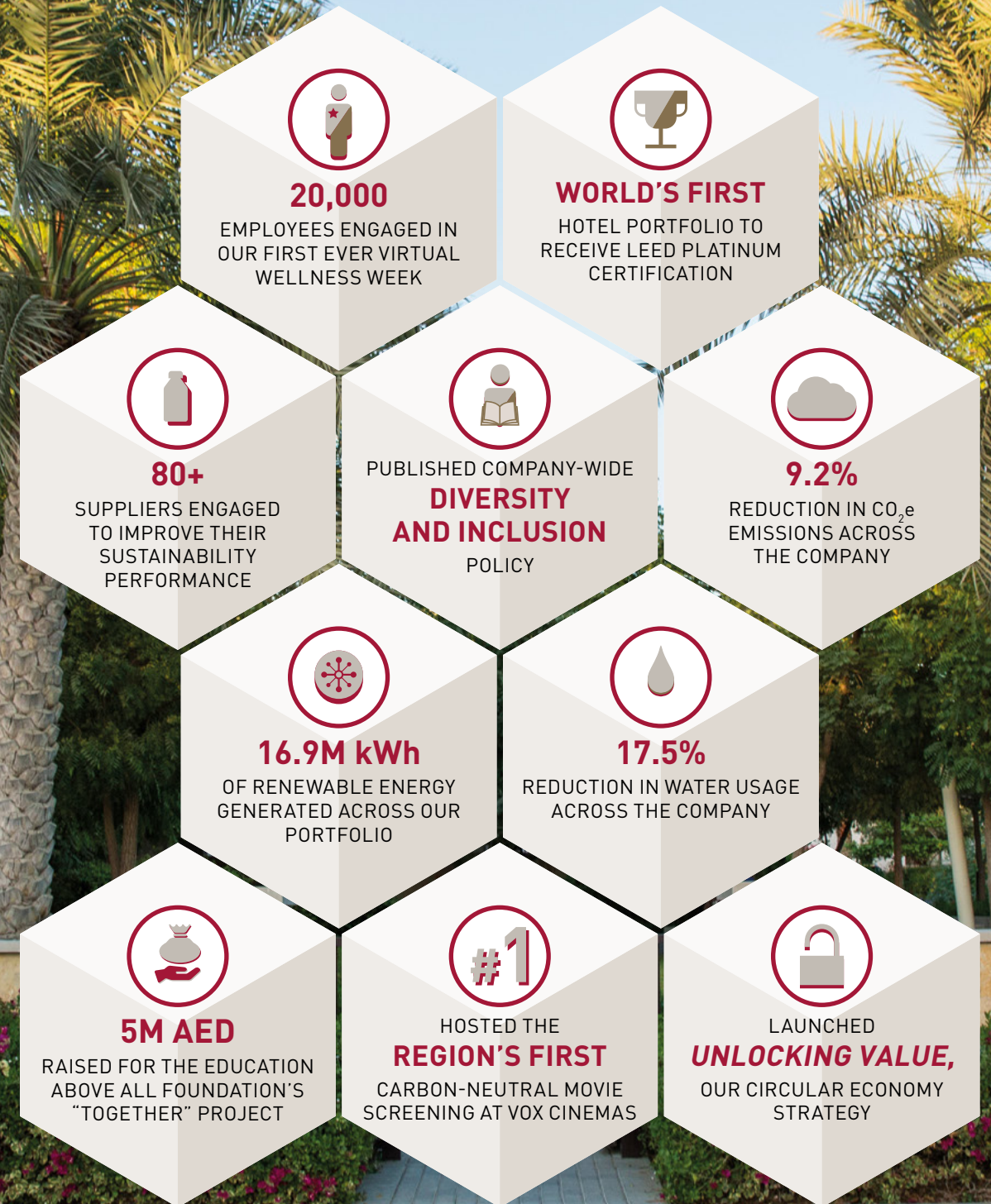
The wellbeing of our people remains front and centre for our business and we are keen to continue delivering more positive social impact to our communities, leveraging our local partnerships and strengthening our local supply chains.

As we look ahead to the future, I believe that 2021 will bring many new conversations, collaborations and changes within the environmental space. COP26 will bring together businesses and governments around the world to discuss the most pressing and life altering issues of our time. I am optimistic that the coming year will reflect breakthrough progress on today's environmental crises and increased commitment will lead to tangible impact, beyond what is necessary, across all sectors and countries.

If the world's response to the global pandemic has taught me anything, it is that we really can achieve whatever we put our minds to when we work together. I hope that this way of working is now here to stay, and as we look to tackle the climate crisis, caring for each other and collaborating together, has never been more vital for our success.

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

2020 HIGHLIGHTS



DARE TODAY, CHANGE TOMORROW — OUR SUSTAINABILITY STRATEGY

2020 made clear the intrinsic link between humans and nature, and our reliance on a thriving planet, diverse skillsets and partnerships in a crisis.

With over 43,000 employees and a wide geographical reach, we have always recognised the important role we play alongside governments, NGOs and other businesses in the fight to tackle climate change and the race to zero emissions.

Although the world we are living in has dramatically changed, Majid Al Futtaim's sustainability ambitions remain at the centre of our activities as we continue to drive forward the sustainability agenda alongside other global and regional leaders.

Our sustainability strategy, *Dare Today, Change Tomorrow*, aligned with 14 of the United Nations Sustainable Development Goals (SDGs), is constantly evolving. This is to ensure that we can respond to the current needs and issues that matter most to our stakeholders, addressing the social and environmental priorities of governments, customers, supply chains, investors and our people. You can read more about how we contribute to our material SDGs on a goal and target level on page 49.

Our three focus areas: Transforming Lives, Rethinking Resources and Empowering Our People allow us to take a holistic view across our business, helping to support our communities, the environment and our people. People are at the heart of what we do and the driver behind each of the three focus areas. Whether it is our employees creating new and innovative initiatives within the business, local farmers working to reach new standards and improve sustainable farming or our shoppers adopting sustainable practices due to enhanced environmental awareness, together we are driving positive and lasting change in our region.

2020 has been a unique year. We have seen our business priorities shifting and adapting to the needs of our customers and employees and the challenges they are facing at a rapid rate. Our sustainability strategy has still been a top priority for the business, yet we were not immune to the challenges created almost overnight by the pandemic, with numerous initiatives being temporarily put on hold due to a shift in priorities. Despite the challenges, we continued to dare. The launch of our circular economy strategy, which looks to tackle waste within the business and move towards a more circular business model by 2030 was a key 2020 milestone. Supporting our people during this period of turmoil, ensuring that they were safe, through job upskilling and remote working alongside providing sustainability training to many of our business units was our primary focus.

Finally, over the past year, we have worked hard to create spaces where our communities feel safe and are able to spend time with loved ones. Ensuring their wellbeing and safety is a priority, with all of our teams going above and beyond to enable our malls and shops to remain open.

As we emerge out of the pandemic, we will need to ramp up our efforts, working collaboratively to achieve our 2022 Sustainable Business Commitments and Net Positive ambition.

OUR APPROACH TO MATERIALITY

Our strategy aims to reflect the world we live in and our material issues underpin our overall focus. All of our material issues were identified as important to both Majid Al Futtaim and our stakeholders. The issues that were identified as most important form the foundation of our sustainability strategy and Sustainable Business Commitments, guiding our investments and resources to where we can generate tangible impact. As we move forward and evolve, so do our material issues. To ensure we are addressing the right issues for our stakeholders, we will undertake a materiality review in 2021. This exercise will set out to engage our stakeholders and understand what is happening in the Middle Eastern, African and Asian markets on a wide range of issues. The outcomes of the materiality review will help us identify what is important to us as a business, ensure we meet our employees' expectations and cater to the needs of our communities and investors, make sure we uphold the sustainability benchmark for the region, and finally ensure we go above and beyond compliance to drive sustainability across the Middle East, Africa and Asia.

STAKEHOLDER ENGAGEMENT

Engaging with our stakeholders is vital for the success of our business whether that be our developments, or our assets in operation. We are committed to developing long-term relationships with all our stakeholders, and pursuing mutually beneficial goals as we work to become a sustainability pioneer in the Middle East, Africa and Asia with the hope to help transform the economic and social development of the regions.



Stakeholder group	Method of communication	Key topics
 MAJID AL FUTTAIM EMPLOYEES	Intranet, Focus groups, Forums, Newsletters, Unstaffed displays, Staffed displays, Interviews, Training, Emails, Workplace (Facebook for work)	More sustainability awareness and training Wellness, air quality improvement Frequent updates by the leadership
 TENANTS	Leaflets/brochures, Newsletters, Site visits, Surveys and questionnaires, Social media, Focus groups, Forums, Community Advisory Committee, Events	Additional support Branding Unit specific questions Tenancies and letting Security
 CUSTOMERS	Public meetings, Advertising, Press in local/national media, Video, Telephone lines, Exhibitions and events, Surveys and questionnaires, Deliberative opinion polls, Social media	Providing reusable bag option Having organic section in Carrefour Advancing and improving our digitalisation
 SUPPLIERS	Leaflets/brochures, Press in local/national media, Newsletters, Site visits, Surveys and questionnaires, Focus groups, Forums, Training	Providing training on Majid Al Futtaim's sustainability strategy Helping the supply chain to upskill their employees
 CONTRACTORS	Leaflets/brochures, Newsletters, Site visits, Surveys and questionnaires, Focus groups, Forums, Community Advisory Committee, Events	Providing training on Majid Al Futtaim's sustainability strategy Helping contractors to upskill their employees
 REGIONAL AND GLOBAL PEERS	Newsletters, Press in local/national media, Social media, Video, Forums	Best practice and knowledge sharing
 COMMUNITIES	Public meetings, Advertising, Press in local/national media, Video, Telephone lines, Exhibitions and events, Surveys and questionnaires, Deliberative opinion polls, Interviews, Forums, Internet forums, Community Advisory Committee, Events, Sustainability Awareness events, Maintenance upgrades, Infrastructure improvements	More CCTV in the community Shared pool and gym Grocery shop or pop ups
 NGOS	Public meetings, Advertising, Press in local/national media, Video, Telephone lines, Exhibitions and events, Surveys and questionnaires, Interviews, Forums, Online and face-to-face workshops, Focus groups	How to form partnerships Ways that Majid Al Futtaim can support
 CHARITIES	Public meetings, Advertising, Press in local/national media, Video, Telephone lines, Exhibitions and events, Surveys and questionnaires, Interviews, Forums, Internet forums, Online and face-to-face workshops, Focus groups	How to form partnerships Ways that Majid Al Futtaim can support
 GOVERNMENTS	Visioning, Community Advisory Committee, Forums, Public meetings, Focus groups, Workshops, Local and national media	Community initiatives Role in master planning

SUSTAINABILITY IN ACTION

Guided by our sustainability strategy, Tlal Al Ghaf reflects our commitment to the best socio-economic and environmental practices as well as the efficient use of resources while ensuring cost to value.

20,000+
RESIDENTS

TILAL AL GHAF

Tlal Al Ghaf is Majid Al Futtaim's flagship mixed-use community in Dubai. It was designed with sustainability at the forefront; implementing the best environmental practices available; circular economy principles; and aligns with our sustainability targets and Net Positive ambition. By incorporating large arrays of photovoltaic solar panels, the Tlal Al Ghaf Sales and Experience Centre is Majid Al Futtaim's first Net Positive building and one of the first in the region. For its achievements, the Sales and Experience Centre was awarded 2019 Zero Energy Building of the Year at the MENA Green Building Awards.

Spanning over three million square metres, the community provides walkable neighbourhoods featuring high-quality villas, townhouses and apartments. These are connected by pathways, natural, open spaces and parks, complemented by vibrant retail, dining, leisure and cultural options.

The community has been developed to become a global benchmark and will be the first BREEAM certified community in Dubai. With a special focus on supporting Dubai's strategic objectives in Health, Wellbeing, Happiness, Sustainability and Smart Cities, it is a testament to Majid Al Futtaim's sustainability ambition. The project will result in significant economic and employment benefits to the local area and Dubai, generating more than 30,000 job opportunities. With over 11km of cycle trails and 18km of pedestrian paths, the development will promote sustainable travel and wellbeing, improving health and reducing congestion, energy consumption and pollution.



THE SALES AND EXPERIENCE CENTRE HOLDS A
BREEAM EXCELLENT
CERTIFICATION



FIRST
NET POSITIVE BUILDING FOR
MAJID AL FUTTAIM



20%
REGIONALLY SOURCED
MATERIAL IN CONSTRUCTION



273,582 kWh
RENEWABLE ENERGY
GENERATED BY THE SALES
AND EXPERIENCE
CENTRE IN 2020



FIRST
BREEAM CERTIFIED
COMMUNITY IN
DUBAI ONCE COMPLETE



34,000 m²
OF COMMUNITY PARKS



100+
RETAIL STORES



30,000
JOB OPPORTUNITIES
GENERATED BY THE PROJECT

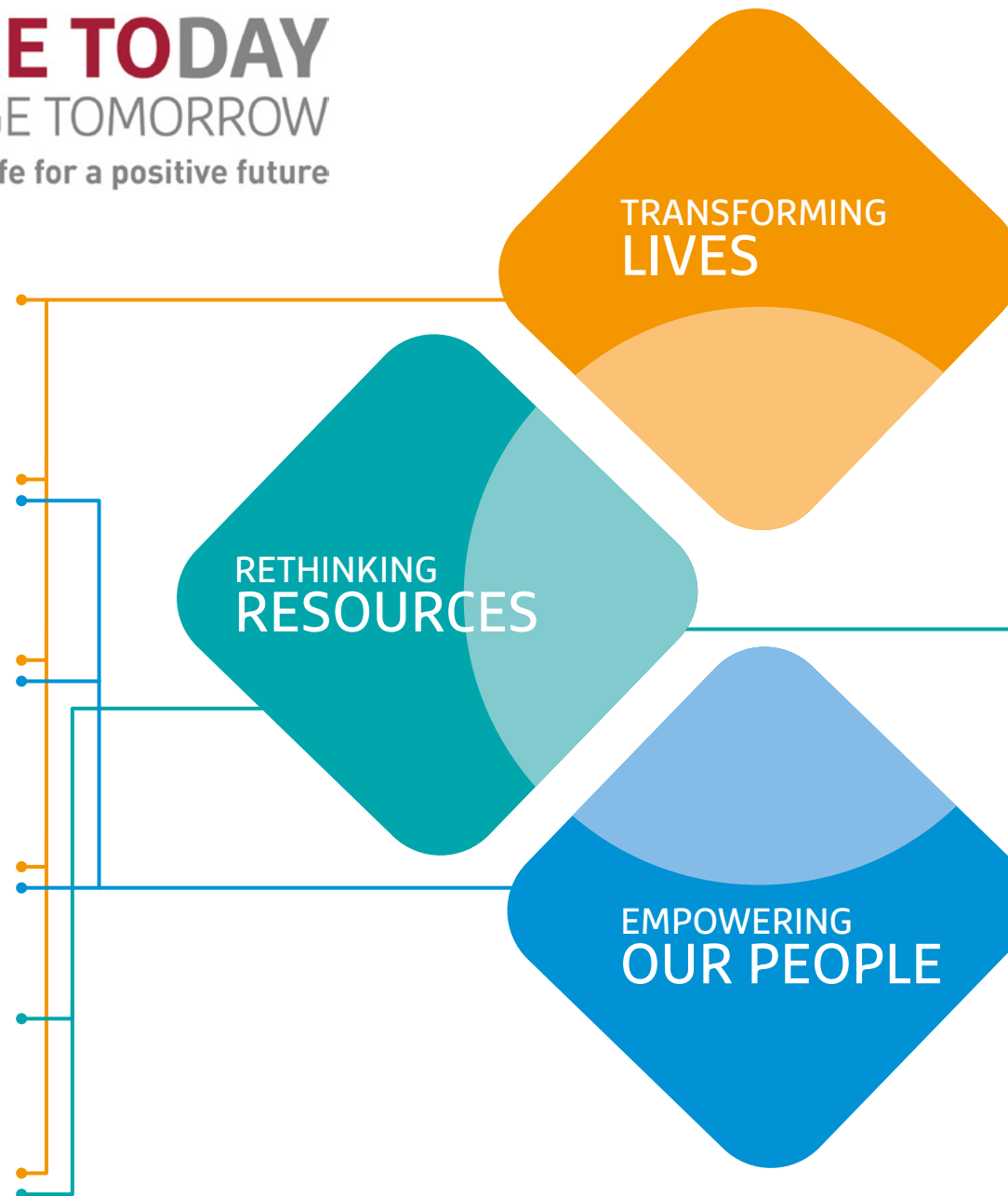
ALIGNING WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Our sustainability strategy is aligned with the United Nations Sustainable Development Goals (SDGs), supporting our aspirations to deliver a significant impact through our operations and engagement with our stakeholders.

OUR SUSTAINABLE BUSINESS COMMITMENTS

In 2021, we undertook a comprehensive mapping exercise to determine how our strategy directly contributes to the targets of the SDGs. You can find the targets we are aligned to, along with the ways in which we support them, on page 49 of this report.

**DARE TODAY
CHANGE TOMORROW**
A way of life for a positive future



2 ZERO HUNGER
SDG 2: Zero hunger
We strive to improve the environmental performance of food production systems and work with local small farmers to enhance their understanding of and performance against our high standards. Our urban farm produces food on site for our residents at a reduced environmental cost and improves overall food security for the community.

3 GOOD HEALTH AND WELL-BEING
SDG 3: Good health and well-being
We provide healthy workplaces where our people can thrive. Employee wellbeing continues to be our priority, with our first virtual Wellness Week providing awareness of common health problems, encouraging early detection and treatment, as well as tools and guidance on all aspects of wellness to employees from the comfort of their home.

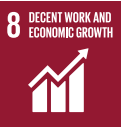
4 QUALITY EDUCATION
SDG 4: Quality education
We work to increase access to quality education amongst our people and across our communities. Our training centres upskill our people and support local communities by providing inclusive access to employment skills. Our partnerships with various organisations, including the National Coalition Against Hunger and Malnutrition (NAJMAH), provide education to children and employment skills to vulnerable groups.

5 GENDER EQUALITY
SDG 5: Gender equality
We continue to empower women across our business. Our recently launched Diversity and Inclusion Policy formalises our commitment to equality in both our workplaces and communities.

6 CLEAN WATER AND SANITATION
SDG 6: Clean water and sanitation
We have pledged to become Net Positive in water by 2040. We continue to research and implement water efficiency measures across our operations, and have developed a water offsetting strategy to address residual water consumption.

7 AFFORDABLE AND CLEAN ENERGY
SDG 7: Affordable and clean energy
We continue to invest in the clean energy transition by expanding our own renewable energy generation and introducing power purchasing agreements. Through partnerships like 20by2020, we also invest in providing renewable, reliable, and affordable energy access to off-grid communities' critical infrastructure.

SDG 8: Decent work and economic growth
We have a suite of policies to protect labour rights and promote safety across our business and supply chain. Through our start-up incubator and new Recruitment and Training Centre in Egypt, we encourage entrepreneurship and skills development in our local communities to drive economic growth and employment.



SDG 9: Industry, innovation and infrastructure
We continually increase the resilience of our infrastructure and that of our local communities. We're committed to the highest sustainable building standards and are proud to have become the first hotel portfolio in the world to be LEED Platinum certified.



SDG 10: Reduced inequalities
We promote a values-led, diverse, and inclusive culture where everyone, regardless of their differences, is treated fairly and with respect. Our commitment to diversity and inclusion applies to all our practices and policies.



SDG 11: Sustainable cities and communities
We finance, develop, and operate sustainable and resilient communities across the MENA region. We have developed an additional infrastructure framework to benefit local economies and communities where we operate, including the development of public spaces and exploring opportunities to reduce their environmental impact in areas such as waste.



SDG 12: Responsible consumption and production
We strive to lead and inspire action towards sustainable consumption and production throughout our own business, our partners, and customers and in the communities we serve. Our circular economy strategy, *Unlocking Value*, will scale up our efforts in areas such as responsible procurement, single-use plastics, food waste and sustainable fashion.



SDG 13: Climate action
We vow to uphold the highest level of climate action through our commitment to be Net Positive in carbon and water by 2040. We're investing in renewable energy sources, integrating circular economy principles and reporting against the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).



SDG 15: Life on land
Humans and nature are intrinsically linked, and we strive to protect biodiversity and natural habitats by working with specialists to ensure all new developments cause no harm to existing animals and plants.



SDG 17: Partnerships for the goals
We value the strength of collective action for sustainable development. Our multi-stakeholder partnerships including the World Economic Forum, United Nations Global Compact, and Ellen MacArthur Foundation as well as numerous regional third sector organisations, support the delivery of positive outcomes for our people, communities and planet.



OVERVIEW

DARE TODAY
CHANGE
TOMORROW

TRANSFORMING
LIVES

RETHINKING
RESOURCES

EMPOWERING
OUR PEOPLE

GOVERNANCE

LOOKING TO
THE FUTURE

PERFORMANCE

ANNEX

OUR PROGRESS

TRANSFORMING LIVES

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

OUR TRANSFORMING LIVES SUSTAINABLE BUSINESS COMMITMENTS:



LOCAL ECONOMIC DEVELOPMENT

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



LOCAL ECONOMIC DEVELOPMENT

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



CUSTOMER EXPERIENCE

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



DISRUPTIVE TECHNOLOGY

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

OUR ALIGNMENT TO THE SDGS:



Communities are the beating heart of our business. From our internal support networks to the frontline workers and employees who've stepped up to help those in need, without whom, many of our services would have failed.

At Majid Al Futtaim, we recognise the significant contribution our communities have provided over the past year, and whom we have also had a social impact on. With over 178 million customers each year across 17 countries, we want to ensure that everyone can live happily, healthily, safely and sustainably, so that we can guarantee our developments help benefit the communities that we serve.

PROMOTING LOCAL ECONOMIC DEVELOPMENT

Products sourced sustainably, ethically and locally have seen growing demand over recent years, but the COVID-19 pandemic saw supply chains around the world struggle. With cross border trade disrupted and national lockdowns limiting the movement of goods or suspending them all together, local suppliers became a vital lifeline for many goods and services. This re-emphasised that businesses and communities' livelihoods are intrinsically linked and by helping local suppliers to thrive, they in turn support and enrich our communities and the local area.

Since the opening of our first Carrefour in 1995, today we are operating 350 stores across 17 countries which make up our retail business. We have worked hard to build strong relationships with our local suppliers and communities, supporting their products and services. As a result, we have numerous agreements in place committing us to purchase and market local agricultural and fisheries products in our retail stores and this year, our commitments have never been so important.

In Iraq, local farmers were not able to send their products to the south of the country, resulting in large amounts of food waste. Carrefour Iraq stepped up to help tackle the issue by heavily promoting local products such as tomatoes and other vegetables and broadcasting videos in all stores and on social media explaining how we support and buy locally.

Working alongside Majid Al Futtaim came at a critical time when distribution channels were largely disrupted by COVID-19. I hope that through their expertise and resources, local farmers like me can continue to receive the support we need to improve our standards, ultimately enhancing our resilience and strengthening local economic development.

Salim AlMangi

Local farmer

Local Farmer working with Majid Al Futtaim – Retail

We also increased our procurement of local products which resulted in a 7% sales growth in fresh food compared to the previous year.

To take our commitment to local farmers and suppliers even further, Carrefour UAE in collaboration with the UAE Ministry of Climate Change and Environment (MOCCAE), announced a new initiative to boost the availability of locally grown produce across stores. The programme aims to open new distribution channels for more than 6,000 small and medium-sized local farmers and ensure a sustainable supply of fresh fruit and vegetables across the country.

It is vital for us to work with farmers to educate them on the standards required for our stores. This enables us to source produce from small local communities whilst maintaining our high quality of goods. At Carrefour Egypt, in partnership with USAID's "Feed the Future" project, we launched a new initiative to support small farmers in Upper Egypt. The initiative's objective was to provide the proper technical guidance on produce required to meet our high standards, and in turn enable suppliers to continue working with Majid Al Futtaim in the future. As a result of the project, we help support the livelihoods of the farmers and their families and moving forward, we are investigating methods to help them reduce their water consumption, which will improve the resilience of their operations.

COMMUNITY OUTREACH

In the midst of the pandemic, the news of the Beirut port blast and the impact on the local communities and colleagues within the country was an extremely challenging time for our business and supply chain. MAFers across the company wanted to support those in the country during this difficult period.

Joining forces with Emirates Red Crescent, we launched "Ya Beirut" in the UAE, encouraging shoppers and visitors to Majid Al Futtaim shopping malls to support the people of Lebanon by gifting all-important donations. Donation boxes were installed in 15 of our shopping malls, with a total of 2,500 bags donated which included items such as toys, books, food and electronics.

Many of our Carrefour stores also ran fundraising campaigns to ensure vital funds could be utilised by the charities on the ground, with over 168,000 AED raised. Carrefour Egypt donated 10 tons of essential food and textile items via the Egyptian Red Crescent. Carrefour Lebanon in collaboration with the Lebanese army, donated 1,000 welfare packages and distributed them to underprivileged families who were affected in North Lebanon. Finally, the Lebanese Business Council in Kuwait partnered with the Red Crescent and Carrefour Kuwait to create the Food Boxes for Lebanon initiative, a food relief solution to combat the impending food shortages that the explosion caused.

OUR PROGRESS

ADDITIONAL INFRASTRUCTURE

Additional infrastructure varies from region to region and can take many forms as it is tailored to the needs of those in the community and area that the project is based. The investment of additional infrastructure can, if done well, have a positive impact on those it serves, and also encourage further support of our business and projects.

Due to the pandemic, our ability to consult with local communities throughout 2020 was impacted; however, we are still committed to supporting and ensuring our communities have the facilities and infrastructure they need to thrive.

As a result of our work over the past two years to ensure we have clear processes in place to identify the right additional infrastructure for our projects and, thus, communities, the majority of our malls continue to benefit from our infrastructure development including flyovers and surrounding roads to ensure the comfort of the local community.

At Al Zahia, Sharjah's premier residential community destination, we have invested AED 45 million, providing a mosque, roads, an electric substation along with a greywater treatment plant that treats 90% of greywater from the local community. These installations don't just benefit the communities but also help us as we seek to achieve our Net Positive water ambition. Additionally, we created an urban farm at our Al Zahia community and plan to build a similar urban farm in Tilal Al Ghaf, our flagship mixed-use community in Dubai, in 2023. To read more about our Al Zahia urban farm, see page 23.

START UPS AND SMEs

We recognise the value that start-ups and small and medium-sized enterprises (SMEs) can create for our business through collaborations which can grow our services and solutions, and for our customers who can benefit from an enhanced customer experience. These partnerships are particularly important given the severe financial pressure that COVID-19 has placed on such businesses and entrepreneurs. We hope our efforts in this area provide relief to this vital sector which is considered the backbone of many economies where we are present.

In 2020, through our start-up incubator, we partnered with Workfam, a start-up which aims to embed a sense of belonging for employees leading to increased productivity and reduced recruitment costs. Through mentorship and guidance with Majid Al Futtaim's Sustainability and Analytics and Technology teams, MyWellness was launched on an internal application to provide wellness-related experiences to employees as well as their friends and families. Features include signing up to sponsored events, booking discounted experiences, joining sports clubs and the ability to invite colleagues to join the experiences. To date, the application has around 1,000 users in the UAE alone. In another example, we formed a partnership with Mr Usta, a leading after sale and home services start-up, who will provide customers at Carrefour, Crate & Barrel and Maisons du Monde with the option to access licensed, reliable and skilled professionals to complete after sale services. The partnership has provided vital services which customers have been particularly reliant on considering the advice to remain home amid the coronavirus pandemic in 2020.

PROVIDING LIGHT FOR COMMUNITIES' CRITICAL INFRASTRUCTURE

As a partner of the UAE's 20by2020 initiative which provides sustainability solutions and technologies to last-mile and off-grid communities, we funded two critical projects to help 6,500 people gain reliable and renewable access to energy through the installation of solar streetlights in Jordan and Egypt. In Jordan, solar streetlights were installed in and around a hospital which has been crucial for the country's COVID-19 response, improving site safety and reducing upkeep costs. In Egypt, lighting has been installed in Habisha village to improve the safety of the community, reduce traffic accidents and crime, and support social gatherings, children's education and longer operating hours for local businesses. As well as the invaluable benefits to the communities which they serve, the solar lights provide a reliable, low-cost and importantly clean source of energy, with the annual carbon savings estimated to be equal to the carbon emitted from 12 round-trip flights from Sydney, Australia to New York, USA.





SUPPORTING EDUCATION

Children are the leaders of our future and at Majid Al Futtaim, we are committed to supporting children through their education, particularly with the ongoing challenges caused by the pandemic. This is why we have run numerous campaigns across the business to help keep children learning.

Majid Al Futtaim – Retail Corporate Head Office donated 38 old laptops and desktops to Al Wasl University in Dubai to help underprivileged students in their distance learning, whilst our Al Zahia community, in partnership with Sharjah Charity International, provided 450 new electronic learning tablets to families across the emirate. We didn't stop there, in association with Samusocial NGO, Carrefour Egypt launched the second phase of the Healthy Life for a Better Future Project by offering internships to 150 adolescents (above 16 years) in our stores, to help them engage proactively in society. In Qatar, our stores raised over 5 million AED for the Education Above All Foundation's "Together" project to support vulnerable children and learners and help them access quality education in the country, which so far has impacted over 2,000 students. Lastly, in partnership with UNICEF, three Carrefour stores in Bahrain have sold 446 reusable bags with the over 38,000 AED in proceeds used to provide quality education opportunities to marginalised children.

During such a hard time for so many families, we wanted to bring back the essential bedtime story for young children, giving simple life advice through stories. To do this, we partnered with narrator Doha Khasawneh for a bedtime story on our Facebook page. The story was part of the "When I feel" book series, which acknowledges children's mental state, showing them how they can express and deal with sadness. We hope that the session, which has been viewed 45,000 times, helped children around the region learn new coping mechanisms and encouraged them to talk about their emotions as well.

5M AED

RAISED TO SUPPORT VULNERABLE CHILDREN AND LEARNERS



SPOTLIGHT ON: EMBEDDING RESPONSIBLE PROCUREMENT ACROSS THE BUSINESS

At Majid Al Futtaim, we carry out significant expenditure on goods, services, works, and capital projects. That is why we place utmost importance on positively using our purchasing power to undertake sustainable decisions in line with our company's core values, vision, and commitment towards sustainable development while delivering long-term value for money.

Sustainable procurement offers our business and those within our supply chain the opportunity to not only ensure long term support from the communities which they are a part of, but also to help build back a better, more resilient and stronger world which can withstand possible future environmental and economic challenges.

We believe that Majid Al Futtaim and our supply chain can achieve a more sustainable approach to procurement which will have lasting benefits and cater for evolving consumer preferences. As our supply chain continues to grow in both size and complexity, we also recognise that the risk of disruptions or breaches by potential suppliers is only going to increase.

To help us mitigate our business risks and drive positive change within our supply chain, we launched our Responsible Procurement Policy in 2020. This policy sets out the principles of our approach, ensuring value for money, effective supply chain management and working in partnership to maintain all relevant legal, environmental, ethical, and health and safety standards.

“ The launch of our Responsible Procurement Policy will go a long way in embedding sustainability throughout our supply chain and guide the work we do to improve our suppliers' performance. It is a continuation of the previous year's work where we identified sustainable procurement categories, tender requirements and suppliers. **”**

Sascha Claude Bender
Head of Group Procurement
Majid Al Futtaim – Global Solutions



85%
OF OUR FOOD
SUPPLIERS HAVE FOOD
WASTE POLICIES
IN PLACE

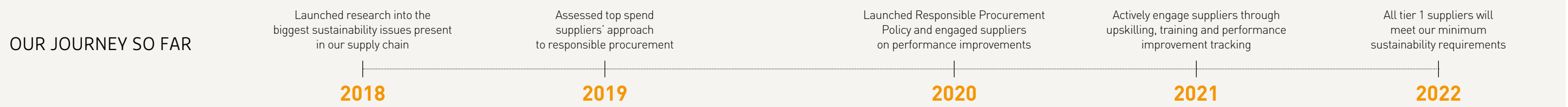
For our tier 1, 2 and 3 suppliers, the minimum sustainability standards set out within the policy are essential and we aim to work hand in hand with our suppliers to ensure these standards are met.

To do this, over the past year we have conducted over 80 supply chain surveys across 14 countries to firstly understand the baseline level of sustainability initiatives and business policies currently held by suppliers. The survey's results have helped us identify areas in which we need to work with our suppliers to raise awareness and generate positive change. Accordingly, we delivered sustainable procurement training to all tier 1 suppliers for Majid Al Futtaim – Properties to embed understanding of the requirements in our new policy, and to provide appropriate techniques and resources to support improvements to their own supply chain procedures, in line with our responsible procurement principles. The training will be rolled out across the rest of our business in 2021.

It is our goal that through these surveys, training and ongoing monitoring, we will be able to improve the supply chain standards in the Middle East and further afield, creating a positive effect on the local communities and the environment that we live in.

Our survey results so far have been positive. In Retail, we identified that 55% of our suppliers already have a policy which covers waste management and recycling, and 85% of suppliers who provide food products to the business have policies regarding food loss and waste. We also found that 49% of our suppliers source products locally and a further 20% will upon request, demonstrating that local sourcing is of great importance to the value chain.

These results demonstrate that we are on the right course, and although our supply chains still have a long way to go in embedding sustainability, we know that as we continue to engage and identify further solutions, our supply chain will also move towards a more sustainable way of working.





WE DARE TO...
rethink our use of
resources to make a
Net Positive impact

**OUR RETHINKING
RESOURCES
SUSTAINABLE
BUSINESS
COMMITMENTS:**



**NET POSITIVE
CARBON**

We will become Net Positive in carbon by 2040.



**NET WATER
POSITIVE**

We will become Net Positive in water by 2040.



**CIRCULAR
ECONOMY**

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

**OUR ALIGNMENT
TO THE SDGS:**



OUR PROGRESS

As awareness and action on addressing global environmental crises reached a pinnacle in 2019, the beginning of this decade was set to be an extraordinary year for environmental stewardship. Yet, the global pandemic which brought with it wide-spread disruption and lasting social and economic impacts, instead has symbolised 2020 as a cautionary tale of what could happen when global risks are not sufficiently planned for and mitigated against. It is now clearer than ever that we must build resilience against climate change into our business and ensure we effectively manage our environmental risks. Despite the re-allocation of our business resources to prioritise the safety, health and wellbeing of our people, how we use and manage our natural resources remained a focus of our activities.

In the MENA region, we are operating in the context of significant challenges, including above-average population growth, water scarcity, and a high susceptibility to climate risk. So, we recognise the immense urgency required to scale-up our investments, innovations and partnerships to drive efficiencies and protect our planet.

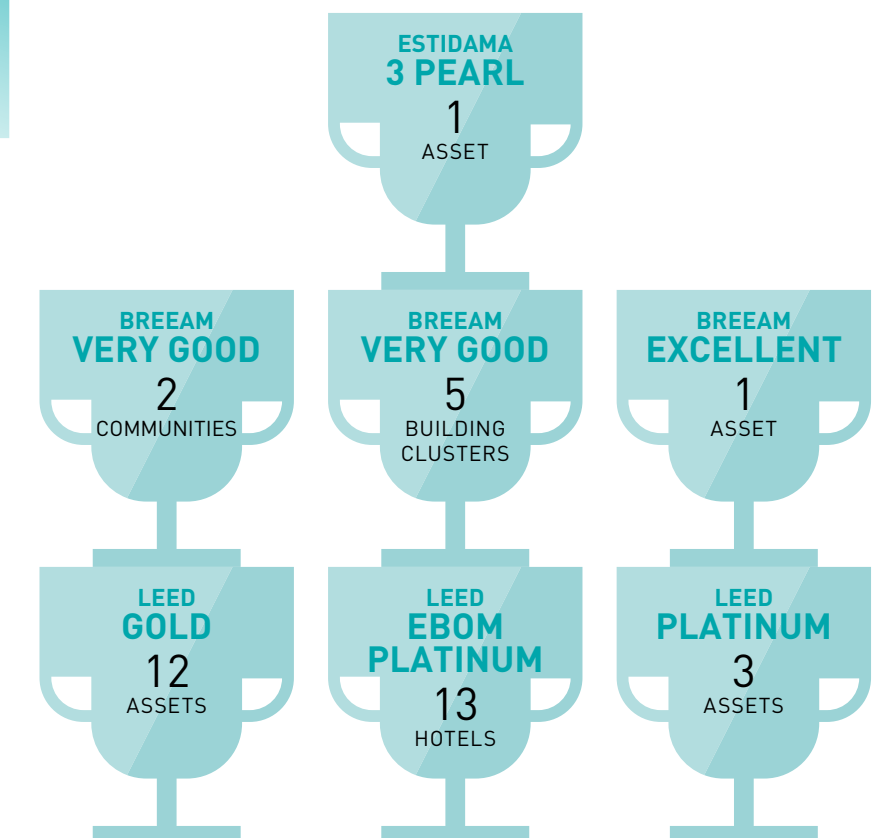
BUILDING RESILIENCE ACROSS OUR BUSINESS

As our business continues to grow, it is an imperative that we embed resilience across our portfolio of assets. Our approach to managing our material risks and opportunities to improve our environmental performance throughout the property lifecycle is governed by a set of policies such as our Sustainable Fit-Out Policy for Majid Al Futtaim – Retail and Majid Al Futtaim – Properties’ Sustainable Building Policy. The policies detail the standards which should be achieved during the design, delivery and operation of our assets to contribute to our Net Positive and circular economy commitments. They also set expectations regarding external sustainability certifications of which 35 of our buildings hold a LEED, BREEAM or equivalent certification and 12 are currently in the process of being certified. Our continuous efforts to develop and operate sustainable buildings led our 13-property hotel portfolio to become the only portfolio in the world to receive LEED Platinum certification.

Transitioning our operations to renewable energy is an important step in decarbonising our business, reducing our energy costs, and securing supply. During 2020, our shopping malls, communities and retail assets generated nearly 17 million kWh of renewable energy, with 63% generated by our shopping malls.

“Our achievement of becoming the first hotel portfolio in the world to achieve LEED Platinum certification is testament to our commitment to best-in-class building standards. Majid Al Futtaim Hotels are designed and managed to positively contribute to the protection of the environment and wellbeing of their surrounding communities.”

Khalifa Bin Braik
Managing Director
Majid Al Futtaim – Hotels
Majid Al Futtaim – Properties



OVERVIEW
DARE TODAY, CHANGE TOMORROW
TRANSFORMING LIVES
RETHINKING RESOURCES
EMPOWERING OUR PEOPLE
GOVERNANCE
LOOKING TO THE FUTURE
PERFORMANCE
ANNEX

OUR PROGRESS

Following on from our research on water investment opportunities in the MENA region, we identified key priority interventions. Essential amongst these was developing a detailed understanding of how water offsetting could be applied in practice. Given the resources available in the region, exploring a responsible and reliable approach to water offsetting that could be applied throughout our supply chain was a necessary, anticipatory step.

We have taken steps to understand the climate-related risks most material to our portfolio as we prepare to integrate these risks into our strategic decision-making. We undertook a portfolio climate risk modelling exercise across all our assets and tenant sites to identify the impacts of climate-related risks and opportunities on our portfolio and enhance our risk management procedures.

To embed the consideration and subsequent management of these risks in practice, we have developed a climate risk tool which supports our understanding and consideration of physical and transitional risks for each stage of the property lifecycle, from development and operations. Employees have received training on climate-related risks and the use of the tool and are expected to utilise this tool to support awareness in their roles. In 2021, we are undertaking a business-level risk assessment to identify the climate-related risks most material to our business, supporting a greater understanding of the impacts of these risks and to inform targeted investment and risk management action. This assessment as well as the portfolio modelling are vital steps we have taken to inform our first response to the Task Force on Climate-related Financial Disclosures (TCFD) this year, which can be found on page 35 of this report.



REGION'S FIRST CARBON-NEUTRAL DRIVE-IN CINEMA

In collaboration with the UAE Ministry of Climate Change and Environment, we marked World Environment Day in 2020 by hosting 100 movie enthusiasts in their Tesla electric cars at the MENA region's first carbon-neutral drive-in cinema on the rooftop of Mall of the Emirates. Our ongoing partnership with Dubai Carbon Centre of Excellence ensures that all screenings held at the VOX Cinemas' Drive-In are carbon neutral by reducing avoidable carbon emissions and offsetting those remaining.



IN THE FIRST THREE MONTHS, THE PARTNERSHIP HAS OFFSET
19.32 tCO₂e
FOR A TOTAL OF 1,400 CARS



30
VARIETIES OF VEGETABLES PRODUCED ON-SITE FOR OUR COMMUNITY

AL ZAHIA'S ORGANIC URBAN FARM

Our food system, from agriculture through to packaging and waste management, has a huge impact on our planet with one study stating it is responsible for a third of all greenhouse gas emissions associated with human activities in 2015¹. This is to say nothing of the significant strain it places on our natural resources like water and land, including the widespread destruction of ecosystems and continuing biodiversity loss.

We have been exploring opportunities to reduce the environmental footprint of agriculture through initiatives such as our region's first retail hydroponic farms. This year, we replicated the success in our Al Zahia community with the opening of an organic urban farm. Through regenerative farming techniques, we use organic waste from our Carrefour supermarkets to actively improve the health of the soil that leads to several benefits such as higher carbon emission absorption and produce resilience. We are also looking into sourcing organic waste from our residents in the future to encourage more circular principles.

The farm produces herbs, including basil and rosemary as well as 30 varieties of vegetables for our community. This serves as an education opportunity as well, encouraging residents to lead healthier lives and connecting them with nature, which is shown to have a positive impact on wellness². By farming the produce on site, we also avoid the emissions associated with parts of the food system, including emissions from food loss at the farm level to food waste in supermarkets.

1. <https://www.nature.com/articles/s43016-021-00225-9>
2. <https://www.weforum.org/agenda/2020/09/urban-farming-flourish-post-pandemic>

OUR PROGRESS

NET POSITIVE

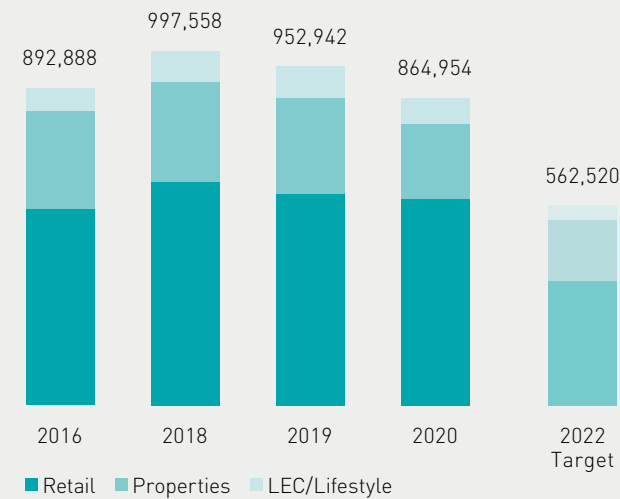
As governments, business, and society commit to reducing their negative impact on our planet, at Majid Al Futtaim, we want our Sustainable Business Commitments to reflect our desire to leave the world in a better condition than we found it. So, in 2017 we committed to become Net Positive in carbon and water across our Company by 2040.

Net Positive means more than just doing no harm, it is a pledge to do more good for the environment than damage and, in this case, take more carbon out of the atmosphere than we emit and ensure we create more clean water than we use. In practice, we will minimise the emissions created by our operations, increase the renewable energy supply using a combination of on-site generation and off-site purchasing, and offset any residual carbon that we cannot remove, ensuring that we save more carbon than we produce. We will optimise the efficiency of our water use and seek to maximise opportunities to source and manage it sustainably, including the evaluation of the use of treated wastewater. We will also pursue water offsetting options for the emissions we are not able to mitigate whilst recognising that water use cannot be reduced to zero in the same way that carbon use can.

The charts on the following page reflect the progress we have made to date. Our Company-wide operational carbon emissions have decreased by 9.2% alongside a 17.5% reduction in water consumption, against 2019. As anticipated, the temporary closure of some of our assets due to the global pandemic had a significant impact on our environmental performance, which has only strengthened our commitment to ramp up our efforts to reduce our impact.

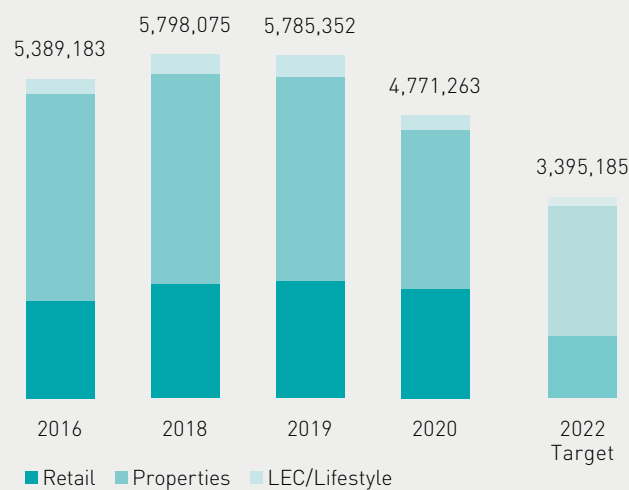
We will continue to invest in the critical tools and infrastructure, including renewable energy and water efficiency and reuse technology, that will help us realise our first carbon and water reduction targets in 2022 and the eventual achievement of our 2040 Net Positive commitment.

CARBON EMISSIONS (TONNES OF CO₂e)



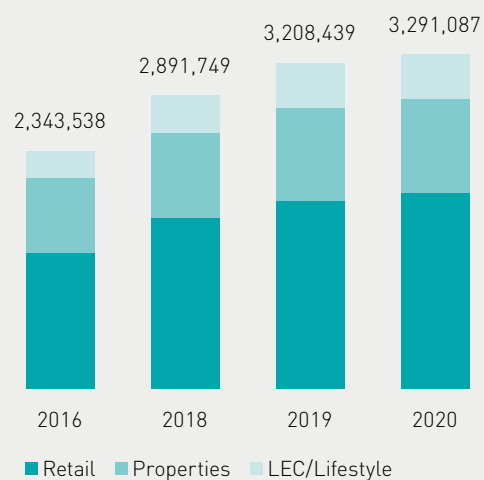
Majid Al Futtaim's carbon footprint has decreased 9.2% and 3.1% in 2020, against 2019 and 2016's baseline respectively. This is due to increased efficiencies across the portfolio and also due to closures and reduced operations because of the pandemic. Whilst we continued to explore and encourage the adoption of renewable energy sources across the business, our emissions reduction has not yet benefited from this as these initiatives are not in full operation.

WATER USE (M³)



The impact of COVID-19 coupled with our continuous efforts towards the wider implementation of water efficiency measures, including TSE initiatives across our portfolio, have been critical towards a stable decrease trend in water usage across the company, leading to a 17.5% and 11% decrease against 2019 and 2016 respectively.

FLOOR AREA (M²)



Despite the challenges brought by COVID-19, Majid Al Futtaim expanded its operations with a new market entry and core business growth, including the opening of Majid Al Futtaim – Retail's first store in Uzbekistan, 48 new hypermarkets and supermarkets across the region, and expansion in KSA with the opening of 42 new cinema screens. This has resulted in a 40% increase in floor area across the Company against a 2016 baseline.

CARBON EMISSIONS

Whereas our previous focus has been primarily on addressing operational carbon emissions, in 2020, we created an assessment tool to calculate the embodied carbon in our developments during the construction stages. We know that these embodied carbon emissions are a significant source of carbon emissions in the lifecycle of our buildings. This tool enables us to measure, monitor and manage our emissions, which is evidenced through our My City Centre Masdar study where we achieved a 21% reduction in embodied carbon for major materials, a 114kg CO₂e/m² saving which is equivalent to CO₂ emissions of 1,220 flights from Dubai to New York on an A380. Moving forward, the tool is an important step in helping us understand the whole lifecycle impact of our buildings.

We were one of the first three signatories to the World Green Building Council's Net Zero Carbon Buildings Commitment that states buildings must be net zero carbon in operation by 2050. As part of this, we completed the 2020 Reporting Form that details the progress we are making against our commitment. It is of great importance to us that we demonstrate transparency and disclose progress against our ambitions.

As we strengthen our support to the global agenda, we are also exploring Majid Al Futtaim's options for setting Science Based Targets (SBTs), which will ensure our emissions-reduction targets are aligned with the latest science on what is needed to reach the goals of the Paris Climate Agreement.

WATER AND CARBON OFFSETTING

Water is an incredible challenge for our region. We have worked to ensure that opportunities for optimising water efficiency are pursued. We recognise that it will be challenging to achieve water neutrality by efficiency and alternative sources alone. Therefore, we focused on developing a strong understanding of water offsetting practice and the options for us to implement such practices throughout our supply chain including increasing water efficiency by financing or installing water saving technology, such as drop irrigation. As a result, we have developed a water offsetting strategy to address residual water consumption as we achieve our Net Positive water ambitions.

Our pursuit of offsetting options has not been confined solely to water. In 2020, we developed our carbon offsetting strategy through which we will manage the residual carbon emissions that we are not able to reduce by 2040. Carbon offsetting is a considerably more advanced field than water offsetting and so we have already been able to identify not only the best practices, but also potential suppliers and indicative prices as part of this strategy.

Data has been restated compared to previous years as more complete and accurate data is available.

SPOTLIGHT ON: CREATING OUR CIRCULAR ECONOMY

The launch of our circular economy strategy, *Unlocking Value*, was an important milestone in our *Dare Today, Change Tomorrow* journey in 2020. The strategy formalises our commitment and approach to embed circularity firmly into our business model by 2030 and defines a roadmap to integrate lifecycle thinking into all business planning and decision-making. *Unlocking Value* is underpinned by five key pillars which are: understanding our organisational resource flows to reduce waste; implementing internal systems to maximise the value of resources; supporting our supply chain to progress towards circularity; engaging with our customers to help them make circular choices; and supporting research and innovation to accelerate the global transition to a circular economy. Through these activities, we aim to harness the estimated 16.5 trillion AED in economic output the circular economy could generate by 2030³ as well as future proof our business against risks associated with the exploitation of natural resources.

UNLOCKING VALUE IS UNDERPINNED BY FIVE KEY PILLARS



LAUNCHED
OUR CIRCULAR
ECONOMY STRATEGY,
**UNLOCKING
VALUE**



**581,221 KG
OF CO₂**
AVOIDED THROUGH
INCREASED
RECYCLING AT
CARREFOUR KENYA

Despite what was a challenging year, we are on track to meet the milestones laid out in our roadmap. This year, we signed up to the CE100 initiative, a programme created by the Ellen MacArthur Foundation, which brings together leading organisations with the objective of innovating, developing and implementing circular economy opportunities. We also forged partnerships with organisations who can support us in effectively maximising the value of our waste. For example, since the start of 2020, Carrefour Kenya has been working with a local partner to recycle paper, plastic, metal and organic waste. As a result, 92% of their operational waste is now being recycled and over the year has offset 581,221 kg of CO₂ emissions, equivalent to saving a forest area the size of 810 football pitches. Carrefour Georgia has taken on a unique partnership with the Caucasus Bears farm to provide their bears with older fruit and vegetables which can no longer be sold in store. In another example, Carrefour Jordan collaborated with the Royal Marine Conservation Society and the United Nations Development Programme to install the first of two reverse vending machines for plastic, glass and metal bottles at the Aqaba Provenance public beaches. This initiative is unique in that it incentivises visitors to recycle their bottles by providing a MyClub loyalty point for every bottle saved. 500 bottles were recycled during the first two weeks, and owing to the success of the initiative, four additional reverse vending machines will be installed across Amman.

At a strategic level, we have undertaken a review of the extent to which circular economy principles are embedded into our goods' supply chain. Based on this, we will provide training and opportunities to our suppliers for closing the loop throughout our supply chain. We have also started to measure our sources of waste to identify opportunities for improved measurement and reduced waste generation. We hope to be able to systematically scale up this work.

On a smaller scale, simple collective actions can make a big impact and we are continuing to roll-out our Single-Use Plastics Phase-out Policy across the business by 2025. Carrefour Uzbekistan is the first retail store in the country to introduce and transition to eco bags, paper and reusable bags over plastics. With the rise of online grocery shopping, Carrefour Bahrain made the decision to deliver all orders made through the Carrefour app in reusable bags at no additional cost. In addition, Food Central which was launched with the redevelopment of City Centre Deira, utilises reusable dinnerware and cutlery over their disposable counterparts and has implemented a system whereby tenants receive points based on the weight of their waste which can be exchanged for staff rewards. These initiatives not only contribute towards our 2025 goal but help our customers and tenants make more sustainable choices.

3. <https://newsroom.accenture.com/news/the-circular-economy-could-unlock-4-5-trillion-of-economic-growth-finds-new-book-by-accenture.htm>

EMPOWERING OUR PEOPLE

WE DARE TO...
empower our people to
unlock their full potential

OUR EMPOWERING OUR PEOPLE SUSTAINABLE BUSINESS COMMITMENTS:



HEALTHY WORKPLACES

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



ATTRACTING & RETAINING TALENT

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



TRAINING & DEVELOPMENT

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



HUMAN RIGHTS & EMPLOYMENT CONDITIONS

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

OUR ALIGNMENT TO THE SDGS:



OUR PROGRESS

The COVID-19 pandemic reinforced the trend towards a people-centric culture as supporting employees and staying connected became even more important during 2020 amid unprecedented levels of uncertainty and disruption. With an increasingly mobile workforce, businesses have been operating in a competitive space when it comes to attracting and retaining talent and as a result, are striving for a workplace culture which places employees first and foremost to enhance the employee experience. This year, our main priority was the wellness and safety of our employees whether they were working remotely or continuing to work at our assets to provide vital products and services for our communities. We are inspired by their agility and resilience during this time and we are committed to continually adapt and evolve our policies and practices in line with our employees' needs and expectations.

FOSTERING A WORKPLACE FOR ALL

With over 43,000 employees representing more than 110 nationalities, we see diversity of all varieties as an advantage that brings together a difference of ideas, perspectives and experiences which supports our growth, innovation and creativity. Through our practices and policies, we foster a values-led, diverse and inclusive culture where all colleagues, regardless of their differences, are treated fairly and with respect. We do not tolerate harassment or discrimination of any kind and our Code of Conduct, which all employees are required to sign annually, sets out the behaviour and expectations of all our people. In 2020, we strengthened our approach through the development of our Diversity and Inclusion Policy which defines our commitment to reinforcing these values for our employees as well as in our workplace and communities. The governance of our policy is supported by the Diversity and Inclusion Steering Committee and Task Force, made up of representatives from each Operating Company and the Leadership team, who have already been instrumental in enhancing our inclusive culture, for example, by introducing nursing rooms and recruiting people of determination.

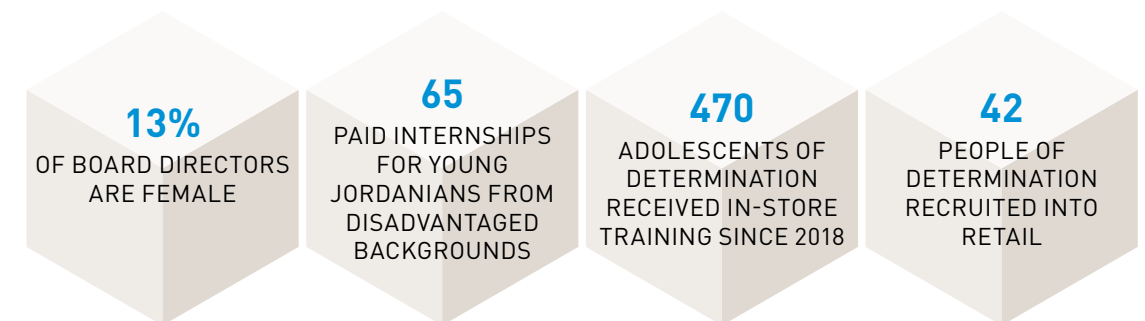
LAUNCHED
DIVERSITY AND INCLUSION
POLICY



We also strive to foster a transparent and supportive culture across the business and employees are encouraged to report anything they see or hear which seems unethical or out of step with our policies and code of conduct using our Ethics hotline, a confidential telephone line which is available 24/7. To read more about how employees can report their concerns, see our 'Health, Safety and Human Rights' section.

The work we do to create equal opportunities for people of determination is a key priority at Majid Al Futtaim. We joined the MENA region's first People of Determination Advisory Panel comprised of a wide range of members including the UAE Ministry of Community Development, Dubai Municipality and Sharjah City for Humanitarian Services, independent experts, and customer representatives who are people of determination or parents of children of determination. Our role in this panel allows us to contribute further to the UAE Government's efforts to make society more inclusive and work with our stakeholders to improve our services, ensuring they are accessible for all members of the community. In addition, we seek to increase the representation of people of determination in our business and this year, we recruited 42 employees across various positions from cashiers to customer service officers, resulting in an overall increase of over 20% in our Carrefour stores. Initiatives which help to prepare adolescents of determination for the workplace environment are important for achieving this aim.

WE SUPPORT OUR PEOPLE IN TAKING THE NEXT STEP IN THEIR CAREERS



OUR PROGRESS

Carrefour Egypt's "Know me, Accept Me" partnership with the Sawiris Foundation for Social Development and SETI Center-Caritas Egypt, provided in-store training for 22 adolescents of determination in 2020, totalling 470 trainees over the past three years which demonstrates the programmes' reach and impact.

As a growing business, we provide opportunities for future generations and increase their readiness for the work environment. Young people often bring new ideas and a fresh perspective, and we value their contribution for ensuring that our company grows in line with their needs. However, personal circumstances and barriers into the workplace too often result in a lack of opportunities. In 2020, Carrefour Jordan together with the National Coalition Against Hunger and Malnutrition (NAJMAH), provided 65 six-month paid internships for young Jordanians from disadvantaged backgrounds, conducting on-the-job training to assist them in building their careers. Once the training is complete, all trainees will be offered the opportunity to become an employee and begin their careers at Majid Al Futtaim.

We also want to improve the representation of women in the workplace, with women currently occupying 12.5% of all board director positions in 2020. We want to cascade this same philosophy throughout all levels of the business and one of our targeted activities this year was the Dubai Women program at Hilton Garden Inn Mall of the Emirates where we provided two eight-week internships for women specialising in technology. For example, one intern was provided practical experience in our IT department, furthering their work experience and strengthening their skills and confidence for their future career.

LEARNING AND DEVELOPMENT

Our comprehensive training program and dedicated Leadership Institute provides best in class career development opportunities for all employees at Majid Al Futtaim and ensures they have the skills necessary to grow and adapt in today's dynamic work environment. All our Operating Companies are committed to embedding sustainability into their attraction, retention and development programmes and this has been a key activity during 2020.

We launched our sustainability e-learning module to over 9,250 of our office-based employees across 17 countries. We also developed sustainability training specifically for our frontline staff who are the first point of contact for our customers and play a critical role in the delivery of our *Dare Today, Change Tomorrow* strategy by identifying on-the-ground initiatives and embodying our brand. The training, which will be delivered in 2021, educates employees on our sustainability strategy and shares ways in which they can embed sustainability thinking and actions into their daily activities both at work and at home. We also launched a MAFers-led internal Sustainability Knowledge Sharing Series which covered topics ranging from green buildings to redefining health and safety during the pandemic. As well as presenting insights on a specific topic,

“Continuous learning is central to our approach for attracting, developing and retaining talent. We're committed to providing learning opportunities that both equip our employees with the skills of the future, and help them grow as leaders.”

Dr. Regis Chasse
Dean of the Leadership Institute
Majid Al Futtaim – Holding

the monthly webinar sessions sought to provide employees with a platform to share their experiences and learnings from their sustainability journey. Lastly, we are looking forward to the opening of the Almaza Recruitment and Training Centre in Egypt in 2021, where the local population will have access to inclusive recruitment and training, empowering people with the technical and employability skills needed to establish their careers in retail and hospitality.

An appreciation for the contribution each employee makes to the business is important for maintaining engagement levels and encouraging new ideas and better ways of working. The SWITCH program which took place in 2020 at our Kempinski Hotel Mall of the Emirates provided an opportunity for 16 team members to 'switch' places, with managers stepping into the shoes of their team and vice versa. The program offers the opportunity to understand the bigger picture from a different perspective, encourages the transfer of knowledge, skill creation and development as well as networking, creativity and innovation. The program was successful in that four of the participants developed critical management skills which led to their subsequent promotion to managerial positions.

As many of our leisure and hospitality assets were closed during the height of the coronavirus pandemic, we implemented a large-scale redeployment programme. We reskilled over 1,000 of our leisure, entertainment and cinema employees across five countries by providing practical and health and safety training so they could effectively support the increased demand in our Carrefour business as well as retrain and explore new experiences. As we adapt to meet evolving trends and challenges, reskilling and upskilling will become increasingly important to ensure our employees remain competitive, and this programme is evidence of our ability to respond quickly to unforeseen risks and opportunities.



300,000
HOURS OF HEALTH
AND SAFETY
TRAINING DELIVERED

HEALTH, SAFETY AND HUMAN RIGHTS

Safeguarding the health, safety and human rights of our employees is essential and was our primary focus in 2020 amid COVID-19 (see 'Supporting MAFers through challenging times'). We are committed to upholding the highest standards and support the principles in the Universal Declaration of Human Rights. By embedding values of integrity and ethical behaviour, we encourage a culture of openness, honesty and accountability.

Central to our approach is our Employment Conditions Policy, aligned to international best practice standards, which ensures the protection and enhancement of labour standards including wages and benefits, working hours, annual leave, basic employee rights, women's rights, child labour, health and safety, employee accommodation and education. As well as applying these standards to our own workforce, we expect our direct suppliers (tier 1) and contractors to do the same. We conduct regular health and safety checks, overseen by our Employment Conditions Committee, to monitor compliance against the standards. Suppliers or contractors found to be in violation could face contract termination and exclusion from future tendering processes.

We further prevent non-compliant behaviour by encouraging employees to speak up when they see or hear something that appears to contradict our values and ethics. Employees can report their concerns using several channels including our Ethics Hotline or by speaking to a manager, member of the Ethics Panel or Chief Compliance Officer. All reports are treated with the utmost confidentiality and the Ethics Panel present in each one of our Operating Companies is responsible for managing all instances of non-compliance and overseeing any subsequent actions.

22
HEALTH AND
SAFETY AUDITS ON
CONSTRUCTION
PROJECTS

95%
OF PROJECTS
ACHIEVED AN AUDIT
SCORE OF ≥ 90%

12
WORKERS'
ACCOMMODATION
AUDITS, WITH
SEVERAL SCORING
100%

SPOTLIGHT ON: SUPPORTING MAFERS THROUGH CHALLENGING TIMES

This year has been an extraordinary time for our employees who have experienced unprecedented levels of disruption and stress, both personally and professionally. The COVID-19 pandemic has brought with it a unique set of challenges, testing our ability to stay connected and prioritise our wellbeing above all else. At Majid Al Futtaim, we have recognised more than ever the important role we play in cultivating wellness amongst our people.

2020 required a transformative approach as we sought to promote wellness amongst employees from the safety of their own homes. We delivered training sessions through virtual webinars, for example, on how to cope with anxiety amid COVID-19. In partnership with Heartist and T&C, one session with over 150 attendees explored the underlying reasons for coronavirus anxiety and how to utilise practical and evidence-based techniques to manage these feelings effectively. We also transitioned our annual Wellness Week to a solely virtual event, which despite being a challenge, provided an opportunity to reach an even greater audience. Engaging over 20,000 employees, sessions included mental health 'LapTalks'; private sessions with doctors, dermatologists, psychiatrists and financial advisors; classes on mindfulness and healthy cooking; webinars on financial wellness; and company-wide workshops on first aid and workplace incident reporting.

We placed a particular emphasis on financial as well as physical health given the stay-at-home orders and so employees were able to enjoy virtual yoga sessions with Lululemon, live workout sessions and took part in our '1 million calorie burn' challenge. To continually improve our approach and evolve our offering in line with our employees' needs, we conduct an annual Healthy Workplace survey. This year, 668 respondents provided valuable insight into their top priorities of a healthy diet, being financially stable and ensuring they get enough sleep each night. Interestingly, 49% of our employees said that mental wellbeing was more important than their physical and financial health. Ensuring we continue to support our employees' mental wellbeing will remain a key priority moving forwards.

We have been inspired by the resilience of our employees throughout the pandemic, and ensuring their health and safety was of the utmost importance. Our efforts are underpinned by our Occupational Health and Safety Policy which defines our commitment to eliminating hazards, mitigating health and safety risks, and raising awareness among employees, contractors and all stakeholders who may be affected by our activities. Despite the high levels of remote working, a significant number of our employees still went to work to support our communities and ensure the seamless running of our operations.



“Despite the challenges of COVID-19, we've come together as a community and shown what is possible when we act with empathy and support one another.”

Dennis Balogh
Health and Safety Senior Manager
Majid Al Futtaim – Properties

We implemented social distancing and safety precautionary measures in line with Government guidelines including a mandatory mask requirement, gloves, social distancing, temperature checks when entering and exiting the stores for both employees and merchandisers, the continuous cleaning and sanitisation of all stores, and signage to spread awareness and influence safe behaviours. In all UAE Hypermarkets, we also created sanitisation tunnels, which kill 99.9% of viruses by spraying the user with disinfectant and sanitiser. In some instances, we also provided accommodation and food to our contractors such as security and housekeeping staff to limit the spread of the virus. At our projects in development and employee accommodation, similar prevention and control measures were implemented including updated emergency preparedness and response plans, talks on COVID-19 by nurses, random temperature checks, hand sanitising stations at key touchpoints, and increased cleaning of common facilities such as buses and dining rooms. Ensuring our employees felt appreciated was also a key focus and we provided 4,000 workers across the UAE in our operations and building departments with goodie bags as part of our We've Got Your Back Ramadan campaign including reusable water bottles and bags as well as essentials such as towels, shower gel and toothpaste.

SUSTAINABILITY GOVERNANCE

Behind our sustainability strategy, *Dare Today, Change Tomorrow*, is a clear structure of accountability that ensures we continue to drive change across the business and reach our targets and future goals.

The integration of sustainability into the core of what we do has only been possible through open discussion and a clear culture shift. This has created a deep understanding across the business about what is required for us to remain successful and relevant in a world which is rapidly changing. As a result, we now have 15 employees solely dedicated to sustainability through their full-time role as well as sustainability champions, who help us to drive change into our business units across our countries of operation.

For senior management, sustainability is included on the agenda in business meetings and board reports to allow for discussion of the topic as well as performance progress at all levels. Only through embedding sustainability into the core of our daily operations, business meetings and reporting will it be a priority and help us achieve significant impact.

Our Company-wide culture of transparency and accountability has led the Chief Executive Officers of each Operating Company to set sustainability targets for themselves, to ensure the strategy is being driven from the highest level of our business. This will help us achieve our Sustainable Business Commitments and realise our longer-term sustainability vision to create a way of life for a positive future.

Progress against our sustainability strategy is reviewed by the Board and our Chief Executive Officer and overseen by our Chief Sustainability Officer and the corporate sustainability team. This team has facilitated the creation of sustainability action plans in consultation with the Operating Companies which outline the actions each area of the business is required to undertake for us to achieve our *Dare Today, Change Tomorrow* ambitions.

The corporate sustainability team continues to support the implementation of the action plans along with each Operating Company's dedicated Sustainability Managers. Each Operating Company's Sustainability Manager tracks our sustainability targets and actions on a quarterly basis to ensure that progress is being measured and managed, enabling any issues to be highlighted as early as possible. Progress against our sustainability targets is also tracked quarterly and audited on an annual basis by a third-party auditor.

Our sustainability targets, as well as our environmental data for Majid Al Futtaim – Properties' Green Sukuk portfolio for 2020 will be fully assured by a third-party auditor, enhancing the credibility of our work and demonstrating the commitment the business has to our sustainability agenda. Each year, we report on Majid Al Futtaim's performance against our sustainability

commitments and targets to show our progress to our stakeholders. Please refer to the Assurance statement on page 40 and our 2020 target progress on page 41 of this report.

GOVERNANCE IN ACTION

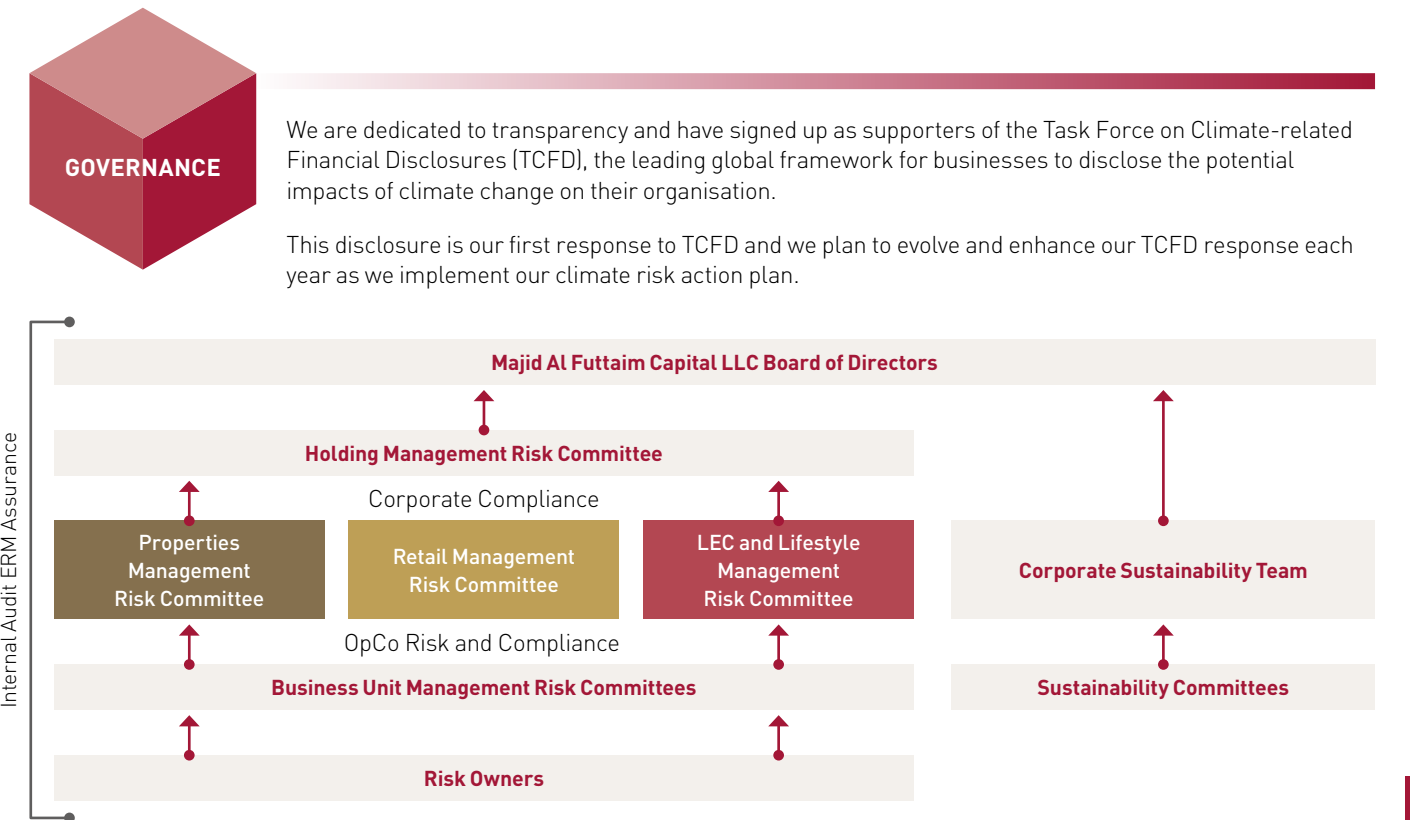
Alongside our strategy, we have a suite of policies and procedures in line with global best practice, which are reviewed and updated on an annual basis. With 2020 seeing the launch of our Responsible Procurement, Environmental Management System, Sustainable Building, Health and Safety, and Diversity and Inclusion policies, we can further translate our strategy into achievable and measurable actions and reflect the requirements of our stakeholders.

We recognise that the countries we operate in can present challenges related to bribery and corruption due to political conditions or a lack of good corporate governance. Given this risk to our business, we pride ourselves in upholding the highest standards of ethics with each other, our customers, business partners, government, and society. As well as our Code of Conduct which sets out our commitment to complying with the highest standards and laws governing antibribery and corruption, we have implemented a robust risk management framework. For example, each Majid Al Futtaim business utilises a risk register to assess the quality of governance in each country and the risk that employees may be exposed to corrupt behaviour. Where risk is identified, we assess our strategy for managing the risk and, where necessary, take action to improve procedures and protocols. As well as conducting regular audits, we have established a fully independent Ethics hotline (more information can be found on p.31) and an Ethics Panel who are responsible for ensuring that all reports of alleged misconduct are promptly and thoroughly substantiated, handled in line with the criticality level, and initiating independent investigations.

As a further demonstration of our commitment to corporate governance, we became a founding partner of the Pearl Initiative in 2012, a leading independent and non-profit organisation working to improve corporate accountability and transparency in the Gulf Region. The Initiative has a strategic partnership with the United Nations Global Compact to collaborate on programmes and we actively contribute through roundtable discussions and thought leadership to help improve the policies and actions of other organisations to mitigate the risk of corrupt practice in GCC markets.

RESPONDING TO THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

We are committed to operating as a leading sustainable business and we understand the importance of demonstrating to our stakeholders the steps we are taking to identify and manage climate-related risks.



BOARD OVERSIGHT OF CLIMATE-RELATED RISKS AND ISSUES

We have an extensive track record of sustainability leadership and climate action, and we recognise its importance to our business performance and resilience. Our Board has oversight of progress of our sustainability strategy, *Dare Today, Change Tomorrow*, including our Sustainable Business Commitments and environmental targets, through sustainability updates that are included in all quarterly Board meetings. Decisions on investment, capital expenditure and other climate-related commitments are raised by our Chief Sustainability Officer to the Board for approval.

Our Board has ongoing oversight of climate-related risks through our established Enterprise Risk Management (ERM) Framework (see chart above). Our Corporate Compliance team is responsible for developing a Combined Risk Report, which features the top enterprise risks that require executive and Board oversight. The Combined Risk Report is presented to and reviewed by the Holding Management Risk Committee and, ultimately, the Board and is used to guide strategic and risk management decision-making. Sustainability and climate-related risks are fully integrated into our overall risk management and escalated via the ERM Framework as required.

MANAGEMENT'S ROLE IN ASSESSING AND MANAGING RISKS AND OPPORTUNITIES

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

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

RESPONDING TO THE TASK FORCE ON CLIMATE RELATED FINANCIAL DISCLOSURES

STRATEGY

UNDERSTANDING THE IMPACTS TO OUR BUSINESS

We have taken steps to understand how climate-related risks may impact our business over the long term. As part of our climate risk assessment process we used scenario analysis to conduct a business-level risk assessment. We assessed how climate-related risks will impact our business and strategy, and whether the governance structures we have in place are sufficient to monitor and manage the risks we have identified. For the scenario analysis we used the RCP 4.5 and RCP 8.5 scenarios, in line with the recommendations of TCFD. RCP 4.5 considers a scenario aligned with the Paris Agreement to keep average global temperatures below 2°C of warming, while RCP 8.5 is a high emissions scenario where policy action is insufficient to limit warming, resulting in increased physical risk.

UNDERSTANDING THE IMPACTS TO OUR PORTFOLIO

We have conducted quantitative portfolio climate risk modelling of our entire portfolio, where we modelled physical and transitional climate risks, and opportunities, in the RCP 4.5 and RCP 8.5 scenarios. We quantified financial Value-at-Risk figures for our portfolio between now and 2100, which were incorporated into our business level assessment of risk. Together, this two-part risk assessment has given us a clear picture of the potential impacts of climate-related risks to our assets, total portfolio and to our Operating Companies' strategies, and highlighted priority areas for focused investment and risk management action.

RISKS IDENTIFIED OVER THE SHORT, MEDIUM AND LONG TERM

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

OUR OPPORTUNITIES

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

SHORT TERM – BETWEEN NOW AND 2030

Increased energy and carbon cost – seasonal pattern shifts, temperature extremes, water scarcity and regulatory pressure could all increase the cost of energy and carbon emissions, while presenting an opportunity if we are energy efficient and powered by renewables.

Increase in renewables as fossil fuels phase out – early action to invest in renewable energy is a key component of achieving our Net Positive Carbon commitment and meeting the increasing demand for renewably-supplied energy.

MEDIUM TERM – 2030-2050

Water stress and drought – climate change may place stress on water resources, which are already under pressure in our region. Water efficiency is vital to meeting our Net Positive Water commitment.

Insurance challenges – climate-related risks may impact our ability to secure appropriate, affordable insurance for our assets.

LONG TERM – 2050-2100

Climate-related litigation – climate-related litigation cases may be raised against businesses that do not demonstrate proactive action to manage climate-related risks.

Coastal flooding – coastal flooding risk is a long-term risk for many coastal areas worldwide and our region. The private sector and governments in the region must collaborate to invest in regional flood defence measures to ensure the region remains resilient over the long term.

BUILDING RESILIENCE

We have enhanced our business resilience by proactively seeking to identify, understand and take action on climate-related risks, and by integrating climate-related issues into our core business strategy. We are incorporating the results of our climate-related risk assessment process into our business and financial planning and strategic decision-making processes, and we are constantly enhancing our processes to ensure they align with our sustainability ambitions. Every function of our business plays a role in achieving our sustainability and Net Positive ambitions and is invested in doing so. Some of the key ways in which we are building resilience into our strategy are detailed below:

- We are diversifying our strategy and placing a greater focus on providing leading customer experience through digital strategies. Moving away from purely focusing on real estate assets will support our resilience to climate-related risks and secure broader, more resilient revenue streams.
- The achievement of our Net Positive Carbon and Water commitments will ensure resilience to several climate-related risks, including increased energy and carbon cost, increased uptake of renewables, water stress and drought, temperature extremes and heat stress. Achievement of our Net Positive Carbon commitment will support our resilience to the transition to a lower-carbon economy, including risks described by the RCP 4.5 scenario.
- We have refreshed our Responsible Procurement Policy and are working with our key suppliers to ensure they are operating in a sustainable way, helping to support our resilience to climate-related supply chain risks.
- We recognise that, in order to support regional resilience, we must work closely with governments, NGOs, financial institutions and local communities. Over the next year we aim to actively engage with these parties and stimulate discourse that will increase awareness and climate action in the region.

RISK MANAGEMENT

RISK IDENTIFICATION, ASSESSMENT AND MANAGEMENT

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

The portfolio modelling identified financial Value-at-Risk figures for each risk, providing a quantifiable way for us to prioritise risks over each other and to consider the positioning of our entire portfolio. The business level assessment assessed the impact and likelihood of each climate-related risk, taking into consideration the quantitative portfolio Value-at-Risk results and potential financial implications to operating costs, revenue, capital expenditures, capital allocation, acquisitions or divestments, and access to capital.

To manage these risks, we have in place several policies and processes that ensure the optimal sustainability performance of our new and operational buildings. For our operations and developments, our Sustainable Building Policy and Design Standards include minimum sustainability standards and climate-related requirements to ensure achievement of our targets (please see page 41). We have also developed a climate change adaptation tool that allows for the consideration of climate risks prior to development and design. To further enhance our resilience, this climate risk assessment process has provided key insights that will enable us to prioritise investment and enhance our governance, risk management processes and policies. We have identified several risk management actions for our governance of climate-related risks, as well as detailed, risk-specific mitigation and adaptation actions. We are working to prioritise these into an action plan that we will implement in the coming years as our 'roadmap to resilience'. We will be able to report on our progress in our future TCFD responses.

LOOKING TO THE FUTURE

RISK MANAGEMENT

INTEGRATION INTO OVERALL RISK MANAGEMENT

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

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

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

We also work with our tenants and suppliers to achieve our sustainability ambitions. Our energy, water and waste reporting and Net Positive Carbon and Water commitments include the consumption our tenants are responsible for. To achieve our targets, it is vital that we engage with our tenants for better disclosure of their environmental data and provide tenant engagement programmes to encourage sustainable consumption. We are working closely with our tier 1 suppliers to ensure effective climate risk management across our value chain and are delivering training in order for them to improve their performance.

METRICS AND TARGETS

METRICS AND ENVIRONMENTAL REPORTING

We have publicly reported on our environmental performance since 2016, including Scopes 1, 2 and 3 greenhouse gas emissions calculated in line with the GHG Protocol methodology. We report our energy, water and waste data against our 2016 baseline to allow for historical trend analysis, and our data is third-party, independently assured to meet best-practice transparency. We also report on the amount of renewable energy we generate on-site at our assets. Please see pages 24-25 for all our environmental reporting.

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

We track our green building certifications across our portfolio. 35 buildings in our portfolio have green building certifications or equivalent and we have set a minimum standard for new developments of LEED Gold, Estidama 3 Pearl or BREEM Very Good ratings, with aspirational targets that aim higher. Please see page 21 for further information.

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

TARGETS

For our comprehensive set of sustainability targets for each Operating Company please see page 41. We set yearly targets and report on our progress annually in our sustainability report.

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

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

THE NEXT STEPS OF OUR SUSTAINABILITY JOURNEY

With the completion of our first company-wide strategy fast approaching as we are set to realise our 2022 Sustainable Business Commitments, we are looking to a future now shaped by the aftermath of COVID-19 with long-term impacts expected to be felt over the coming years. It is clear that there remains widespread uncertainty regarding the challenges ahead, so it is vital that we reassess our most material issues, risks and opportunities and refocus our efforts amid a rapidly changing global context.

In 2021, we will undertake a comprehensive strategy review to ensure our most material Environmental, Social and Governance (ESG) issues are identified and addressed to continue delivering value for our diverse stakeholders and to safeguard our commitment to operating responsibly. This exercise will support Majid Al Futtaim in taking immediate action on society's most pressing issues as well as the development of our targets beyond 2022.

As we look to the future, we are confident in our ability to drive positive change regarding today's global challenges across the Middle East, Africa, and Asia markets. Driven forward by a dedication to stakeholder capitalism, we will continue to work with our partners to ensure our business evolves in line with their expectations and that we create great moments for everyone, everyday. In 2021, we are taking significant steps to strengthen the robustness of our strategy and approach to actively tackle the climate crisis. Our response to the TCFD recommendations will support Majid Al Futtaim in understanding the impacts of climate-related risks and opportunities on our business and applying the required

governance and management. Further aligning our strategy to the UN SDGs by mapping our material issues against the goals at a target level, will ensure we are actively contributing to the global agenda and are able to measure and monitor our contribution. Not only does this allow us to communicate on the varied demands of our stakeholders clearly and effectively, but also demonstrates our ongoing pledge towards sustainability leadership.

Below, we have listed several projects which have commenced or which we plan to undertake in the near future. Given their value to the delivery of our *Dare Today, Change Tomorrow* ambitions, we look forward to sharing our progress on these projects moving forward.

It has been a pleasure to watch Majid Al Futtaim grow on its sustainability journey and evolve to encompass aspects such as increased transparency, stakeholder capitalism and environmental awareness. With ambitious Net Positive targets and an unwavering commitment to some of society's most pressing challenges, I am confident that Majid Al Futtaim will continue to drive improvements in regional standards and make a substantial positive impact in the communities where it operates.

H.E Dr. Thani bin Ahmed Al Zeyoudi
UAE Minister of State for Foreign Trade



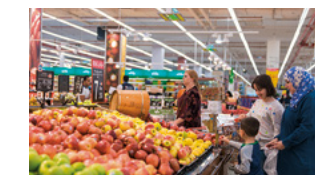
SCIENCE BASED TARGETS (SBTS)

We have commenced an exploration exercise to determine Majid Al Futtaim's options for setting SBTS. This will require a comprehensive review of our corporate emissions as well as a deep dive into the potential scope, boundaries and methods which can be utilised to define our SBTS.



STRATEGY REVIEW

The review will comprise of a thorough reassessment of our existing 21 sustainability material issues, utilising input from a range of stakeholders and alignment with existing and emerging legislation, ultimately ensuring their continued significance in terms of impact and relevance.



RESPONSIBLE PROCUREMENT

We will continue our engagement with suppliers and focus on upskilling to ensure they align with our sustainability requirements and strategy by the end of 2022.



DIVERSITY AND INCLUSION

Continuing to foster a diverse and inclusive culture will be a key priority moving forward. Central to our efforts is the work we have begun to set diversity and inclusion focused targets across the business which will drive our performance and measure our success.

INDEPENDENT ASSURANCE STATEMENT

TO: THE STAKEHOLDERS OF MAJID AL FUTTAIM

Independent assurance statement by Upstream Sustainability Services, JLL ("Upstream") to the stakeholders of Majid Al Futtaim Holding concerning the environmental data used in its 2020 Annual Sustainability Report and 2021 Green Sukuk Report.

SCOPE OF WORK

Majid Al Futtaim engaged JLL to provide independent assurance of Energy, Water and GHG data from the Green Sukuk Portfolio relevant to its 2020 Annual Sustainability Report and 2021 Green Sukuk Report. The engagement was Type 2 moderate assurance in accordance with the AA1000AS v3 standard which consisted of:

- A. Evaluation of Majid Al Futtaim's adherence to the AA1000 AccountAbility Principles (AA1000AS v3) of inclusivity, materiality, responsiveness and impact;
- B. Evaluation of the reliability of the specified sustainability performance information and associated data collection and management processes and systems relating to:
 - 2020 January to December Energy, Water and GHG data from the 2020 Annual Sustainability Report and 2021 Green Sukuk Report

LEVEL OF ASSURANCE AND LIMITATIONS

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

The scope of our data testing was limited to 2020. We tested a sample of 324 data points from a total of 27 data sources (e.g. meters or waste disposal routes) from:

- 23 properties within the Green Sukuk for calendar year 2020 that are reporting environmental data in the 2020 Annual Sustainability Report and 2021 Green Sukuk Report, namely: Aloft Hotel, Hilton Garden Inn (Mall of the Emirates, Dubai), Majid Al Futtaim Tower 1, Majid Futtaim Tower 2, City Centre Almaza, City Centre Beirut, City Centre Fujairah, City Centre Me'aisem, City Centre Mirdif, City Centre Suhar, Mall of Egypt, My City Centre Al Barsha, My City Centre Al Dhait, My City Centre Sur, Kempinski Hotel (Mall of the Emirates, Dubai), Sheraton Hotel (Mall of the Emirates, Dubai), Pullman Hotel and Residence (Deira City Centre, Dubai), IBIS Hotel (Deira City Centre, Dubai), Novotel (Deira City Centre, Dubai), Novotel Suite & IBIS (Mall of the Emirates, Dubai), Le Meridien Hotel (City Centre Bahrain), The Westin Hotel (Bahrain City Centre, Bahrain), IBIS Rigga Hotel (Dubai)

A: EVALUATION OF MAJID AL FUTTAIM – PROPERTIES' ADHERENCE TO THE AA1000 ACCOUNTABILITY PRINCIPLES (AA1000AS V3) OF INCLUSIVITY, MATERIALITY, RESPONSIVENESS, AND IMPACT

Based on the scope of work described above, nothing has come to our attention to suggest that Majid Al Futtaim – Properties did not adhere to the majority of the criteria under the principles of inclusivity, materiality, responsiveness, and impact for 2020.

Further observation and recommendations can be found in the full assurance statement here <http://maf.am/AssuranceStmnt>.

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

Based on the scope of the work described above, nothing has come to Upstream's attention that causes it to believe that the specified 2020 Energy and Water performance information or GHG emissions are not fairly stated for Majid Al Futtaim's Green Sukuk.

Further information on the responsibilities and methodology applied to this process can be found in the full assurance statement here <http://maf.am/AssuranceStmnt>.

INDEPENDENCE OF ASSURANCE

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

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

Andrew Mercer
Director
Head of Energy Services, JLL – Upstream Sustainability Services

Robert Moore
Sustainability Consultant, JLL – Upstream Sustainability Services



2020 TARGETS ASSESSMENT

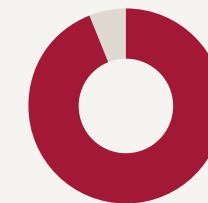
Majid Al Futtaim has committed to an ambitious set of sustainability targets across three focus areas in 2020. Here we provide a detailed update on progress against our 2020 sustainability targets, which have been independently audited by a third-party auditor.

This target assessment is reported on an "Achieved" and "Not Achieved" scale. All targets marked as partially achieved that passed the audit have been marked as "Achieved". Targets of any status that did not pass the audit have been marked as "Not Achieved".

Our 2020 complete assurance statement can be found on our website.

MAJID AL FUTTAIM – CORPORATE

Achieved 94% Not Achieved 6%



MAJID AL FUTTAIM – HOLDING

Achieved 100%



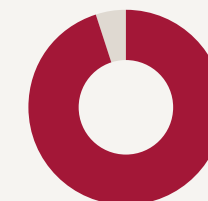
MAJID AL FUTTAIM – PROPERTIES

Achieved 100%



MAJID AL FUTTAIM – RETAIL

Achieved 95% Not Achieved 5%



MAJID AL FUTTAIM – LEC & LIFESTYLE

Achieved 100%



MAJID AL FUTTAIM – CORPORATE

TRANSFORMING LIVES

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Implement the Additional Infrastructure Investment Framework on at least one development	Achieved
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Accelerate socio-economic impacts and assessment by creating an Impact Management Project implementation plan	Not Achieved
Local economic development	All OpCos must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs	Launch Company Start-up Incubator	Achieved
Disruptive technology	All OpCos must invest in an Innovation Centre of Excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Demonstrate 3 successful projects created by the Innovation Centre of Excellence	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across customer journey for key assets	Achieved
Promoting sustainable lifestyles	Not Applicable	Work with OpCos to increase impact generated from sustainable lifestyles trends across Majid Al Futtaim	Achieved
Healthy products & services	Not Applicable	Assess opportunities to improve the health and wellbeing of employees and customers through internal building design and fitout	Achieved
Responsible procurement	Not Applicable	Create a Responsible Procurement Taskforce and Policy for the Company	Achieved

RETHINKING RESOURCES

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Circular Economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	By end of 2020, sign up to the CE100 initiative	Achieved
Climate change adaptation	Not Applicable	Develop a climate risk strategic decision making framework	Achieved

EMPOWERING OUR PEOPLE

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Ensure sustainability is embedded in Majid Al Futtaim's retention and development (talent management) programmes	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measurable real improvements in employee health, wellbeing and productivity	Develop and roll-out Company-wide health and wellbeing survey	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Develop training content and roll-out plan for Frontliner sustainability training and awareness programme	Achieved

MAJID AL FUTTAIM – CORPORATE CONTINUED

EMPOWERING OUR PEOPLE

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Human rights and employment conditions	All OpCos must promote the advancement of international human rights by ensuring accommodation and employment conditions for all employees and direct (tier 1) contractors comply with the International Labour Organisation's (ILO) eight core conventions	Ensure all Company-wide Human Rights and Employment Conditions Policy requirements are effectively rolled out across all assets and there is sufficient process in place to ensure requirements are met	Achieved
Health & safety	Not Applicable	Develop Health and Safety Policy to apply across all OpCos	Achieved
Changing role of women in the workplace	Not Applicable	Create a Company-wide Diversity and Inclusion Policy	Achieved

MAJID AL FUTTAIM – HOLDING

RETHINKING RESOURCES

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Net Positive Carbon	All OpCos must become Net Positive in carbon for all operational, tenant and development activities	Ensure access to high level Net Positive Carbon information via BIDS	Achieved
Net Positive Water	All OpCos must become Net Positive in water for all operational, tenant and development activities	Ensure access to high level Net Positive Water information via BIDS	Achieved
Climate change adaptation	Not Applicable	Support the development of the climate risk strategic decision-making framework	Achieved

EMPOWERING OUR PEOPLE

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Support the Company in ensuring sustainability is embedded in Majid Al Futtaim's retention and development (talent management) programmes	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measurable real improvements in employee health, wellbeing and productivity	Develop action plan to implement top 5 OpCo priority actions from 2019 health and wellbeing survey	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Support the development of training content and roll-out plan for Frontliner sustainability training and awareness programme	Achieved
Health & safety	Not Applicable	Support the development of a Health and Safety Policy to apply across all OpCos	Achieved
Changing role of women in the workplace	Not Applicable	Contribute to Diversity and Inclusion activities within Holding	Achieved

MAJID AL FUTTAIM – PROPERTIES

TRANSFORMING LIVES

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Support Company implement the Additional Infrastructure Investment Framework on one Majid Al Futtaim development	Achieved
Local economic development	All OpCos must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs	Contribute to the launch of Company level Start-up Incubator	Achieved
Disruptive technology	All OpCos must invest in an Innovation Centre of Excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Contribute Company-level innovation ideas which align with <i>Dare Today, Change Tomorrow</i> criteria	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across customer journey for key assets	Achieved
Community Wellbeing & Public realm	Not Applicable	Provide space for short-term local SMEs, artisan retailers and /or food and beverage pop-ups in our assets, with an increased focus on SMEs that have a social purpose i.e. social enterprises, B corps	Achieved
Responsible procurement	Not Applicable	Engage with suppliers to meet the minimum sustainability standards	Achieved
Promoting sustainable lifestyles	Not Applicable	Provide at least 3 activities for healthier lifestyles for Customers and Employees	Achieved
Healthy products & services	Not Applicable	Develop a pilot program to offer healthy products to our customers in at least one asset	Achieved

RETHINKING RESOURCES

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Circular Economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	By end of 2020, incorporate circular economy principles in Green Star rating	Achieved
		By end of 2020, embed circular economy principles into existing policies, guidelines and standards to ensure they are integrated into new developments and major refurbishments	Achieved
		By the end of 2020, develop and carry out a baseline assessment of supplier maturity with respect to circular economy	Achieved
		By end of 2020, embed the principles of circular economy into Majid Al Futtaim's Sustainable Building Policy	Achieved
		By the end of 2020, work with the customer experience team to embed circularity messaging in the customer journey	Achieved
Climate change adaptation	Not Applicable	Support the development of the climate risk strategic decision-making framework	Achieved

MAJID AL FUTTAIM – PROPERTIES CONTINUED

EMPOWERING OUR PEOPLE

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Support the Company in ensuring sustainability is embedded in Majid Al Futtaim's retention and development (talent management) programmes	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measurable real improvements in employee health, wellbeing and productivity	Develop action plan to implement top 5 OpCo priority actions from 2019 health and wellbeing	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Support the development of training content and roll-out plan for Frontliner sustainability training and awareness programme	Achieved
Human rights and employment conditions	All OpCos must promote the advancement of international human rights by ensuring accommodation and employment conditions for all employees and direct (tier 1) contractors comply with the International Labour Organisation's (ILO) eight core conventions	Support the development of Company-wide Employment Conditions Policy processes and ensure requirements are implemented within the OpCo	Achieved
Health & safety	Not Applicable	Support the development of a Health and Safety Policy to apply across all Operating Companies	Achieved
Changing role of women in the workplace	Not Applicable	Contribute to diversity and inclusion activities within Majid Al Futtaim - Properties	Achieved

MAJID AL FUTTAIM – RETAIL

TRANSFORMING LIVES

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Support Company implement the Additional Infrastructure Investment Framework on one Majid Al Futtaim development	Achieved
Local economic development	All OpCos must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs	Contribute to the launch of Company level Start-up Incubator	Achieved
Disruptive technology	All OpCos must invest in an Innovation Centre of Excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Contribute Company-level innovation ideas which align with <i>Dare Today, Change Tomorrow</i> criteria	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across customer journey for key assets	Achieved
Community Wellbeing & Public realm	Not Applicable	Run two community engagement programmes (one fundraising campaign based on reforestation, education, and health and the second on food waste)	Achieved
Responsible procurement	Not Applicable	Engage with key suppliers of Majid Al Futtaim - Retail's top 5 risk products/categories to enhance sustainability performance	Achieved
Healthy products & services	Not Applicable	Identify and implement at least 10 activations focused on health and wellbeing across countries	Achieved

MAJID AL FUTTAIM – RETAIL CONTINUED

RETHINKING RESOURCES

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Circular Economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	By end of 2020, ensure that operational waste, such as cartons, plastic bottles from cleaning, pallets and plastic wrap are captured in the quarterly data collection process	Achieved
		By end of 2020, capture and record quarterly all waste associated with store maintenance	Achieved
		By end of 2020, incorporate circular economy principles in Green Star rating	Achieved
		By the end of 2020, develop and carry out a baseline assessment of supplier maturity with respect to circular economy	Achieved
Climate change adaptation	Not Applicable	Support the development of the climate risk strategic decision-making framework	Achieved
Biodiversity & ecosystem services	Not Applicable	Develop and adopt an action plan based on the recommendations resulting from risk assessments for seafood and deforestation	Not Achieved

EMPOWERING OUR PEOPLE

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Support the Company in ensuring sustainability is embedded in Majid Al Futtaim's retention and development (talent management) programmes	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measurable real improvements in employee health, wellbeing and productivity	Develop action plan to implement top 5 OpCo priority actions from 2019 health and wellbeing survey	Achieved
Health & safety	Not Applicable	Support the development of a Health and Safety Policy to apply across all OpCos	Achieved
Changing role of women in the workplace	Not Applicable	Contribute to diversity and inclusion activities within Majid Al Futtaim – Retail	Achieved
Sustainability Training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Support the development of training content and roll-out plan for Frontliner sustainability training and awareness programme	Achieved
Human rights and employment conditions	All OpCos must promote the advancement of international human rights by ensuring accommodation and employment conditions for all employees and direct (tier 1) contractors comply with the International Labour Organisation's (ILO) eight core conventions	Support the development of Company-wide Employment Conditions Policy processes and ensure requirements are implemented within the OpCo	Achieved

MAJID AL FUTTAIM – LEC & LIFESTYLE

TRANSFORMING LIVES

MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Support in the delivery of planning an additional infrastructure that contributes to local economy and invest in the local economy through "In-Kind" initiatives aligned to <i>Dare Today, Change Tomorrow</i>	Achieved
Local economic development	All OpCos must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs	Contribute to the launch of Company level Start-up Incubator	Achieved
Disruptive technology	All OpCos must invest in an Innovation Centre of Excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Contribute Company-level innovation ideas which align with <i>Dare Today, Change Tomorrow</i> criteria	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across customer journey for key assets	Achieved
Community Wellbeing & Public realm	Not Applicable	Expand accessible screening programme to provide specialised programs to people with additional care needs across UAE ventures entertainment businesses with a plan to expand to all the operating countries	Achieved
Responsible procurement	Not Applicable	Engage with key suppliers of LEC & Lifestyle's top 5 risk products/categories to enhance sustainability performance	Achieved
Promoting sustainable lifestyles	Not Applicable	Deliver a carbon neutral <i>Dare Today, Change Tomorrow</i> film festival in VOX Cinemas in the UAE to raise awareness and promote sustainable behaviours and run sustainability events at VOX Cinemas supporting Company sustainability targets	Achieved

RETHINKING RESOURCES




MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
Circular Economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	By end of 2020, collect waste data across all business units. Particular improvement is needed from Fashion (where separation is needed between "stock" waste and operational waste)	Achieved
		By end of 2020, incorporate circular economy principles in Green Star rating	Achieved
		In 2020, develop and carry out a baseline assessment of supplier maturity with respect to circular economy	Achieved
		Work with the customer experience team to embed circularity messaging in the customer journey by end of 2020	Achieved
		By end of 2020, show an advert on circularity and waste management before film showings at flagship locations	Achieved
Climate change adaptation	Not Applicable	Support the development of the climate risk strategic decision-making framework	Achieved



MAJID AL FUTTAIM – LEC & LIFESTYLE CONTINUED

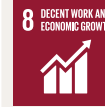

EMPOWERING OUR PEOPLE





MATERIAL ISSUE	2022 SUSTAINABLE BUSINESS COMMITMENT TARGET	2020 TARGET	OVERALL STATUS
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Healthy workplaces	All OpCos must have a wellbeing programme in place and measurable real improvements in employee health, wellbeing and productivity	Develop action plan to implement top 5 OpCo priority actions from 2019 health and wellbeing survey	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Support the development of training content and roll-out plan for Frontliner sustainability training and awareness programme	Achieved
Human rights and employment conditions	All OpCos must promote the advancement of international human rights by ensuring accommodation and employment conditions for all employees and direct (tier 1) contractors comply with the International Labour Organisation's (ILO) eight core conventions	Support the development of Company-wide Employment Conditions Policy processes and ensure requirements are implemented within the OpCo	Achieved
Health & safety	Not Applicable	Support the development of a Health and Safety Policy to apply across all Operating Companies	Achieved
Changing role of women in the workplace	Not Applicable	Contribute to diversity and inclusion activities within LEC & Lifestyle	Achieved

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS MAPPING

SDG	Target	Focus Area	Supporting Evidence
	2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality	Rethinking Resources, Empowering our People	Al Zahia's Organic Urban Farm, p23
	3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being	Transforming Lives, Rethinking Resources, Empowering our People	Spotlight on: Supporting MAFers through Challenging Times, p32
	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all		
	3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination		
	3.a Strengthen the implementation of the World Health Organization Framework Convention on Tobacco Control in all countries, as appropriate	Transforming Lives, Empowering our People	Smoke-Free Policy
	4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university		Almaza Recruitment and Training Centre, p30
	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship		
	4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development	Transforming Lives, Empowering our People	Internships for young Jordanians, p30
	4.b By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries		
	5.1 End all forms of discrimination against all women and girls everywhere		
	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Transforming Lives, Empowering our People	Fostering a Workplace for All, p29
	5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels		

SDG	Target	Focus Area	Supporting Evidence
	6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all		It is within Majid Al Futtaim's responsibility to ensure that all water resources provided at our assets are safe and affordable for all
	6.2 By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations	Rethinking Resources	Sanitation and hygiene is a high priority for Majid Al Futtaim. In 2020, it moved from a priority to 'saving lives' as it was the only COVID-19 weapon before the vaccine roll-out. In all our assets, we promoted the importance of washing hands and maximum hygiene levels to keep our customers safe
	6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally		In 2021, Majid Al Futtaim will research the potential for on-site water treatment. Opportunities, limitations and potential technologies for greywater, blackwater and process water have been reviewed. Based on this, potential technology applications will be explored
	6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity	Transforming Lives, Rethinking Resources	Sharjah's Greywater Treatment Plant, p16
	7.1 By 2030, ensure universal access to affordable, reliable and modern energy services	Transforming Lives, Rethinking Resources	Providing Light for Communities' Critical Infrastructure, p16
	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix		Building Resilience across our Business, p21
	7.3 By 2030, double the global rate of improvement in energy efficiency	Rethinking Resources	The Green Star Rating System encourages tenants to improve their energy efficiency
	7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology		Majid Al Futtaim listed the world's first benchmark corporate Green Sukuk to finance existing and future green projects
	7.b By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support	Transforming Lives	Providing Light for Communities' Critical Infrastructure, p16

SDG	Target	Focus Area	Supporting Evidence
	8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries		Majid Al Futtaim pays fair wages and adheres to countries' minimum wage across its business and supply chain
	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors	Transforming Lives	Majid Al Futtaim contributes to higher levels of economic development and innovation through running initiatives that support Local Economic Development, better Customer Experience, Promoting Sustainable Lifestyles and developing Healthy Products & Services
	8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services		Start-ups and SME's, p16
	8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead	Rethinking Resources	Spotlight on: Creating our Circular Economy, p26
	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value		Fostering a Workplace for All, p29
	8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms	Empowering our People	Health, Safety and Human Rights, p31
	8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment		
	9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all		Additional Infrastructure, p16
	9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries	Transforming Lives	Contributing to inclusive and sustainable industrialization and raising industry's share of employment is the impact Majid Al Futtaim has on the 17 countries we operate in. Our presence through our assets (p3) contributes to society and industry, innovation and infrastructure
	9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets		Start-ups and SME's, p16
9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	Rethinking Resources	The Green Star Rating System encourages tenants to improve their energy efficiency	

SDG	Target	Focus Area	Supporting Evidence
	9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending		Majid Al Futtaim with Takeoff Technologies launched an automated fulfillment centre, adopting several innovations such as an autonomous shelf auditing and analytics solution
	9.a Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, least developed countries, landlocked developing countries and small island developing States	Transforming Lives	Additional Infrastructure, p16
	9.b Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities		The Innovation Centre of Excellence invites employees to share innovative business ideas that can advance the industry's outcome towards innovative sustainable business solutions, products and services
	10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	Transforming Lives, Empowering our People	Fostering a Workplace for All, p29
	11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries	Transforming Lives	Additional Infrastructure, p16
	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management	Rethinking Resources	Spotlight on: Creating our Circular Economy, p26
	11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities	Transforming Lives, Rethinking Resources, Empowering our People	Tilal Al Ghaf, p10
	11.a Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning		
	11.c Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials	Rethinking Resources	Building Resilience across our Business, p21
	12.2 By 2030, achieve the sustainable management and efficient use of natural resources		Spotlight on: Creating our Circular Economy, p26
	12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses		Partnership with the Caucasus Bears Farm, p27
	12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	Rethinking Resources	Building Resilience across our Business, p21
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse		Spotlight on: Creating our Circular Economy, p26

SDG	Target	Focus Area	Supporting Evidence
	12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	Transforming Lives	Spotlight on: Embedding Responsible Procurement across the Business, p18
	12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities		
	12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	Empowering our People	Sustainability Training for MAFers, p30
	12.a Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production		Majid Al Futtaim has roof top PVs installed on its malls, Carrefour stores and communities which generate renewable energy
	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries		Building Resilience across our Business, p21
	13.2 Integrate climate change measures into national policies, strategies and planning		
	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Rethinking Resources	Majid Al Futtaim listed the world's first benchmark corporate Green Sukuk to finance existing and future green projects
	13.a Implement the commitment undertaken by developed-country parties to the United Nations Framework Convention on Climate Change to a goal of mobilizing jointly \$100 billion annually by 2020 from all sources to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation and fully operationalize the Green Climate Fund through its capitalization as soon as possible		
	15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species	Rethinking Resources	For every new development, an ecologist assesses the status of animals and plants. Majid Al Futtaim's Pre-Acquisition Sustainability Policy addresses risks relating to biodiversity impact
	17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries	Transforming Lives, Rethinking Resources, Empowering our People	Majid Al Futtaim works with the Red Crescent across the majority of its operating companies and is part of public-private partnerships, for example, as a member of the People of Determination Advisory Panel and the Business for Wellbeing Council
	17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships		
	17.19 By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries	Transforming Lives	Start-ups and SME's, p16

UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS

The Ten Principles of the UN Global Compact	Commitment	Reference in the Sustainability Report and Organisation's Documents	SDGs
Human Rights			
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	We promote the advancement of international human rights by ensuring accommodation and employment conditions for all employees and direct (tier 1) suppliers comply with the International Labour Organisation's (ILO) eight core conventions	Fostering a workplace for all, p29 Health, safety and human rights, p31 Spotlight on: Embedding responsible procurement across the business, p18	
Principle 2: Businesses should make sure that they are not complicit in human rights abuses		Policies and procedures: Employment Conditions Policy, Code of Conduct, Responsible Procurement Policy, Occupational Health and Safety, Corporate Compliance	
Labour			
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	We operate in full compliance with all national and regional legislation in the countries where we are present		
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour	We are committed to protecting the rights of our employees, upholding best practice labour standards, and managing and improving labour conditions throughout our supply chain.	Empowering our people, p28-33	
Principle 5: Businesses should uphold the effective abolition of child labour	We do not tolerate discrimination of any kind. We promote a values-led, diverse, and inclusive culture where colleagues are treated fairly and with respect	Spotlight on: Embedding responsible procurement across the business, p18	
Principle 6: Businesses should uphold the elimination of discrimination in respect to employment and occupation		Policies and procedures: Employment Conditions Policy, Code of Conduct, Responsible Procurement Policy, Diversity and Inclusion Policy, Corporate Compliance	

The Ten Principles of the UN Global Compact	Commitment	Reference in the Sustainability Report and Organisation's Documents	SDGs
Environment			
Principle 7: Businesses should support a precautionary approach to environmental challenges	We aim to reduce our negative impact and make a positive contribution to the environment and communities which we develop and operate. Our pursuit of Net Positive water and carbon by 2040 and circular economy principles, supports us in decoupling our growth from the use of finite, natural resources and environmental degradation. In addition, to enhance the long-term resilience of our business, we are reporting in line with the recommendations of the TCFD	Providing light for communities' critical infrastructure, p16 Spotlight on: Embedding responsible procurement across the business, p18 Rethinking resources, p20-27	
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility		Policies and Procedures: Sustainability Policy, Circular Economy Strategy, Sustainable Building Policy, Sustainable Fit-out Policy, Energy Management Policy, Pre-Acquisition Policy, Responsible Procurement Policy, Single-Use Plastics Phase-out Policy	
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies			
Anti-corruption			
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	We comply with the highest standards and laws governing anti-bribery and corruption. We have adopted the principles of the UK's Anti-Bribery Act and the Combined Code on Corporate Governance	Corporate compliance Health, safety and human rights, p31 Governance, p34	
		Policies and Procedures: Code of Conduct, Supplier Code of Conduct, Responsible Procurement Policy, Gifts, Hospitality, Entertainment Policy, Conflict of Interest Policy	

GRI Standard	Question	Answer
102-10	Significant changes to the organisation and its supply chain	In 2020, our Ventures Operating Company divided into Leisure, Entertainment and Cinemas (LEC) and Lifestyle businesses as independent Operating Companies. In line with the new structure, the Legal team and Real Estate & Delivery teams have moved into LEC to support both operating companies (p4). The Procurement Shared Services team also relocated from the Shopping Malls business unit to Majid Al Futtaim – Properties Corporate team. This change was to maximise supplier savings across all BUs and Functions and enable alignment to procurement planning, strategy, budget, sourcing execution and reporting. Finally, in the year we established the Global Business Solutions (GBS) unit which will consolidate and standardise how support is provided to the OpCos and Business Units going forward. The unit will ensure service excellence, speed and work to eliminate duplication and inefficiencies at scale. Additional information about our Company, can be found on the inside cover page See also our Consolidated Financial Statements for the year ending 31 December 2020: https://www.majidalfuttaim.com/-/media/feature/mafcorporate/about/policy/maf-holding-consolidated-financial-statements---31-december-2020.pdf
102-11	Precautionary Principle or approach	Majid Al Futtaim is not yet in a position in the Middle Eastern market to apply fully the precautionary principle to its business activities. However, our Pre-Acquisition Policy does seek to identify major environmental risks from the acquisition of new land or new buildings. Our recently launched Climate risk framework provides a tool for employees, highlighting the climate risks at a new asset in countries of our operation. In addition, Majid Al Futtaim’s Sustainable Building Policy provides guidelines on what all the new assets in our operation should comply with as a pre-requisite which aims at eliminating the environmental as well as societal risks and internal financial risks. Finally, our Sustainability Implementation Plans also seek to improve the environmental risk management and performance of our development pipeline with risk management and mitigation strategies being part of our standards which are applied through a thorough regime of controls. We use a standard NDA with all our suppliers to help mitigate against any further problems
102-12	External initiatives	Majid Al Futtaim is proud to be part of UNGC, GRI, WorldGBC Net Zero Commitment, ILO, LEED/BREEAM/Estidama, ILFI (for TAG), Zero Waste, Green Building Councils and the SDGs Additional information on some of our initiatives can be found in this report, p8-9
102-13	Membership of associations	Majid Al Futtaim are members of a wide variety of associations and advocacy organisations. These include: <ul style="list-style-type: none"> • World Economic Forum • World Business Council for Sustainable Development • World GBC and regional GBC in our business locations • UN Global Compact • Dubai Chamber • DGNB • Consumer Goods Forum • Project Circle • GRESB • Emirates Diving Association • Clean Energy Business Council • Sustainalytics • Cambridge Institute for Sustainability Leadership • Ellen MacArthur Foundation
102-14	Statement from senior decision maker	A message from our Chief Executive Officer, A message from our Chief Sustainability Officer and Operating Company Chief Executive Officer messages, p1,4-6
102-15	Key impacts, risks, and opportunities	<i>Dare Today, Change Tomorrow</i> Strategy and Our Focus Areas and Material Issues, p8
102-16	Values, principles, standards and our norms of behaviour	Our vision and values are available on our website: https://www.majidalfuttaim.com/en/who-we-are#vision-values Information on our Standards and norms of behaviour can be found on p29 Additionally, we are signatories of the United Nations Global Compact and submit an annual Communication on Progress (CoP) to demonstrate our adherence to the ten principles of the compact. Our most recent CoP can be found on p54 of this report
102-18	Governance Structure	Our Business structure and governance can be found on our website: https://www.majidalfuttaim.com/en/who-we-are/executive-leadership Our sustainability governance structure can be found in the Embedding our strategic approach section of this report, p8-9 and/or on our website: https://www.majidalfuttaim.com/en/who-we-are/corporate-compliance
102-32	Highest governance body’s role in sustainability reporting	Ibrahim Al-Zu’bi, Chief Sustainability Officer feeds into the board and formally reviews and approves the sustainability report for the business
102-40	List of stakeholder groups	Majid Al Futtaim employees, tenants, customers, suppliers, contractors, regional and global peers, communities, NGOs, charities and Governments
102-41	Collective bargaining agreements	GCC countries do not permit unions but in countries where unions are permitted, such as Lebanon or Egypt, Majid Al Futtaim does not prohibit employees from joining these unions in accordance with the country’s Laws and regulations
102-42	Identifying and selecting stakeholders	Our key stakeholders were identified as part of our materiality review in 2010. They were reviewed again in 2013 and then in 2017 as part of our Group strategy review. In 2020, we underwent a stakeholder mapping exercise to identify any new stakeholder relationships. As a result we identified a variety of stakeholders across our different business units including: our employees across all Operating Companies within Majid Al Futtaim, internal departments, residents, tenants, customers, consultants, contractors, operators, Carrefour B2B customers, suppliers, regional and global peers, communities, NGOs, charities, last mile providers, landlords, brands, partnerships, investors and Governments. It is these stakeholders with whom we continue to prioritise engagement with

GRI Standard	Question	Answer
102-43	Approach to stakeholder engagement	Stakeholder engagement and frequency differs depending on which stakeholders Majid Al Futtaim is engaging with. For any new development, stakeholder identification is undertaken with residents, charities, government and communities often being the main stakeholders identified in the process. Our community engagement charter then lays out how the business should engage with the groups identified including conducting a socio economic survey on a yearly basis. Tier 1 suppliers are engaged with on a regularly basis, with training on responsible procurement questionnaire engagement conducted in the past year. Our Responsible Procurement Policy also lays out the future engagement and expectations of our suppliers. Majid Al Futtaim hopes to work with suppliers to ensure standards are met. Customers play a vital role for our business, with engagement being constant. This varies from surveys, to campaigns and consultations. For many of our other stakeholders, our engagement is project and time dependent. For more information on our stakeholder engagement, please see p9
102-44	Key topics and concerns raised	Stakeholders and key topics p9
102-45	Entities included in the consolidated financial statements	About this report, inside cover page Consolidated Financial Statements for the year ending 31 December 2020: https://www.majidalfuttaim.com/-/media/feature/mafcorporate/about/policy/maf-holding-consolidated-financial-statements---31-december-2020.pdf
102-46	Defining report content and topic boundaries	About this report, inside cover page The <i>Dare Today, Change Tomorrow</i> Strategy and Our Focus Areas and Material Issues, p8 Principles for Defining Report Content and Report Quality, p56
102-47	List of the material topics	The <i>Dare Today, Change Tomorrow</i> Strategy and Our Focus Areas and Material Issues, p8-9,12-13
102-48	Restatements of information	About this report, inside cover page. The 2020 Performance Data Summary (EPRA Pack) is available online. Due to improvements in data collection and verification processes several data points have been updated since 2019. Therefore some restatements of previous year’s environmental data have been included in this report to take into account these improvements. Full explanations of these adjustments are provided in data qualification notes in the EPRA tables included within this report and online.
102-49	Changes in reporting	No changes in reporting for 2020
102-50	Reporting period	About this report, inside cover page
102-51	Date of most recent report	2020 Majid Al Futtaim Sustainability Report, published in June 2020. This was the second year of the Company-Wide strategy reporting.
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	sustainability@maf.ae
102-54	Claims of reporting in accordance with the GRI Standards	Global Reporting Initiative (GRI) Content Index, p56
102-55	GRI content index	This index
102-56	External assurance	We do not currently have full external assurance for our sustainability reporting but you can find our Environmental Assurance Statement on p40 of this report
Material Topics		
Economic Topics		
103	Management approach for economic impacts	Infrastructure investments and their impact on the communities we serve are highly material to us and fall under the Transforming Lives pillar. You can read more about this topic on p16
Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	Additional Infrastructure p16 During the reporting period of 2020, five development projects had significant infrastructure investments which will benefit the local community. Four of these projects were located in the UAE at our Al Zahia development. Infrastructure included an urban farm, roads, pedestrian bridge and clubhouse for residents. Our final project took place in Egypt and saw the development of Almaza Recruitment & Training Centre The 5 projects cost over 60 million AED All infrastructure was developed to help enhance the local communities’ life and the communities were engaged in from project inception
Environmental Topics		
103	Management approach for: <ul style="list-style-type: none"> • Energy • Water • GHG Emissions • Effluents and Waste 	The management approach we take for different elements of our environmental strategy: Our Net Positive Approach can be found on p24-25 Our circular economy strategy can be found on p26-27 Building resilience across our business and the policies which govern our environment performance can be found on p21 All of our material issues mapping to SDGs can be found on p12-13 Our target mapping which demonstrates our material issues alignment to SDGs p49-53

OVERVIEW
DARE TODAY, CHANGE TOMORROW
TRANSFORMING LIVES
RETHINKING RESOURCES
EMPOWERING OUR PEOPLE
GOVERNANCE
LOOKING TO THE FUTURE
PERFORMANCE
ANNEX

GRI Standard	Question	Answer
Energy		
302-1	Energy consumption within the organisation	Full EPRA sBPR tables on our website Omission: no steam and heating consumption data is available and no electricity, heating, cooling or steam is sold
302-3	Energy intensity	Full EPRA sBPR tables on our website
302-4	Reduction of energy consumption	Full EPRA sBPR tables on our website
Water		
303-3	Water withdrawal	Majid Al Futtaim only records data for produced water and third party water. There is no information on any water source listed due to this being against local regulations
303-5	Water consumption	Full EPRA sBPR tables on our website Omission: water consumption data is available as a total, but is not broken down for areas where there is water stress and change in water storage is not recorded
Emissions		
305-1	Direct (Scope 1) GHG emissions	Full EPRA sBPR tables on our website
305-2	Energy indirect (Scope 2) GHG emissions	Full EPRA sBPR tables on our website
305-3	Other indirect (Scope 3) GHG emissions	Full EPRA sBPR tables on our website
305-4	GHG Emissions intensity	Full EPRA sBPR tables on our website Omission: The GHG data in the table is only shown for Majid Al Futtaim – Properties
305-5	Reduction of GHG emissions	Full EPRA sBPR tables on our website Data available from baseline year
Effluents and waste		
306-2	Management of significant waste-related impacts	Improving waste management and progressing towards a circular economy were identified as important sustainability issues in the strategy review that Majid Al Futtaim conducted in 2017 alongside other environmental issues. Due to the nature of our business, environmental impacts are material across the design, construction and operation of our assets The business uses four waste collection contractors who collect the waste for offsite segregation and recycling at the majority of sites. Waste produced onsite is not reused internally at this point For construction waste, additional contracts with waste contractors are in place along with construction waste management plans for all construction sites. The waste management plan is used to ensure that waste contractors come and collect different sources of the waste off site when required Waste data on recycling and further waste segregation breakdown is provided directly from the waste collection contractors. This data is then monitored internally on a quarterly basis for reporting purposes Our Sustainability, Energy Management and Green Building Policies can be downloaded from our website For more information on our Circular Economy Strategy see p26-27
306-3	Waste generated	Full EPRA sBPR tables on our website Omission: Data is only available for Majid Al Futtaim – Properties Operating Company
306-4	Waste diverted from disposal	Full EPRA sBPR tables on our website Omission: Data is only available for Majid Al Futtaim – Properties Operating Company
306-5	Waste directed to disposal	Full EPRA sBPR tables on our website Omission: Data is only available for Majid Al Futtaim – Properties Operating Company
Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	At Majid Al Futtaim there has not been any forms of non compliance as the business always goes above and beyond the local requirements and regulations. Therefore we do not have any significant fines or sanctions to disclose
Supplier Environmental Assessments		
308-1	New suppliers that were screened using environmental criteria	Currently, we do not track the percentage of suppliers that are screened due to requiring all new suppliers to have an implementation plan to demonstrate their progress In addition, in 2020 we carried out a presentation to our suppliers to ensure they understand what our Sustainable Procurement Strategy is and the requirements expected of them. We then rolled out a survey to better understand where they are and if they align with our requirements and to identify possible knowledge gaps. These results were analysed and gaps identified

GRI Standard	Question	Answer
Social Topics		
103	Management approach for: • Occupational Health and Safety • Supplier Assessment for Labour Practices	Best practice labour standards fall under the Empowering Our People pillar of our sustainability strategy, and are therefore highly material to Majid Al Futtaim. Labour practices affect our direct employees and our contractors' and sub-contractors' staff. Majid Al Futtaim has in place policies, targets and KPIs to ensure that we follow a best practice approach. Our Labour Standards Policy can be downloaded from our website: www.majidalfuttaim.com/en/who-we-are/sustainability-and-impact/sustainability . An internal audit is undertaken by JLL on a quarterly basis for Majid Al Futtaim – Properties. The results are shared internally during each quarter. At year end the final audit is included in the annual report. Based on the outcomes of the audit, targets are then adjusted and amended to enhance Majid Al Futtaim's sustainability performance

Employment		401-1 New employee hires and employee turnover															
JOINERS		Holding, Trust, Charity & President's Office				Properties				Retail				LEC & Lifestyle			
		Female	Male	Total	% Turnover	Female	Male	Total	% Turnover	Female	Male	Total	% Turnover	Female	Male	Total	% Turnover
	MENA	18	64	82	24%	48	53	101	8%	1414	4659	6073	19%	280	572	852	22%
	Africa	0	0	0	0	0	0	0	0	146	348	494	27%	0	0	0	0
	Central Asia	0	0	0	0	0	0	0	0	800	789	1589	63%	0	0	0	0
	Southern and South Eastern Asia	0	0	0	0	0	0	0	0	70	543	613	41%	0	0	0	0
	Eastern Asia	0	0	0	0	0	0	0	0	7	1	8	32%	0	0	0	0
	Europe	0	0	0	0	0	0	0	0	3	4	7	88%	0	0	0	0
	Overall Sum:	18	64	82	24%	48	53	101	8%	2440	6344	8784	23%	280	572	852	22%

LEAVERS		Holding, Trust, Charity & President's Office				Properties				Retail				LEC & Lifestyle			
		Female	Male	Total	% Turnover	Female	Male	Total	% Turnover	Female	Male	Total	% Turnover	Female	Male	Grand Total	% Turnover
	MENA	14	28	42	12%	34	81	115	10%	1326	4881	6207	19%	583	1156	1739	44%
	Africa	0	0	0	0	0	0	0	0	55	107	162	9%	0	0	0	0
	Central Asia	0	0	0	0	0	0	0	0	585	776	1361	54%	0	0	0	0
	Southern and South Eastern Asia	0	0	0	0	0	0	0	0	69	551	620	42%	0	0	0	0
	Eastern Asia	0	0	0	0	0	0	0	0	1	1	2	8%	0	0	0	0
	Europe	0	0	0	0	0	0	0	0	3	2	5	63%	0	0	0	0
	Overall Sum:	14	28	42	12%	34	81	115	10%	2039	6318	8357	22%	583	1156	1739	44%

401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Majid Al Futtaim provide full time employees of the organisation with: • Medical and Life Insurance for full time employees and their eligible dependents which entitles employees to medical treatment/prescription from selected private hospitals, clinics and government hospitals from employees start date • Group Life and Personal Accident Insurance from employees start date. Disability benefits are also covered within this • All employees are entitled to annual leave, sick leave and maternity leave • Pensions and bonuses are also provided for employees • Additional benefits also include schooling assistance and relation/repatriation assistance when applicable More information is able upon request from the HR department
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Occupational Health and Safety		
403-1	Occupational health and safety management system	Majid Al Futtaim Holding and its subsidiaries (the Majid Al Futtaim Company) recognises the importance of managing occupational health and safety (OH&S) as an integral component of a successful business. We aim to provide and maintain a safe and healthy working environment by eliminating hazards, mitigating health and safety risks, and raising awareness among employees, contractors, visitors and others who may be affected by our activities The Company's Occupational Health and Safety Policy states that Majid Al Futtaim: • Commits to provide an environment where work-related health and safety risks are appropriately mitigated and managed across the organisation • Commits to comply with applicable legal and other applicable OH&S requirements and best practices • Commits to develop and continually improve the organisation's health, safety and environmental management system • Commits to establish and drive a strategy and culture that promotes the prevention of injury and ill health to all employees, guests, contractors and anyone affected by the business • Commits to ensure that adequate resources are provided to meet the requirements of the policy • Commits to develop employee OH&S competency through effective training and leadership at all levels in the organisation • Subjects OH&S systems, procedures and performance to audits and validation We will continuously set objectives and targets in relation to the management of OH&S in each of our operating companies and aim to achieve standards that exceed relevant legal requirements and apply best practices

GRI Standard Question Answer

403-9 Work-related injuries For all employees the main types of injury included (but were not limited to) injuries to the hand, injuries to the feet, and burns from incorrect use of equipment Rates were based on 1,000,000 hours worked

Employees										
Gender	Absentee Rate	Number of minor injuries	Minor Injury Rate	Number of major injuries	Major Injury Rate	Total number of injuries	Overall Injury Rate	Work-related fatalities	Fatality Injury Rate	Total Hours Worked
Retail	0.07%	1 191	23.15	94	1.83	1 285	24.98	-	-	51 440 288
Properties	-	344	13.21	2	0.08	346	13.29	1	0.04	26 043 286
LEC & Lifestyle	0.01%	29	3.21	-	-	29	3.21	-	-	9 037 440
Holding	0.40%	-	-	-	-	-	-	-	-	-

Workers									
Gender	Number of minor injuries	Minor Injury Rate	Number of major injuries	Major Injury Rate	Total number of injuries	Overall Injury Rate	Work-related fatalities	Fatality Injury Rate	Total Hours Worked
Retail	-	-	-	-	785	-	-	-	-
Properties	18	14	1	0.78	19	14.78	1	29	1 285 497
LEC & Lifestyle	3	0.76	-	-	3	0.76	-	-	3 965 760
Holding	-	-	-	-	-	-	-	-	-

Training and Education

404-1	Average hours of training per year per employee	Retail Average Training Hours				Properties Average Training Hours				LEC & Lifestyle Average Training Hours				Holding Average Training Hours			
		Number of non-managers		Number of Managers		Number of non-managers		Number of Managers		Number of non-managers		Number of Managers		Number of non-managers		Number of Managers	
		Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
		11.85	15.95	14.40	18.75	2.27	1.72	5.93	4.75	11.61	12.62	11.11	15.08	10.47	6.32	6.32	5.80

404-2 Programs for upgrading employee skills and transition assistance programs For more information on our training see p30 Additionally, the following programmes were provided to Majid Al Futtaim Employees:

- 5 modules for School of Analytics and Technology
- School of great moments
- 5 modules for Top talent training

404-3	Employees receiving regular performance and career development reviews	Individuals who received a performance and career development review in 2020															
		Retail				Properties				LEC & Lifestyle				Holding			
		(Non-manager)		(Manager)		(Non-manager)		(Manager)		(Non-manager)		(Manager)		(Non-manager)		(Manager)	
		Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
	Employees	6596	21931	591	3630	341	484	51	162	741	1794	54	162	64	60	45	101

Diversity and Equal Opportunity

405-1	Diversity of governance bodies and employees	Percentage of employees who sit on Governance bodies (The board) in each age group															
		Retail				Properties				LEC & Lifestyle				Holding			
		Age		Total		Age		Total		Age		Total		Age		Total	
		under 30	30-50	50+	Total	under 30	30-50	50+	Total	under 30	30-50	50+	Total	under 30	30-50	50+	Total
	Male			83%	83%			100%	100%			60%	60%			100%	100%
	Female			17%	17%			0%	0%			40%	40%			0%	0%

GRI Standard Question Answer

Child Labour

408-1 Operations and suppliers at significant risk for incidents of child labour We understand that our greatest risk of child labour is within our supply chain and it is for that reason that we launched our Employee Conditions Policy and Responsible Procurement Policy which require our tier 1 suppliers and contractors to comply with the requirements laid out within them. In addition we actively encourage the suppliers and contractors to cascade the policy down to their own suppliers and contractors. Additional checks are made on all contractors and suppliers to ensure the requirements set out in the Employment Conditions and Responsible Procurement Policy are met. Majid Al Futtaim's Employment Conditions Policy addresses child labour and can be found on our website, this is also reflected within the contracts template where child labour is clearly prohibited. The policy can be found: <https://www.majidalfuttaim.com/en/who-we-are/sustainability-and-impact/sustainability>

Forced or Compulsory Labour

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour Information on Forced or Compulsory labour can be found on p31 During 2020, zero cases of forced or compulsory labour in our operations were identified. Majid Al Futtaim's Employment Conditions Policy addresses forced labour and can be found on our website, this is also reflected within the contracts template where forced labour is clearly prohibited. Additionally, checks are made on all contractors and suppliers to ensure the requirements set out in the Employment Conditions Policy are met. The policy can be found: <https://www.majidalfuttaim.com/en/who-we-are/sustainability-and-impact/sustainability>

Human Rights Assessment

412-1 Operations that have been subject to human rights reviews or impact assessments 100 % of operations undergo Human Rights reviews

412-2 Employee training on human rights policies or procedures Training on the auditable requirements of the Employment Conditions Policy has been rolled out to relevant staff across Majid Al Futtaim – Properties, however training only took place through informative emails during 2020 since employees were working from home the majority of the year

412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening 100% of contracts include human rights clauses and Majid Al Futtaim requires all our contractors and suppliers to comply with Majid Al Futtaim's Employee Conditions Policy

Local Communities

413-1 Operations with local community engagement, impact assessments, and development programs At Majid Al Futtaim, environmental impact assessments are carried out at all of our development projects along with additional infrastructure frameworks which help identify the local community development programmes required. The additional infrastructure framework works with local stakeholders and community members to identify what the community truly needs. It is through this process alongside regular community updates that the business communicates important issues and progress. For our communities, local stakeholders involved include schools for special needs children, local businesses, community groups NGOs, etc. For more information on our additional infrastructure visit p16, for an example of our community programmes at Al Zahia urban farm p23, and Tilal Al Ghaf p10. Majid Al Futtaim has an internal H&S Committee and an external people of determination advisory council that are engaged with supporting on these issues, including any grievances within the community.

our centre is



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