

2022 ESG REPORT

Dare Together



About us

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

It has since grown into one of the United Arab Emirates' (UAE) most respected and successful businesses spanning 17 international markets, employing more than 46,000 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 2022. It demonstrates our management of environmental, social and governance (ESG) risks and opportunities and progress towards delivering our sustainability ambitions 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 activities and benchmark our performance with reference to the 2021 GRI Standards on page 106. 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 2022.

The absolute environmental data in this report covers 100% of the floor area¹ of the assets where we have operational control and which were operational at any point in 2022. We report both location and market-based approaches for our Scope 2 emissions in line with the GHG Protocol's dual reporting principle. As we have recently expanded our renewable energy procurement, our market-based emissions have decreased more rapidly than our location-based emissions, however reducing our energy demand remains a priority. In addition, the environmental impacts of all Majid Al Futtaim's major construction projects underway during 2022 have been included in the [Environmental Data Annex](#). To increase transparency and ensure accuracy of disclosed information, we have appointed a third-party auditor to provide independent assurance of our 2022 environmental data. This report includes assurance of our full portfolio across all Operating Companies. The scope of the assurance engagement as well as the Assurance Statement can be found on page 83. Our Green Capital Market Issuances Report 2023 can be found [here](#).

¹ Floor area is measured by Gross Internal Area for the majority of assets, but Common Parts Area is used for Malls. For community assets, Land Area is included in the Company total floor area.



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

MR. MAJID AL FUTTAIM

Founder of Majid Al Futtaim, 1934 - 2021

”





“

In a rapidly evolving world, our strategy for long-term success is firmly anchored in sustainable growth and leaving an enduring positive impact.

”

A message from our Chief Executive Officer

2022 marked a pivotal moment in our history, as we took our first strides forward following the passing of our beloved founder, Mr. Majid Al Futtaim. With the full support of our Shareholders, we continued with purpose and passion to deliver on Mr. Majid's vision while navigating the impact of global economic and geopolitical uncertainties. At the heart of those efforts sits a clear and simple ethos, that is to build a resilient and sustainable organisation that can contribute meaningfully and for the long-term, to the betterment of the MENA region and its people.

This ethos is as relevant today as it has been over the last three decades, acting as our true North, guiding and informing our business decisions. This year's ESG Report narrates the progress we've made across our strategic objectives as we seek to Rethink Resources, Transform Lives, and Empower our People. We took bold strides in Rethinking Resources, moving the dial on our 2040 net positive commitments, increasing our renewable energy capacity while reducing emissions. We continued to contribute to our communities, supporting economic inclusion and development across the region to truly Transform Lives. I'm especially proud of the progress we have made in nurturing and uplifting homegrown talent, creating opportunities to empower and support tomorrow's leaders to find their unique paths to success. And in Empowering our People, we have continued to foster a culture of inclusion, embracing the unique differences among us and cultivating a deep sense of belonging to strengthen our organisation as a whole.

As we look ahead, 2023 marks a new era in our *Dare Today, Change Tomorrow* journey. Our 2028 Sustainable Business Commitments reflect the groundwork we have laid over the last five years, while reflecting the evolution and growth of our organisation. Centered by the tenets of Mr. Majid's vision and with renewed momentum, we embrace the challenges and opportunities ahead as catalysts for driving positive change for our customers, colleagues, and communities.

AHMED GALAL ISMAIL
Chief Executive Officer
Majid Al Futtaim



Our value creation model

Inputs

FINANCIAL	AED 52,027 million tangible fixed assets AED 2,506 million capex AED 14,163 million net debt AED 30,795 million equity
MANUFACTURED	29 shopping malls in 5 countries 1.8 million m ² GLA of prime retail space +18 hotels and communities launched to date +450 Carrefour outlets across 17 countries +580 VOX Cinemas screens and entertainment sites 55 Lifestyle stores
INTELLECTUAL	+65 brands in our brand family 13 partnerships with hotel operators +3 million SHARE app members
HUMAN	+46,000 employees across 17 countries +100 trainings through our Leadership Institute and Retail Business School +100 wellness-related engagements in 2022
SOCIAL AND RELATIONSHIP	+14,240 active suppliers AED 5 million social contributions 12 additional infrastructure projects in 2022
NATURAL	+1.4 billion kWh of energy consumed ² 40,481 kWp renewable energy capacity 5,854,138 m ³ of water consumed 838,402 tCO ₂ e Scope 1 and 2 location-based emissions 756,398 tCO ₂ e Scope 1 and 2 market-based emissions 46,607 tonnes of waste generated

Value creation process



Outputs & outcomes

FINANCIAL	AED 36.3 billion revenue AED 4.1 billion EBITDA AED 2.4 billion net profit BBB credit rating from Standard & Poor (S&P) and Fitch Ratings
MANUFACTURED	+212,874,980 shopping mall visitors 92% average occupancy across malls 79% average occupancy across hotels 102 residential units handed over +261,745,600 Majid Al Futtaim - Retail customers +18 million cinema admissions
INTELLECTUAL	37.2 NPS 2,000 private label products
HUMAN	20% women in senior management positions 44,251 employees trained 7.1% Emiratis in our UAE workforce
SOCIAL AND RELATIONSHIP	AED 8.5 million donated to social causes 80% of products sold in UAE are sourced regionally 233 graduates from the Almaza Recruitment and Training Centre (ARTC) 14 entrepreneurs supported through the Launchpad Programme +139,870 kg of food donated by Majid Al Futtaim - Retail
NATURAL	51 million kWh of renewable energy generated ³ 11% reduction in market-based Scope 1 and 2 Company emissions vs. 2019 baseline 54 green certified assets +58,830 mangrove trees planted 11,770 tonnes of recycled waste



PROPERTIES



RETAIL



LIFESTYLE



ENTERTAINMENT



GLOBAL SOLUTIONS

² Excludes energy consumed by third-party tenants and in our development activities.
³ Includes PV and PPA



2022 SNAPSHOT

756,398 tCO₂e

[Scope 1 and 2 carbon emissions, market-based]

51 million kWh³

renewable energy generated

40,481 kWp³

renewable energy installed capacity

20%

women in senior management positions

AED 8.5 million

donated to charities to support social causes

12 projects

invested in to develop additional infrastructure

³ Renewable energy generated includes PV and PPA. The renewable energy installed capacity figure has been corrected from 40.5 million kWp, due to a previous misstatement in the measurement units.

Where we operate



KEY

- AFRICA
- CENTRAL ASIA
- MENA
- SOUTHERN & SOUTH EAST ASIA

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

2022 Highlights



Top-rated

regional and industry ESG company by Sustainalytics' ESG Risk Ratings and Moody's



US\$1.25 billion

second Sustainability-Linked Loan signed



11% reduction

in market-based Scope 1 and 2 emissions across the Company compared to 2019 baseline



Science-based targets

developed for our Operating Companies – Retail, Entertainment and Lifestyle



Gold level TRUE zero-waste certification

awarded to Majid Al Futtaim Tower 2, the first in the UAE



First BIO store

opened at City Centre Me'aisem, offering over 3,000 organic, health-conscious, local products



20,000

employee engagements during Wellness Week, our most far-reaching yet



Launchpad Programme

established to turbo-charge the growth plans of start-ups and SMEs in the region



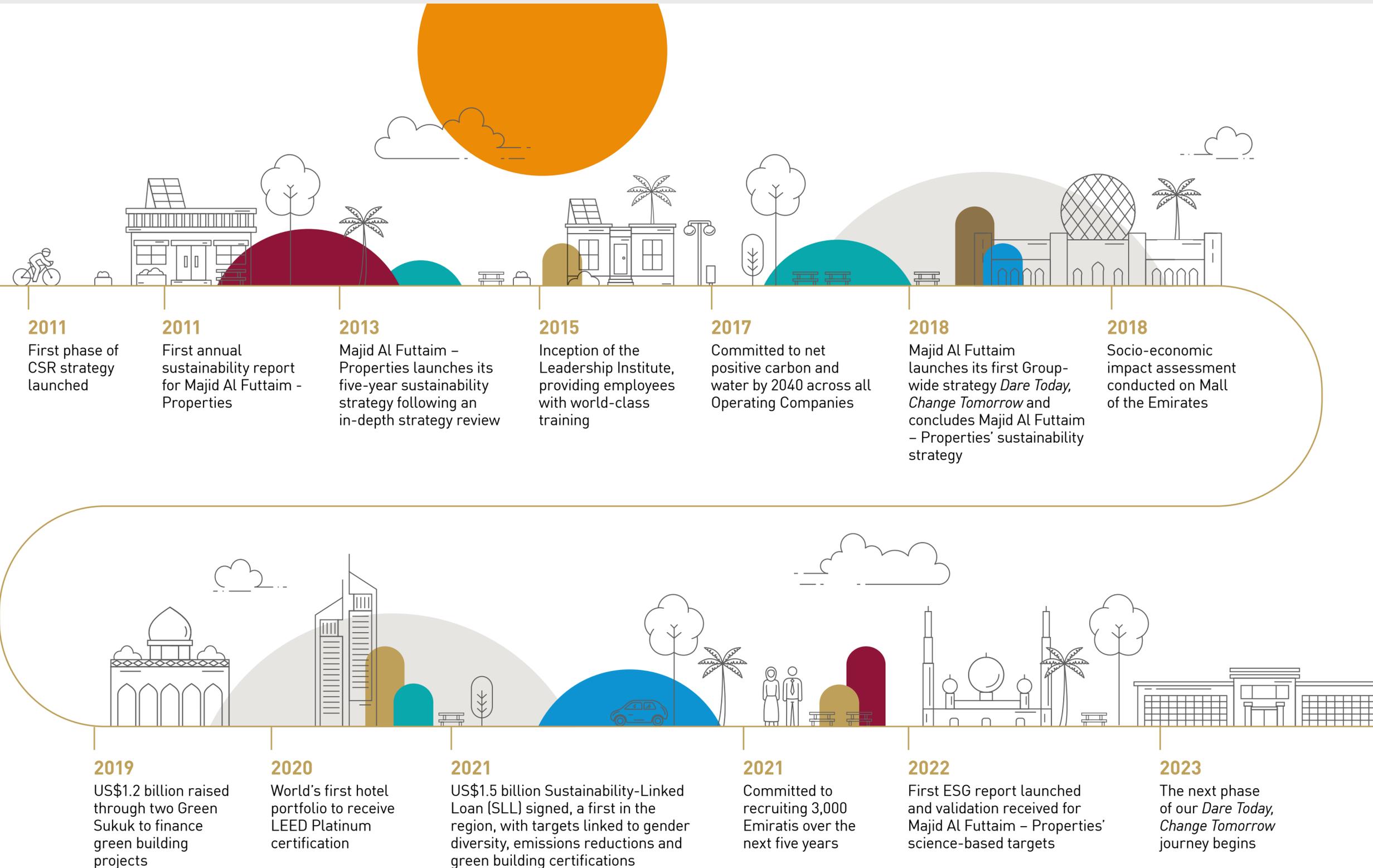
+20,930

frontline employees completed sustainability training

Our journey to *Dare Today, Change Tomorrow*

Majid Al Futtaim's vision to create great moments for everyone continues to guide its activities to transform the shopping, entertainment and leisure industries in the Middle East, Africa and Asia. Since our first CSR strategy was launched in 2011, initiated from our then Head of Corporate Social Responsibility who found a Carrefour plastic bag in the sea, how we create value for people and the planet has evidently become more deeply integrated into our transformation journey.

Today, this has naturally progressed to encompass ESG risks and opportunities to ensure how we manage them is embedded throughout our culture, policies and business activities. Some of the key highlights of our journey are shared in the timeline.



Our strategic context

Dare Today, Change Tomorrow, our sustainability strategy, is informed by global trends that are impacted by our business and influence how we operate.

Our 2021 materiality assessment - which included internal and external stakeholder engagement, a peer and investor review and an analysis of existing and emerging legislation - helped us to build an understanding of our most material risks and opportunities that reflect the wider context we operate in. We manage and assess these risks continuously through our Sustainable Business Commitments and with the guidance of other relevant frameworks including the World Economic Forum's (WEF) Global Risk Reports.

OUR STRATEGIC PILLARS



Rethinking Resources

We dare to rethink our use of resources to make a net positive impact

SEE PAGE 18



Transforming Lives

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

SEE PAGE 38



Empowering Our People

We dare to empower our people to unlock their full potential

SEE PAGE 53

KEY TRENDS

CLIMATE CHANGE

Climate risks are accelerating and demanding we embed resilience into the design and operation of our assets.



USE OF NATURAL RESOURCES

Water insecurity and the exploitation of natural resources are making us rethink how we use them and embed circularity.



SOCIETAL IMPACT

Purpose beyond profit requires us to demonstrate our social impacts within the communities where we operate.



EVOLVING CUSTOMER EXPECTATIONS

Creating great moments means staying at the forefront of customers' needs and expectations to promote inclusion and sustainable lifestyle choices.



DIGITISATION AND INNOVATION

Technology and new consumption models are enhancing the services and products we provide to our customers.



HEALTH AND WELLBEING

A holistic approach to wellness is essential for creating a safe environment and reaping the benefits on productivity and employee satisfaction.



ATTRACTING AND RETAINING FUTURE TALENT

A competitive employer landscape requires us to evolve our employee value proposition in line with expectations on diversity and inclusion, training and career development.



TRANSPARENCY AND ETHICS

We lead by example in a region with significant ethics risks to drive change and operate with integrity and transparency.



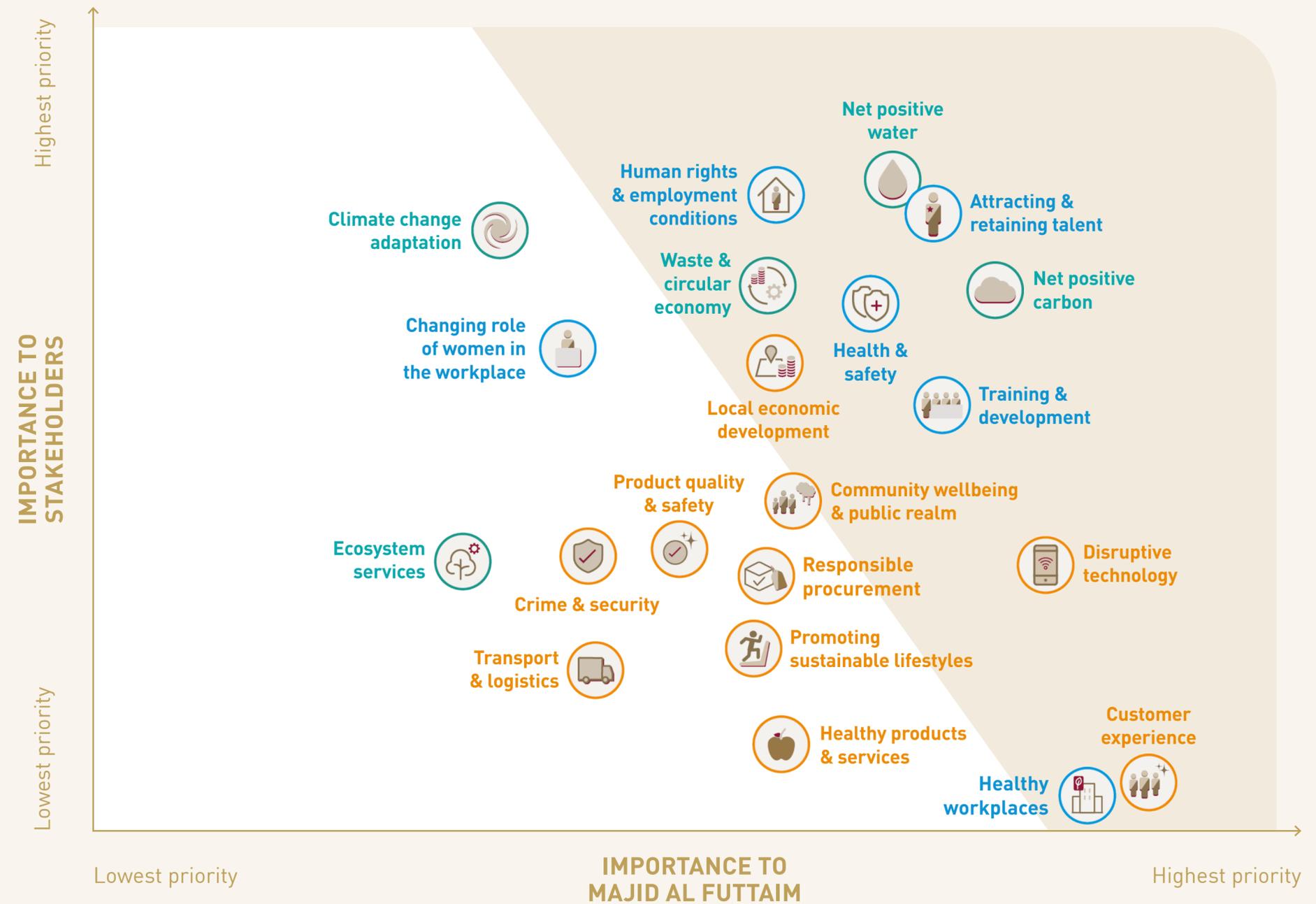
RISK LEVEL

Our sustainability strategy

Dare Today, Change Tomorrow is our roadmap to addressing our material risks and opportunities, ensuring we manage the issues that matter most to our stakeholders and respond effectively to the global trends that impact how we operate. Our three pillars: Rethinking Resources that comprises of environmental topics and Transforming Lives and Empowering Our People that embody our social topics, define the strategic approach to our material issues. Our strategy is aligned with 14 Sustainable Development Goals (SDGs) where we can have the most significant impact (see page 101 for our SDG disclosures).

Our material issues were determined based on a materiality assessment (displayed in the matrix) that was conducted in 2017, which ranked issues based on their importance to stakeholders and Majid Al Futtaim. The issues within the shaded area, representing those most important to our stakeholders and our business, form our 11 2022 Sustainable Business Commitments relevant to the current reporting period. In 2023, we will share the results of our most recent materiality assessment and begin reporting on our 2028 Sustainable Business Commitments.

We have raised US\$4.45 billion through sustainable and green finance to date. This includes US\$1.2 billion through two Green Sukuk in 2019, to finance and refinance existing and future green projects. We signed two SLLs valued at US\$1.5 billion and US\$1.25 billion, respectively in 2021 and 2022, which are dependent on our measurable improvements on specific yearly targets regarding gender diversity, emissions reductions and green building certifications (see page 100 for more information). In addition, 2022 saw Majid Al Futtaim issue the region's first Green Hybrid Bond, raising US\$500 million.



● Rethinking Resources ● Transforming Lives ● Empowering Our People

External initiatives and benchmarking

Majid Al Futtaim embeds external initiatives and frameworks into our strategy, reporting and targets to demonstrate the credibility of our approach to stakeholders whilst ensuring we are aligned with international best practice. This also helps us to scale-up our transparency and benchmark our performance against peers.



For nine years, we have **received the Standard Dubai Chamber CSR Label**, recognising and endorsing our sustainability efforts. We have also received the Advanced Dubai Chamber CSR Label for the 5th year running and was the first company to receive the advanced version.



In 2021/22, we **developed science-based targets (SBTs)** for our Operating Companies to ensure our emission reductions are aligned with the latest climate science. These were submitted to and validated by the Science Based Targets initiative (SBTi) (see pages 23 and 36).



GRESB scores and benchmarks ESG performance of real estate and infrastructure. In 2022, for the first time, we achieved a full management score for our ESG practices and substantially improved our Development score: **85% Standing investments & 97% Developments.**



In 2013, we **committed to incorporating the Ten Principles** of the UN Global Compact into our strategies, policies and procedures and recently participated as an early adopter to streamline sustainability reporting on the Ten Principles and SDGs. Our CoPs can be accessed [here](#).



We are a **member of the Science Based Targets Network Corporate Engagement Program**, supporting the development of methods and tools for SBTs that will help create a nature positive future. We plan to measure, set and disclose interim targets for freshwater and land use by the end of 2023.



Sustainalytics' ESG Risk Ratings measure a company's exposure to and management of industry-specific material ESG risks. We are top-rated within our industry and region, receiving an improved **low-risk ESG score of 15.0 in 2022.**



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



TCFD supports companies to report and manage their climate-related risks and opportunities. We were **one of the first in the MENA region** to report in line with TCFD. Read our latest response on page 70.



Moody's ESG scores assist in transparently and systematically demonstrating the impact of ESG on credit ratings. Majid Al Futtaim received an **ESG score of A2**, which ranks us first in emerging markets among the 25 percentile companies.



In 2020, we **joined the World Business Council for Sustainable Development (WBCSD)**, a member organisation of over 200 leading businesses, which provides a forum for the global business community to share best practices for addressing sustainable development issues.



TNFD is a risk management and disclosure framework for organisations to report and act on evolving nature-related risks. In 2022, we **signed up to be a member** and will fully align with each recommendation in our 2023 ESG Report.

Stakeholder engagement

The delivery of our *Dare Today, Change Tomorrow* ambitions relies on continuous and constructive engagement with our stakeholders to ensure our strategic approach evolves in line with their needs and expectations. We pursue mutually beneficial goals that seek to transform the economic and social development of where we operate, whilst accounting for local challenges and minimising our impact on the environment.

Targeted stakeholder input has been integral in the development of the next phase of our strategy, where we engaged employees, suppliers, regional NGOs and global industry-wide organisations in 2021 to integrate their views on our performance, industry trends and where we can improve.

We are a signatory to the World Economic Forum's (WEF) Stakeholder Capitalism Metrics, which seek to create long-term value by meeting the needs of all our stakeholders, including society and the planet. See page 121 for our 2022 progress update.

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



Employees

+46,000 employees

How we engage with them

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

Stakeholder expectations

- Ensure employees understand how they can contribute to the sustainability strategy through day-to-day activities, via awareness initiatives and training
- Engage employees throughout the target and goal setting process as well as business updates by the leadership team
- Foster a diverse, inclusive and health and safety culture that prioritises employee wellness and promotes a work life balance
- Ensure employees feel heard, valued and feel a sense of belonging
- Invest in career development and education
- Promote business continuity and job satisfaction
- Maintain the highest ethical operating standards



Tenants

2,290 unique tenants

How we engage with them

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

Stakeholder expectations

- Foster a culture of transparency and operate with the highest ethical standards and respect for human rights
- Maintain strong and stable business relationships
- Seek to offer competitive prices, continuity and job security
- Maintain the highest ethical operating standards



Customers

+178 million customers

How we engage with them

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

Stakeholder expectations

- Provide sustainable products and services to support better lifestyle and consumption choices
- Offer products, services and events that support health and wellness
- Offer digital experiences based on convenience and an innovative customer experience
- Adhere to the highest legal, environmental, ethical and health and safety standards to cultivate a positive brand reputation



Suppliers

AED 6 billion supplier spend in 2022⁴

How we engage with them

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

Stakeholder expectations

- Provide training on Majid Al Futtaim's sustainability strategy and sustainable procurement practices
- Maintain transparent, compliant and ethical business practices and uphold the highest levels of human rights
- Ensure fair trade and competitive prices
- Engagement on the performance of products and services and resource availability
- Help the supply chain to upskill their employees
- Maintain strong and stable business relationships with suppliers
- Remain adaptive and resilient to change to minimise supply chain disruptions



Contractors

14 construction contractors⁵

How we engage with them

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

Stakeholder expectations

- Provide training on Majid Al Futtaim's sustainability strategy and [Employment Conditions Policy](#)
- Help contractors to upskill their employees
- Maintain transparent, ethical business practices and compliance and uphold the highest levels of human rights and health and safety practices
- Maintain strong and stable business relationships with contractors
- Remain adaptive and resilient to change to minimise supply chain disruptions



Regional and global peers

25 peer working group memberships

How we engage with them

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

Stakeholder expectations

- Collaborate with regional and global peers on thought leadership, knowledge sharing and the achievement of the SDGs
- Lead by example in setting local and regional sustainability trends



Communities

17 diverse markets

How we engage with them

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

Stakeholder expectations

- Promote sustainable lifestyles, better consumption choices and safety and security
- Offer digital experiences that support customisation and convenience and innovative customer experiences
- Contribute towards local economic development and inclusion
- Invest in communities to address local needs

⁴ Includes overall Company supplier spend for all Operating Companies and categories, including spend that the procurement team can and cannot influence. However, some spend is excluded including Majid Al Futtaim – Properties' commercial property orders and e-commerce spend within Majid Al Futtaim – Retail.

⁵ Excludes fit-out and service providers.



NGOs

30 NGO partnerships in 2022

How we engage with them

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

Stakeholder expectations

- Collaborate to share knowledge and contribute to social causes
- Offer training and upskilling opportunities
- Create mutual value through productive partnerships



Charities

AED 8.5 million donated to charities to support social causes

How we engage with them

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

Stakeholder expectations

- Provide in-kind support and voluntary social service
- Engage to address social causes and invest in communities
- Create mutual value through productive partnerships
- Maintain the highest standards of ethical business practices and compliance



Governments

17 countries of operation

How we engage with them

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

Stakeholder expectations

- Establish meaningful public-private partnerships to share knowledge and best practice approaches
- Contribute towards the achievement of government commitments
- Embed disruptive and innovative solutions to address sustainability challenges
- Stimulate economic growth through activities that provide local opportunities



Dare Today, Change Tomorrow: Our achievements

Since launching our first Company-wide sustainability strategy in 2018, we have made substantial progress against our 2022 Sustainable Business Commitments (a full progress report is available on page 84).



Rethinking Resources

-  **NET POSITIVE CARBON**
 - ✓ US\$4.45 billion raised through green and sustainable finance to scale-up our impact
 - ✓ Became the world's first hotel portfolio to receive LEED Platinum certification
 - ✓ Validated science-based targets for all our Operating Companies
 - ✓ 94% of green star applicable tenancies have been rated 3-star or above
-  **NET POSITIVE WATER**
 - ✓ Installed 19 water dispensers totalling 3,350 litres in the UAE through air-to-water integrated systems
 - ✓ Developed a water offsetting strategy and partnered with Project Maji to pilot a drinking water kiosk in Kenya that will save 5,000 litres of water a day
-  **CIRCULAR ECONOMY**
 - ✓ Published our circular economy strategy, *Unlocking Value*, to embed circular practices within our organisation and throughout our supply chain
 - ✓ Majid Al Futtaim - Lifestyle is single-use plastic free and Majid Al Futtaim - Retail has phased-out single-use plastic bags in six countries, e-commerce bags in five countries and cutlery in seven countries



Transforming Lives

-  **LOCAL ECONOMIC DEVELOPMENT**
 - ✓ Developed an Additional Infrastructure Framework to increase investment into and contribute to the local economy, with 12 projects invested in within the UAE and Egypt in 2022 alone
 - ✓ Chose 14 start-ups as winners of our Launchpad Programme, with 50% of companies run by female entrepreneurs
 - ✓ Generated 30,000 job opportunities through Tilal Al Ghaf
-  **DISRUPTIVE TECHNOLOGY**
 - ✓ Joined the Scale Up programme
 - ✓ Launched our Open Innovation platform to support an open and inclusive approach to innovation
-  **CUSTOMER EXPERIENCE**
 - ✓ Implemented numerous initiatives and campaigns aimed at promoting sustainable lifestyles, including Carrefour's Healthy Kitchen, the first BIO store in the UAE and zero-waste and bottle refill stations



Empowering Our People

-  **ATTRACTING AND RETAINING FUTURE TALENT**
 - ✓ Launched a [Diversity and Inclusion Policy](#)
 - ✓ Increased women in senior management positions to 20%
-  **HEALTHY WORKPLACES**
 - ✓ Launched the MyWellness app for all Majid Al Futtaim employees on MyHub
 - ✓ Rolled-out Wellness Week across our countries of operation and hosted +100 wellness-related activities in 2022 alone
-  **TRAINING AND DEVELOPMENT**
 - ✓ Trained +20,930 frontline employees on sustainability
-  **HUMAN RIGHTS AND EMPLOYMENT CONDITIONS**
 - ✓ Issued a [Sustainable Procurement Policy](#) and [Supplier Code of Conduct](#), requiring our suppliers to adhere to a set of minimum sustainability requirements

Dare Today, Change Tomorrow: The next phase of our strategy

The landscape in which we operate, both internally and externally, has shifted considerably. Our stakeholders' needs and expectations have evolved, the frameworks for managing our impacts have become more sophisticated and our business has matured. Starting in 2023, we will be embarking on the next phase of our *Dare Today, Change Tomorrow* journey.

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

Through these exercises, we have identified eleven Sustainable Business Commitments that will drive action over the next five years, addressing the concerns that are most important to our stakeholders and business, across our three strategic pillars: Rethinking Resources, Transforming Lives and Empowering Our People. The majority of these Sustainable Business Commitments are a continuation and refinement of our efforts over the past five years, underscoring the significance of the issues we have already been addressing. We have also consolidated our local economic development commitments into one and incorporated a fresh commitment focused on climate resilience and nature-based solutions. This next phase in our sustainability journey is distinct in that we have evolved our approach to managing and monitoring our Sustainable Business Commitments. Our sustainability team, alongside an external third-party auditor, will monitor and report on our measurable target progress internally every quarter for each Operating Company and publicly share our performance annually within our ESG Report.

“

As we look back across the years since Majid Al Futtaim – Properties launched its first sustainability report in 2011, we reflect on just how far we have come in managing the environmental performance of our assets. With 54 of our assets now green certified and generating 51 million kWh of renewable energy across our shopping malls, communities and retail assets, we have established ourselves as a leading provider of sustainable real estate in the region. Our Company-wide 2028 Sustainable Business Commitments will pave the way for further progress, and I look forward with anticipation as to the positive impact we can have, when we work together.

AHMED EL SHAMY

Chief Executive Officer
Majid Al Futtaim – Properties

”



We DARE TO

rethink our use of resources
to make a net positive impact



ENVIRONMENTAL

Rethinking Resources

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



51 million kWh
renewable energy generated in 2022

54
green certified Majid Al Futtaim assets

**TRUE zero-waste
Gold certification**
awarded to Majid Al Futtaim Tower 2,
the first in the UAE, with over 95% of
its waste diverted from landfill





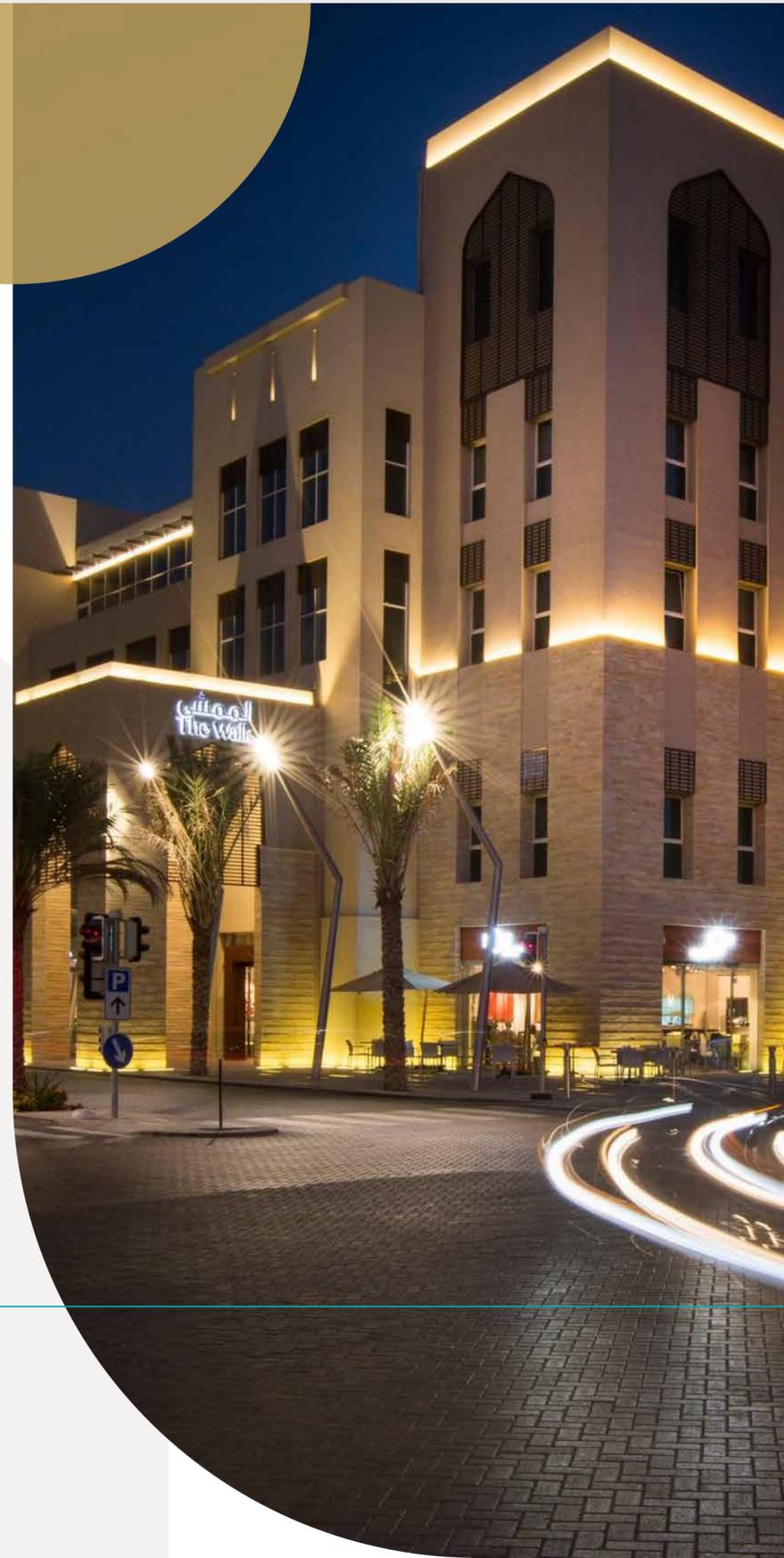
For years, Majid Al Futtaim has been an advocate for sustainable development, collaborating with other leading companies on challenges and opportunities. As a member of the World Business Council for Sustainable Development (WBCSD), they are accelerating the transformation needed for a better world. Majid Al Futtaim's own sustainability initiatives support WBCSD's work on sustainable cities, low-carbon energy, circular economy and food systems transformation. Its actions and commitments are strengthening sustainability in the MENA region, demonstrating its benefits to business.

JOHN REVESS

Vice President of Business Engagement
World Business Council for Sustainable Development (WBCSD)



Rethinking Resources is how we minimise our negative impact on the environment and enhance our positive contribution to nature.



Since the launch of our first Company-wide Sustainable Business Commitments in 2018, Majid Al Futtaim has proven our approach to building and operating best-in-class assets. We have expanded our green certified portfolio to include 54 of Majid Al Futtaim's assets, set science-based carbon reduction targets, installed and signed 16 million kWh of renewable energy and Power Purchase Agreements (PPAs) in 2022, phased-out single-use plastic bags across 6 countries in Majid Al Futtaim - Retail and pioneered innovative solutions to achieve water and energy efficiencies.

Operating in the Middle East, Africa and Asia means we face significant climate risks in the form of rising temperatures, water stress and extreme weather events, exacerbated by above average population growth. As we move into the next phase of our strategy in 2023, we will place an even greater focus on climate resilience, building on the expertise we have developed over the past years, and maximising the far-reaching benefits of nature-based solutions to mutually progress towards our 2028 Sustainable Business Commitments.

Our Climate Transition Action Plan

Since committing to become net positive carbon by 2040 in 2017, the first in the MENA region and one of the first few globally, a proliferation of global protocols and best practice standards have emerged. This has led to a natural evolution of Majid Al Futtaim's response to enhance the rigour of our approach and ensure our efforts are consistent and maximise co-benefits. In 2022, we began restructuring our approach to climate action under a [Climate Transition Action Plan](#), to bring together our climate mitigation and adaptation efforts. This means both our efforts to reduce emissions and the implementation of measures to avoid, reduce or transfer climate risks.



OUR CLIMATE TRANSITION ACTION PLAN APPROACH

Mitigation

NET POSITIVE CARBON ACTIVITIES

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

Adaptation

CLIMATE RISK ACTIVITIES

- 1 Climate Resilience Strategy and Roadmap with a focus on nature-based solutions
- 2 Climate-related key performance indicators
- 3 Asset resilience strategies

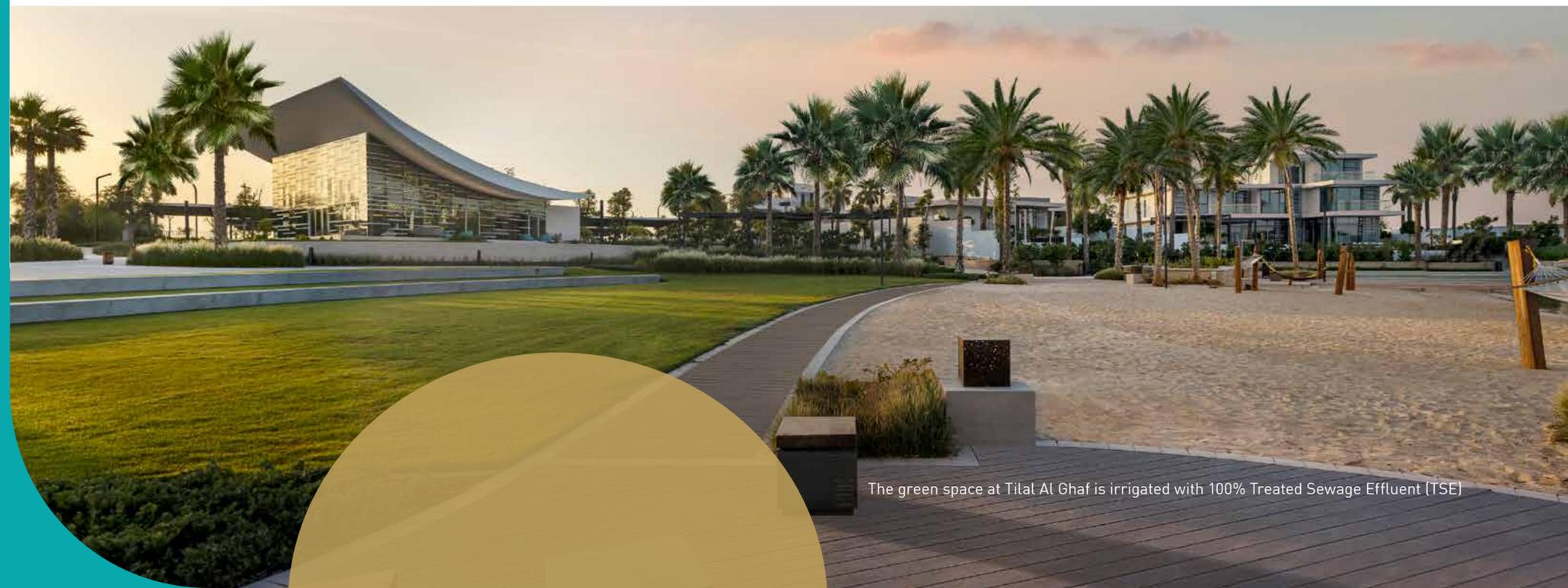
Our carbon commitments

Having received validation for our near-term science-based targets (SBTs) for each Operating Company, these targets form the core of our [Climate Transition Action Plan](#). Beyond this, as well as supporting regional climate adaptation goals, we have two additional carbon targets. We were one of the first three signatories to the WorldGBC's Net Zero Carbon Buildings (NZCB) Commitment and we are committed to achieving net positive carbon by 2040. The full phasing of our key carbon commitments is reflected in the timeline.

As well as setting and phasing our emissions targets, we are continually improving our approach to collecting, managing and analysing our environmental data. Asset-level utilities data including energy, water and waste is collected and monitored monthly through a data management system. Performance is reviewed on an on-going basis at the asset, Operating Company and country level to identify effective management interventions. As per the requirements of the SBTi, we will be carrying out a feasibility study in order to prepare ourselves to align with 1.5°C and understand the opportunities, constraints and cost implications.

During the process of developing our SBTs, we re-baselined our carbon emissions to 2019, the most recent year unaffected by the consequences of COVID-19 asset closures. In 2022, we developed tools and processes such as a dashboard to track our historic emissions and updated our net zero projections tool to show how the Group's emissions will change depending on the interventions we make. These will be critical to aid our understanding of how we can decouple emissions from our business growth.

OUR CARBON COMMITMENT TIMELINE



The green space at Tital Al Ghaf is irrigated with 100% Treated Sewage Effluent (TSE)

Managing our Scope 1 & 2 emissions

To guide our long-term carbon commitments, each Operating Company has developed near-term SBTs, which translate into yearly emission reduction targets up to 2035 against the 2019 baseline (see our white paper on [SBTs](#) to learn more about our journey). To guide our progress, each Operating Company is developing its emission reduction plans.

To strengthen our accountability, Majid Al Futtaim's SLL requires reducing the Scope 1 and 2 emissions intensity of Majid Al Futtaim's property portfolio, in line with our SBTs towards net positive by 2040.

2035 SCOPE 1 AND 2 SBTs
(MARKET-BASED, VS. 2019 BASELINE)


-87.8% kgCO₂e/m²
Properties


-40% tCO₂e
Entertainment

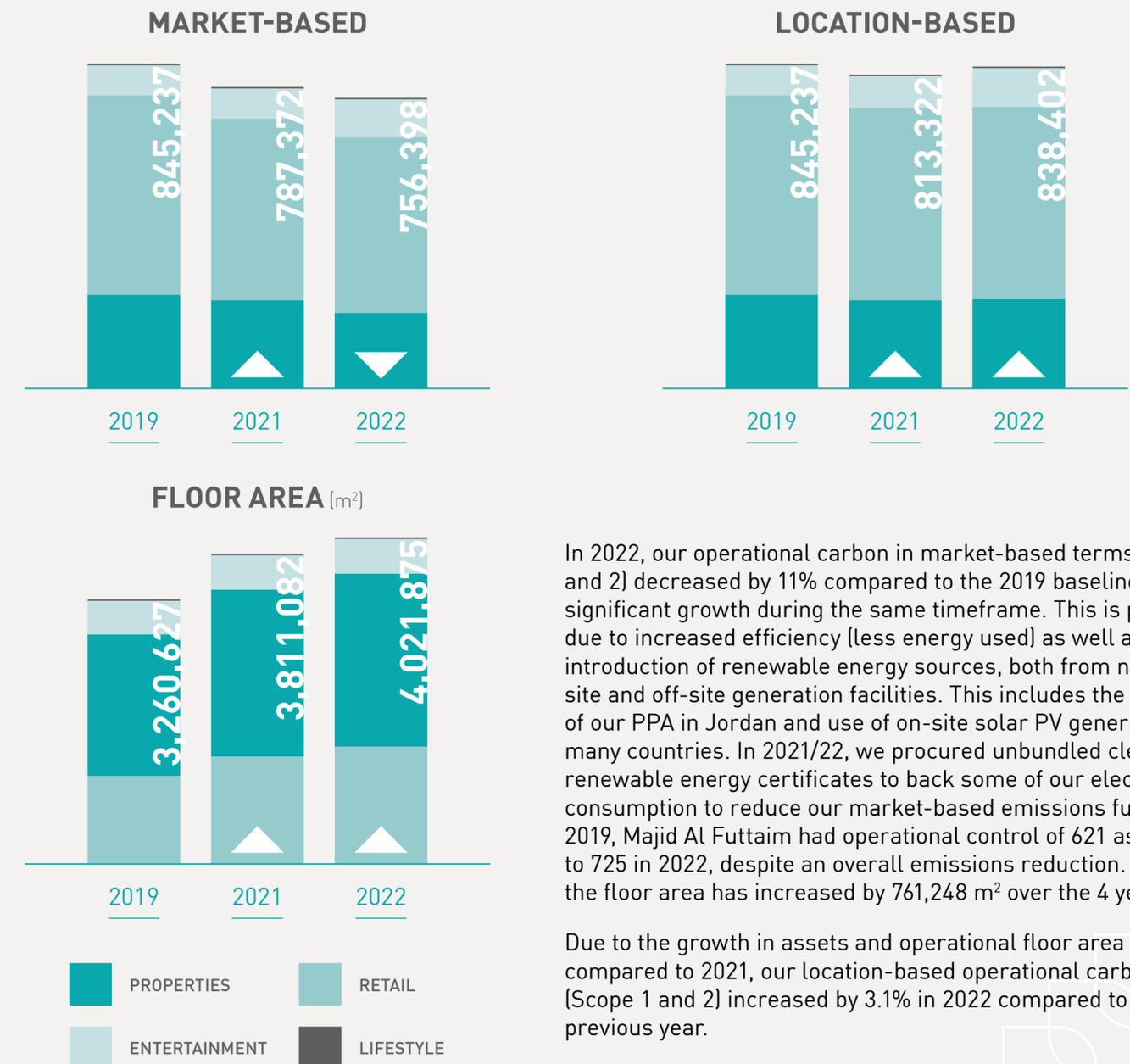

-40% tCO₂e
Lifestyle


-40% tCO₂e
Retail



*Data has been restated, which may lead to minor discrepancies when compared to previous years, as more complete and accurate data is available.

SCOPE 1 AND 2 CARBON EMISSIONS* (tonnes of CO₂e)



In 2022, our operational carbon in market-based terms (Scope 1 and 2) decreased by 11% compared to the 2019 baseline despite significant growth during the same timeframe. This is primarily due to increased efficiency (less energy used) as well as the introduction of renewable energy sources, both from new on-site and off-site generation facilities. This includes the benefits of our PPA in Jordan and use of on-site solar PV generation in many countries. In 2021/22, we procured unbundled clean and renewable energy certificates to back some of our electricity consumption to reduce our market-based emissions further. In 2019, Majid Al Futtaim had operational control of 621 assets, rising to 725 in 2022, despite an overall emissions reduction. As a result, the floor area has increased by 761,248 m² over the 4 year period.

Due to the growth in assets and operational floor area by 5.5% compared to 2021, our location-based operational carbon footprint (Scope 1 and 2) increased by 3.1% in 2022 compared to the previous year.

Our floor area has increased by 761,248 m² since 2019. The largest increase in floor area compared to 2021 is attributable to the growth of our community assets. We report on assets where Majid Al Futtaim has operational control. This means we only report on assets where we have some form of management control, such as property management and excludes properties where we have financial investment but no managerial control. Our operational footprints include all energy sources for which we have operational control. This excludes tenant energy consumption and the emissions from our developments (both construction processes and embodied emissions).

Energy efficiency

Improving our energy efficiency is a central part of our mitigation activities to achieve our carbon commitments. We implement an energy efficiency first approach through impactful wins with a strong return on investment. In 2022, our energy consumption increased by 1.6% compared to 2021 and 3.4% against the 2019 baseline. This is in the context of a substantial increase in floor area by 5.5% compared to 2021 and 23.3% compared to 2019.

Building Management Systems (BMS) are in place across some of our assets such as shopping malls, hotels, offices and cinemas to improve and execute best practice building controls. In 2022, our energy efficiency activities consisted of optimising our building controls, daily monitoring of energy consumption to identify inefficiencies, decommissioning boilers, installing heat pumps and LED lighting and delivering training and awareness programmes to employees.

Majid Al Futtaim – Entertainment and Enova's EPC was nominated for **Best Operations & Maintenance (Existing Building)** at the 2022 MENA Green Building Awards

ACHIEVING ENERGY REDUCTIONS AT VOX CINEMAS IN THE UAE

Majid Al Futtaim – Entertainment signed an energy performance contract (EPC) with Enova in 2021, a joint venture between Majid Al Futtaim and Veolia, and the regional leader in integrated energy and multi-technical services. The six-year EPC will pilot the implementation of energy conservation measures (ECMs) at VOX Cinemas Mercato Mall and City Centre Ajman in the UAE, before replicating the model across 13 VOX Cinemas in the UAE, Egypt and Saudi Arabia.

With activities taking place in 2022, the partnership ensures the implementation and maintenance of ECMs related to heating, ventilation and air conditioning systems and air handling units (AHU). In addition, the EPC utilises the ENOVA HUBGRADE platform and monitoring centre, which uses live remote monitoring of our sites to give real time data on performance. It allows us to make remote changes to settings on heating, cooling and AHU in real-time, responding to the facility usage peaks and troughs in customer footfall and changes in environmental conditions.

Upon completion, VOX Cinemas will achieve a guaranteed utilities' saving of 14.8% per year compared to its energy consumption baseline, with a targeted annual saving of 1.3 GWh, equal to 305 tCO₂. For our earliest and most mature EPC contracts such as VOX Cinemas Mercato Mall and City Centre Ajman, where all energy saving initiatives have been fully implemented, we are seeing savings of at least 20%, which exceeds our original estimations. This is very encouraging and further validates the project's success, with learnings set to be applied for the next phase of the EPC roll-out.

“

This has been a big year for Majid Al Futtaim - Entertainment's decarbonisation journey. Along with the Retail and Lifestyle Operating Companies, we received validation for our science-based targets and began working on our pathway to achieving them. We exceeded the energy savings expected from our award-winning EPCs with Enova during the 2022 pilot project and our assets have received recognition for our outstanding efforts in the application of sustainability standards. In 2022, VOX City Centre Mirdif became the world's first cinema to be awarded the Leadership in Energy and Environmental Design (LEED) v4.1 O+M (Operations + Maintenance) Existing Interiors in recognition of its outstanding efforts in the application of sustainability standards and subsequently received LEED Gold Certs for VOX Cinemas Mall of the Emirates and City Centre Deira.

IGNACE LAHOUD

Chief Executive Officer
Majid Al Futtaim - Entertainment



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Renewable energy

We are increasing the generation of on-site and off-site renewable energy to reduce our emissions and reliance on fossil fuels and grid electricity. Majid Al Futtaim's [Sustainable Building Policy](#) requires all new standalone projects to achieve a minimum on-site renewable energy generation of 25% of its total energy use.

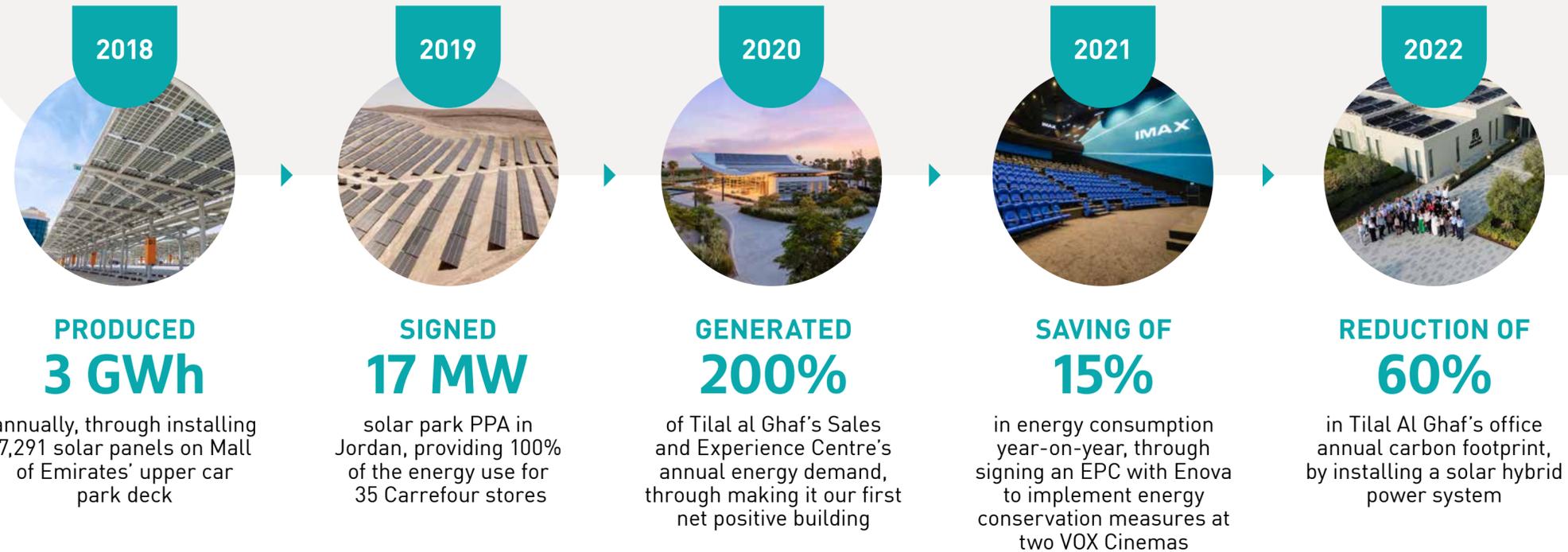
We deploy directly owned solar arrays on our assets and engage in PPAs with partner companies. As our SBTs are based on market-based emissions, they allow us to report lower emissions from any renewable energy we procure, therefore making the expansion of our renewable electricity procurement strategy, where legislation allows, essential. We are also working with local authorities to explore opportunities to update local policies and regulations, so we can maximise our on-site renewables and sign further PPAs. This is a key step in our decarbonisation journey.

During 2022, we purchased 81,282 MWh I-RECs (International Renewable Energy Certificates)⁶ and 75,803 MWh CECs (Clean Energy Credits)⁷ to support our efforts to decarbonise the electricity we draw from the grid. In addition, renewable energy generation more than doubled across our shopping malls, communities and retail assets compared to 2021 to reach over 51 million kWh.

Across our construction sites, we have asked contractors to start using a hybrid system for power generation, which combines solar and diesel to reduce our Scope 1 emissions. In 2023, we aim to increase the solar generation of our construction facilities to ensure we meet our SBTs by 2035.

⁶ RECs (Renewable Energy Certificates) are a type of certificate that represents the environmental attributes of the generation of energy produced by renewable sources.

⁷ CECs (Clean Energy Credits) are a type of certificate that provide certainty that the power consumed comes from clean generation sources including nuclear energy.



As an example, Carrefour Lebanon inaugurated its first rooftop solar panel installation at Bchamoun supermarket in 2022. The 46 kW plant will generate an estimated 80,000 kWh of renewable electricity, covering 17% of the store's annual energy needs and reducing carbon emissions by over 20%.

◀ On the roof of the Bahrain Mall, 11,500 solar panels were installed, totalling 6.2 MWp. Energised in October 2022, the project was developed through a PPA between Majid Al Futtaim and Yellow Door Energy.

In addition, we installed a solar hybrid power system for the Tlal Al Ghaf office as well as adjacent office and storage buildings. The system will supply two-thirds of the total energy needs, reducing the annual carbon footprint by 60%. By replacing the site's diesel-powered system, we will realise an annual cost saving of over 56%. The system's inbuilt 'plug-and-play' capabilities means it was rapidly deployed with zero downtime to the power supply during installation.

Sustainable buildings

We operate a comprehensive suite of policies including the [Sustainable Pre-Acquisition Policy](#), [Sustainable Building Policy](#), Sustainable Operation Policy and [Sustainable Procurement Policy](#) to set out minimum standards and environmental requirements throughout the property lifecycle, from acquisition through to operation. These policies are frequently updated to reflect best practice and cover diverse topics such as carbon and energy, water, waste and materials, climate risk, indoor air quality and thermal comfort.

Most recently this included the introduction of the [Near-Zero Fit-Out and Refurbishment Policy](#), which applies to all Majid Al Futtaim owned fit-out projects and any major refurbishment projects by our Operating Companies, to better align with our 2040 net positive commitments and SBTs.

With the Sales and Experience Centre in Tital Al Ghaf, our flagship mixed-use community in Dubai, becoming the first in the region to be Zero Energy certified by the International Living Future Institute (ILFI) as well as the first recipient of BREEAM Excellent in the GCC, we are now looking to deploy our learnings to other assets. As such, our new 2028 Sustainable Business Commitments will require all new property developments and major refurbishments to be designed in line with the Sustainable Building Policy and Near-Zero Fit-Out and Refurbishment Policy.

The policies also set requirements on sustainable building certifications, which validate our buildings' environmental performance. At the end of 2022, 54 assets held a LEED, BREEAM or equivalent certification and a further 10 were in the process of being certified. Our hotel portfolio is the first in the world to be LEED Platinum certified and of our main head offices, Majid Al Futtaim Tower 2 is LEED Platinum certified and 75% of Majid Al Futtaim Tower 1 is LEED Gold certified. As part of our SLL, we are working towards a goal of zero uncertified shopping malls by 2026, by reducing the number of malls in our portfolio that do not have a minimum LEED Gold certification or equivalent. At the end of 2022, we achieved our target of having only eight or less malls that do not have a minimum LEED Gold certification or equivalent.

LEED EBOM Platinum

(Operations and Maintenance)
achieved at Mall of the Emirates,
City Centre Shindagha and City
Centre Ajman

Mall of the Emirates is the
**world's biggest
shopping mall**
to achieve the LEED EBOM
(Operations and Maintenance)
Platinum Certification

Best Green Building
was awarded to Tital Al Ghaf's Sales
and Experience Centre, as well as
Best Net-Zero Building at the 2022
Gulf Sustainability Awards

TOTAL GREEN CERTIFIED ASSETS



With an initial target of Very Good, Tital Al Ghaf has been awarded **BREEAM Community Excellent** based on the project's exceptional compliance with several core categories, including governance, socio-economic impact, resources and energy, land use and ecology and transport and movement.

Managing our Scope 3 emissions

Similarly, as for Scope 1 and 2, each Operating Company has set Scope 3 near-term and medium-term SBTs and are working on decarbonisation plans. With Scope 3 emissions accounting for 48-97% of each Operating Company's total carbon footprint, these form a critical part of achieving our carbon commitments and working with our tenants and supply chain will be key (see page 36 for more information on how we are engaging our value chain to reduce our emissions).

SCOPE 3 CARBON EMISSIONS (tonnes of CO₂e)



The emissions reported under Scope 3 only cover a handful of our Scope 3 emissions sources. These are:

- (1) Emissions from the energy consumption of our tenants in our malls i.e. our other Operating Companies such as Retail, Lifestyle and Entertainment
- (2) Emissions from transmission and distribution losses associated with our purchased electricity and well-to-tank emissions associated with our consumption of fossil fuels

The remainder of our Scope 3 emissions are covered on pages 36 and 37.

Data has been restated, which may lead to minor discrepancies when compared to previous years, as more complete and accurate data is available.



Embodied carbon

Following the 2021 update to the WorldGBC's NZCB Commitment to account for embodied emissions as part of a whole life carbon approach, embodied carbon, meaning the emissions associated with the construction of buildings, is included within our net positive commitment.

Our [Sustainable Building Policy](#) requires all new development projects to complete an assessment using Majid Al Futtaim's Embodied Carbon Tool during the design stage and achieve a 20% reduction in embodied carbon compared to the asset type's baseline. New assets and fit-outs can achieve this through sourcing materials locally, with a high recycled content and a low carbon intensity. This reduction was selected in line with the WorldGBC's net zero embodied carbon targets. If the 20% target is not reached, the reduction is achieved through the highest quality carbon offsets in line with the Oxford Offsetting Principles and certified by Verra or Gold standards. Through our policy and internal targets, we have aligned ourselves with the WorldGBC net zero embodied carbon commitment to reduce our embodied carbon 20% by 2025 and 40% by 2030.

For example, in 2022, we invested in the Delta Blue Carbon Project, certified by Verra Carbon Standard, to account for an embodied carbon reduction shortfall at City Centre Almaza and City Centre Al Zahia. This was one of the highest quality carbon credits available at the time of purchase. The project will plant mangroves and support forest-dependent communities in the Sindh Province in south-east Pakistan, with an estimated 142,050,139 tCO₂e of emission removals to be achieved over its 60-year lifetime. The project is being implemented at the shore of the Indus Eco Region, one of the world's 40 most biologically rich eco regions and will support the habitat and coastal biodiversity of 247,112 hectares of mangroves. It is also expected to result in improved livelihoods and income

for almost 42,000 people, 6,000 of who are rural women and 70% of who live below the poverty line with lack of access to affordable drinking water and basic health offerings.

We have already conducted studies on selected assets to estimate the embodied carbon for our total portfolio. For example, in 2021, our analysis reflected a 16% saving in embodied carbon emissions through the adoption of sustainable building materials for City Centre Almaza and City Centre Al Zahia and 20% for Mall of Oman. This translates into a combined 143,000 tCO₂e saving, equivalent to almost 28,000 homes' electricity use for one year.

We are also considering implementing an Internal Carbon Price (ICP) to incentivise reducing embodied emissions during development by assigning them a cost. In 2022, we initiated the ICP implementation on Mall of Saudi to assess its effectiveness and look to roll this out more widely, owing to its success.



Delta Blue Carbon Project

EMBODIED CARBON TARGETS PER ASSET TYPE



680 kgCO₂e/m²

Shopping malls



600 kgCO₂e/m²

Hotels



520 kgCO₂e/m²

Communities

Climate risk

We have built an in-depth understanding of our climate-related risks through quantitative modelling of our entire properties' portfolio and analysis of our business strategy against different climate scenarios, up to 2100. Through this, we have identified the top physical and transition climate-related risks we face in both the near and longer-term.

To effectively manage these risks, we developed a Climate Resilience Strategy and Roadmap. In line with growing global thinking on climate adaptation, we have developed a nature-based solutions (NbS) approach to simultaneously achieve climate resilience and nature positive outcomes.

The Climate Resilience Strategy and Roadmap consists of a five-year action plan, which prioritises actions, includes their relative cost and the risk management owner to establish accountability. The key activities planned for 2023 include developing a climate risk baseline, targets, KPIs and monitoring procedures so we can better track and disclose the progress of our climate adaptation measures.

To learn more about Majid Al Futtaim's climate risk management, see page 70 for our response to the Task Force on Climate-related Financial Disclosures.



CLIMATE RESILIENCE STRATEGY

1 DEVELOPING TARGETS

We are developing science-based targets for nature that focus on the most material areas of impact

2 TAKING ACTION

We will conduct a materiality assessment to identify the issues that matter most, map our value chain, engage our stakeholders, develop targets and KPIs, monitor our progress, implement key actions and measure our impact

3 REPORTING PROGRESS

We will disclose in line with the Task Force on Nature-related Financial Disclosures

Supporting nature positive outcomes

Beyond carbon, the sixth mass extinction and increasing water insecurity are escalating pressure to better support nature. Majid Al Futtaim joined over 900 companies by signing up to the Business for Nature's Call to Action, which publicly calls on governments to adopt ambitious policies to reverse nature loss.

With guidance for developing science-based targets for nature (SBTN) having entered consultation at the end of 2022 and its official launch anticipated for March 2023, we are working to identify our most material impacts and dependencies on nature as well as where they occur in our operations and value chain. Owing to guidance being released, we plan to measure, set and disclose interim targets for freshwater and land use by the end of the year, which will be essential for advancing our net positive water target and biodiversity ambitions. Additionally, the Task Force for Nature-related Financial Disclosures (TNFD) reporting will enable companies and financial institutions to integrate nature into decision-making and in March 2023, the Task Force will release v0.4 of the beta framework. Following the publication of the TNFD's complete recommendations in September 2023, we will fully disclose in alignment to these within our 2023 ESG Report.

2,500

indigenous trees planted by
MAFers and their families



Nature-based Solutions

Owing to their potential in supporting the goals of our [Climate Transition Action Plan](#) and particularly for managing our climate risk, we have adopted a NbS approach within our Climate Resilience Strategy. Over the past few years, we have been exploring NbS in a variety of forms.

Tree planting can remove greenhouse gases (GHG) from the atmosphere and protect against flooding and soil erosion so long as the right species are planted. In 2022, for example, Majid Al Futtaim and its employees joined forces with Emirates Environmental Group and Fujairah Municipality to plant 1,250 indigenous Ghaf and Sidr sapling trees in Fujairah. Another 1,250 UAE native trees were planted by MAFers and their families in Dubai's Hatta region. This is equivalent to offsetting almost 15 MtCO₂ upon the tree reaching maturity and we are working with relevant stakeholders to closely monitor them.

A key benefit of NbS is their ability to enhance and protect biodiversity. For example, we have been piloting 10 beehives across both the Tital Al Ghaf community and one of our headquarters, Majid Al Futtaim Tower 1, in collaboration with Native, a local start-up, to boost the population of these pollinators and their associated benefits to food production and wild plant biodiversity. In 2022, we hosted an event for MAFers to harvest honey from the Majid Al Futtaim – Tower 1 beehives. We harvested 60 kg of honey, with MAFers receiving their own jars and learning about the full harvest experience.

In addition, Majid Al Futtaim's policies set standards and expectations to enhance site ecology during the acquisition, design, delivery and operation of our properties. For example, the [Sustainable Building Policy](#) requires an ecologist to be appointed during design and for at least 50% of recommendations to be implemented and is also required as part of the BREEAM certification requirements. Within Majid Al Futtaim - Communities, we integrate native adaptive flora and ensure the flora and fauna on-site are protected. In addition, in 2022, we updated our [Sustainable Pre-Acquisition Policy](#) to prevent the risk of damage to biodiversity and align with best practice and sustainable building certification requirements.

Water

In 2017, we committed to become net positive in water by 2040⁸, which means we will replenish more clean water than we use. Our policies set minimum standards on topics such as water quality, water use, efficiency equipment, monitoring and leak detection, metering, recycling and water generation feasibility studies. We work with our tenants and suppliers to improve their water consumption and efficiency performance through mechanisms such as our Green Star Rating System and [Sustainable Procurement Policy](#) which assesses tenants' sustainability policies and specific environmental and social aspects relevant to their fit-outs and operations (see page 37). We also set annual KPIs and efficiency measures for each of our Operating Companies to drive progress internally.

As well as installing water saving equipment such as aerators and recycling systems, we have been piloting a more innovative solution. The air-to-water dispenser solution relies on hydro-panel technology and solar power to generate clean drinking water from air, making it entirely sustainable. Our continued support of Dubai Can, a sustainability initiative by Dubai Crown Prince that aims to reduce single-use plastic water bottles and enable access to free and safe drinking water, has seen us install 10 dispensers across three metro stations. In 2022, these produced around 88,000 litres of free clean water for the public.

⁸ Our 2040 net positive water commitment includes our direct operations and excludes our supply chain

Achieving net positive water will require more than implementing water efficiency measures. Our water offsetting strategy seeks to address our residual water consumption by, for example, identifying opportunities to support actors in our supply chain who work in high-consuming sectors such as agriculture to reduce their water consumption. In 2022, we began working with STX group (formerly Vertis) and Project Maji to evaluate water offsetting and replenishing projects that abide by the best practice water offsetting principles. Following a feasibility study, we will be piloting a project in Kenya in 2023 to install a drinking water kiosk, with estimated water savings of 5,000 litres a day.

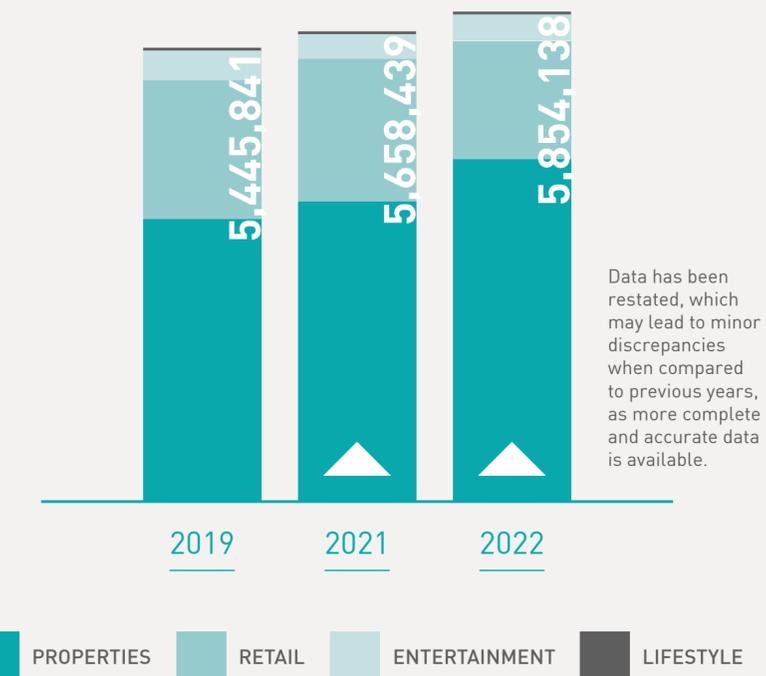


We are a drinking water charity with a big vision: a world where every rural community has access to clean and sustainable water. Majid Al Futtaim shares that vision with us through its ambitious commitment to achieving net positive water by 2040 and by recognising the urgent need to efficiently manage water consumption in the water-stressed countries in which it operates. This partnership with Majid Al Futtaim will bring additional clean, potable water to rural communities; creating pivotal environmental, social and economic value, whilst bringing us closer to realising our shared goal.

SUNIL LALVANI
Founder & CEO
Project Maji



WATER USE (m³)



In 2022, our operational water consumption increased by 7.5% compared to the 2019 baseline. This is primarily due to an increased number of assets in our portfolio. We are continuing to explore and implement efficiency measures to decrease our negative impact.

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

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



REDUCING THE WATER FOOTPRINT OF AGRICULTURE THROUGH AQUAPONIC FARMS

Carrefour Qatar in cooperation with Agrico launched its first Aquaponics farm, totalling 45 m² and providing an alternative solution in the fresh food industry to conventional farming. It works by feeding fish waste from the fish tank to plants in the grow bed, which absorb the nutrients produced by the nitrifying bacteria. In turn, the plant's roots clean and filter the water before flowing it back to the fish tank. Unlike conventional farming, it doesn't require soil, a large space of land or fertiliser, pesticides or other chemicals. It produces organic fresh food, is water efficient and food can be grown all year round⁹. This type of farming consumes 90% less water and 90% less land when compared to traditional farming.

⁹ <https://gogreenaquaponics.com/blogs/news/what-is-aquaponics-and-how-does-it-work#:~:text=In%20aquaponics%2C%20the%20fish%20produce,for%20the%20fish%20to%20live.>

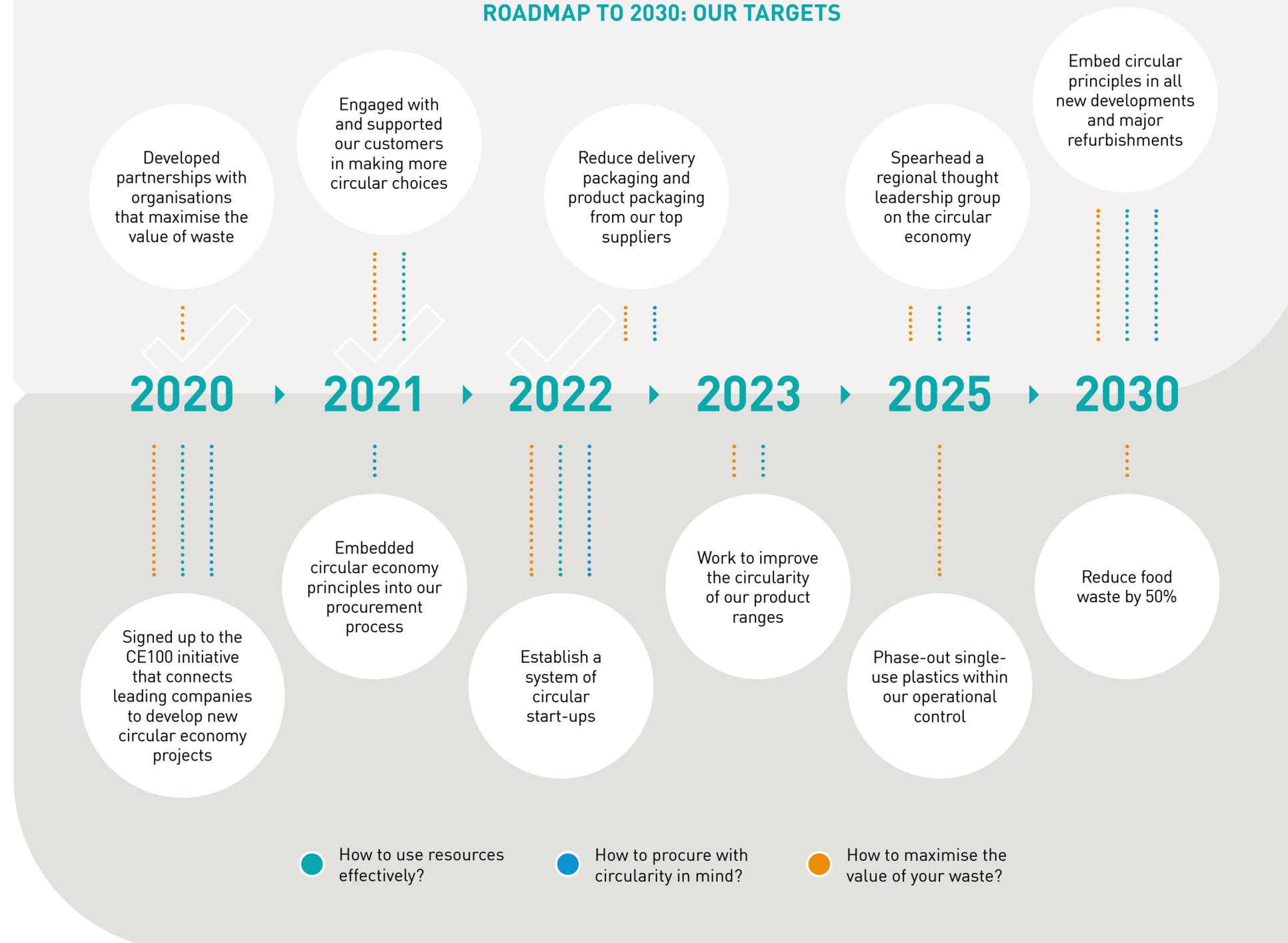
Embedding circular economy principles

Unlocking Value, our circular economy strategy, commits us 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 (check out our Circular Economy white paper [here](#)). This is supported by our suite of policies including Majid Al Futtaim’s [Sustainable Procurement Policy](#), [Sustainable Building Policy](#) and [Near-Zero Fit-Out and Refurbishment Policy](#), which embed circular principles into our business activities, from building and operating our assets to fashion, food and beverages.

To support a circular approach, we host a MAF Bazaar twice a year in the Dubai World Trade Centre, diverting damaged goods from landfill by selling to customers at a reduced fee of up to 85%. We are also members of the Ellen MacArthur Foundation, working to accelerate the transition to a circular economy alongside other leading organisations. Meanwhile, we work closely with local food banks to donate surplus food to those in need.

In 2022, Majid Al Futtaim Tower 2 diverted more than 95% of its waste from landfill and has been awarded Gold level TRUE Zero-waste certification, a first in the UAE. The Total Resource Use and Efficiency (TRUE) certification programme is an assessor-based programme that rates how well facilities perform in minimising their non-hazardous, solid wastes and maximising their efficiency in the use of resources. As part of this, we conduct bi-annual waste audits to identify improvement opportunities and implement several measures such as incorporating zero-waste into new joiners’ induction in 2022. Significantly, we created a [Zero-Waste Policy](#) for our offices, which sets out Majid Al Futtaim’s expectations regarding redesigning waste management approaches, reducing and eliminating waste, recycling, reusing and training. It also sets out performance metrics, monitoring and accountability. Owing to the programmes success, we have begun the certification process for the rest of Majid Al Futtaim’s offices.

ROADMAP TO 2030: OUR TARGETS





Phasing-out single-use plastics

We have a target to phase-out single-use plastics within our operations by 2025. Toward this aim, in 2022, Carrefour Oman launched eco-friendly cutlery as an alternative to single-use plastic across all of its stores, the first retailer in the country to do so. Majid Al Futtaim – Retail continuously runs customer awareness campaigns, such as in Carrefour Qatar, where 14,900 reusable shopping bags were sold to customers in just one day. In addition, in support of the Government’s single-use plastic efforts, Carrefour Egypt went plastic free for COP27’s duration, distributing over 1.5 million reusable bags. Outside of this commitment, we installed 11 reverse vending machines across our Carrefour stores and malls in 2022 to allow customers to dispose of their single-use plastic bottles responsibly whilst earning SHARE points in return. SHARE is a lifestyle rewards programme that offers members the ability to earn and spend points across the Majid Al Futtaim ecosystem of brands. In Carrefour UAE, over 5,000 bottles were collected in August alone, which will be used to create uniforms for the stores’ employees. Similarly, in Majid Al Futtaim – Lifestyle, 900 plastic bottles were used to produce 300 shirts for THAT concept store employees.



AT MAJID AL FUTTAIM -
RETAIL IN EGYPT

4,210

beverage containers were recycled through reverse vending machines, equivalent to 239 kgCO₂

5,000 kg

of cooking oil was recycled with Tagaddod and turned into green fuel



Majid Al Futtaim – Lifestyle

has been single-use plastic free since 2020



Majid Al Futtaim – Retail

has phased-out single-use plastic bags in 6 countries, e-commerce bags in 5 countries and cutlery in 7 countries



Our Tilal Al Ghaf’s site offices

have phased-out single-use plastic bottles, saving 504 bottles a week



Majid Al Futtaim – Entertainment

uses 70% sustainable packaging (e.g., non-plastic alternatives or plastic with recycled content)

Supporting circular choices



CARREFOUR OMAN

introduced Johnson & Johnson's biodegradable packs for customers to refill their baby shampoo at home, reducing unnecessary plastic packaging by 90%.



CARREFOUR GEORGIA

launched a campaign for customers to buy 'ugly' fruits and vegetables at a discounted price. This initiative reduced fruits and vegetables food waste by an average of 7% compared to 2021.



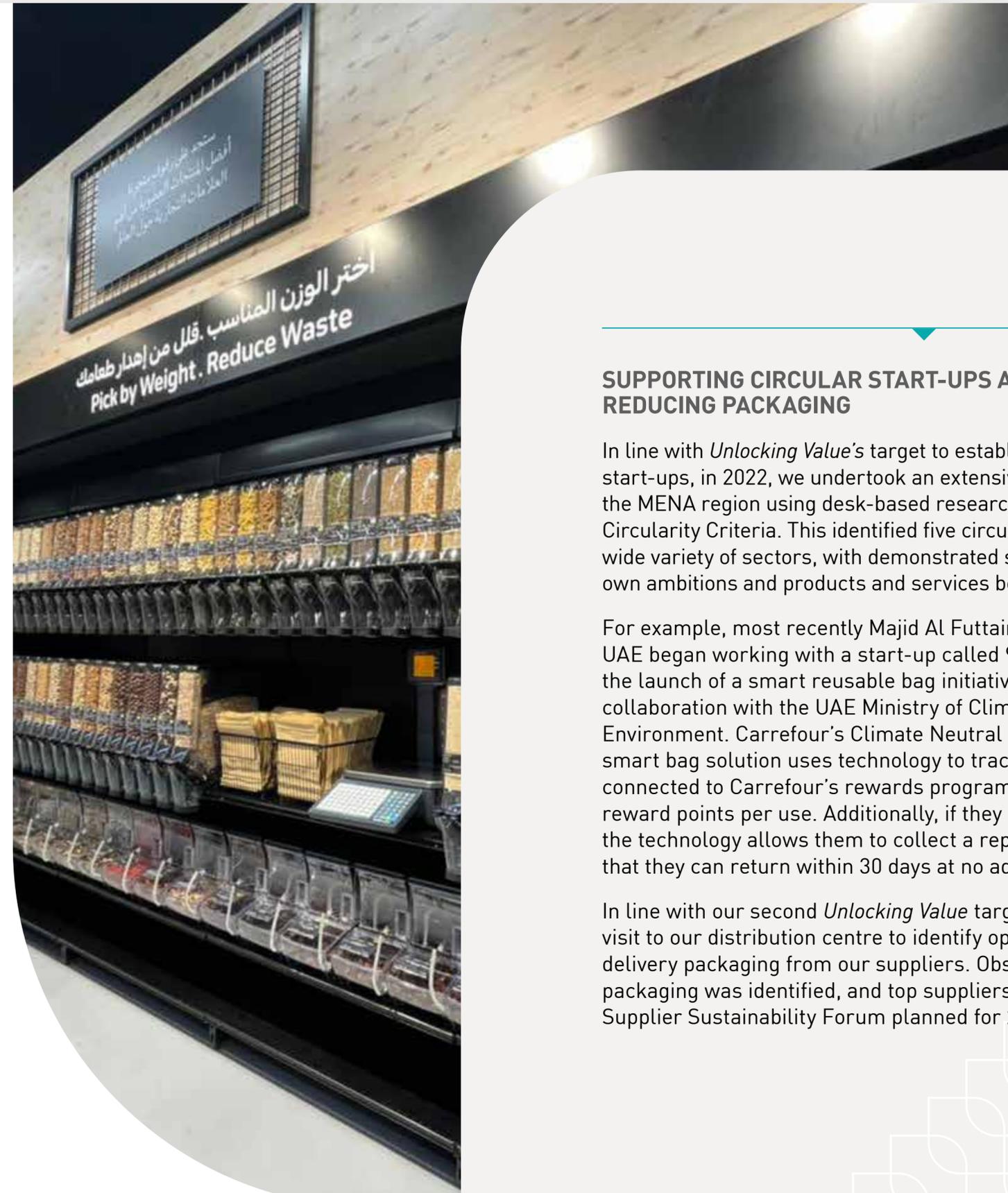
CARREFOUR KENYA

rolled-out an initiative to enable customers to return their shopping bags used for delivery.



MYBAZAAR

offered to employees through an app that enables them to sell their used items to other employees across the business instead of sending them to landfill.



SUPPORTING CIRCULAR START-UPS AND REDUCING PACKAGING

In line with *Unlocking Value's* target to establish a system of circular start-ups, in 2022, we undertook an extensive review of start-ups in the MENA region using desk-based research and Majid Al Futtaim's Circularity Criteria. This identified five circularity start-ups across a wide variety of sectors, with demonstrated success, alignment to our own ambitions and products and services beneficial to our business.

For example, most recently Majid Al Futtaim - Retail in the UAE began working with a start-up called 99Bridges following the launch of a smart reusable bag initiative during COP27 in collaboration with the UAE Ministry of Climate Change and Environment. Carrefour's Climate Neutral certified and recycled smart bag solution uses technology to track bag usage and is connected to Carrefour's rewards program, giving customers reward points per use. Additionally, if they have forgotten their bag, the technology allows them to collect a replacement from the store that they can return within 30 days at no additional cost.

In line with our second *Unlocking Value* target, we conducted a site visit to our distribution centre to identify opportunities to reduce delivery packaging from our suppliers. Observations of redundant packaging was identified, and top suppliers will be engaged in the Supplier Sustainability Forum planned for 2023.

▼ SPOTLIGHT ON

Engaging our value chain to reach net positive

Scope 3 emissions are the result of activities and assets not owned or controlled by us but that arise from our value chain as well as tenants and residents. The nature of our business means that our value chain is both vast and diverse, and Scope 3 emissions make up around 48-97% of the Operating Companies' carbon footprints.

Over the past few years, we established the Scope 3 emissions footprint of our entire value chain. Our approach was aligned with the GHG Protocol's Corporate Value Chain Scope 3 Standard and the SBTi criteria. We did this first for Majid Al Futtaim – Properties and then applying lessons learnt, undertook the same process for the remaining three Operating Companies. We assessed the 15 Scope 3 categories to identify those most material to our business (see our [Science-Based Targets](#) white paper). The SBTi requires that companies

whose Scope 3 emissions account for more than 40% of total Scope 1-3 emissions set near-term targets on at least two thirds of their total Scope 3 emissions. As this is the case for all four Operating Companies, once the target boundary was established, we developed Scope 3 near-term SBTs for each year up to 2035.

Within Majid Al Futtaim – Retail, Lifestyle and Entertainment, 73-84% of our Scope 3 emissions are generated by our purchased goods and services, attributable to our supply chains. This refers to the emissions resulting from the production of products purchased or acquired by Majid Al Futtaim. Following the analysis completed for the preparation of our SBTs, in 2022, we updated our [Sustainable Procurement Policy](#) to ensure it aligns with what is required from our supply chain to achieve our 2040 net positive commitment.

In 2022, we engaged CDP to become a CDP Supply Chain member in the 2023 cycle. This will help us engage our suppliers whilst identifying key risks and opportunities. We are currently undertaking the first stage, which entails requesting environmental data from our key suppliers through CDP's questionnaires. Once this is complete, we will receive their data on an annual basis, enabling us to provide targeted support for mutually beneficial emissions reductions and track the progress of these actions.

2035 SCOPE 3 SBTS
(MARKET-BASED, VS. 2019 BASELINE)



**-57.3% kgCO₂e/m²
total GIA¹⁰**
Properties



**-84.8% kgCO₂e/m²
total occupied**
Entertainment



**-81.5% kgCO₂e/m²
total occupied**
Lifestyle



**-78.3% kgCO₂e/m²
total occupied**
Retail

¹⁰ GIA = Gross Internal Area

For Majid Al Futtaim – Properties, which primarily develops and manages real estate, the expected lifetime emissions of the residential properties we develop and sell (35%), the embodied carbon in developments (29%) and our tenants' emissions (19%) were found to be the most material sources of our Scope 3 emissions.

For the residential buildings that we develop and sell, we are continuously looking into how we can improve their design, focusing on energy efficiency and the supply of on-site renewable power, where legislation allows, supported by our Sustainable Building and Fit-Out policies. We are in the final development stages of a Renewable Energy Guideline, which will be a mandatory requirement for Majid Al Futtaim's retained assets and recommended for other assets where feasible. The guideline will require that a feasibility study is conducted to identify the renewable energy technologies most appropriate for the new development or existing building.

We have set embodied carbon targets for all developments (see page 28) and our policies promote the use of less carbon intensive construction materials, for example, those which are sourced locally or have a higher recycled content. Where available, we use Environmental Product Declarations (EPDs) to identify the embodied carbon of the materials used in our projects.

To reduce our Scope 3 emissions from our leased assets, we prioritise collaboration with our tenants to collectively reduce the emissions associated with their energy consumption. For example, Majid Al Futtaim's Green Star Rating System assesses tenants' sustainability policies and specific environmental and social aspects relevant to their fit-outs and operations such as community investment, transportation and location, energy and atmosphere, materials and resources, water efficiency, waste management, innovation and design. Most recently, this assessment was updated to reflect the new [Near-Zero Fit-Out and Refurbishment Policy](#) (see page 26). Tenants receive a score and a green star rating from one to five and are required to have a minimum three green star rating to ensure necessary practices are being implemented. Tenants are provided with various support including a guide that outlines the process of collecting evidence, a video to explain the rating system and templates to create policies and other forms of evidence. In addition, Majid Al Futtaim – Retail provides ongoing support to help them meet the minimum score as well as increase it through, for example, workshops to review requirements and submissions, identify and recommend achievable measures and provide assistance and guidance.



94%

green star applicable tenancies have been rated 3-star or above (vs. 91% in 2021)



We DARE TO

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



SOCIAL

Transforming Lives

Our Transforming Lives Sustainable Business Commitments



LOCAL ECONOMIC DEVELOPMENT

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



LOCAL ECONOMIC DEVELOPMENT

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



DISRUPTIVE TECHNOLOGY

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



CUSTOMER EXPERIENCE

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

Our alignment to the SDGs



700 Emiratis

recruited between September 2021 and 2022 through the NAFIS programme

233

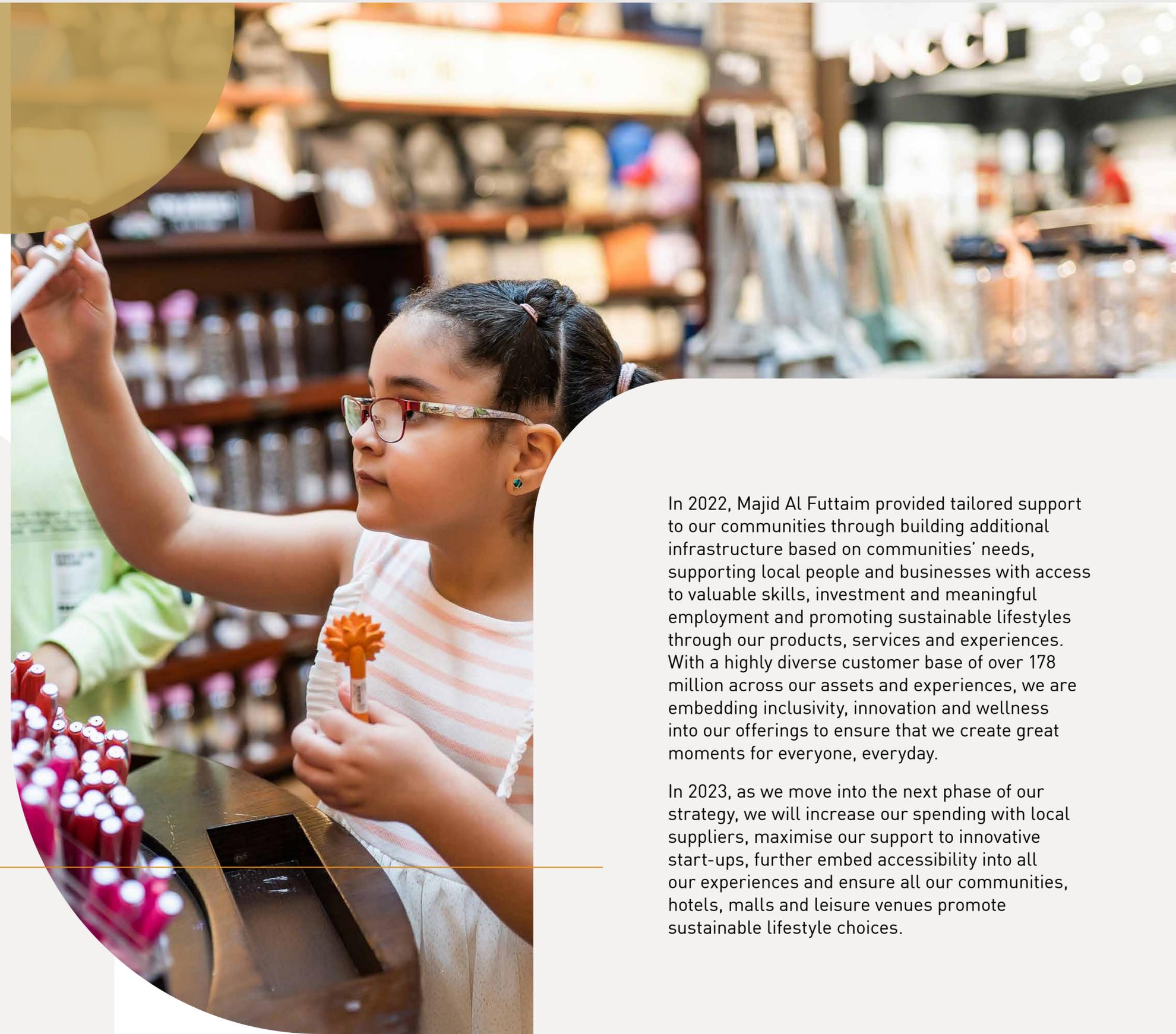
Egyptians graduated from the Almaza Recruitment and Training Centre (ARTC) since opening in 2021, with an 81% job placement rate

14 start-ups

chosen through our Launchpad Programme, with 50% of companies run by female entrepreneurs



Our ambition is to transform the lives of the communities we serve by harnessing our influence and leadership across the region as well as our strong relationships with local organisations.



In 2022, Majid Al Futtaim provided tailored support to our communities through building additional infrastructure based on communities' needs, supporting local people and businesses with access to valuable skills, investment and meaningful employment and promoting sustainable lifestyles through our products, services and experiences. With a highly diverse customer base of over 178 million across our assets and experiences, we are embedding inclusivity, innovation and wellness into our offerings to ensure that we create great moments for everyone, everyday.

In 2023, as we move into the next phase of our strategy, we will increase our spending with local suppliers, maximise our support to innovative start-ups, further embed accessibility into all our experiences and ensure all our communities, hotels, malls and leisure venues promote sustainable lifestyle choices.

Scaling up our social impact

30,000

job opportunities generated by Tital Al Ghaf, our flagship mixed-use community in Dubai

12

projects invested in to develop additional infrastructure in the UAE and Egypt in 2022



Creating positive social impact has been a priority of Majid Al Futtaim for many years. Our first Socio-Economic Framework was developed in 2018 for Majid Al Futtaim - Properties, to define how our socio-economic impacts should be measured. Guided by international best practice, the framework defines the principles, scope and hierarchy of impacts for understanding the true value of our activities and developments. With a focus on value and spend, employee satisfaction and community investment, the Framework set a direction for our socio-economic efforts and impact over the past five years. In recognising the importance of social value and to scale-up our efforts Company-wide, in 2023, we are developing a Social Impact Framework with measurable targets so we can track and report on our performance, with a focus on local economic inclusion and education, skills and training to make the greatest impact on the communities we interact with, serve and work alongside.

One of the ways we create a positive social impact is through our significant investment in large scale infrastructure projects. To achieve our 2022 Sustainable Business Commitment of increasing our contribution to local economies, we apply an Additional Infrastructure Investment Framework that defines our approach, beyond what is legally required by local and government authorities. This framework formalises the investment decision process and ensures that investments meet their desired outcomes, in line with our strategic priorities. In 2022, we ran a workshop with the development teams to provide a refresh of the framework and ensure its effective use when selecting projects to be implemented.

Beyond the basic functionality that our developments provide, mosques, schools, medical facilities, roads and skills centres amongst others can deliver broader social outcomes by meeting the needs of the local areas they serve. In 2022, several renovation projects for community spaces were approved as well as road improvement works. In addition, the development of a mosque was completed at Al Zahia, with the development of another to commence at Tital Al Ghaf in 2023.



TRANSFORMING LIVES THROUGH OUR SHARE REWARDS PROGRAMME

Since its launch in 2019, we have utilised SHARE, our points-based rewards programme, which offers customers the ability to share rewards with their friends and family and give back to local communities. For example, in 2022, for the month of Ramadan, our ecosystem of brands utilised the platform to support children in need by enabling customers to share points at our cashiers and via the SHARE app as well as match donations when a customer spent over AED 300 in one of our malls. This campaign raised over AED 227,000 in donations. Similarly, on World Charity Day, customers could donate points to four chosen charities, generating AED 17,474 to be split between Al Jalila, Red Crescent, Dubai Cares and Dubai Foundation for Women and Children (DFWAC).

Embedding responsible procurement

Due to the nature of our business, which spans 17 countries and complex supply chains, our procurement decisions can have an impact on environments and communities around the world. With significant expenditure on goods, services, works and capital projects, we extend our responsible procurement approach across our entire supply chain to mitigate our business risk, minimise disruptions and support local economic development.

As part of the screening process, all new contractors, consultants and suppliers are required to provide information regarding environmental and social criteria. Our [Sustainable Procurement Policy](#) sets the requirements for our business partners and supply chain, aligned with ISO 20400. The policy ensures value for money, effective supply chain management and working in partnership to maintain all relevant legal, environmental, ethical and health and safety standards.

For our tier 1, 2 and 3 suppliers, the minimum standards outlined in the policy are essential. We work with our suppliers to assess their performance and ensure these standards are met through training, ongoing surveys and identifying priority areas for improvement. See page 36 for our activities as a CDP Supply Chain member.

Where possible, we procure locally to minimise transport-related emissions and supply chain disruptions whilst supporting local economic development. This requires us to help build local businesses capacity to grow and to operate in line with our Sustainable Procurement Policy standards. For example, in 2022, Majid Al Futtaim – Retail signed an agreement with the United Nations Development Programme (UNDP) in Jordan to support and promote cooperatives across the country. Jordan struggles with one of the highest unemployment rates in the MENA region due to several structural issues that create barriers to permanent and stable employment. Our partnership with the UNDP will help by selling their products in Carrefour's 53 stores across the country. For example, to be able to sell the Al-Sheikh Hussein Association's reusable and eco-friendly shopping bags within our stores, in November 2022, we visited their production premises with a Jordanian fashion designer to provide consultation on the bag's design alongside the operational management of their production, whilst assessing additional training requirements. Carrefour Jordan also ran sustainable procurement training modules for suppliers over two days, training 20 suppliers on the importance of sustainable procurement practices to ensure they are aligned with the minimum standards outlined in our [Supplier Code of Conduct](#) and Sustainable Procurement Policy.

LIVING
BUSINESS



We won the **Best Supplier Engagement Award** at the Living Business Awards, a programme co-organised by HSBC, for our responsible procurement practices



100%

of all eggs procured across our national brands to be **cage free by 2032** as part of our new Animal Welfare Policy launched in 2022



81%

of spending was on suppliers local to Majid Al Futtaim operations (2021: 85%)





Marketing responsibly

Using our communication channels to promote sustainable lifestyles and responsible consumption choices is central to our marketing approach. To clarify our stance on this, in 2022, we published our first [Responsible Marketing Policy](#), outlining our commitment to marketing our brand, products and services in line with our sustainability and business goals and ensuring all our communications are transparent, informative, realistic and inclusive.

We do this through sustainability messaging and activation campaigns, rolled-out across our Operating Companies. For example, in 2022, Majid Al Futtaim – Lifestyle ran a Plastic Awareness Week, which involved engaging their key brands - Crate & Barrel, Lululemon and Lego - to display sustainability messaging in stores and raise awareness of the issues of single-use plastic. During the week, Lululemon sold 198 reusable water bottles across seven stores.





254

tenants promote
sustainable lifestyles

82%

of our hotels are equipped
with gym facilities

29

of our malls are enrolled in the
WELL Health-Safety rating

Majid Al Futtaim - Communities provide
parks, cycling trails, electric vehicle (EV)
chargers and sports facilities



Promoting sustainable lifestyles

Today, customers are taking a more proactive approach to addressing their health holistically, from the products they buy to more active lifestyles. With pioneering lifestyle destinations, we can help our communities lead healthier and more sustainable lifestyles through the products and services we offer as well as our programme of community events.

In 2022, City Centre Me'aisem opened its first BIO store in the UAE, offering customers easy access to sustainable and eco-conscious products. With studies demonstrating the health consciousness of customers in the UAE and demand for organic shopping and locally sourced products, the store offers more than 3,000 organic and wellness-related products and locally grown produce, catering to diverse dietary requirements. It is also carefully designed with all tables and shelves made from recycled wooden pallets, a refilling section for customers to bring their own containers, pick by weight offerings to avoid unnecessary waste, biodegradable packaging and recyclable paper bags over single-use plastic. In addition, the

eco-friendly equipment reduces energy consumption by as much as 15%. It also features its own hydroponic farm to grow leafy greens that are sold in store, our first on-site café and a special area dedicated to small and medium businesses from the UAE.

We also continued to run a series of wellness activation programmes. For example, Majid Al Futtaim – Lifestyle's Lululemon hosted a workout session for 70 children with autism. More than 10 Carrefour Egypt stores collaborated with the Egyptian Red Crescent, reaching 10,000 customers with health screening tests, blood donations and vaccinations. City Centre Mirdif partnered with Dubai Sports Council to introduce a run inside the mall prior to opening hours. Similar events were held at City Centre Al Zahia, City Centre Fujairah and City Centre Sharjah, with people of all ages encouraged to beat the summer heat by running inside our assets. Meanwhile, Majid Al Futtaim – Properties implemented a Wellness Corner in City Centre Deira, which turned vacant space into areas for free customer yoga classes.



Ski Dubai has won **World's Best Ski Resort** for the past six years at the World Ski Awards, making it one of the most prestigious ski resorts in the world

PROMOTING SNOW SPORTS IN DUBAI

Ski Dubai, our first indoor ski resort, has enabled Majid Al Futtaim – Entertainment to foster a winter sports culture in the UAE. In 2022, Ski Dubai welcomed around 180,000 visitors to the centre and held more than 94,000 ski lessons.

Hosting a total of 57 events in 2022, including 10 international level FIS sanctioned skiing events with over 2,000 professional athletes and 14 para-athletes from around the world, Ski Dubai is supporting the message of health and wellness and promoting the region as a destination for sport and fitness. For example, in October and November, the Emirates Winter Sports Federation in partnership with the UAE Paralympic Committee and Dubai Sports Council organised the International Ski Championships at Ski Dubai and the international test for skiers' to classify into the Winter Paralympics.

Ski Dubai hosts a range of community events throughout the year to promote an active lifestyle, such as participating in Dubai Sport Council's summer sports initiative, aimed at encouraging people to stay active during the summer.

Nurturing inclusive spaces

Our venues provide a setting for community life and nurturing a safe, inclusive and welcoming environment is how we deliver exceptional experiences for all.

In 2022, numerous VOX Cinemas offered sensory friendly film viewings, featuring reduced audio volume, dimmed lighting and a smaller audience. In collaboration with Dubai Autism Centre, VOX Cinemas at City Centre Mirdif invited more than 60 children with autism to watch a screening of The Smurfs, as part of a city-wide inclusivity campaign to coincide with World Autism Awareness Day. Meanwhile, Ski Egypt welcomed 60 people of determination and their families from the Egyptian Down Syndrome Association to enjoy a ski experience.

To support in-store accessibility for deaf communities, Majid Al Futtaim – Retail expanded its partnership with the Merge Interpreter Sign Language platform in 2022, from five stores to almost 70. This platform enables shoppers with hearing impairments to communicate with store staff and the public through video calls with certified sign language interpreters. Alongside this, we offer free access to Caroline Carts, a shopping cart created for children with special needs, as well as electric shopping carts in all major retail hyperstores in the UAE, ensuring disabled guests can enjoy a friendly and accessible shopping experience.



Baby friendly

certified organisation and public place
achieved by City Centre Al Zahia

60

people of determination and their
families welcomed by Ski Egypt to
enjoy a ski experience

70 stores

rolled-out Merge Interpreter
Sign Language platform



BIG CITY CENTRE VOICE

Through the Big City Centre Vote initiative, Majid Al Futtaim – Properties has invited members of the public to provide feedback on their local City Centre mall to deliver more personalised community spaces for visitors and a deeper sense of inclusion and belonging. As part of this, City Centre Al Zahia partnered with community group, Real Mums UAE, on a roundtable discussion to share their experiences of using the mall. From their feedback, we have implemented numerous initiatives to ensure the mall is an inclusive space for children and their parents including installing 21 baby changing rooms for both mothers or fathers to use, all of which are equipped with ergonomic furniture. As a result, City Centre Al Zahia was certified as a baby friendly organisation and public place in 2022.

In addition, City Centre Al Zahia has joined the Sharjah An Age friendly City program to provide a physical, healthy, social, economic and urban environment consistent with aged people's needs. For example, providing them with priority in terms of customer service, waiting queues and parking lots, adjusting the physical space through clear signage and wide gates and raising awareness amongst employees.

Driving economic inclusion



As one of the largest employers in the MENA region, we can play a key role in closing the skills gap, providing the tools and resources to scale-up innovation and ensuring our efforts have inclusivity at their core. Although MENA benefits from access to a large market as well as a young and educated workforce, economic opportunities are not always equal, with youth unemployment currently the highest in the world (26%) and female labour force participation the lowest (20%)¹¹. Read our white paper on Economic Inclusion [here](#), which explores methods for supporting communities to develop the skills and resources needed to excel within a just transition to a green economy.

To support marginalised and vulnerable youth in gaining real-life work experience, Carrefour Egypt signed a Memorandum of Understanding (MoU) with UNICEF and the Ministry of Social Solidarity in 2022. This involves a two-year partnership and the launch of a training programme to upskill 200 vulnerable youth between the ages of 15 and 24. The training will take place within the different departments of Carrefour's hypermarkets during a two-month placement. After commencing in August, 20 interns were trained through the programme, over half of who were girls. Carrefour Egypt also continued its 'Healthy Life for a Better Future' programme in 2022, ran in partnership with the Sawiris Foundation and Samusocial International Egypt. This programme offers internships within Carrefour hypermarkets to vulnerable youths and over the past three years, 300 interns have been trained in Carrefour stores, with almost 50% being female. Carrefour also provides food at cost from its stores to seven shelters on a monthly basis, which provides for 700 children living in the shelters, 350 children visiting the day care centres, 500 homeless children and 100 social workers and shelter assistants.

¹¹ <https://www.worldbank.org/en/news/press-release/2022/05/16/mena-labor-markets-need-level-playing-field>

EGP 650,000

provided by Carrefour Egypt through its 'Rest of the Money Collection' to establish and equip three classrooms to serve 60 female students

AED 48,000

raised by Majid Al Futtaim – Lifestyle to support the education of children of determination¹² at the Sanad School

BD 84,000

donated to support 13 young people of determination with housing or scholarships in Bahrain



¹² A term used to define people with disabilities in the UAE.

Encouraging the employment of Emirati nationals

In 2021, we committed to support the UAE Government's NAFIS programme, aimed at increasing the competitiveness of Emirati human resources and creating 75,000 jobs in the UAE private sector by 2025. We set our own target to hire 3,000 Emiratis across our UAE workforce by 2026. To do so, we have sought new recruits across all departments and job functions, offering advice, training and learning curricular to build expertise. This included hosting nearly 20 mass recruitment batch days in 2022 based on different specialisations and offering advice to potential applicants, and our graduate program is designed to introduce national talent into niche areas including legal and finance. We also hosted a stand at the annual Ru'ya Careers UAE job fair at the World Trade Centre, where potential candidates could speak to our recruitment teams. As a result, we received over 1,300 applications, 65% of who were female, interviewed 640 candidates, with 186 people successfully selected to join us.

Since we joined the Government's initiative in 2021, we have received over 6,000 applications and recruited more than 700 Emiratis between September 2021 and 2022. Emiratis now account for 7.1% of our UAE workforce, representing a 4% increase since our partnership with NAFIS began. By investing in local talent and upskilling the national workforce, we are supporting the inclusion of nationals within their local job market, whilst promoting the economic development of the UAE.



UPSKILLING EGYPTIANS THROUGH THE ALMAZA RECRUITMENT AND TRAINING CENTRE (ARTC)

Since opening the Almazat Recruitment and Training Centre (ARTC) in partnership with the European Bank for Reconstruction and Development (EBRD) in City Centre Almazat in 2021, 20 vocational training programmes to develop soft and technical skills have taken place, with 233 graduates and a job placement rate of 81%. Ran by Employment-Egypt (EFE-Egypt), ARTC provides training, particularly for underserved populations including women, youth and people of determination, to build and secure their careers in retail and hospitality. Of the total graduates, 42% are women.

“

I joined Majid Al Futtaim through the NAFIS programme in November 2021, and my experience as an incoming candidate was extremely positive. In my time as a Sustainability Associate, I have thoroughly enjoyed working within a supportive and diverse team of people, where I feel accepted and welcomed as an Emirati. It's been an incredibly fulfilling journey having a role to play in advancing our sustainability efforts. I look forward to continuing to work and grow at Majid Al Futtaim.

FATIMA AL MAMARI
Sustainability Associate
Majid Al Futtaim - Holding

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A customer-centric approach to innovation

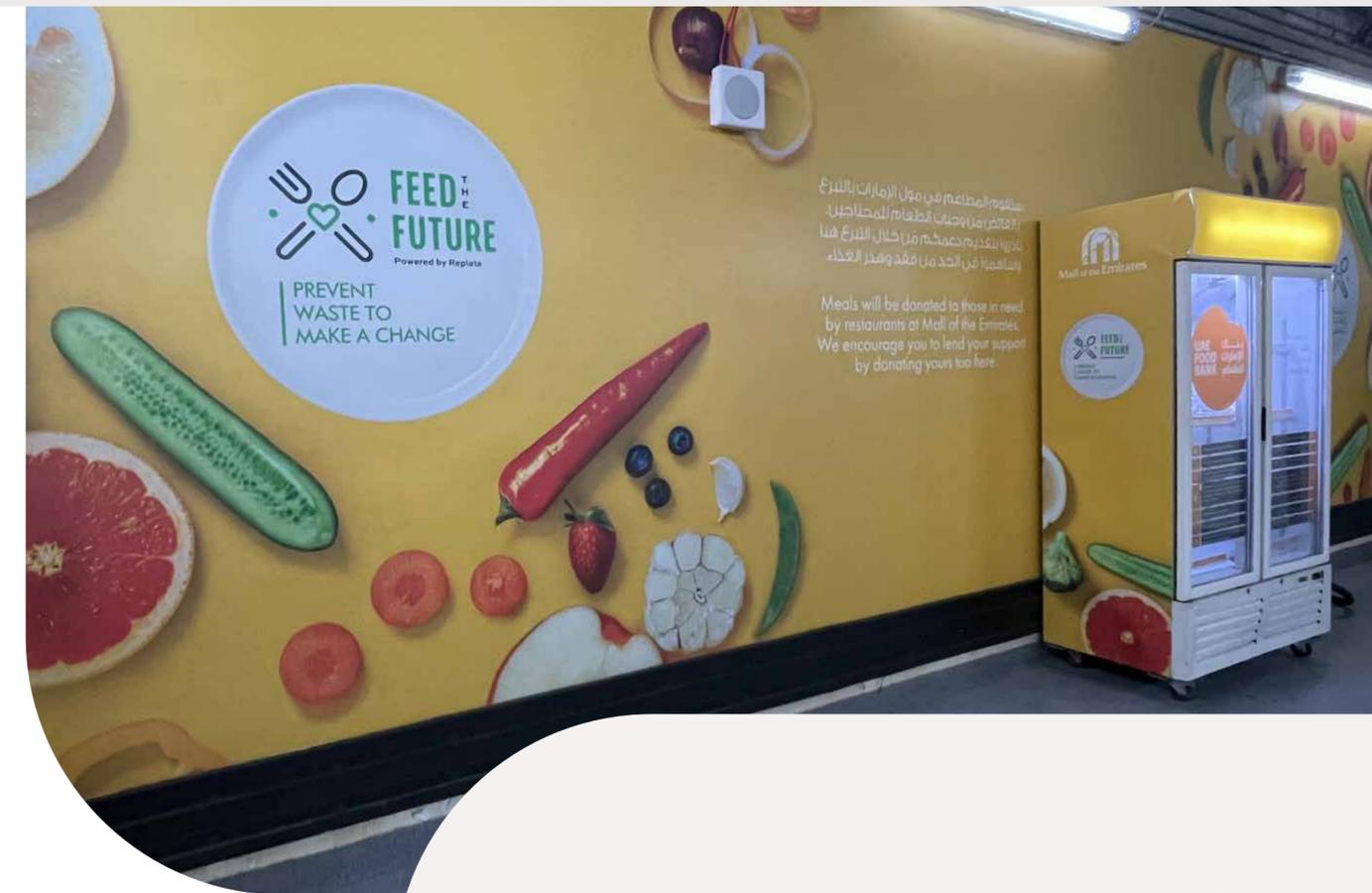
At Majid Al Futtaim, innovation is key to evolving our offering in line with our stakeholders' expectations and industry trends as well as reducing our impact on the planet, improving efficiencies and creating great moments for all our customers to enjoy. We work to leverage behavioural science and data to deliver to customers what they want and need. Among those stakeholders, consumers are critical hence a focus on fulfilling their needs and aspirations and helping to transform lives.

This approach enables us to deliver value to our customers, fulfilling their needs and aspirations and helping to transform lives, whilst adapting, evolving and elevating our offering to stay relevant and competitive as our operating context evolves. To do so, we launched our Customer and Brand Centric Innovation programme, providing a framework to ensure that delivering value for our customers is at the core of our innovation efforts. In doing so, we have repositioned the use of technology as an enabler in achieving our ambitions, rather than an end goal and have committed to an open and inclusive approach to innovation.

As part of this programme, we launched our Open Innovation platform, enabling key stakeholders (including customers) to engage in the innovation process by sharing their ideas and solutions to customer needs and challenges

via testing and feedback sessions. This platform will allow for more impactful and relevant ideas to be generated that better meet the needs of those we serve. For example, Majid Al Futtaim – Entertainment used this platform to brainstorm amongst employees and frontline teams on how best to provide for specific consumer groups, with over 200 ideas generated that are now being translated into a set of impactful projects. Meanwhile, Majid Al Futtaim – Properties launched an Open Innovation Challenge, offering contributors the chance to share their ideas on sustainability, generating 59 ideas and driving 5 impactful projects that are currently being implemented.

Furthermore, in 2022, Majid Al Futtaim – Communities continued to pursue its existing strategic partnership with Aldar's Scale Up programme, of which it joined in 2021, offering start-ups the opportunity to secure commercial pilot contracts, with Majid Al Futtaim responsible for two of these contracts. Scale Up is an equity-free accelerator programme that provides a gateway for start-ups with disruptive and transformative technologies to access the UAE market. The programme will enable the business to tap into the growing PropTech (property technology) sector and provide opportunities for growth and further investment.



FEED THE FUTURE

At Mall of the Emirates, we launched an initiative called 'Feed the Future', focused on recovering leftover and edible food from our F&B outlets and distributing it to local communities in need. The initiative utilises the digital platform 'Replate', which automates the food rescue process, by enabling F&B vendors at the mall to schedule and manage donations and coordinate pickups, whilst data driven technology provides detailed metrics on the environmental and social impact of those contributions. Replate analyses trends in food waste to support F&B outlets in the mall to reduce their waste, with all outlets encouraged to participate.



Since embarking on our transformation journey five years ago, Majid Al Futtaim Lifestyle has quadrupled in size and expanded our digital capabilities, merging the physical and digital realms of retail. In 2022, we increased our online presence to 18 platforms and strengthened our advance analytics team to support our network of 65 stores across the region to deliver a seamless, unique and personalised journey for our customers. Most notably, THAT Concept Store, our multi-brand homegrown concept, continues to raise the bar with its digital innovations, becoming the first retailer to take over the Store of the Future in Mall of the Emirates with its immersive Digital Display Canvas, Lift & Learn, Magic Mirror, Beauty Mirror and Store Analytics, which have transformed the way customers interact with the store.

FAHED GHANIM

Chief Executive Officer
Majid Al Futtaim - Lifestyle



▼ SPOTLIGHT ON

Supporting local entrepreneurship

Engaging with start-ups and small and medium-sized enterprises (SMEs) creates significant value for our business by supporting our long-term growth and ability to innovate our products and services. It also helps to promote local economic development by providing local entrepreneurs with the resources they need to scale-up their business such as investment, access to markets and networking and skills.

In 2022, Majid Al Futtaim introduced its Launchpad Programme, an accelerator programme aimed to attract and fuel the growth of start-ups and SMEs in strategic sectors of interest to Majid Al Futtaim, by subsidising their cost of entry and providing them with powerful customer acquisition tools. The programme provides selected start-ups with a set of benefits that would ensure winners achieve operational efficiencies, get access to new revenue streams and gain unrivalled market knowledge, which will eventually secure their success within the Majid Al Futtaim ecosystem and the region. To further strengthen the programme and ensure tangible outcomes, Majid Al Futtaim has partnered with AstroLabs who act as the

programme administrator, alongside Microsoft who has provided a set of additional benefits to selected start-ups.

In its first phase, Launchpad aligns with the Group's strategic sectors through three different programmes: Homegrown brands that look to identify and accelerate the growth of sustainable, heritage focused and innovative local companies with a unique and compelling brand story, Health and Beauty brands that look to identify and accelerate local direct to consumer brands and tech start-ups in the industry, and PropTech brands that aim to identify and accelerate sustainable, innovative start-ups with solutions that can optimise construction, digitise property development and management and enhance the customer experience.

In its first phase, the programme has witnessed substantial reach, receiving 196 applications from over 20 countries across all three programmes. After a 12-week selection and filtering process, 14 winners were selected across all three programmes, 50% of who are female entrepreneurs, who demonstrated ingenuity, originality and vast commercial potential.

THE ZOLA COLLECTIVE

As one of the first winners of our Launchpad Programme, we have introduced The Zola Collective to our Carrefour store in Mall of the Emirates. This female-led, wellness and lifestyle brand sells a range of African products, handmade using natural ingredients that benefit the consumer as well as the communities making them. Through selling their products at Carrefour stores, we will help facilitate The Zola Collective's international growth strategy and support the expansion of its positive impact.

196

applications received to our Launchpad Programme and 14 winners announced



“

We are excited to be chosen as one of the esteemed winners of the 2022 Majid Al Futtaim Launchpad Programme, as this achievement represents a significant milestone in propelling The Zola Collective towards growth and international expansion. Our aspiration has always been to make a global impact and collaborating with Majid Al Futtaim brings us one step closer to transforming this dream into a tangible reality, by supporting female empowerment, sustainable agriculture and the utilisation of natural resources.

ANUSHA MAHTANI & MISHA PATEL
Co-Founders
The Zola Collective

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To support local entrepreneurship, we continuously offer our venues as platforms for local businesses to access our diverse customer base. For example, at City Centre Me'aisem, we host a Ripe Market twice a month during the summer, offering a wide selection of homegrown businesses the opportunity to promote their brands and products. In August, at Mall of Oman, we hosted businesses funded by the Oman Development Bank (ODB), a leading provider of finance to projects that add value to national development, in the Central Galleria. Over four days, the mall experienced a footfall of 104,370, demonstrating the public exposure these businesses can capitalise on. Following its success, we rolled-out similar events at Majid Al Futtaim's other venues in Oman, including My City Centre Sur, City Centre Suhar and City Centre Qurum.



SUPPORTING LOCAL FASHION BRANDS AT MALL OF EGYPT

With the textile industry in Egypt playing a major part in its Sustainable Development Strategy and in line with our vision for Mall of Egypt to be an incubator for local designers and emerging talent in the fashion industry, we have partnered with Entreprenelle, a social enterprise that supports female entrepreneurs and business owners. By hosting two pop-up shops in 2022, we brought together some of the most popular female owned local fashion brands to showcase the latest trends and industry developments and facilitate talks from inspirational female leaders. The events generated sales of EGP 1.5 million.



EGP 1.5 million
in sales generated by two local
brands at Mall of Egypt



We DARE TO

empower our people to
unlock their full potential



SOCIAL

Empowering Our People



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

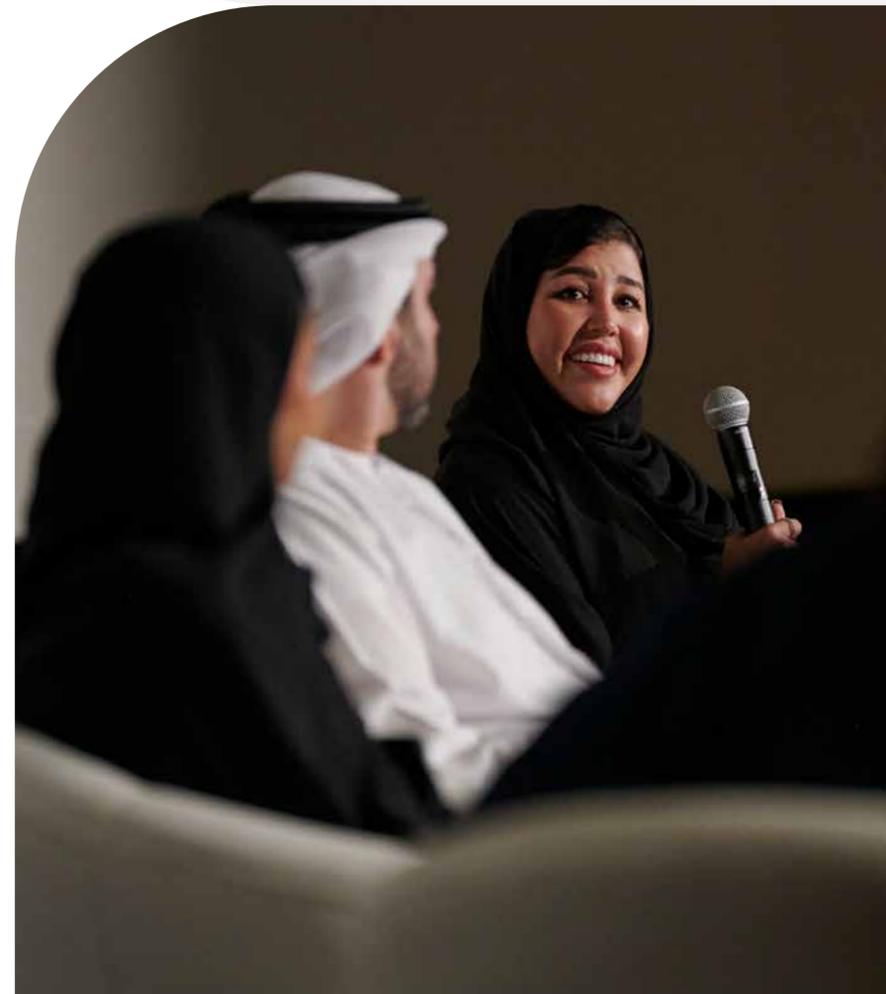
To foster our employees' growth and adapt to today's dynamic work environment, we provide sustainability training to employees and suppliers throughout the value chain.



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



127 million
steps taken by MAFers in three months via the Step-Up Challenge

20%
women in senior management positions

+41,000
learning hours delivered through our Leadership Institute



Investing in our peoples' career development and education, fostering a diverse and inclusive culture, offering a healthy workplace and upholding the highest standards of human rights and employment conditions all contribute to attracting and retaining the best talent and enabling all MAfers to achieve their full potential, which is vital for our success.



Since the launch of our first Company-wide Sustainable Business Commitments in 2018, women now account for 20% of our senior management, we have expanded the representation of people of determination across the business and in 2022 alone held sustainability training for over 20,930 frontline employees, to ensure they feel empowered to contribute towards our sustainability goals and increased our Wellness Week reach year-on-year to achieve the highest engagements yet in 2022.

As we move on to the next phase of our strategy in 2023, the focus will be on accelerating our existing activities such as ensuring that all workplaces align with international best practice health and wellbeing standards, developing a career accelerator programme for MAfers to facilitate their advancement into senior roles and providing sustainability training to all employees and tier 1 contractors, supporting our progression towards our 2028 Sustainable Business Commitments.

Fostering a workplace for all

Our diversity helps us cultivate the balance of voices, skills and ideas we need for our business to grow, innovate and cater to our customers' needs. We are growing a culture where MAFers feel valued and empowered regardless of their identity or background.

We have a zero-tolerance policy towards harassment and discrimination and employees are encouraged to report unethical behaviour (see page 68). Our expectations regarding MAFers behaviours are outlined in our [Code of Conduct](#), which all employees are required to sign annually. This aligns with our [Diversity and Inclusion Policy](#), which promotes a values-led, diverse and inclusive culture, where everyone is treated fairly and with respect. Our Diversity and Inclusion Steering Committee and Working Group, consisting of representatives from each Operating Company and the Leadership Team, govern the policy and support its implementation. To monitor our progress and engage employees on their expectations, we conduct an annual diversity and inclusion survey. Compared to the previous year, the survey saw participation numbers double in 2022, with results demonstrating year-on-year improvement across inclusiveness, discrimination and career support, most notably. We take this feedback seriously, and it reflects our progress on scaling-up engagement, supporting us to implement impactful initiatives. We also have a diversity and inclusion workplace platform to share information on topics such as unconscious bias, invisible disabilities and imposter syndrome.



+46,000
employees



17
countries



+110
nationalities

Establishing gender balance in the workplace

We have set measurable targets to transform the role of women at Majid Al Futtaim. We were one of 18 UAE-based multinationals to sign the UAE Gender Balance Council's SDG 5 Pledge to accelerate women's leadership in the UAE private sector, by increasing the representation of women in leadership positions to 30% by 2025. This was strengthened by the introduction of our SLL target to increase gender diversity among senior management in the top three seniority levels (board, senior executive and senior management) to reach 30% and align to the 30% Club. At the end of 2022, we reached 20% and achieved our 2022 target of 20%. To achieve this, in 2022 we focused on prioritising the appointment of female candidates especially into leadership roles, formalising development plans for female top talent and involving female employees in succession planning.

One of the biggest challenges facing MENA's booming technology industry is a lack of representation, with just one woman in five people working in the industry today¹³. With this in mind, we are supporting women into advanced technologies and digital roles by encouraging them to take up tech subjects, providing upskilling opportunities, helping women secure senior positions and offering flexible work options. One of the ways we do this is through the Majid Al Futtaim School of Analytics & Technology, which runs bespoke coding modules and programmes as well as internship opportunities, career guidance and mentorship. In 2022, 536 women attended the School and completed 2,000 hours of learning.

At the local level, teams run initiatives throughout the year to engage and upskill female MAFers. For example, Carrefour Jordan ran a cyber security session for 38 female employees, in collaboration with the Public Security Directorate, which explored how to prevent

and limit the occurrence of common cyber-attacks such as fraud and account hacking. It also hosted a meeting between its leadership team and female employees across different seniority levels to discuss women's opportunities and challenges at work. As a result, a Diversity and Inclusion Council was created with an action plan in development to improve women's experiences. Since its inception, the Diversity and Inclusion Council has consulted on several initiatives, including mentorship programmes and the monitoring and review of women's career paths and promotion rates at Majid Al Futtaim – Retail. It has also contributed to Majid Al Futtaim – Lifestyle's Top Talent training programme, with women now accounting for 41% of participants, a drastic increase from 2021, when women only represented 25% of participants.

Providing equal opportunities for all

Providing equal opportunities is integral to fostering a diverse and inclusive culture. In 2022, Majid Al Futtaim - Retail UAE hired 32 people of determination into various roles across our stores including cashiers, bakers and photographers as well as positions within our IT department. This helped support the progression towards Carrefour UAE's commitment for 2.5% of employees being people of determination by 2025.

In 2022, Inclusive, MENA's first digital recruitment platform that connects people of determination with inclusive employers, conducted a physical accessibility audit of our Al Shindagha head office and Carrefour store at City Centre Mirdif. This sought to assess the assets' accessibility against best practice standards, identifying issues and providing recommendations.

¹³ Overcoming Challenges As Women In Tech (globaldevslam.com)

20%

women in senior management positions

536

women participated in modules and programmes ran by the Majid Al Futtaim School of Analytics & Technology in 2022 and completed **2,000 hours** of learning

288

people of determination in positions across our business in 2022





Majid Al Futtaim – Retail has a long history of supporting local talent and often underserved groups including youth and people of determination with training programmes and employment opportunities. It was an honour to receive the award for ‘Best Large Company in Achieving Emiratisation Targets’ at the first annual NAFIS Awards. Having welcomed more than 750 Emiratis to Carrefour UAE in 2022, this is a testament to our commitment to strengthen the economic growth of our region and the professional development of local talent.

Hani Weiss
Chief Executive Officer
Majid Al Futtaim - Retail



Engaging employees

Employee engagement contributes to job satisfaction and productivity and ensures employees feel heard and valued. For example, a recent employee engagement survey at Majid Al Futtaim owned Accor Hotels explored employees' work environment, workload, management support and personal development. Employees were asked to score several factors related to employee engagement on a scale of 0 to 10, with 10 reflecting the most positive response. Across all surveyed assets, an average score of 9.9 was achieved. The survey was distributed to 223 employees and received a response rate of over 99%.

Throughout 2022, we organised events and initiatives aimed at improving morale by encouraging our people to come together, socialise and give back to their local communities. For example, Carrefour Bahrain organised a cultural food exchange, where each week employees shared their cultural dishes and during Ramadan, volunteers from our Bahrain head office helped distribute nearly 1,500 gift boxes - including goods such as tea, rice, and fruit cordials - to our frontline employees living in our staff accommodation as a token of appreciation for their hard work.



1,378 hours
of volunteering completed by
MAFers in the UAE, including tree
planting and bee harvesting



ENGAGING EMPLOYEES IN A NET ZERO AND ZERO-WASTE IFTAR

Majid Al Futtaim's annual Iftar event, where we celebrate breaking the fast with colleagues, marked a significant company milestone as we hosted our first zero-waste and net zero Iftar event.

We achieved zero-waste by partnering with local charities to redistribute over 200 surplus meals to disadvantaged communities and more than 300 kg of food waste was used as compost in the University of Sharjah community garden, saving an estimated 576 kgCO₂. In addition, guest travel and the event's electricity usage were offset by purchasing carbon credits for 30 tCO₂.

During the event, we recognised our peoples hard work by presenting awards including MAFer, manager and team of the year.

Creating a wellness culture

We promote healthy workplaces through asset design enhancements and a programme of engagement initiatives encompassing physical, mental and financial wellness.

Our [Healthy Workplace Policy](#) sets expectations regarding these activities as well as wellbeing targets, enabling us to monitor and manage our performance. This is complemented by additional policies such as the Remote Working Policy and Work from Anywhere Policy, which have evolved in line with our employees' new expectations and outlooks since COVID-19. On the ground, we have a network of 40 Wellness Champions, responsible for supporting health and wellness initiatives and experiences across the Majid Al Futtaim community. To evaluate the success and relevance of our programme, we hold an annual Healthy Workplaces survey, allowing employees to provide feedback on what we are doing well and where we can improve. The results are then shared with each Operating Company, which then develops an action plan to address any challenges and opportunities.

In line with our 2022 Sustainable Business Commitment to promote healthy workplaces through wellbeing programmes, we ran 72 employee-focused wellness events and initiatives throughout the year. For example, MAFers in Saudi Arabia attended the Crystal Maze game to practice

their mental fitness, 100 MAFers were sponsored to join the Madinaty marathon in Egypt, 130 MAFers attended Majid Al Futtaim – Lifestyle's 'Sports Fest', Carrefour Kenya held an in-store aerobics session for employees and Majid Al Futtaim - Retail in Pakistan held a Cricket Gala, where teams from across all stores and head office competed. Awareness is an important part of how we keep our MAFers informed of different health conditions and diseases, for example, Carrefour Kenya organised a Prostate Cancer Awareness Month in partnership with Equity Afia, tackling associated stigmas and educating staff on the importance of regular check-ups.

Our programme is supported by an internal wellness application - MyWellness, which in 2022 had 1,271 active users from six different countries and 214 departments. The app enables employees to sign up to sponsored events and access hundreds of discounted experiences for family and colleagues. MAFers can also earn points for attending experiences and use them to compete with their colleagues and receive rewards. In 2022, we launched the My Wellness Step-Up Challenge, where MAFers can link their step count to the app, compete and receive rewards for meeting monthly targets. In just three months, more than 300 employees were using this feature with over 127 million steps taken.





In 2022, Accor Hotels of Majid Al Futtaim - Properties achieved the **Great Place to Work Certification**, which recognises employers that create an outstanding employee experience. By investigating an organisations' trust, fairness, respect, camaraderie and pride, a trust index score is calculated. Accreditation requires a minimum score of 65%, with Accor Hotels achieving a score of 94%.



HOSTING OUR 6TH ANNUAL WELLNESS WEEK

With 20,000 engagements across 10 countries, 2022 represented our most far-reaching Wellness Week yet. Events were hosted virtually and in person, with both Company-wide and country level activities. This included sporting tournaments, fitness competitions and exercise classes as well as private consultations with doctors and psychiatrists and free health check-ups.

MAFers engaged in various topics such as how to reduce stress, create better sleeping patterns and improve nutrition. For instance, dieticians offered advice on healthy eating and alternative cooking methods, demonstrating how traditional dishes can still be enjoyed and incorporated into a healthy diet and lifestyle. Importantly, we held financial wellbeing workshops to provide advice and support during the cost-of-living crisis.

In 2022, we held our first internal wellness bazaar, hosting start-ups and wellness outlets that encourage ethical consumerism, circular economy principles and inclusion for people of determination. Entities included Yoga Flamingo, a start-up who supplies yoga mats and equipment that is handmade by native villages in India and 100% pure cotton. Pocketmeals also attended, who makes healthy and preservative free meals as well as Enable, a social enterprise ran by people of determination who sells plants including succulent arrangements.

Best practice health, safety and human rights

We support the principles set out in the Universal Declaration of Human Rights and our Occupational Health and Safety Policy reinforces our commitment to upholding the highest standards.

Majid Al Futtaim's [Employment Conditions Policy](#), aligned with international best practice standards, ensures we operate ethically and with integrity regarding employees' wages and benefits, working days and hours, annual leave, basic employee rights, women's rights, child labour, health and safety, employee accommodation and education. These labour standards protect our people and apply to our direct (tier 1) suppliers and contractors. Notably in 2022, we updated the policy to include standards on introducing flexible working and diversity and inclusion such as equal pay for women. Our Employee Conditions Committee conducts regular compliance audits, with suppliers or contractors found to be in violation at risk of contract termination and exclusion from future tendering processes.

In 2022, we began developing an accommodation audit training to upskill auditors on our updated requirements and the importance of providing safe and just accommodation for all our employees, suppliers and contractors. The training will be conducted in 2023. We also provided training on the updated labour accommodation checklist for all Operating Companies as well as human rights training for all non-frontline MAFers to develop a collective understanding and ensure they are aware of their fundamental rights.

Construction on our developments is currently a key part of our business, where incidents and injuries are a significant concern. Therefore, we conduct regular audits and inspections and deliver numerous health and safety training sessions. MAF Gateway©, our internal digital Health, Safety, Security and Environmental (HSSE) system that we own and operate, provides a single solution for operational and HSSE issues. This includes inspection and accident reporting, with all incidences investigated and appropriate remediation processes enacted.

To demonstrate the seriousness of our approach towards reducing workplace risks and creating safer working conditions, we have been certifying our occupational health and safety management systems to ISO 45001. In 2022, six supermarkets and hypermarkets in Egypt achieved certification as well as four hypermarkets and Carrefours' head office in Qatar, contributing towards our total of 111 certified assets across Majid Al Futtaim – Properties and Majid Al Futtaim – Retail. In 2023, we will be rolling-out the certification across all sites, including construction sites.

We foster a 'speak up' culture that encourages openness and accountability, enabling employees to feel comfortable reporting incidences that violate our policies. In 2022, we launched a mandatory health and safety e-learning module, equipping all 9,000 of our non-frontline employees with the knowledge and skills to maintain a safe working environment.



31
health and safety audits
on construction projects
(2021: +30)



95%
of projects achieved
an audit score of ≥ 90
(2021: 95%)



25
audits on workers' accommodations,
with 20 scoring $\geq 95\%$ and 5 scoring 100%
(2021: 27)



0.01
lost time injury frequency rate
(2021: 0.01)



+500
project health and safety inspections
(2021: +500)



+31 million
man-hours worked
(2021: +22 million)

▼ SPOTLIGHT ON

Upskilling MAFers with the skills of tomorrow

We offer an extensive learning and development programme to provide MAFers with the skills they need to excel and adapt to today's challenges and opportunities, whilst developing their careers and contributing to our business success.

Our Leadership Institute offers world-class, innovative and hands-on training and development programmes with leading experts and global faculty through state-of-the-art facilities. It is also home to several schools including the School of Leadership, the School of Analytics & Technology and the School of Great Moments, which each offer unique programmes to grow our people's capabilities based on their individual career aspirations. For example, in 2022, 60 ambitious graduates completed our Leadership Development Programme over seven to nine months, consisting of interactive forums, networking events and coaching and mentoring opportunities. The programme includes five schemes aimed at different seniority levels, adapting the training and objectives to optimise the outcomes and benefits for the individual. The Institute also operates a 'digital

first' approach, supported by LinkedIn Learning, to facilitate flexibility. In 2022, over 5,000 LinkedIn Learning courses were watched by MAFers, with over 13,000 learning hours viewed.

Embedding sustainability into employee training has been a journey since the launch of our first Group-wide Sustainable Business Commitments in 2018. Sustainability training has already been integrated into our Top Talent and frontliner training as well as office-based e-learning module and we have a 2028 Sustainable Business Commitment to provide sustainability training to all employees and tier 1 suppliers. In 2022, 70% of all frontline employees engaged in sustainability training, with around 20,900 employees in attendance. In addition, we launched our 'Back to Basic Series', a Company-wide initiative where on a weekly basis, hot sustainability topics are simplified and explained to MAFers in English and Arabic. In 2022, we kicked-off the first phase of our diversity and inclusion training programme led by the Leadership Institute, through providing unconscious bias training. In 2023, we will continue to develop this programme by rolling-out mandatory human rights training.

SUPPORTING MAFERS' CAREER DEVELOPMENT

In 2022, all our employees received a career development review to identify their key skills, set goals and establish a tangible career path. On-site teams continuously implemented initiatives to assist with career development, for example, employees at the Westin and Le Meridien City Centre Bahrain received support to create and develop their CVs and LinkedIn profiles.



30 sales **employees at Carrefour Al Saqr** were trained by Abu Dhabi Distribution Company (ADDC) to **promote green labelled appliances** and explain the benefits to customers in terms of saving money, water and electricity within the store's new Green Corner



THE LEADERSHIP INSTITUTE

+41,000
learning hours in 2022

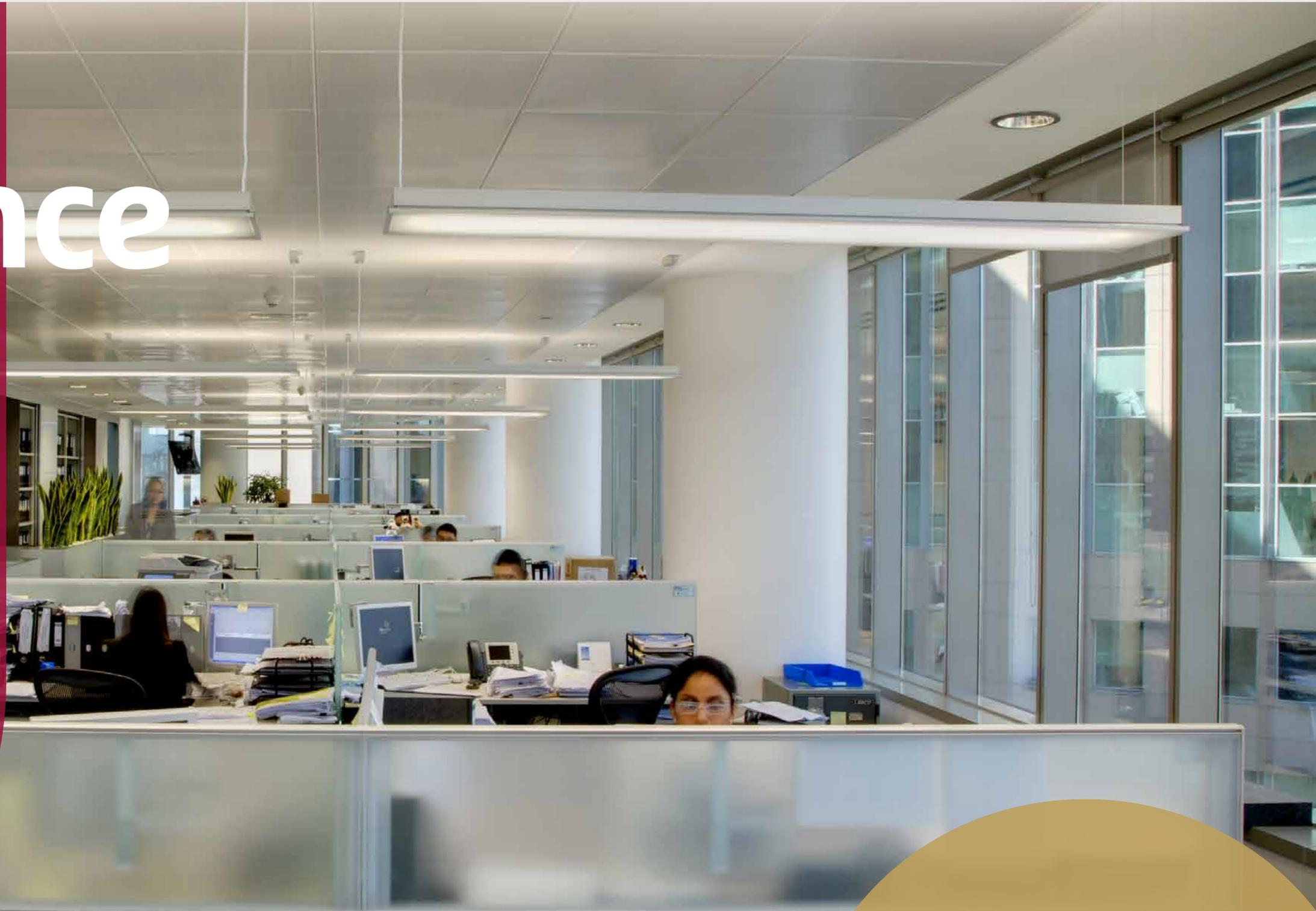
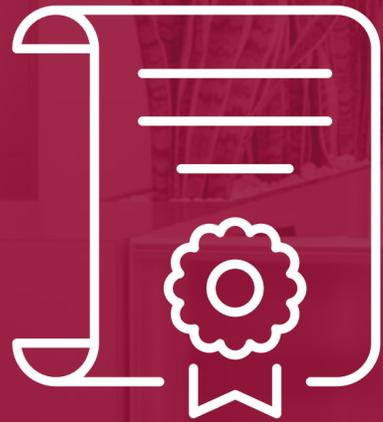
+145,000
participants trained since 2018

+61
Leadership Institute NPS

4.5
overall course feedback score



Governance



Governing with accountability

Accountability for the implementation of *Dare Today, Change Tomorrow* is established at all levels of the business through a robust governance structure. For senior management, sustainability is addressed in business meetings and board reports, to facilitate discussions on key topics as well as performance progress at all levels. To ensure the strategy is being driven from the highest level, the Group's Chief Sustainability Officer, as well as the Chief Executive Officer of Majid Al Futtaim - Holding and the Chief Executive Officers of Majid Al Futtaim's Operating Companies are issued with sustainability targets, which are in turn cascaded down to senior management. All executive management have ESG KPIs within their annual objectives, which are linked to their performance rating and bonus. Every day, our strategy is supported by a vast network of more than 40 Company-wide Sustainability Champions, who are tasked with leading positive change in their own roles and inspiring their colleagues to do the same.

Progress is supported by action plans and targets that focus our business activities in the areas required to improve performance and where we can have the greatest positive impact on our stakeholders. Performance against our sustainability targets is tracked quarterly and audited on an annual basis by a third-party auditor. In addition, the environmental data related to our portfolio of assets, is fully assured by an independent third-party. Please refer to the Assurance Statement on page 83 and our 2022 target progress on page 87 of this report.

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

Majid Al Futtaim Holding LLC Board of Directors
Responsible for reviewing progress against our sustainability strategy

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

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

**Majid Al Futtaim –
Properties**
Sustainability Lead

**Majid Al Futtaim –
Retail**
Sustainability Lead

**Majid Al Futtaim –
Lifestyle**
Sustainability Lead

**Majid Al Futtaim –
Entertainment**
Sustainability Lead

**Majid Al Futtaim –
Global Solutions**
Sustainability Lead

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

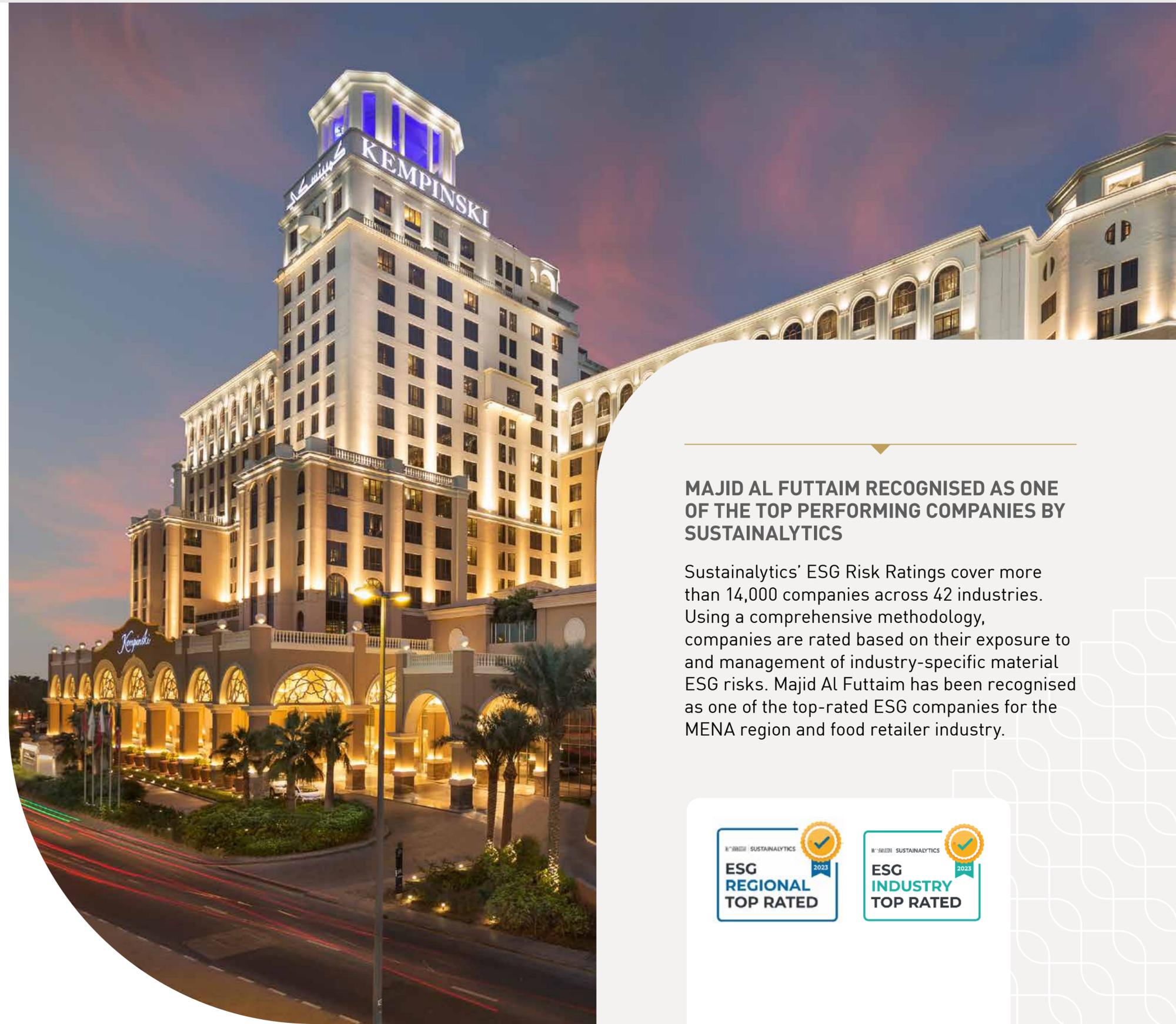
Risk management

In light of continued expansion and innovation across Majid Al Futtaim's five Operating Companies as well as global economic, political and social volatility, Majid Al Futtaim is exposed to a complex and interconnected range of business risks. These risks have the potential to materially impact both our corporate performance and reputation. To leverage emerging opportunities and reduce our risk exposure, we operate a risk mitigation approach to effectively monitor and manage our internal and external risk landscape. This helps us nurture a risk-conscious culture and enhance risk-based decision-making.

Our Risk Appetite Statement (RAS) and robust Enterprise Risk Management (ERM) Framework govern key risks that could adversely affect our business, including sustainability and climate-related risks. In addition, they ensure the effective identification, assessment and communication of risk management information between Majid Al Futtaim – Holding and the five Operating Companies in line with stakeholder expectations and the overall strategy of the Company.

Overseen by Majid Al Futtaim Holding's Board of Directors, the ERM Framework enables standardisation and consistency in the identification and management of risk. It also defines lines of reporting for escalating key risks and the responsibility of our numerous risk committees and risk owners (please see the chart on page 70). Meanwhile, our RAS communicates the Group's appetite to 12 key risk categories, including ESG. The statement contains a risk appetite scale that aligns with a risk assessment criterion, alongside both qualitative and quantitative components to justify the Group's appetite for each risk category. For ESG matters, the statement communicates that Majid Al Futtaim is averse to taking risks and will not trade ESG risk for the achievement of other corporate objectives.

Moving forward, we will proceed with the identification, assessment and escalation of risks from Operating Companies to Holding. We will conduct extensive training in the first quarter of 2023, and the team will begin using the new framework.



MAJID AL FUTTAIM RECOGNISED AS ONE OF THE TOP PERFORMING COMPANIES BY SUSTAINALYTICS

Sustainalytics' ESG Risk Ratings cover more than 14,000 companies across 42 industries. Using a comprehensive methodology, companies are rated based on their exposure to and management of industry-specific material ESG risks. Majid Al Futtaim has been recognised as one of the top-rated ESG companies for the MENA region and food retailer industry.





Internal Audit

Our Internal Audit function is an independent and objective activity guided by the philosophy of adding value to improve the Group's operations. To do so, the Internal Audit function provides independent assurance to the Board of Directors and management, alongside facilitating a systematic and disciplined approach to evaluate and improve the effectiveness of Majid Al Futtain's governance, risk management and internal control processes.

Our internal audit process adheres to Majid Al Futtain's core values of passionate, bold and together and reflects the principles of integrity, objectivity, confidentiality and competency as set out in the [Code of Conduct](#) as well as the International Standards for the Professional Practice of Internal Auditing, of the Institute of Internal Auditors.

To further strengthen the purpose of our internal audit process, in 2023 we will introduce a centralised Internal Audit function, reporting directly to the Company Audit and Risk Committee, a function operating as a matrix structure that balances central scrutiny and efficiency with industry specific expertise. In doing so, this change will ensure internal auditing processes are keeping pace with change, creating value, remaining relevant and enhancing impact and influence.

Business ethics

We operate with the highest ethical standards across all business activities and this governs how we engage with each other, our customers, business partners, government and society. We promote an organisational culture, committed to integrity, ethical conduct and compliance with the law. Nevertheless, we operate in countries with varying levels of governance maturity.

As well as our [Code of Conduct](#), which sets out our commitment to complying with the highest standards and laws governing anti-bribery and corruption, we have implemented a robust risk management framework. Each Majid Al Futtain business utilises a risk register to assess the quality of governance in each country and the risk of the business being 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.

Employees are responsible for upholding the Code of Conduct and encouraged to raise their concerns if they see or hear something that doesn't seem right. Employees can speak to their manager or a member of the compliance team across Holding and its Operating Companies. We have a fully independent Ethics hotline, accessible via a 24/7 tollfree number or email and an Ethics Panel who ensure that all reports of alleged misconduct are promptly and thoroughly substantiated, handled in line with the criticality level and independently investigated. When applicable, the panel is responsible for proposing corrective measures and/or disciplinary action to the CEO of their respective Operating Company. Any reports are treated with the utmost confidentiality and we operate a zero tolerance policy in respect to breaching that confidentiality.

Supplier Code of Conduct

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

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

Information security

Majid Al Futtaim is dedicated to upholding the confidentiality, integrity and availability of information used and maintained by the organisation on behalf of its stakeholders, customers, employees and business partners. To achieve this objective, we have

implemented robust information security controls and procedures that undergo continuous monitoring, review and enhancement.

Our cybersecurity program adopts a defence-in-depth approach that emphasises prevention, detection and response to cyber threats. We rely on a range of advanced security technologies and processes to ensure our digital assets are adequately protected.

In addition to technical safeguards, we maintain a comprehensive security awareness programme that ensures our workforce is informed about security threats and their corresponding responsibilities. Our awareness programme includes various training sessions, communications and awareness materials. Notably, during 2022, we organised a cybersecurity awareness week that was geared towards raising security awareness in the workplace, as well as increasing awareness about securing home networks and devices, and protecting children online.

Sustainable finance

To embed accountability surrounding the ESG implications of our activities, we are increasingly linking our ESG performance with how we finance our operational and capital expenditures.

In 2019, we listed the world's first benchmark corporate Green Sukuk, raising US\$600 million, followed by a second Green Sukuk of US\$600 million in the same year, which we use to finance and refinance existing and future green projects. We report the emissions, energy and water

performance of our Green Sukuk portfolio annually and have appointed a third-party auditor to provide independent assurance of this environmental data. Our 2022 Green Capital Market Issuances report is available [here](#).

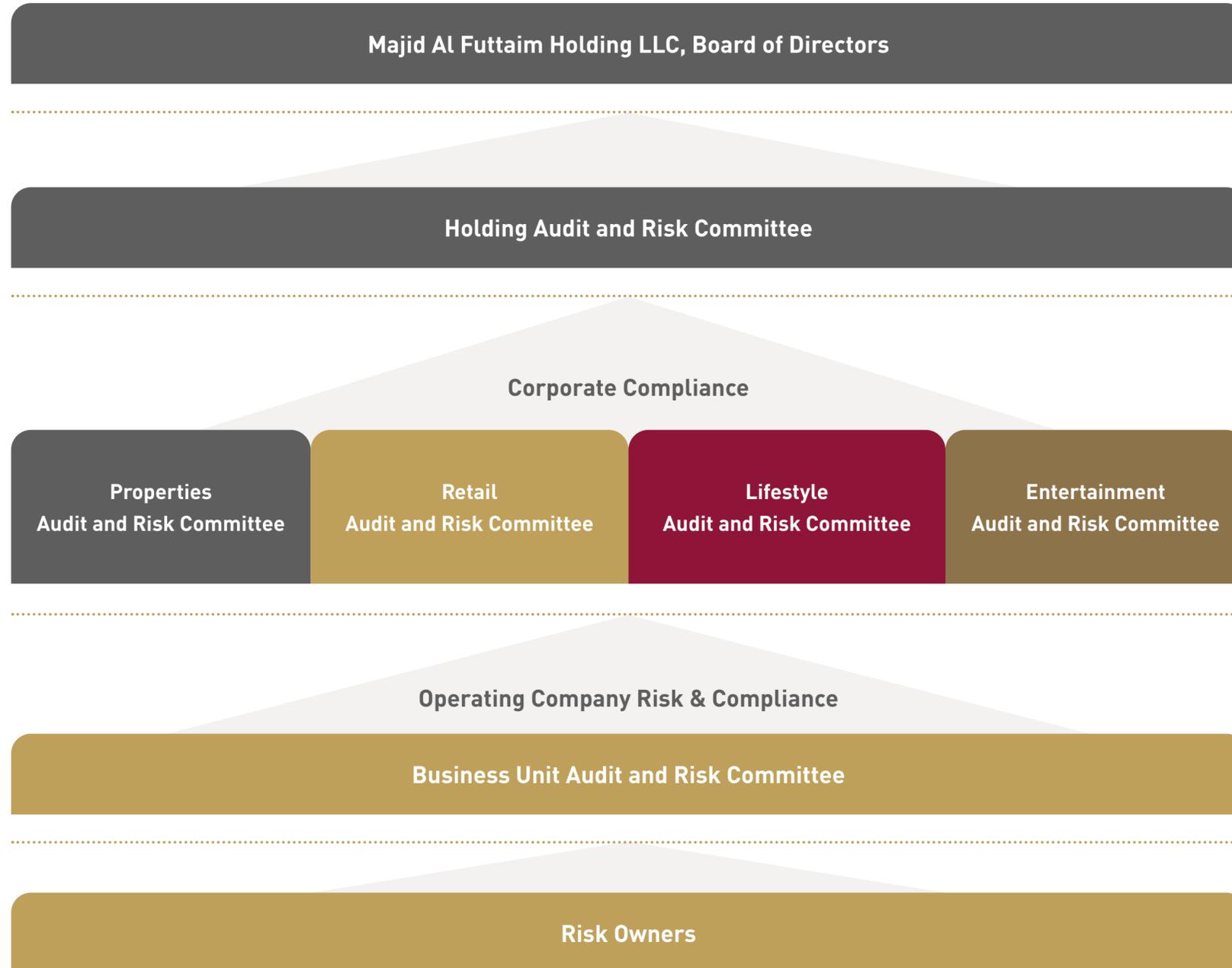
Most recently, in 2021 and 2022, we signed two Sustainability-Linked Loans (SLL) totalling US\$2.75 billion, the largest in the MENA real estate sector, that aims to facilitate and support environmentally and socially sustainable economic activity and growth. Importantly, the SLL is dependent on three predetermined sustainability performance targets that seek to reduce our emissions, increase the green building certifications within our portfolio and enhance gender balance within our senior management. Annual target performance is externally and independently verified to ensure clarity and compliance against the specific sustainability performance targets. For our 2022 performance, see page 87.



The ACT Middle East Treasury Awards celebrate companies and individuals that have shown innovation and excellence in corporate treasury in the region. Majid Al Futtaim was awarded the **ACT Sustainability Initiative Award 2022** for the impact of its SLL.

Task Force on Climate-related Financial Disclosures (TCFD)

INTERNAL AUDIT ASSURANCE



- Responsible for approving the ERM Framework, 'Combined Risk Report' and Risk Appetite Statement annually
- Provides executive support to the Board of Directors in discharging responsibilities in relation to the assessment and management of risks
- Ensures risk management infrastructure is established in accordance with the ERM framework as issued by the Board
- Responsible for updating the ERM framework, co-ordinating implementation of the framework, defining and updating risk appetite and compiling the 'Combined Risk Report'
- Provides executive support to the Audit, Risk and Compliance (ARC) team in discharging their responsibilities in relation to the assessment and management of major risks faced by the Operating Companies
- Implements and establishes ongoing ERM practices suitable to the Operating Companies, assisting risk profiling, compiling the Operating Company risk register report and preparing the ARC report
- Ensures proper assessment and management of the major risks faced to the business units, including reviewing the Business Unit risk register
- Development of mitigation plans and execution and monitoring

Governance

Disclosure of the organisation's governance around climate-related risks and opportunities

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

Our Board has ultimate responsibility for overseeing the progress of our sustainability strategy 'Dare Today, Change Tomorrow', which consists of three pillars: Rethinking Resources, Transforming Lives and Empowering Our People. Additionally, it has fundamental oversight of our Sustainable Business Commitments and environmental targets. Sustainability updates covering each strategy pillar, plus governance and data management, are provided to the Board on a quarterly basis. Climate-related risks have been identified as top risks to the enterprise and therefore are proactively monitored at all levels within the Enterprise Risk Management (ERM) Framework, with the Board maintaining direct and ongoing oversight. The Board receives updates from other committees included in the organogram on page 70, on a quarterly basis or more frequently as necessary.

Sustainability and climate-related risks are fully integrated into our overall risk management and escalated via the ERM Framework as required. For instance, ESG decisions on investments, capital expenditure and other climate-related commitments are raised by our Corporate Sustainability team to the Board for approval, while our Chief Executive Office and Board have ultimate responsibility for monitoring and managing our net positive carbon pathway via quarterly strategy updates. Our Board Terms of Reference now formally include Board responsibilities for overseeing and managing climate-related risk, as well as for including considerations of climate risks when guiding strategy and major plans of action.

Our Corporate Compliance team supports the Holding Audit and Risk Committee and Board in the management of principal risks. The team is responsible for developing a Combined Risk Report featuring two risks registers – the first register, our Majid Al Futtaim – Holding Risk Register, classifies climate-related risks as top enterprise risks, while the second register features all material climate-related risks individually, including mitigation measures to reduce overall risk to the business from climate change. The Combined Risk Report is presented to and reviewed by the Holding Audit and Risk Committee, then ultimately escalated to the Board to ensure climate-related considerations guide strategic and risk management decision-making.

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

Sustainability and climate-related risks and opportunities are fully integrated into our day-to-day operations with climate-related responsibilities sitting with multiple committees to ensure effective implementation of our climate-related programmes. These committees include the Sustainability Steering Group, Green Sukuk Committee, Sustainability and Finance Committee, Science-Based Targets Committee, Net Positive Committee and our Operating Company Sustainability Managers who report into the Holding Audit and Risk Committee. All aforementioned committees meet at least quarterly and responsibilities include identifying, assessing and integrating sustainability and climate-related risks into the corporate risk registers to ensure risks are escalated through the ERM Framework as described above. When assessing and managing risks, the Business Unit Risk Management Committees are responsible for risks faced by the Business Units, while the Operating Company Management Risk Committees are responsible for risks faced by the Operating Companies.



Strategy

Disclosure of the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning where such information is material

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

Underpinning our strategy is the commitment to manage climate-related issues that threaten our strategic objectives in the short, medium and long-term, recognising that the assets we develop and occupy now will still be here far into the future. Without appropriate risk management, these risks could have severe financial and reputational implications. We believe it is our responsibility to consider the risks posed to our business with a longer-term lens, so we conducted a climate risk assessment across two Intergovernmental Panel on Climate Change (IPCC) climate scenarios, the RCP 4.5 and RCP 8.5 scenarios, to identify the top climate-related risks and opportunities to our business.

Time horizons

We have selected time horizons, aligning with climate policy and available data. We have assessed our time horizons and current business strategy against climate risks over the short, medium and long-term (see the definitions highlighted on this page).

Scenario analysis

The climate risk assessment covered a broad range of climate-related risks, selected as appropriate to the geography of our assets and the asset types in scope. By completing rigorous climate risk assessments at the business and portfolio level, we identified our top climate-related risks and opportunities and quantified the potential financial losses and savings associated with each. The climate-related risks and opportunities assessed included physical risks such as flooding, heat stress and drought and transition risks, such as market, legal, reputation and technology risks. This assessment identified the risk profiles of our assets and the most at-risk assets, allowing us to make strategic decisions on where to focus mitigation actions and harness opportunities.

The business level assessment qualitatively assessed the significance and likelihood of a range of physical and transition climate-related risks from a scale of 1-5, taking into consideration the financial losses modelled in the quantitative portfolio modelling. The significance was assessed based on the level of disruption, financial impact and ease/

cost of mitigation of the risk. The range was from minimal or no impact (1) to catastrophic impact threatening the future of the business (5). The likelihood was assessed based on the probability, frequency, duration of impact and speed at which the risk materialises. This provides an overall likelihood, which ranges from risks with a short duration that materialise slowly to risk at a high frequency and duration that persist over a long period of time.

Our top climate-related risks

We have identified the following top climate-related risks to our business, the implications of these risks and actions we have taken to manage the impacts (see pages 73-75).

Additionally, we have identified several opportunities we can leverage to deliver outstanding climate-related performance to our stakeholders and customers. Harnessing these opportunities, we aim to achieve the following: display sustainability leadership and resilience through proactive, early investment into climate risk resilience measures; secure long-term cost savings and achievement of our net positive commitments through long-term high-quality renewable PPAs and provide electric vehicle charging infrastructure for our customers, maintaining our position as a leading provider as the electric vehicle market matures.

SHORT-TERM 2022-2030

To mitigate the largest impacts in the current decade, plans and resilience measures need to be put into place in the immediate term. Upon identifying our material climate risks, we have implemented climate risk mitigation measures immediately to fulfil our commitment to the WorldGBC's NZCB Commitment by reducing all operational carbon emissions by 2030 and embodied carbon from new developments and major renovations under direct control.

MEDIUM-TERM: 2030-2050

We aim to achieve net zero by 2050 at the very latest and to support the UAE Government's aim to nationally achieve net zero by 2050. Additionally, within this time horizon, we are committed to achieve net positive carbon and water by 2040. Our targets are validated by the SBTi, to ensure our emissions reductions are aligned with the latest climate science.

LONG-TERM: 2050-2100

We understand the importance of considering long-term climate-related risks. Inaction in the near-term could result in reputational damage or reduced asset values if we develop in at-risk areas or fail to implement mitigation measures in at-risk locations, particularly as climate risk awareness matures over time.

Our top climate-related risks

SHORT-TERM: 2030

CLIMATE-RELATED RISK	RISK DESCRIPTION	RISK IMPLICATIONS	ACTIONS
Increased energy demand and costs	Shifts in seasonal patterns, temperature extremes and regulatory pressure to transition away from fossil fuels could increase the cost of energy and carbon emissions, while presenting an opportunity to improve our energy efficiency and power our business with renewable energy.	<ul style="list-style-type: none"> • Rise in energy prices due to support for low carbon generation and taxation • Increased operational costs, fuelled by price increases and rising demand for cooling • Increase in material and procurement costs due to supply chain disruptions and carbon tax on embodied carbon • Increased uptake and expected use of circular economy principles 	To achieve our net positive carbon commitment by 2040, we are reducing our energy consumption and the associated emissions by investing in on-site and off-site renewable energy sources.
Asset upgrade requirements	Policy mandates existing building stock and developments to improve efficiencies and operational practices.	<ul style="list-style-type: none"> • Capex cost to meet new standards • Stranded asset risk and increased void period for non-compliance 	As one of the first three signatories to the WorldGBC NZCB Commitment, we continually strive to achieve market leading standards. Additionally, we updated our sustainable refurbishment guidelines to reflect our sustainability commitments and best practice.
Fossil fuel phase-out	The low carbon transition is stimulating shifts away from fossil fuel sourced energy. Early action to invest in renewable energy is a key component of achieving net positive carbon and meeting the increasing demand for renewably-supplied energy.	<ul style="list-style-type: none"> • Reduced asset values and rising risk of 'brown discounts' for poor performing assets • Costs of quicker-than-intended equipment upgrades due to shifts in demand/legislative requirements • Capex to implement low carbon technologies 	Achieving net positive carbon by 2040 relies on us investing to expand our renewable energy capacity via on-site generation and high-quality off-site procurement. In 2021, we partnered with Yellow Door Energy to open a 17 MW solar park in Jordan, which will power 35 Majid Al Futtaim – Retail stores. Furthermore, we are working alongside the UAE Government to help work towards its aim to nationally achieve net zero by 2050.

Our top climate-related risks

MEDIUM-TERM: 2030-2040

CLIMATE-RELATED RISK	RISK DESCRIPTION	RISK IMPLICATIONS	ACTIONS
Water stress and drought	Climate change could place stress on water resources, with supply unable to meet demand. Water resources are already under pressure in our region, so water efficiency is vital to meeting our net positive water commitment.	<ul style="list-style-type: none"> • Rise in operational costs and downward pressure on asset values for water inefficient assets • Capex to improve efficiency • Increased operational costs • Disruption to operations 	To limit our exposure to these risks, we will continue to: implement water recycling in our future developments, audit building engineering and materials for resilience, optimise Company-wide water consumption and investigate our supplier resilience to water stress and drought, diversify our supply chain and work with them on water efficiency measures, for example. Additionally, our net positive water pledge will guide our continued efforts to reduce water usage across our assets year-on-year.
Insurance challenges	Climate-related risks may impact our ability to secure appropriate and affordable insurance for our assets, a risk to the real estate market globally.	<ul style="list-style-type: none"> • Increased insurance premiums or greater difficulty in securing insurance for vulnerable assets • Heightened risk of stranded assets • Difficulties securing financial capital where adequate insurance cannot be secured 	We will engage closely with our insurance providers on an ongoing basis to understand their perspective on climate-related risks and their expectations for changes to insurance premiums over time, with a key focus on our most valuable assets and most at-risk assets.

Our top climate-related risks

LONG-TERM: 2050-2100

CLIMATE-RELATED RISK	RISK DESCRIPTION	RISK IMPLICATIONS	ACTIONS
Supply chain disruption	Physical impacts could cause widespread disruption to production within our supply chains, directly impacting the business of our tenants, while the cost of construction materials rise as climate change impacts scarcity and new policies implement carbon pricing.	<ul style="list-style-type: none"> Higher construction and procurement costs Business disruption, loss of income Tenant default risk 	As part of our Sustainable Procurement Policy , we have circularity principles embedded within our supply chains and prioritise local procurement where possible. We are currently undertaking a rigorous supply chain review to determine the most at-risk areas vulnerable to climate change, enabling us to strengthen our supply chain's resilience to climate change impacts and are working to upgrade its infrastructure and implementing nature-based solutions.
Climate-induced litigation	Climate-related litigation cases may be raised against businesses that do not demonstrate proactive action and sufficient communication on climate-related risks and their management.	<ul style="list-style-type: none"> Significant reputational risk Loss of income from tenant default risk as a result of a damaged reputation 	Our legal team regularly completes a review of existing and upcoming legislation relevant to countries we operate in to protect against non-compliance and associated impacts.
Coastal flooding	Coastal flooding risk is a long-term risk for many coastal areas worldwide and our region. The private sector and governments in the region must collaborate to invest in regional flood defence measures to ensure the region remains resilient over the long-term.	<ul style="list-style-type: none"> Capex to repair and clean-up costly damage Loss of access, downtime or business interruptions Decline in asset values or stranded asset risk Litigation or reputational risk if perceived to inadequately prepare for flooding risk 	Carrefour UAE has partnered with P&G to launch Forests for Good, which strives to plant mangrove trees in the UAE, helping to create protection against flooding, storm surges and sea level rise. Building regional resilience is crucial to be able to manage physical risks as best as possible. We aim to continue to stimulate conversation with local authorities, the government, Green Building Councils, communities and businesses to build regional awareness and adaption plans.

Strategy (continued)

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

Climate-related risks inform our financial planning and investment strategy. Year-on-year, we have increased our investment into managing climate-related risks and harnessing opportunities by creating and upgrading our sustainability strategies and actions plans and integrating climate resilience measures into our buildings to embed greater resilience against climate change's impacts across the business and portfolio. To support our ambitions, we continue to work closely with leading sustainability experts to remain abreast of the sustainability curve. As a result, we have achieved significant milestones in our sustainability journey in 2022, including:

Establishing our Climate Resilience Strategy and Roadmap

We prioritised developing our 5-year Climate Resilience Strategy and Roadmap, a comprehensive strategy that outlines the actions we plan to take to ensure we can continue to operate in a world with increasing climate change impacts. Two key principles underpinning our strategy are climate mitigation and climate adaptation, which we believe are equally valuable and critical for achieving holistic climate resilience.

Executing our strategy begins in 2023, with year one focusing on the following actions:

- Developing enhanced climate risk targets, KPIs and monitoring approach

- Establishing our climate risk baseline, against which we will track and report our progress publicly
- Designing our strategy to accelerate the integration of nature-based solutions into our resilience measures
- Reporting our first TNFD-aligned disclosure, alongside our next TCFD disclosure

Refreshing our Sustainable Business Commitments

In 2021, we conducted a thorough materiality review, including internal and external stakeholder engagement along with peer, investor and legislation reviews, to assess if sustainability issues being experienced across the business remained aligned with our existing list of material issues. Followed by multiple workshops and a refreshed peer review, this year we confirmed new 2028 Sustainable Business Commitments, formalising a new one 'to increase the resilience of our business in the context of global climate change and promote the restoration of natural habitats and biodiversity on our own sites and in our value chain' via climate resilience and nature-based solutions. By making climate resilience a top-level priority, climate-related considerations will continue to be embedded into our organisation's culture and all decision-making processes. Next year, we intend to undertake a value-chain climate risk assessment and to implement the Climate Resilience Strategy across all our Operating Companies to support this Sustainable Business Commitment.

Enhancing our portfolio's climate resilience

This year, we updated our [Sustainable Pre-Acquisition Policy](#) - applicable for all development sites of Majid Al Futtaim's Operating Companies and Business Units - to support our net positive carbon and water and circular economy commitments. The policy's

enhanced checklist encompasses energy, water, waste, biodiversity and physical climate risk criteria, and mandates that a forward-looking climate risk assessment is completed using the Majid Al Futtaim Climate Risk Assessment Tool. This helps us identify the present and future carbon performance and climate resilience of sites and the capex necessary to align sites with our climate risk management approach and net positive carbon pathway, enhancing our investment decisions.

We have enhanced our [Sustainable Building Policy](#) to better support our sustainability commitments, embedding a wider breadth of climate adaptation solutions and resilience measures in line with best practices to support our mission of future-proofing our business against physical and transition climate-related risks. In line with our net positive carbon commitment and Majid Al Futtaim – Properties' Scope 3 requirement, we have ensured that our Sustainable Building Policy for new developments includes a mandatory requirement to reduce embodied carbon by 20% over the baseline.

Refurbishments provide an opportunity to undertake climate resilience and net zero carbon upgrades. We have updated our Net Zero Policy, for example, the new Fit-Out and Major Refurbishment Guide, which integrates enhanced net zero and climate risk minimum performance standards that apply to all new real estate assets across our Operating Companies, which we will review biennially. This policy will enable projects to increase operational energy, water and waste efficiency and climate resilience in line with our strategic sustainability goals.

Developing SBTs for our remaining Operating Companies

Last year, we established SBTs for Majid Al Futtaim – Properties and this year, we developed SBTs

for our remaining Operating Companies – Retail, Entertainment and Lifestyle. For all Operating Companies, the SBTs cover Scope 1, Scope 2 and Scope 3 emissions, demonstrating our commitment to take swift action to prevent the worst impacts of climate change.

Advancing our net positive carbon and water commitments

Our approach to achieve net positive carbon by 2040 involves reducing embodied carbon, optimising energy efficiency, maximising renewable energy on-site and high-quality renewable energy procurement off-site, where feasible and using high-quality carbon offsets as a last resort. By setting and phasing our SBT-aligned emission targets this year for all our Operating Companies, we can see a clear path to achieving this goal. For instance, in 2022, we reduced our carbon emissions by 11% (market-based) and increased our on-site renewable energy generation capacity to 40,481 kWh (see full detail on page 25). Our actions to achieve this target help us to build resilience to all our top climate-related risks. Additionally, we have set embodied carbon targets of a 20% reduction by 2020 and a 40% reduction by 2030, in line with the WorldGBC embodied carbon targets.

Operating in a water-scarce region, we believe that achieving net positive water by 2040 is non-negotiable. To ensure we put more water back into the environment than we extract, in 2022, we established our partnerships with STX group (formerly Vertis) and Project Maji to evaluate water offsetting projects that support best practice water offsetting principles. Our water offsetting strategy helps us build resilience to water stress and drought risk. Additionally, we began the process of setting SBTs for nature, which will include freshwater targets.

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

Having conducted comprehensive business and portfolio climate risk assessments across the IPCC’s RCP 4.5 and RCP 8.5 scenarios in 2021, we have a clear vision and understanding of our climate-related risks and opportunities. This knowledge shapes our core business strategy and decision-making, and we have continued to proactively implement management, mitigation and adaptation measures to improve our resilience.

We conducted scenario analysis using two distinct climate scenarios, RCP 4.5 and RCP 8.5, as they traverse a range of likely emissions scenarios and associated risks, plus align with best practice and leading climate science. The RCP 4.5 climate scenario is characterised by significant policy action and market force to decarbonise and meet the Paris Agreement. Our resilience against risks associated with this low emissions scenario is being secured by our net positive carbon pathway and related activities described in this TCFD disclosure. The RCP 8.5 scenario is characterised by significant changes in weather patterns and severe physical hazards. Our resilience against risks associated with this high emissions scenario is being secured by embedding stringent mitigation measures to support climate adaption and resilience across each stage of the property lifecycle and our proactive approach to assessing and managing risks.

	<p>Average temperature rise</p> <p>1.7 - 3.2°C by 2100</p>	<p>Transition</p> <p>Lower emissions scenario where there is increasing policy action to meet the Paris Agreement. Transition risks dominate.</p>	<p>An overview of what the operating environment could look like in this scenario</p> <ul style="list-style-type: none"> • Economic: substantial regulatory and market pressure to decarbonise and associated costs to meet these demands. • Environmental: Less physical risk, although ca. 2°C warming still presents substantial physical climate risks.
	<p>Average temperature rise</p> <p>3.2 - 5.4°C by 2100</p>	<p>Transition</p> <p>Higher emissions, business-as-usual scenario where policy action is negligible and warming rises drastically. Physical risks dominate.</p>	<p>An overview of what the operating environment could look like in this scenario</p> <ul style="list-style-type: none"> • Economic: Permanently stunted GDP growth and severe economic and social shifts. • Environmental: Chronic changes to weather patterns and ecosystems causing severe impacts on a global scale.

Risk Management

Disclose how the organisation identifies, assesses and manages climate-related risks.

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

Climate risks are identified and assessed through our dual approach to climate risk assessments at both the business and portfolio level. This has enabled us to identify material climate-related risks and opportunities by assessing their potential likelihood and significance, relative to each other. Additionally, the portfolio modelling identified potential financial loss figures for each material risk, offering us the ability to prioritise our material risks and consider the positioning of our entire portfolio. These results have been integrated into our Majid Al Futtaim – Holding Risk Register, which underpins the single risk issue of 'Environmental risks', encompassing all climate risks that could impact the business and our portfolio in the short, medium and long-term. Alongside this register and within our Combined Risk Report, individual climate risks are recorded in a separate register, including significance and likelihood scores and assigned responsibility and mitigating controls are determined. Climate-related risks are reviewed on an ongoing basis by Business Unit Risk Management Committees and formally presented to the Board on a quarterly basis. The Business Unit Risk Management Committees work closely with the Risk Owners to maintain visibility of any significant risk impacts at the asset-level. We require that our Majid Al Futtaim

Climate Risk Assessment Tool is used to assess climate risks at all stages of the property lifecycle during project design and development to ensure we are fully aware of potential risk impacts.

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

We have embedded numerous policies and processes into our day-to-day operations to manage risks we have identified effectively and ensure the optimal sustainability performance of our new and operational buildings for the future. For instance, our [Sustainable Building Policy](#) and [Near-Zero Fit-Out and Refurbishment Policy](#) integrate minimum sustainability standards and climate-related requirements that align with our Climate Resilience Strategy and Roadmap and strategic priorities, which support the achievement of our targets (see Metrics and Targets on page 79). Furthermore, our Majid Al Futtaim Climate Risk Assessment Tool provides best practice recommended adaption and mitigation measures that can be implemented to address the identified material risk. These recommendations are tailored to the property lifecycle stage, geographical location and level of impact identified to ensure we address climate-related risks using appropriate and effective methods.

In addition to the mitigating controls described in the TCFD Recommended Disclosure section – Strategy A) and B), we track the implementation of energy, water and waste efficiency measures installed at our entire Majid Al Futtaim portfolio and their achieved building level impact. This data enables clear oversight of our progress towards achieving our ambitious sustainability goals and a detailed understanding of our management of associated physical and transition climate-related risks. Our Climate Resilience Strategy and Roadmap, designed by a third-party expert, will

guide our journey towards climate resilience and in 2023, we will begin year-one actions as outlined in Strategy B).

Further information on activities completed in 2022 can be found in the Rethinking Resources section of this report.

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

Using our ERM Framework assessment criteria, we assess and prioritise climate-related risks in relation to enterprise risks and in the context of overall risk management. This enables 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 Audit and Risk Committees and Holding Audit and 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. We continuously monitor and manage identified climate-related risks through our Combined Risk Report registers. On a quarterly basis, 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 instance where a climate risk materialises and requires rapid response, risk management actions can be

immediately approved by an Operating Company's CEO and implemented without extensive approval processes. This ensures that we can remain agile and reactive when required.

Our energy, water and waste reporting and net positive carbon and water commitments feature the consumption our tenants are responsible for. In 2022, and continuing into 2023 and beyond, we prioritised engaging with our tenants for the enhanced disclosure of their environmental data. We achieved this via tenant engagement programs to encourage sustainable consumption and awareness of their efficiency performance, which can be monitored through mechanisms such as our Green Star Rating System and [Sustainable Procurement Policy](#). Additionally, by updating our principal fit-out and refurbishment policies this year, we intend to boost our tenants' Green Star Ratings even further and secure greater resilience to climate risks linked with energy, emissions, biodiversity and resources.

We believe that identifying, assessing and managing biodiversity risk is a key element of our overall Climate Resilience Strategy and Roadmap, therefore, we place nature-based solutions at the forefront of this strategy. However, as the magnitude and frequency of nature-related losses and associated impacts on economies and societies becomes clearer every year, we support calls to tackle the risk of nature loss by incorporating nature-related risk and opportunity analysis into the heart of our corporate and financial decision-making. Therefore, alongside our commitment to report to TCFD annually, we have signed up to the TNFD and will produce a fully aligned report in our 2023 ESG Report, following the finalisation of recommendations published by the TNFD at the end of 2023.

Metrics & Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

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

Since 2016, we have publicly reported on our environmental performance, including Scope 1, Scope 2 and Scope 3 greenhouse gas emissions, calculated in line with the GHG Protocol methodology. During the process of developing our SBTs, we re-baselined our carbon emissions to 2019, the most recent year unaffected by the consequences of COVID-19 closures. Measuring and reporting this data, alongside our energy, water and waste data (against our 2019 baseline), allows for historical trend analysis to demonstrate our progress towards achieving our sustainability targets. Our data is third-party, independently assured to meet best practice transparency protocols. We also report on the amount of renewable energy we generate on-site at our assets. Please see our [Environmental Data Annex](#) for full details.

Our carbon and water metrics are critical for supporting our net positive commitments and demonstrating leadership in climate action. At the same time, monitoring these metrics help us to focus investment where it is most required to address several of our climate-related risks, including increased energy and carbon costs, temperature extremes and heat stress and water stress and drought.

We track the level of green asset certifications across our portfolio. By the end of 2022, 54 assets in our portfolio were green certified, which is supported by our target for all new developments to hold a LEED Gold, Estidama 3 Pearl or BREEAM Very Good rating at a minimum, with aspirational targets that aim higher.

In addition, this year we signed a second SLL of US\$1.25 billion, with targets linked to gender diversity, emission reductions and green building certifications, adding to our 2021 SLL valued at US\$1.5 billion. Our SLL commits us to working towards a goal of zero uncertified shopping malls by 2026, by reducing the number of malls in our portfolio that do not have a minimum LEED Gold certification or equivalent. Please see page 100 for further information.

As part of the first year of our Climate Resilience Strategy and Roadmap, we will be developing additional climate-related metrics and KPIs that we will use to monitor and track climate-related risks and opportunities over time. We intend to report this progress in our future TCFD responses.

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

In 2022, our Scope 1 and Scope 2 GHG emissions totalled 756,398 tCO₂e (market based) and our Scope 3 GHG emissions from transmission and distribution as well as construction totalled 53,929 tCO₂e. For more information on our energy and emissions performance and a breakdown by Operating Company, please see the [Environmental Data Annex](#).

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

For our comprehensive set of sustainability targets for our Operating Companies, please see page 87 of this report. We set long-term targets to support our overall strategy goals as well as yearly targets that we report on annually in our ESG report.

To support our net positive transition, our SBT targets for our Operating Companies – Properties, Retail, Lifestyle and Entertainment, align to a 2°C pathway. We have set targets for embodied carbon, operational carbon, on-site renewable generation, renewable energy procurement and carbon offsetting per asset type to reach our carbon commitments and mitigate transition climate-related risks. We are also conducting a feasibility study in order to prepare our business to align with a 1.5°C trajectory for the next round of alignment with the SBTi. More detail on these targets and our progress against them is outlined in earlier sections of this report.

All sustainability and senior management employees have sustainability KPIs integrated into performance reviews. Our Operating Companies have sustainability performance targets, focused on the achievement of our Sustainable Business Commitments. Target Owners responsible for the delivery of these targets have these KPIs integrated into their performance reviews, with their achievement impacting remuneration.

Task Force on Nature-related Financial Disclosures (TNFD) statement of support

The TNFD is an international initiative that builds on a model by the TCFD that aims to provide a framework for how organisations can address nature-related risks and opportunities, with the ultimate ambition of directing capital flows into positive action that will support Earth's biodiversity and ecosystems.

We believe that the conversation of biodiversity will radically support our fight against the ongoing environmental crisis therefore, nature-based solutions are fast becoming an important element of our sustainability strategy and we have identified ecosystem services as a key material risk to our business. Our vision for preserving ecosystems is to converse and sustainably use the oceans, seas and marine resources for sustainable development, to protect, restore and promote the sustainable use of terrestrial ecosystems, sustainably manage forests, combat deforestation and halt and reverse land degradation and biodiversity loss.

Therefore, this year, we signed up to become a member of the TNFD to support the movement and identify, assess, manage and disclosure nature-related dependencies, impacts, risks and opportunities. We will fully align with each recommendation in our 2023 ESG Report, following the final publication of the TNFD's recommended disclosures.

Our Nature-Based Solutions white paper (available [here](#)) highlights the challenges and opportunities for implementing nature-based solutions into Majid Al Futtaim's operations, providing insight into initiatives and projects we are already investing in to support the protection of our planet. Simultaneously, these projects go a long way in growing our climate resilience, such as planting mangroves to reduce coastal flooding risk.



Looking to the future

We have an exciting year ahead in 2023, where we kick off the next phase of our *Dare Today, Change Tomorrow* strategy. With robust tools and frameworks now in place, we are well equipped to execute our ambitions and achieve measurable progress towards our goals.



This next phase will reflect a more advanced and sophisticated approach with the evolution of our strategy to include tools such as nature-based solutions, science-based targets, a new social impact strategy and climate risk strategy and best practice workplace benchmarking.

We look forward to continuing to share our progress, delivering on our shared goals and daring together.

Performance and reporting



Independent Assurance Statement

TO: THE STAKEHOLDERS OF MAJID AL FUTTAIM

Independent assurance statement by Upstream Sustainability Services, JLL (“Upstream”) to the stakeholders of Majid Al Futtaim concerning its operational environmental performance data as stated in its 2022 ESG Report and 2023 Green Capital Market Issuances Report, and three KPIs relating to its 1st Sustainability-Linked Loan and three KPIs relating to its 2nd Sustainability-Linked Loan as stated in the 2022 ESG Report.

SCOPE OF WORK

Majid Al Futtaim engaged Upstream to provide independent assurance of refrigerants, energy, water and greenhouse gas emissions performance information relevant to its 2022 ESG Report and 2023 Green Capital Market Issuances Report, and three KPIs relating to the second test date (25th June 2023) of its 1st Sustainability-Linked Loan and three KPIs relating to the first test date (25th June 2023) of its 2nd Sustainability-Linked Loan relevant to its 2022 ESG 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 (AA1000AP 2018) of inclusivity, materiality and responsiveness;
- B. Evaluation of the reliability of the specified sustainability performance information and associated data collection and management processes and systems relating to;
 - 2022 January to December energy, water and GHG data from the 2022 ESG Report and 2023 Green Capital Market Issuances Report
 - Progress made by Majid Al Futtaim in meeting the second test date (25th June 2023) requirements of three KPIs related to its 1st Sustainability-Linked Loan from the 2022 Annual ESG Report

- Progress made by Majid Al Futtaim in meeting the first test date (25th June 2023) requirements of three KPIs related to its 2nd Sustainability-Linked Loan from the 2022 ESG Report

LEVEL OF ASSURANCE AND LIMITATIONS

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

The scope of our data testing was limited to operational assets throughout the 2022 calendar year. We tested a sample of approximately 1,633 data points from a total of 159 data sources (e.g., assets, meters, or waste disposal routes) from:

- 724 operational assets within Majid Al Futtaim that are reporting environmental data in the 2022 ESG Report and 2023 Green Capital Market Issuances Report

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

The scope of AA1000 Assurance is limited based on the amount of interaction and information provided. Material from Majid Al Futtaim’s data management platform, utilities providers, site teams, and strategy and policy documents were provided as part of the evidence. Other key evidence reviewed included invoices, meter readings, metering reports, maintenance reports, purchase orders, delivery notes, email correspondence, the draft 2022 ESG Report, and other publicly available information on Majid Al Futtaim’s website here.

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

Based on the scope of work described above, nothing has come to our attention to suggest that Majid Al Futtaim did not adhere to the majority of the criteria under the principles of inclusivity, materiality, responsiveness and impact for 2022.

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

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 work described above, nothing has come to Upstream’s attention that causes it to believe that the specified operational refrigerants, energy (PV, electricity, district chilled water, received cooling, natural gas, diesel, petrol, and LPG), water and greenhouse gas emissions performance information is not fairly stated for Majid Al Futtaim.

Based on the scope of work described above, nothing has come to Upstream’s attention that causes it to believe that the specified performance information in relation to the second test date (25th June 2023) of the 1st Sustainability-Linked Loan or the first test date (25th June 2023) of the 2nd Sustainability-Linked Loan is not fairly stated for Majid Al Futtaim.

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

INDEPENDENCE OF ASSURANCE

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

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

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Our 2022 Sustainable Business Commitment progress

When launching *Dare Today, Change Tomorrow* in 2018, we set 11 Sustainable Business Commitments, which run to 2022, across issues that matter the most to our business and stakeholders.

To progress against our 2022 commitments, we set short and medium-term measures of success and annual targets, which we have measured, audited and reported on externally within previous editions of our annual reports. Our 2022 annual targets assessment can be found on page 87.

Our Sustainable Business Commitments are part of our long-term *Dare Today, Change Tomorrow* ambitions. As we launch a new phase of our strategy, our 2028 Sustainable Business Commitments are a continuation of the previous 2022 commitments. This means that we will continue to work towards our long-term commitments with a new and refreshed focus to 2028 and beyond.

Assessment definition

ON TRACK

Annual targets have consistently been met and we have made significant progress towards our commitment. We have also put in place the appropriate processes, policies and investment to scale-up our performance and impact.

MORE TO DO

Annual targets haven't been consistently met and, although we have made some progress, we recognise there is more action needed to galvanise our teams and improve performance.

RETHINKING RESOURCES

2022 Sustainable Business Commitment

Commitment progress

Status



NET POSITIVE CARBON

All Operating Companies must become net positive in carbon for all operational, tenant and development activities by 2040

- Raised US\$4.45 billion through two Green Sukuk, two Sustainability-Linked Loans and a Green Hybrid Bond, to scale-up our ESG impact and investment
- Became the world's first hotel portfolio to receive LEED Platinum certification
- Certified 54 assets with LEED, BREEAM or equivalent certifications
- Installed 40,481 kWp of renewable energy capacity across our portfolio including two PPAs in Jordan and Bahrain
- Developed an internal carbon pricing approach
- Validated SBTs for all our Operating Companies
- Reduced carbon emissions by 11% across the Company, against a 2019 baseline
- 94% of green star applicable tenancies have been rated 3-star or above

ON TRACK



NET POSITIVE WATER

All Operating Companies must become net positive in water for all operational, tenant and development activities by 2040

- Installed 19 water dispensers totalling 3,350 litres in the UAE through air-to-water integrated systems
- Developed a water offsetting strategy
- Forged a new partnership with Project Maji to support water replenishment in Kenya, piloting a project to install a drinking water kiosk that will save 5,000 litres of water a day
- Began developing SBTNs and calculating current water consumption by water basin
- Increased water consumption by 13.5% across the Company, against a 2019 baseline

MORE TO DO



CIRCULAR ECONOMY

All Operating Companies must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams

- Published our circular economy strategy, *Unlocking Value*, to embed circular practices within our organisation and throughout our supply chain
- Engaged in thought leadership for circular start-ups and promoted circular economy principles within the MENA region
- Pledged to phase-out single-use plastics across our operations by 2025
- Diverted 95% of waste from landfill at Majid Al Futtaim Tower 2, also receiving a Gold level TRUE zero-waste certification award, a first in the UAE
- Reached 75% waste data coverage at Majid Al Futtaim – Properties in 2022
- Donated +139,870 kg of food to social causes through Majid Al Futtaim - Retail in 2022
- Became a member of the Ellen Macarthur Foundation, to support the transition to a circular economy

ON TRACK

Our 2022 Sustainable Business Commitment progress (continued)

TRANSFORMING LIVES

2022 Sustainable Business Commitment	Commitment progress	Status
 <p>LOCAL ECONOMIC DEVELOPMENT All Operating Companies must annually increase the proportion of expenditure which contributes to the local economy</p>	<ul style="list-style-type: none"> Developed an Additional Infrastructure Framework to increase the proportion of expenditure that contributes to the local economy, with 12 projects invested in within the UAE and Egypt in 2022 alone Developed a Company-wide Social Impact Framework, supported by asset level social impact assessments 80% of products sold in the UAE are sourced regionally 14,245 active suppliers 	ON TRACK
 <p>LOCAL ECONOMIC DEVELOPMENT All Operating Companies must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs</p>	<ul style="list-style-type: none"> Chose 14 start-ups as winners of our Launchpad Programme, with 50% of companies run by female entrepreneurs Engaged in numerous partnerships with academic institutions, supporting placements and internships across the business Employed 288 people of determination in various positions across our operations Committed to recruiting 3,000 Emiratis into our UAE workforce by 2025 Offered 20 vocational training programmes at Almazra Recruitment and Training Centre (ARTC), with 233 graduates and a job placement rate of 81% since 2021 	ON TRACK
 <p>DISRUPTIVE TECHNOLOGY All Operating Companies must invest in an Innovation Centre of Excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform</p>	<ul style="list-style-type: none"> Joined the Scale Up programme Launched the Innovation Centre of Excellence across all Operating Companies, running Majid Al Futtaim - Retail's OIC Challenge annually, Majid Al Futtaim- Entertainment's Speak Up campaign and Majid Al Futtaim - Properties' Day 1 Innovation events Launched our Open Innovation platform to support an open and inclusive approach to innovation 	ON TRACK
 <p>CUSTOMER EXPERIENCE All Operating Companies must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform</p>	<ul style="list-style-type: none"> Established a Customer Experience Taskforce with representatives from across the business Established an overarching sustainability message, shared across our Operating Companies Implemented numerous initiatives and campaigns aimed at promoting sustainable lifestyles, including Carrefour's Healthy Kitchen, the first BIO store in the UAE and zero-waste and bottle refill stations 	ON TRACK

Our 2022 Sustainable Business Commitment progress (continued)

EMPOWERING OUR PEOPLE

2022 Sustainable Business Commitment	Commitment progress	Status
 <p>ATTRACTING AND RETAINING FUTURE TALENT All Operating Companies must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce</p>	<ul style="list-style-type: none"> • Launched a Diversity and Inclusion Policy and established a Diversity and Inclusion Steering Committee and Working Group • Pledged to increase gender balance in the workplace, aligned with the gender diversity target set in our SLL • Provided 100% of MAFers with a career development review in 2022 	ON TRACK
 <p>HEALTHY WORKPLACES All Operating Companies must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity</p>	<ul style="list-style-type: none"> • Rolled-out Healthy Workplace surveys across Majid Al Futtaim with associated development plans created and priority actions implemented • Hosted Wellness Week across Majid Al Futtaim's countries of operation, with new events and campaigns implemented every year, leading to an annual increase in engagements • Launched the MyWellness app for all Majid Al Futtaim employees on MyHub • Hosted +100 wellness-related engagements in 2022 • Certified two offices with WELL Health-Safety certification • Enrolled 29 of our malls and 12 offices are in the WELL Health-Safety rating 	ON TRACK
 <p>TRAINING AND DEVELOPMENT To foster our employees' growth and adapt to today's dynamic work environment, we provide sustainability training to employees and suppliers throughout the value chain</p>	<ul style="list-style-type: none"> • Embedded sustainability across our Company-wide training programmes including sustainability modules for the Top Talent programme, health and safety and diversity and inclusion for all MAFers, as well as role specific e-learning modules for frontliners • Provided +20,930 frontline employees with sustainability training in 2022 • Experienced a year-on-year improvement in NPS and overall feedback for the Leadership Institute 	ON TRACK
 <p>HUMAN RIGHTS AND EMPLOYMENT CONDITIONS We will continue to lead by example by requiring all employees and direct (tier 1) contractors to comply with the International Labour Organisation's eight core conventions</p>	<ul style="list-style-type: none"> • Conducted annual accommodation audits and developed an accommodation audit checklist to promote best practice employment conditions for workers • Conducted annual health and safety audits on construction projects as well as project health and safety inspections • Provided training to auditors, to support the roll-out of an accommodation audit checklist • Issued a Sustainable Procurement Policy and Supplier Code of Conduct, requiring our suppliers to adhere to a set of minimum sustainability requirements 	ON TRACK

2022 annual targets assessment

Majid Al Futtaim's 2022 Sustainable Business Commitments are supported by annual sustainability targets across its three focus areas: Rethinking Resources, Transforming Lives and Empowering Our People.

JLL, our independent auditors, audited Majid Al Futtaim's progress against its 2022 sustainability targets and actions over three audits, using a methodology consistent with the international assurance standard AA1000AS v3. Evidence for 'Completed' actions was reviewed in each audit across Majid Al Futtaim - Holding and Majid Al Futtaim's Operating Companies' Target Trackers. The audit reviews the quality of evidence provided to support action and target status updates.

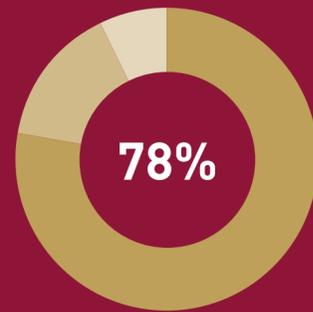
Here we provide a detailed update on progress against our 2022 sustainability targets.



Company-wide target performance

2022:
78% Achieved
15% Partially Achieved
7% Not Achieved

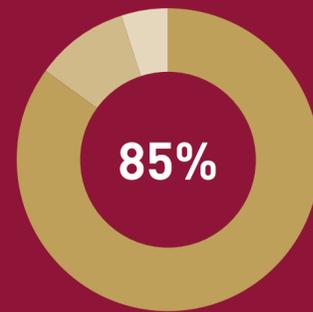
2021: 82% Achieved
2020: 93% Achieved



Majid Al Futtaim - Corporate

2022:
85% Achieved
10% Partially Achieved
5% Not Achieved

2021: 100% Achieved
2020: 94% Achieved



Majid Al Futtaim - Holding

2022:
100% Achieved

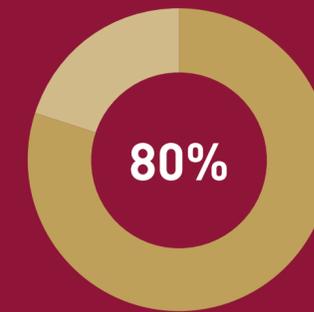
2021: 100% Achieved
2020: 100% Achieved



Majid Al Futtaim - Properties

2022:
80% Achieved
20% Partially Achieved

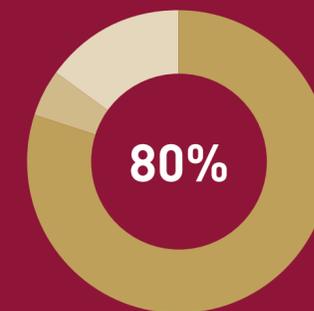
2021: 89% Achieved
2020: 100% Achieved



Majid Al Futtaim - Retail

2022:
80% Achieved
5% Partially Achieved
15% Not Achieved

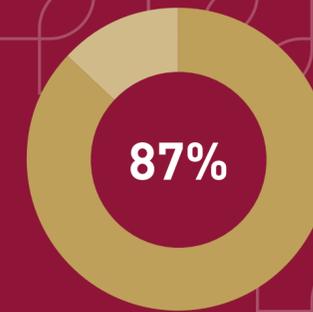
2021: 63% Achieved
2020: 95% Achieved



Majid Al Futtaim - Lifestyle

2022:
87% Achieved
13% Partially Achieved

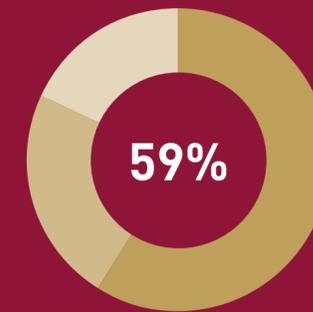
2021: 73% Achieved
2020: 100% Achieved



Majid Al Futtaim - Entertainment

2022:
59% Achieved
23% Partially Achieved
18% Not Achieved

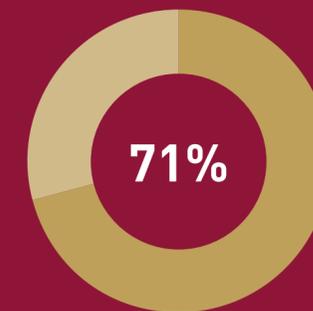
2021: 71% Achieved
2020: 100% Achieved



Majid Al Futtaim - Global Solutions

2022:
71% Achieved
29% Partially Achieved

Global Solutions Operating Company was established in 2022 and therefore 2020/2021 performance is not available



Majid Al Futtaim – Corporate

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
RETHINKING RESOURCES			
Circular economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	Embed circular economy principles into all procurement guidelines and minimum standards	Achieved
		Support circular economy entrepreneurship	Achieved
Climate change adaptation	Not Applicable	Publicly report in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	Achieved

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
TRANSFORMING LIVES			
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Increase the number of additional infrastructure projects by 50% in comparison to 2021 (at least two for existing developments and/or at least one for all new developments)	Achieved
		Implement the Community Engagement Action Plan with strategic collaboration partnerships to create the social value that Majid Al Futtaim aspires to bring to its communities	Achieved
	All OpCos must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs	Support OpCos to collaborate with start-ups and carry out a feasibility study if input from the Corporate Sustainability team is required	Achieved
Disruptive technology	All OpCos must invest in an Innovation Centre of Excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Source employee innovative ideas through Majid Al Futtaim's Innovation Centre of Excellence programmes	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across the customer journey for key assets and communities	Achieved
Responsible procurement	Not Applicable	Implement the Company Sustainable Procurement Policy across all OpCos and engage with suppliers to reach 2022 - 2025 targets	Partially Achieved

Majid Al Futtaim – Corporate (continued)

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Support OpCos to select and develop required content/processes for the implementation of at least three further recommendations from the 2020 talent retention gap analysis	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Identify and implement the top three actions from the 2021 Healthy Workplaces survey	Achieved
		Roll-out the 2022 Healthy Workplaces survey and ensure the survey is rolled-out to all representatives of each employee group in all countries of operation	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Ensure at least 95% of frontliners have completed general sustainability training	Partially Achieved
		Support OpCos to roll-out general sustainability training to frontliners. Design role-specific frontliner sustainability training for Majid Al Futtaim - Retail	Achieved
		Develop Company-wide diversity and inclusion training	Achieved

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE (CONTINUED)			
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	Create training content for employees on human rights and employment conditions and create a plan for its roll-out. Update Majid Al Futtaim's accommodation audit checklist	Achieved
		Conduct two accommodation audits per contractor per year. Any actions from audits should be evidenced to be resolved and the contractor has to provide a remediation plan for actions that might take longer than one month and timelines should be provided as evidence	Not Achieved
Health & safety	Not Applicable	Roll-out training to at least 80% of employees to support the implementation of the Company-wide Health and Safety Policy	Achieved
Changing role of women in the workplace	Not Applicable	Implement at least three recommendations arising from the 2021 Diversity and Inclusion survey results	Achieved
		Develop an ongoing training and communications programme to support diversity and inclusion	Achieved

Majid Al Futtaim – Holding

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
RETHINKING RESOURCES			
Net positive carbon	All OpCos must become net positive in carbon for all operational activities by 2030 and for all tenant and development activities by 2040	Ensure access to high-level net positive carbon information via BIDS	Achieved
Net positive water	All OpCos must become net positive in water for all operational activities by 2030 and for all tenant and development activities by 2040	Ensure access to high-level net positive water information via BIDS	Achieved

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Select and develop required content/ processes for the implementation of at least three further recommendations from the 2020 talent retention gap analysis	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Identify and implement the top three actions from the 2021 Healthy Workplaces survey	Achieved
		Roll-out the 2022 Healthy Workplaces survey and ensure the survey is rolled-out to all representatives of each employee group in all countries of operation	Achieved
Changing role of women in the workplace	Not Applicable	Implement at least three recommendations arising from the 2021 Diversity and Inclusion survey results and develop a Diversity and Inclusion training programme to roll-out in subsequent years	Achieved

Majid Al Futtaim – Properties

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
RETHINKING RESOURCES			
Circular economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	Where properties provide waste management services to tenants, ensure that tenants are able to collate/access data in relation to their own waste by the end of 2022 in at least one mall	Partially Achieved
		Embed circular economy principles into all procurement guidelines and minimum standards	Achieved
		Provide an update on the Proof of Concept (POC) for reverse vending or a recycling hub as a test for a standardised roll-out to as many malls as possible	Achieved
Climate change adaptation	Not Applicable	Support Majid Al Futtaim's public disclosure in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	Achieved
Biodiversity & ecosystem services	Not Applicable	Implement the True Zero assessment accreditation for Majid Al Futtaim Tower 2	Achieved

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
TRANSFORMING LIVES			
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Increase the number of additional infrastructure projects by 50% in comparison to 2021 (at least two for existing developments and/or at least one for all new developments)	Achieved
		Collaborate with start-ups and carry out a feasibility study	Achieved
Disruptive technology	All OpCos must invest in an Innovation Centre of Excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Source employee innovative commercial ideas through Properties' Innovation Centres of Excellence (ICE)	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across the customer journey for key assets	Achieved
Promoting sustainable lifestyles	Not Applicable	Provide at least one activity to encourage and teach customers and/or employees about sustainable lifestyles (e.g., urban farm activation, carbon footprint competition, collection of organic waste in communities for composting, sustainability workshops for kids, calorie count in malls etc.)	Achieved

Majid Al Futtaim – Properties (continued)

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Select and develop required content/ processes for the implementation of at least three further recommendations from the 2020 talent retention gap analysis	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Identify and implement the top three actions from the 2021 Healthy Workplaces survey	Achieved
		Roll-out the 2022 Healthy Workplaces survey and ensure the survey is rolled-out to all representatives of each employee group in all countries of operation	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Ensure at least 95% of frontliners in five countries have completed general sustainability training	Achieved
		Support the development of Company-wide diversity and inclusion training	Achieved

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE (CONTINUED)			
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 the successful roll-out and training for employees on human rights and employment conditions and Majid Al Futtaim's updated accommodation audit checklist	Partially Achieved
Health & safety	Not Applicable	Conduct two accommodation audits per contractor per year. Any actions from audits should be evidenced to be resolved within one calendar month. Extensive remediation is permitted to be in progress within the month and timelines should be provided as evidence	Partially Achieved
		Roll-out training to at least 80% of employees to support the implementation of the Company-wide Health and Safety Policy	Partially Achieved
Changing role of women in the workplace	Not Applicable	Ensure Majid Al Futtaim's Health and Safety site record achieves an accident frequency rate (LTIFR) equal to or lower than 0.03	Achieved
		Implement at least three recommendations arising from the 2021 Diversity and Inclusion survey results	Achieved

Majid Al Futtaim – Retail

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
RETHINKING RESOURCES			
Circular economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	Provide consumer recycling facilities and take-back schemes in stores, focusing on the top selling electronics categories	Not Achieved
		Embed circular economy principles into all procurement guidelines and minimum standards	Achieved
		Support circular economy entrepreneurship	Achieved
Climate change adaptation	Not Applicable	Support Majid Al Futtaim's public disclosure in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	Achieved

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
TRANSFORMING LIVES			
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Increase the number of additional infrastructure projects	Achieved
		Support the Company to collaborate with start-ups or SMEs and carry out a feasibility study	Achieved
Disruptive technology	All OpCos must invest in an Innovation Centre of Excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Source employee innovative commercial ideas through Retail's Innovation Centres of Excellence (OIC)	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across the customer journey for key assets	Achieved
Healthy products & services	Not Applicable	Introduce the "traffic light system" (NutriScore) for 100% of all applicable M Private Label products in the UAE	Achieved
Responsible procurement	Not Applicable	Integrate the Sustainable Procurement Policy into procurement actions and upskill a minimum 200 tier 1 suppliers to improve sustainability performance	Achieved

Majid Al Futtaim – Retail (continued)

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Include sustainability within the job descriptions for all roles	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Expand the roll-out of the Healthy Workplaces survey and ensure the survey is rolled-out to all representatives of each employee group in all countries of operation	Achieved
		Identify and implement the top three actions from the 2021 Healthy Workplaces survey	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Ensure at least 95% of frontliners in 10 countries have completed general sustainability training and roll-out role-specific frontliner training	Achieved
		Develop Company-wide diversity and inclusion training	Achieved

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE (CONTINUED)			
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 the successful roll-out and training for employees on human rights and employment conditions and Majid Al Futtaim's updated accommodation audit checklist	Partially Achieved
Health & safety	Not Applicable	GCC only: Conduct a minimum of two staff accommodation audits for tier 1 service providers (fit-out contractor, security, cleaning or trolley boy companies). Any actions from audits should be evidenced to be resolved within one calendar month	Not Achieved
		Roll-out training to at least 80% of employees to support the implementation of the Company-wide Health and Safety Policy	Not Achieved
Changing role of women in the workplace	Not Applicable	Achieve ISO 45001 certification for two additional countries of operation	Achieved
		Implement at least three recommendations arising from the 2021 Diversity and Inclusion survey results	Achieved

Majid Al Futtaim – Entertainment

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
RETHINKING RESOURCES			
Circular economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	Embed circular economy principles into all procurement guidelines and minimum standards	Achieved
		Launch a Proof of Concept (POC) for reverse vending or a recycling hub as a test for a standardised roll-out to as many VOX Cinemas, Magic Planet and Ski premises as possible	Achieved
Climate change adaptation	Not Applicable	Support Majid Al Futtaim's public disclosure in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	Achieved
TRANSFORMING LIVES			
Local economic development	All OpCos must annually increase the proportion of expenditure which contributes to the local economy	Support the Company to increase the number of additional infrastructure projects (one for an existing development and/or one for a new development)	Achieved
		Collaborate with start-ups and carry out a feasibility study - VOX Film Production and support the growing film industry and their supply chain	Partially Achieved
	All OpCos must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs		

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
TRANSFORMING LIVES (CONTINUED)			
Disruptive technology	All OpCos must invest in an Innovation Centre of Excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Source employee innovative commercial ideas through Entertainment's Innovation Centres of Excellence	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across the customer journey for key assets	Achieved
		Integrate the Sustainable Procurement Policy into procurement actions, focusing on F&B regional sourcing and support of local food production	Achieved
		Obtain Animal Welfare Standards for the penguins experiences for at least one Global Snow site	Partially Achieved
Community wellbeing & public realm	Not Applicable	Re-define and promote Disability Access Standards for all Entertainment premises	Not Achieved
		Support good local causes by partnering with local charities	Achieved
Promoting sustainable lifestyles	Not Applicable	Deliver a carbon neutral programme of events throughout the year that covers wellbeing, sustainable behaviours and COVID-19 resilience films and presentations to help communities adapt to more sustainable ways of living and being COVID-19 resilient	Not Achieved

Majid Al Futtaim – Entertainment (continued)

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Select and develop required content/ processes for the implementation of at least three further recommendations from the 2020 talent retention gap analysis	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Identify and implement the top three actions from the 2021 Healthy Workplaces survey	Achieved
		Roll-out the 2022 Healthy Workplaces survey and ensure the survey is rolled-out to all representatives of each employee group in all countries of operation	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Ensure at least 95% of frontliners in three countries have completed general sustainability training	Partially Achieved
		Support the development of Company-wide diversity and inclusion training	Achieved

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE (CONTINUED)			
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 the successful roll-out and training for employees on human rights and employment conditions and Majid Al Futtaim's updated accommodation audit checklist	Partially Achieved
Health & safety	Not Applicable	Conduct two accommodation audits per contractor per year. Any actions from audits should be evidenced to be resolved within one calendar month. Extensive remediation is permitted to be in progress within the month and timelines should be provided as evidence	Not Achieved
		Roll-out training to at least 80% of employees to support the implementation of the Company-wide Health and Safety Policy	Partially Achieved
Changing role of women in the workplace	Not Applicable	Achieve ISO 45001 certification for Majid Al Futtaim - Entertainment in the KSA	Not Achieved
		Implement at least three recommendations arising from the 2021 Diversity and Inclusion survey results	Achieved

Majid Al Futtaim – Lifestyle

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
RETHINKING RESOURCES			
Circular economy	All OpCos must embed circular economy principles into business operations to minimise harmful impacts on the environment and generate new revenue streams	Embed circular economy principles into all procurement guidelines and minimum standards	Achieved
Climate change adaptation	Not Applicable	Support Majid Al Futtaim's public disclosure in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	Achieved

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
TRANSFORMING LIVES			
Local economic development	All OpCos must invest in an enterprise hub which supports the development of skills and entrepreneurship in line with local needs	Collaborate with start-ups and carry out a feasibility study	Achieved
Disruptive technology	All OpCos must invest in an Innovation Centre of Excellence to drive improvement in sustainability performance across Majid Al Futtaim's omnichannel platform	Source employee innovative commercial ideas through Lifestyle's Innovation Centres of Excellence	Achieved
Customer experience	All OpCos must participate in a Customer Experience Taskforce to implement a programme that uses sustainability to enrich the customer experience across Majid Al Futtaim's omnichannel platform	Roll-out sustainability messaging and activations across the customer journey for key assets	Achieved

Majid Al Futtaim – Lifestyle (continued)

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Select and develop required content/ processes for the implementation of at least three further recommendations from the 2020 talent retention gap analysis	Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Identify and implement the top three actions from the 2021 Healthy Workplaces survey	Achieved
		Roll-out the 2022 Healthy Workplaces survey and ensure the survey is rolled-out to all representatives of each employee group in all countries of operation	Achieved
Sustainability training	All OpCos must provide role-specific sustainability training to all their employees and have a programme that offers sustainability training throughout the value chain focusing on tenants and tier 1 suppliers	Ensure at least 95% of frontliners in five countries have completed general sustainability training	Achieved
		Support the development of Company-wide diversity and inclusion training	Achieved

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE (CONTINUED)			
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 the successful roll-out and training for employees on human rights and employment conditions and Majid Al Futtaim's updated accommodation audit checklist	Partially Achieved
Health & safety	Not Applicable	Conduct two accommodation audits per tier 1 contractor per year. Any actions from audits should be evidenced to be resolved within one calendar month. Extensive remediation is permitted to be in progress within the month and timelines should be provided as evidence	Partially Achieved
		Roll-out training to at least 80% of employees to support the implementation of the Company-wide Health and Safety Policy	Achieved
Changing role of women in the workplace	Not Applicable	Achieve ISO 45001 certification for Majid Al Futtaim - Lifestyle in at least one country	Achieved
		Implement at least three recommendations arising from the 2021 Diversity and Inclusion survey results	Achieved

Majid Al Futtaim – Global Solutions

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
TRANSFORMING LIVES			
Responsible procurement	Not Applicable	Integrate the Company Sustainable Procurement Policy into procurement actions and continue upskilling suppliers to improve sustainability performance to reach 2022 - 2025 targets	Achieved

Material Issue	2022 Sustainable Business Commitment	2022 Target	Overall Status
EMPOWERING OUR PEOPLE			
Attracting and retaining future talent	All OpCos must embed sustainability within their attraction, retention and development programmes in order to meet the evolving values of the workforce	Select and develop required content/ processes for the implementation of at least three further recommendations from the 2020 talent retention gap analysis	Partially Achieved
Healthy workplaces	All OpCos must have a wellbeing programme in place and measure real improvements in employee health, wellbeing and productivity	Identify and implement the top three actions from the 2021 Healthy Workplaces survey	Achieved
		Roll-out the 2022 Healthy Workplaces survey and ensure the survey is rolled-out to all representatives of each employee group in all countries of operation	Achieved
Health & safety	Not Applicable	Roll-out training to at least 80% of employees to support the implementation of the Company-wide Health and Safety Policy	Achieved
Changing role of women in the workplace	Not Applicable	Support the development of Company-wide diversity and inclusion training	Partially Achieved
		Implement at least three recommendations arising from the 2021 Diversity and Inclusion survey results	Achieved

Our Sustainability-Linked Loan target progress



SLL SUSTAINABILITY PERFORMANCE TARGETS¹⁴

DEFINITION

2022 TARGET

(Test date: 25th June 2023)

2022 PERFORMANCE

2022 PROGRESS

In July 2021, we signed our first US\$1.5 billion Sustainability-Linked Loan (SLL 1), the largest in the MENA real estate sector, that aims to facilitate and support environmentally and socially sustainable economic activity and growth. This was followed by a second US\$1.25 billion SLL in September 2022 (SLL 2), making Majid Al Futtaim the largest SLL borrower in the region and only “penalty-only” borrower.

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

In 2022, we achieved our annual targets for all KPIs. Most notably, we surpassed our Scope 1 and 2 emissions target for Majid Al Futtaim’s property portfolio significantly, reaching 151.6 kgCO₂e/managed m² against a target of 173 kgCO₂e/managed m².



KPI 1

Reducing the Scope 1 and 2 emissions intensity of Majid Al Futtaim’s property portfolio, calculated as kgCO₂e/managed m², in line with Majid Al Futtaim’s science-based targets and net positive 2040 ambition

Reduce the emissions we own or control within our properties

173.0

151.6



KPI 2

Reducing the number of malls in Majid Al Futtaim’s portfolio that do not have a green building certification of a minimum level of LEED Gold, or equivalent

Increase the number of shopping malls with a green building certification

≤ 8

8



KPI 3

Increasing gender diversity among Majid Al Futtaim’s senior management, defined as the percentage of women in the top three seniority levels (board, senior executive and senior management) to reach 30% and therefore align to the 30% club

Increase the number of women in senior positions

≥ 20%

20%



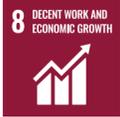
¹⁴ SLL 1 has the same sustainability performance targets as SLL 2 for reporting years 2022 up until 2024 inclusive. For the reporting years 2025 and 2026, for SLL 2, KPI 1 is extended to an additional year, in line with the validated science-based targets. In addition, KPI 2 will have an additional target to increase the number of malls with a LEED Platinum or equivalent rating to more than 2. For KPI 3, the percentage will increase from 30% to 32%.

United Nations Sustainable Development Goals disclosures

Click the **SDG goal** for more information

SDG	Target	Focus area	Supporting evidence
	<p>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</p>	<p>Rethinking Resources, Empowering our People</p>	<p>Supporting nature positive outcomes, p30</p>
	<p>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</p>		
	<p>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</p>	<p>Rethinking Resources, Transforming Lives, Empowering our People</p>	<p>Promoting sustainable lifestyles, p44 Creating a wellness culture, p60</p>
	<p>3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p>		
	<p>3.a Strengthen the implementation of the World Health Organization Framework Convention on Tobacco Control in all countries, as appropriate</p>		
	<p>4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university</p>	<p>Transforming Lives, Empowering our People</p>	<p>Smoke-Free Policy</p>
	<p>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</p>		
	<p>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</p>		
	<p>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</p>		
	<p>5.1 End all forms of discrimination against all women and girls everywhere</p>		
	<p>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</p>	<p>Transforming Lives, Empowering our People</p>	<p>Fostering a workplace for all, p56 Driving economic inclusion, p47</p>
	<p>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</p>		

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	In all our assets, we promote 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		Supporting nature positive outcomes, p30
	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	Rethinking Resources Transforming Lives,	Water, p31
	7.1 By 2030, ensure universal access to affordable, reliable and modern energy services	Rethinking Resources Transforming Lives,	Our climate transition action plan, p21
	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix		Renewable energy, p25
	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, p37 Energy efficiency, p24
	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	Our climate transition action plan, p21

SDG	Target	Focus area	Supporting evidence
	<p>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</p>		<p>Majid Al Futtaim pays fair wages and adheres to countries' minimum wage across its business and supply chain</p>
	<p>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</p>	Transforming Lives	<p>A customer-centric approach to innovation, p49 Supporting local entrepreneurship, p51</p>
	<p>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</p>		
	<p>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</p>	Rethinking Resources	<p>Embedding circular economy principles, p33</p>
	<p>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</p>		<p>Fostering a workplace for all, p56 Upskilling MAFers with the skills of tomorrow, p63</p>
	<p>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</p>	Empowering our People	<p>Best practice health, safety and human rights, p62</p>
	<p>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</p>		
	<p>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</p>		<p>Scaling up our social impact, p41</p>
	<p>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</p>	Transforming Lives	<p>Contributing to inclusive and sustainable industrialisation and raising industry's share of employment is the impact Majid Al Futtaim has on the 17 countries we operate in. Our presence through our assets (p7) contributes to society and industry, innovation and infrastructure</p>
	<p>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</p>		<p>A customer-centric approach to innovation, p49 Supporting local entrepreneurship, p51</p>
	<p>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</p>	Rethinking Resources	<p>The Green Star Rating System encourages tenants to improve their energy efficiency, p37</p>

SDG	Target	Focus area	Supporting evidence
	<p>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</p>		<p>A customer-centric approach to innovation, p49 Supporting local entrepreneurship, p51</p>
	<p>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</p>	<p>Transforming Lives</p>	<p>Scaling up our social impact, p41</p>
	<p>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</p>		<p>A customer-centric approach to innovation, p49 Supporting local entrepreneurship, p51</p>
	<p>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</p>	<p>Transforming Lives, Empowering our People</p>	<p>Nurturing inclusive spaces, p46 Driving economic inclusion, p47 Fostering a workplace for all, p56</p>
	<p>11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries</p>	<p>Transforming Lives</p>	<p>Scaling up social impact, p41</p>
	<p>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</p>	<p>Rethinking Resources</p>	<p>Embedding circular economy principles, p33 Engaging our value chain to reach net positive, p36</p>
	<p>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</p>	<p>Rethinking Resources, Transforming Lives, Empowering our People</p>	<p>Supporting nature positive outcomes, p30 Scaling up social impact, p41 Nurturing inclusive spaces, p46 Supporting local entrepreneurship, p51</p>
	<p>11.a Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning</p>		
	<p>11.c Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials</p>	<p>Rethinking Resources</p>	<p>Sustainable buildings, p26</p>
	<p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources</p>		<p>Embedding circular economy principles, p33 Engaging our value chain to reach net positive, p36</p>
	<p>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</p>		<p>Embedding circular economy principles, p33</p>
	<p>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</p>	<p>Rethinking Resources</p>	<p>Embedding circular economy principles, p33 Sustainable buildings, p26</p>
	<p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p>		<p>Embedding circular economy principles, p33</p>

SDG	Target	Focus area	Supporting evidence
	<p>12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p>	Transforming Lives	Embedding responsible procurement, p42
	<p>12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities</p>		
	<p>12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature</p>	Empowering our People	Upskilling MAFers with the skills of tomorrow, p63
	<p>12.a Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production</p>	Transforming Lives	<p>Embedding circular economy principles, p33</p> <p>Embedding responsible procurement, p42</p> <p>Promoting sustainable lifestyles, p44</p>
	<p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p>		
	<p>13.2 Integrate climate change measures into national policies, strategies and planning</p>		Our climate transition action plan, p21
	<p>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	Rethinking Resources	<p>Our sustainability strategy, p11</p> <p><i>Dare Today, Change Tomorrow: The next phase of our strategy</i>, p17</p> <p>Sustainable finance, p69</p>
	<p>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</p>		
	<p>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</p>	Rethinking Resources	<p>Majid Al Futtaim's Pre-Acquisition Sustainability Policy addresses risks relating to biodiversity impact</p> <p>Supporting nature positive outcomes, p30</p>
	<p>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</p>	Rethinking Resources, Transforming Lives, Empowering our People	Stakeholder engagement, p13
	<p>17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships</p>		
	<p>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</p>	Transforming Lives	A customer-centric approach to innovation, p49 Supporting local entrepreneurship, p51

GRI Content Index

Majid Al Futtaim has reported in accordance with the GRI Standards for the period 1 January 2022 to 21 December 2022.

We have reported against GRI 1: Foundation 2021.

Our applicable Sector Standard is GRI G4 Construction and Real Estate Sector (CRES). We will be validating our list of material ESG issues with the latest GRI Sector Standard for our industry when it is published by GRI.

Accuracy

We have taken steps to ensure information within our ESG Report is correct and sufficiently detailed to allow an assessment of our impacts. Validation of the majority of the information in this report is performed by our sustainability consultants, JLL.

Guidance was provided by JLL on preparing this report in line with the GRI's principles for report quality and content, and the following disclosures set out in this index.

Data assumptions and calculations are disclosed in data qualifying notes in the Environmental Data Annex on our website: www.majidalfuttaim.com

Balance & Clarity

We have a clear strategy which supports our goal to be recognised internationally as a sustainability leader. Our approach is structured around three focus areas. See page 10 for full details.

Our ESG Report is available both in hard copy upon request and online. We also have a sustainability section on our website: <https://www.majidalfuttaim.com/en/who-we-are/sustainability-and-esg>

Content is designed to be easily navigable to the reader and avoids complex technical jargon and excessive detail.

In order to be transparent, we disclose both negative and positive aspects and results of our performance.

Comparability

The historical performance data used in this report spans five years and covers the environmental, economic and social aspects of our sustainability strategy.

We participate in GRESB through which we, and our stakeholders, are able to better understand our performance in comparison with that of our peers. We provide a separate Environmental Data Annex on environmental data in line with the EPRA Sustainability Best Practices Recommendations (sBPR). This can be downloaded from our website.

International metrics, standard conversion factors and protocols, where applicable, were used for compiling and reporting information.

Due to improvements in data collection and verification processes, some re-statements of previous years' environmental data have been included in this report to take in to account these improvements. Full explanations of these adjustments are provided in data qualification notes in the EPRA sBPR tables provided on our website: <https://www.majidalfuttaim.com/en/who-we-are/sustainability-and-esg/reports>

Completeness

The scope of our reporting covers all existing assets under our operational control. The environmental performance of some of our construction sites is included in the scope of this ESG report. Any areas where we do not have complete data to report against are indicated within the report.

Our reporting focuses on the issues that are most material to the running of our business. Additional information on our business and its financial performance is provided in our Consolidated Financial Statements 2022 which is available on our website.

Sustainability Context

It's important to ensure we align our approach with local needs and international trends.

Detail on our sustainability approach, vision and material impacts is provided in the *Dare Today, Change Tomorrow* (page 11) and A message from our Chief Executive Officer (page 5) sections of this report.

Our business activities, impacts and sustainability risks and opportunities can be found on pages 6 and 11 as well as throughout this report.

Our environmental performance and impacts are detailed in our Rethinking Resources section on pages 18-37. An Environmental Data Annex reporting our performance in line with the EPRA sBPR can be downloaded from our website.

Timeliness

The information presented in this ESG Report was developed to reflect our performance from 1 January to 31 December 2022. Our [Consolidated Financial Statements](#) cover the same period. The sustainability reporting schedule is aligned with the annual financial reporting schedule.

Verifiability

Validation of the majority of the information within our ESG Report is performed by our sustainability consultants, JLL.

The Assurance Statement can be found on page 83.

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure

Answer

GRI 2: General Disclosures 2021

2-1	Organisational details	<p>Majid Al Futtaim</p> <p>Majid Al Futtaim is owned by Mr Majid Al Futtaim, who founded the company in 1992. For more information about the ownership and nature of Majid Al Futtaim - Holding assets, please see our website: www.majidalfuttaim.com</p> <p>Majid Al Futtaim, Tower 1, 10th Floor, City Centre Deira Complex, PO Box 91100, Dubai, United Arab Emirates</p> <p>About us, page 2. Also see our website: www.majidalfuttaim.com</p>
2-2	Entities included in the organisation's sustainability reporting	<p>Majid Al Futtaim - Holding Majid Al Futtaim - Properties Majid Al Futtaim - Retail Majid Al Futtaim - Entertainment Majid Al Futtaim - Lifestyle Majid Al Futtaim - Global Solutions</p> <p>Majid Al Futtaim's ESG Report covers the same entities as the consolidated statements. Majid Al Futtaim's Consolidated Financial Statements can be found on our website: www.majidalfuttaim.com</p> <p>In 2022, Majid Al Futtaim - Leisure, Entertainment and Cinemas (LEC) changed its name to Majid Al Futtaim - Entertainment. Majid Al Futtaim follows a consistent reporting approach across all Operating Companies. Their performance is consolidated in this ESG Report.</p>
2-3	Reporting period, frequency and contact point	<p>Majid Al Futtaim reports on its sustainability performance annually. The information presented in this ESG Report was developed to reflect our performance from 1 January to 31 December 2022.</p> <p>Our Consolidated Financial Statements cover our performance from 1 January to 31 December 2022. The sustainability reporting schedule is aligned with the annual financial reporting schedule.</p> <p>Majid Al Futtaim's 2022 ESG Report is published in May 2023. This is the fifth year of the Company-wide sustainability strategy reporting.</p> <p>Contact sustainability@maf.ae for any questions regarding the report.</p>
2-4	Restatements of information	<p>About this report, page 2</p> <p>Due to improvements in data collection and verification processes, several data points have been updated since 2021, mostly impacting environmental data. Therefore some restatements of previous year's environmental data have been included in this report to take into account these improvements. Full explanations of these adjustments are provided in data qualification notes in the EPRA tables included within the Environmental Data Annex (available online).</p>
2-5	External assurance	<p>2022 environmental data for our portfolio has been externally assured. Scope details are available in the Assurance statement on page 83 of this report. We do not currently have full external assurance for our sustainability reporting.</p>

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure

Answer

2-6	Activities, value chain and other business relationships	<p>There are no changes in reporting for 2022.</p> <p>Majid Al Futtaim has five different Operating Companies: Properties, Retail, Entertainment, Lifestyle and Global Solutions, each with their own supply chains. Majid Al Futtaim - Retail's downstream supply chain consists of its private label products and deliveries and Majid Al Futtaim - Properties' downstream supply chain is the houses we sell to our customers.</p>																																																																																																																																																										
2-7	Employees	<p>The staff numbers included in this report are calculated only for direct employees and thus do not include contractors. This data is extracted from Majid Al Futtaim's HR portal, therefore no assumptions were made. As only direct employees were included within the data tables, there is no seasonal/project variation of staff. There have been no significant fluctuations in the reporting period.</p>																																																																																																																																																										
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2-8	Workers who are not employees	<p>A significant proportion of our work at our construction sites and assets is delivered by contractors.</p> <p>We also use contractors for:</p> <ul style="list-style-type: none"> • Security • Landscape maintenance • Window cleaning (malls, offices) • Mall construction (and all sub contractors) • Design teams • Operators of our hotels • Cleaning in our offices • Recycling operational waste (all our assets) • Third-party verifiers who are appointed directly by Majid Al Futtaim i.e., CXA agent, sustainability consultants, etc. • Creative agency (branding/printing/photography) • Training • Data management system • Travel agency • Promotions and media 																																																																																																																																																										

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer
2-9 Quality of governing body	Governance structure and composition	Governing with accountability, page 66 Our sustainability governance structure can be found on page 66, and further information on our business structure can be found on our website: www.majidalfuttaim.com
2-10	Nomination and selection of the highest governance body	Highest governance body is selected based on competencies, background and experience with global peers.
2-11	Chair of the highest governance body	Omission Reason: Not applicable Explanation: Majid Al Futtaim's Chair of the highest governance body is not also a senior executive.
2-12	Role of the highest governance body in overseeing the management of impacts	The Chief Sustainability Officer feeds into the board and formally reviews and approves the ESG Report for the business.
2-13	Delegation of responsibility for managing impact	Majid Al Futtaim's Chief Sustainability Officer has the highest responsibility for managing impact, and reports to the Chief Executive Officer, Ahmed Galal Ismail. Our Company-wide culture of transparency and accountability has led the Chief Executive Officers of each Operating Company to set sustainability targets for themselves that are linked to their performance and bonus, to ensure the strategy is being driven from the highest level of our business. In addition, the sustainability targets are cascaded to employees throughout their different roles. This will help us achieve our Sustainable Business Commitments and realise our longer-term sustainability vision to create a way of life for a positive future. The targets span the three focus areas of our <i>Dare Today, Change Tomorrow</i> sustainability strategy: Rethinking Resources, Transforming Lives and Empowering Our People. Progress against our sustainability strategy is reviewed by the Board and our Chief Executive Officer, overseen by our Chief Sustainability Officer and the Corporate Sustainability team. The frequency of reporting back to the highest governance body on the sustainability strategy is quarterly. The Corporate Sustainability team develops and supports the delivery 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 ambitions.

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer
2-14	Role of the highest governance body in sustainability reporting	We issue quarterly sustainability board reports for each Operating Company to the Board. The Sustainability Lead in each of the Operating Companies presents a paper which is followed by a discussion with the Board. In addition, our sustainability policies are reviewed and signed by the relevant CEOs. You can find our polices on our website: www.majidalfuttaim.com
2-15	Conflicts of interest	The Boards of Majid Al Futtaim maintain a register of Directors' interests that is updated regularly and noted at each Board meeting, including any conflict arising. There are currently no conflicts from these interests. If there is a conflict, the Director in question would abstain from any discussion or vote on the matter. Employees complete mandatory conflicts of interest declaration forms. The Chairman of Majid Al Futtaim - Properties, Majid Al Futtaim - Retail and Majid Al Futtaim - Entertainment sit on the Boards of Majid Al Futtaim - Holding and Majid Al Futtaim Company. The intention of this is to drive alignment. Majid Al Futtaim Company has nine shareholders, other Majid Al Futtaim subsidiaries are majority owned or joint ventures. Principles of governing conflict of interest can be found in our Code of Conduct and our Supplier Code of Conduct available on our website: www.majidalfuttaim.com

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer
2-16	Communication of critical concerns	All critical concerns are communicated to the highest governance body through timely Steerco meetings, Ethics Panel meetings, quarterly risk committee meetings and ARC/Board meetings for their action. In 2022, two cases were classified as critical as per the Ethics Hotline Policy and were reported to ARC as part of the Business Ethics Report. The nature of the cases can't be disclosed due to confidentiality.
2-17	Collective knowledge of the highest governance body	Sustainability and ESG-related insights are shared with the leadership of all Operating Companies on a monthly basis and with the leadership of Majid Al Futtaim - Holding on a bi-weekly basis. Sustainability reports are submitted to the board of Majid Al Futtaim - Holding and each of its Operating Companies on a quarterly basis to update them on the progress made on the sustainability strategy and commitments.
2-18	Evaluation of the performance of the highest governance body	Our Chief Sustainability Officer updates the board and presentations as needed on a quarterly basis at minimum.
2-19	Remuneration policies	Omission Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
2-20	Process to determine remuneration	Omission Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
2-21	Annual total compensation ratio	Omission Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
2-22 Governing purpose	Statement on sustainable development strategy	A message from our Chief Executive Officer, page 5

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer
2-23	Policy commitments	The company's commitment to responsible business conduct is covered in our Code of Conduct which lists (among others): <ul style="list-style-type: none"> • Our commitments to employees • Our commitments to our customers • Our commitments to our partners • Our commitments to society • Our commitments to sustainability <p>A copy of our Code of Conduct along with other components related to our commitment to the highest ethical standards can be found on our website: www.majidalfuttaim.com</p> <p>The Code of Conduct has been approved by the Chief Executive Officer and represents the overarching standards under which all other policies and standards are developed. All employees are provided with training on our Code of Conduct and the code is published and made readily available to everyone.</p>
2-24	Embedding policy commitments	The Chief Executive Officer of Majid Al Futtaim approves policy commitments to ensure the policy is embedded. Annual trainings are provided throughout the company in line with the policies and every employee is required to pass training year-on-year. Policies are also included in contracts with contractors, suppliers, consultants and other third parties.
2-25	Processes to remediate negative impacts	Business ethics, page 68 Grievances are captured directly from employees or through the Ethics Hotline, cases are then reviewed and investigated on a case by case basis and resolved appropriately via coaching, written warnings, transfers or termination of employees. Results are shared with the Compliance team and on to the Board in cases where this is necessary. Further information can be found in our Code of Conduct on our website.
2-26 Ethical behaviour	Mechanisms for seeking advice and raising concerns	Business ethics, page 68 Employees have access to the Ethics Hotline or can raise concerns directly with managers, a member of their Operating Company's Ethics Panel or Chief Compliance Officer. Further information can be found in our Code of Conduct on our website.
2-27	Compliance with laws and regulations	Following internal enquiry, to the best of our knowledge there have been no instances of non-compliance with laws and regulations and regulations which should be reported as per 2-27.

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer
2-28 Stakeholder engagement	Membership associations	<p>World Business Council for Sustainable Development Emirates Green Building Council Congress and Awards Gala Ellen McArthur Foundation Network Membership Dubai Chamber Sustainability Network Premium Partnership Emirates Diving Foundation Dubai Chamber Sustainability Network Membership Advanced Version United Nations Global Compact Participant Tier Fees Cambridge Institute of Sustainability Learning (Centre for Business Transformation) Workfam United Kingdom Green Building Council Kenya Green Building Council Emirates Green Building Council German Society for Sustainable Building (DGNB) World Green Building Council Regional Network Partnership Consumer Goods Forum Clean Energy Building Council GRESB Real Estate Project Circle Kuwait Green Building Council Jordan Green Building Council Lebanon Green Building Council Industry Partner Membership Renewal (EGBC) United Nation Global Compact Membership Egypt Green Building Council Emirates Environment Group EP100 – Climate Group</p> <p>Additional information on some of our memberships can be found in this report, page 12.</p>
2-29 Stakeholder engagement	Approach to stakeholder engagement	<p>Stakeholder engagement, page 13</p> <p>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, who are often 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.</p> <p>Tier 1 suppliers are engaged with on a regular basis, with training on responsible procurement conducted in the past year. Our Sustainable Procurement Policy also lays out the future engagement and expectations of our suppliers. Majid Al Futtaim works with suppliers to ensure standards are met.</p>
2-30	Collective bargaining agreements	GCC countries do not permit unions but in countries where unions are permitted, such as Lebanon or Egypt, Majid Al Futtaim does not prohibit employees from joining these unions in accordance with the country's laws and regulations.

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer
GRI 3: Material Topics 2021		
Economic Topics		
3-1	Process to determine material topics	<p>Our sustainability strategy, page 11</p> <p>Majid Al Futtaim selects material issues by studying the market and benchmarking global best practice in the sectors in which we operate such as real estate, retail and entertainment. We then select our stakeholders externally (governments, NGO, academia, banks, etc) and internally across business units and teams to consult them to identify issues that are most material based on our needs, geographies and operations.</p>
3-2	List of material topics	<p>Our sustainability strategy, page 11</p> <p>There have been no changes to our material issues for 2022.</p>
3-3	Management of material topics - Economic impacts	Infrastructure investments and their social impact on the communities we serve are highly material to us and fall under the Transforming Lives pillar. You can read more about this topic on page 41.
Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	<p>Scaling up our social impact, page 41</p> <p>In 2022, we invested in 12 projects to develop additional infrastructure for communities in the UAE and Egypt. For example, several renovation projects for community spaces at Mall of the Emirates were approved as well as road improvement works. In addition, the development of a mosque was completed at Al Zahia, with the development of another to commence at Tilal Al Ghaf in 2023.</p> <p>We have a 2022 Sustainable Business Commitment to annually increase the proportion of expenditure that contributes to the local economy by increasing the number of additional infrastructure projects. For every new project, we run a socio-economic study to identify the community's needs. We then apply our Additional Infrastructure Framework which helps the development teams to identify the project feasibility prior to the investment approval. The framework formalises the investment decision process and ensures that investments meet the desired outcomes and align with Majid Al Futtaim's strategic sustainability priorities such as our 2040 net positive carbon and water targets.</p> <p>All infrastructure was developed to help enhance the local communities' life and the communities were engaged from project inception.</p>

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer
203-2	Significant indirect economic impacts	<p>Scaling up our social impact, page 41 Driving economic inclusion, page 47</p> <p>Renovation works approved in 2022 aim to bring significant added value and impact to the local economy through improvement works on roads for ease of access as well as the refurbishment of community buildings to enhance their quality and bring more foot traffic to the area.</p> <p>We provide internships to more than 25 interns who we train and upskill either within our business or externally, with an opportunity for employment. As one of the UAE's largest employers, investing in local talent is a cornerstone of our commitment to the economic growth and prosperity of the Emirates. Majid Al Futtaim provides employment opportunities as a matter of priority to UAE nationals who have appropriate qualifications, skills and experience. Since we joined the Government's NAFIS initiative, we have recruited more than 700 Emiratis between September 2021 and 2022.</p> <p>Majid Al Futtaim partners with The Retail Agency on the Tamheen initiative. Through this programme, we support more than 40 tenants in Mall of Oman by training and hiring employees for our tenants. As of January 2023, 491 Omani nationals were hired through this programme.</p>

Procurement Practices

204-1	Proportion of spending on local suppliers	81% of spending was on suppliers local to Majid Al Futtaim operations in 2022.
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Environmental Topics

Energy

3-3	Management of material topics - Environmental <ul style="list-style-type: none"> Energy Water GHG emissions Effluents and waste Biodiversity 	<p>The management approach we take for different elements of our environmental strategy include:</p> <ul style="list-style-type: none"> Our Climate Transition Action Plan can be found on page 21 Our circular economy strategy can be found on page 33 Our approach to supporting nature-positive outcomes can be found on page 30 Our approach to engaging our value chain to reach net positive can be found on page 36 Our mapping to the SDGs can be found on page 101 Our 2022 sustainability targets can be found on page 87
302-1 Climate change	Energy consumption within the organisation	Environmental Data Annex available on our website.
302-2	Energy consumption outside of the organisation	Environmental Data Annex available on our website.

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer
303-3	Energy intensity	Environmental Data Annex available on our website.
302-4	Reduction of energy consumption	Environmental Data Annex available on our website.
302-5	Reductions in energy requirements of products and services	Environmental Data Annex available on our website.
Water		
303-1	Interactions with water as shared resource	<p>We work extensively to maintain the highest international standards of reliability, efficiency and safety in our water resources. We continually provide water conservation strategies and services to our employees, customers, mall visitors and tenants to encourage them to reduce their water consumption. All Majid Al Futtaim Company-wide potable water is sourced through the municipal water supply. The irrigation water for landscaping at Majid Al Futtaim Communities, Shopping malls and Hotels is sourced through TSE and on-site sewage treatment plants. In line with the Majid Al Futtaim Sustainable Building Policy, no potable water is used for irrigation purposes. Majid Al Futtaim has pledged to become net positive in water by 2040.</p> <p>For Tilal Al Ghaf, our flagship mixed-use community in Dubai, annual water consumption was 45,883 m³ in 2022. Treated Sewage Effluent (TSE) is used for irrigation purposes. The amount of TSE supplied by the municipality in 2022 was 257,670 m³.</p> <p>In Al Zahia, Sharjah's first gated mixed-use community, there is an on-site sewage treatment plant with a capacity to treat 2,200 m³ of water per day. The water is collected from the residential units and after being treated, it is used for irrigating the community landscape.</p> <p>As our business continues to grow, it is imperative to increase water consumption proportionately. We have worked to ensure that water efficiency improvements are given the highest priority. Our Sustainable Building Policy details the water strategies we implement in the design, construction and operations of the various Majid Al Futtaim assets, including:</p> <ul style="list-style-type: none"> Internal: efficient flow and flush fixtures, aerators, sensors etc. External: landscape native species selection and efficient irrigation systems such as drip irrigation and using moisture sensors Using TSE/on-site sewage treatment plant water for irrigation Water metering and submetering for tracking water usage Water leakage detection systems On-site/off-site water generation using an atmospheric water generator machine and in the future, sourced using solar power in line with our net positive 2040 water and carbon commitment <p>Achieving net positive water will require more than implementing water efficiency measures. As a result, we have concentrated on exploring the water offsetting practices available in the countries where Majid Al Futtaim operates. Majid Al Futtaim abides by high-quality Oxford Principles for water offsetting, such as afforestation or reforestations. In 2022, we began working with STX group (formerly Vertis) and Project Maji to evaluate water offsetting and replenishing projects (see page 31).</p>

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer
303-2	Management of water discharge-related impacts	Majid Al Futtaim complies with the local authorities requirements in each country.
303-3 Freshwater availability	Water withdrawal	Majid Al Futtaim only records data for produced water and third-party water. There is no information on any water source listed due to this being against local regulations.
303-4	Water discharge	Omission Reason: Not applicable Explanation: Does not apply to the Company's operations.
303-5 Freshwater availability	Water consumption	Environmental Data Annex available on our website.
Biodiversity		
304-1 Nature loss	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Pre-Acquisition Policy available on our website: www.majidalfuttaim.com

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer
304-2 Nature loss	Significant impacts of activities, products, and services on biodiversity	<p>For each development, an Environmental Impact Assessment (EIA) is carried out for all our projects by a suitably qualified professional. The EIA is conducted to identify any potentially significant impacts project development may have on the social, physical and biological environment, and whether mitigation measures are required in the master plan design. All our residential communities developments also carry out a Land Use and Ecology Assessment by a suitably qualified ecologist. Enhancement measures are suggested to enhance the project's biodiversity. The surveys are obtained at the start of the project through a detailed desktop survey and a site-based ecology walkover survey, supplemented by observations and photographs by the suitably qualified ecologist.</p> <p>The sites being developed are of low ecological value and attract birds and the provision of native vegetation to the site area. This will enhance the ecological richness of the site commensurate with a dedicated, landscape development programme to improve the land value and quality.</p> <p>During construction, general mitigation such as dust suppression, emissions reductions, minimised light, spill prevention, noise control and adequate waste management can help to curb additional impacts beyond direct habitat loss. A log of all biodiversity/ecology-related observations and actions is kept by the site manager.</p> <p>During the survey, all species found are listed and classified accordingly. The ones with ecological value are defined if it needs to be relocated or protected and proper instructions are given.</p> <p>Examples of enhancement measures implemented include:</p> <ul style="list-style-type: none"> • The inclusion of native tall trees in the development • The inclusion of assorted heights and varieties of native landscape plants into the landscaping theme • Leaving a quantity of leaf litter in parks and amenity areas and allowing secondary growth on the ground adjacent to footpaths and landscaping to attract birds • In order to maintain connectivity to areas beyond the site, the Site 1 boundary fencing has been adjusted to incorporate wildlife friendly passage which would allow smaller animals to slip under the railing and travel between the site and the wider environment • Any planned fresh water features should be fenced in order to attract birds • Nesting boxes to attract birds • The inclusion of native, desert adapted plants is considered within the landscaped areas for water savings as well as attracting native bird species to the area • Where possible and appropriate, roof planters may be included as part of the building design. The roof planters should be developed using native/ecologically appropriate species with a view to encourage avifaunal and invertebrate biodiversity • A commitment that is reflected within the operational and management plan should indicate minimisation of pesticides and herbicides on-site to maintain ecological health • Any mesquite trees will be removed as these are considered an invasive species • Mammal populations, namely Arabian red fox (<i>Vulpes arabicus</i>), should be allowed to flee from this site and be subsequently excluded • Due to the presence of trees potentially suitable to support nesting birds, it is recommended that a targeted survey to identify any nesting birds should be undertaken prior to any demolition and clearing of vegetation on site. An appropriate protection or relocation plan will need to be put in place should there be any evidence of current nesting • Residents will be actively encouraged to plant native, water efficient and non-invasive species of plants such as Ghaf trees. A preferred plant species list is developed for distribution to residents and a list of nurseries carrying these plants is available as part of the Home User guides

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure

Answer

304-3
Nature Loss

Habitats protected or restored

None of the recorded species found on our sites occur on the list of UAE threatened species. A number of healthy mature Ghaf trees (*Prosopis cineraria*) have been recorded at site. These trees are native and provide shelter, protection, shade, and nesting, burrowing and feeding opportunities e.g., for sand martins. Naturally occurring Ghaf trees are considered to be important culturally as well and are protected from removal or disturbance by law. Permits must be acquired prior to the removal of Ghaf, and typically trees must be relocated to reduce the impact arising from the loss of these trees.

In Tital Al Ghaf, the existing Ghaf trees were properly protected or relocated. Relocation or removal of Ghaf trees was carried out after communication and coordination with Dubai Municipality Environment and Horticulture Department. Proper preparation was required in which a new lateral root zone was promoted in a surrounding trench with frequent watering for at least six months and then a relocation measure following the ecologist recommendations.

As part of the site enhancement of Tital Al Ghaf, more than 5,000 Ghaf trees are planned to be planted, with 1,000 already planted.

During operations, residents of the communities are encouraged to plant native, water efficient and non-invasive species of plants such as Ghaf trees. Options are provided to them in the Home User Guide that is distributed to all residents at handover.

In 2022, 2,500 indigenous trees were planted by MAFers and their families (see page 30).

304-4
Nature loss

IUCN Red List species and national conservation list species with habitats in areas affected by operations

The species found in our developments are the following as per IUCN Red lists:

IUCN RED LIST SPECIES

Common name	Latin name	IUCN Red List Status	Conservation value
Ghaf Tree	<i>Prosopis cineraria</i>	-	High/Protected
Sidr Tree	<i>Ziziphus spina christi</i>	-	Moderate
Spiny-tailed Lizard	<i>Uromastyx aegyptia</i>	Vulnerable	High/Protected
Arabian Red Fox	<i>Vulpes vulpes arabicus</i>	Least Concern	Low

Although the project site is of low to medium value, ecological mitigation should be applied to prevent and reduce the significance of the project's activities on ecology receptors. Of particular concern are the high-value receptors, including the limestone gravel hillocks habitat, Ghaf trees, Mountain Gazelle, Sand Martin, and the Egyptian Spiny-tailed Lizard.

Prosopis trees are not in the IUCN (International Union for Conservation of Nature) list of endangered species for the UAE therefore they do not have international protection status. The Ghaf tree was protected under Amiri decree initially in the Emirate of Abu Dhabi by the late Sheikh Zayed bin Sultan Al Nahyan who recognises the native Ghaf (*Prosopis cineraria*) as the National tree of the UAE.

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure

Answer

Emissions

305-1
Climate change

Direct (Scope 1) GHG emissions

Environmental Data Annex available on our website.

305-2
Climate change

Energy indirect (Scope 2) GHG emissions

Environmental Data Annex available on our website.

305-3
Climate change

Other indirect (Scope 3) GHG emissions

Environmental Data Annex available on our website.

305-4

GHG emissions intensity

Environmental Data Annex available on our website.

305-5

Reduction of GHG emissions

Environmental Data Annex available on our website.

305-6

Emissions of ozone-depleting substances (ODS)

Omission
Reason: Information unavailable
Explanation: This information is not currently collected.

305-7

Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions

Omission
Reason: Information unavailable
Explanation: This information is not currently collected.

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure	Answer
Effluents and waste	
306-1 Waste generation and significant waste-related impacts	<p>As part of Rethinking Resources, Majid Al Futtaim committed to embed circular economy principles into its business operations. To make sure this commitment tackles the most impactful areas, Majid Al Futtaim set out to develop an ambitious circular economy strategy. By 2030, all of our Operating Companies will have circularity at the core of their operations and will actively engage with their respective suppliers, customers and the wider business to bring about systemic change and impact.</p> <p>Majid Al Futtaim is taking the lead in the region and is committing to phase-out the distribution of single-use plastics from all its operations, across all business units and all countries in which it operates, by 2025. In 2022, the distribution of single-use plastic bags was phased out in six countries, e-commerce bags in five countries and cutlery in seven countries.</p> <p>The food waste generated from our mall's food and beverages is sent to recycling using ORCA machine that turns food waste into an environmentally safe liquid that goes down the drain and is disposed of using the existing sanitary sewer infrastructure.</p> <p>In addition to our Single-Use Plastic Phase-out Policy, we have committed to diverting 75% of our construction waste and 90% of our waste from landfill. As a baseline, we have conducted a waste audit to understand our waste stream and ways to eliminate, reduce, reuse and recycle them. In 2022, Majid Al Futtaim Tower 2 diverted more than 95% of its waste from landfill and has been awarded Gold level TRUE certification, a first in the UAE (see Embedding circular economy principles on page 33).</p> <p>We are purchasing items in bulk (water bottles, tissue boxes, printing paper) to reduce the amount of packaging put into the project boundary's material stream. We are reusing our rain barrels. All of our cutlery is reusable. Our office paper has been reduced by applying duplex printing as well as recycled. Our printer cartridge is a reusable cartridge we send to be refilled. E-waste is reused and recycled. Our E-waste is collected bi-annually by the service provider and sent for recycling. In 2018, we started to procure BPA-free reusable water bottles with messaging that encourages MAFers to stay hydrated and a fruit infuser option. The water bottles were distributed around Majid Al Futtaim's offices across different countries such as Egypt, Oman and Georgia.</p> <p>Most recently, we conducted an awareness campaign in the workplace to teach and educate employees about circularity. Additionally, we upskilled two employees in the sustainability departments of Holding and Properties with an online masterclass on circular economy from the University of Exeter.</p>
306-2 Management of significant waste-related impacts	Environmental Data Annex available on our website.

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure	Answer
306-3 Waste generated	<p>Environmental Data Annex available on our website.</p> <p>Omission Reason: Information unavailable Explanation: Data only available for Majid Al Futtaim - Properties.</p>
306-4 Waste diverted from disposal	<p>Environmental Data Annex available on our website.</p> <p>Omission Reason: Information unavailable Explanation: Data only available for Majid Al Futtaim - Properties.</p>
306-5 Waste directed to disposal	<p>Environmental Data Annex available on our website.</p> <p>Omission Reason: Information unavailable Explanation: Data only available for Majid Al Futtaim - Properties.</p>
Environmental Compliance	
307-1 Non-compliance with environmental laws and regulations	At Majid Al Futtaim, there has not been any form of non compliance as the business always goes above and beyond the local requirements and regulations. Therefore we do not have any significant fines or sanctions to disclose.

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure

Answer

Supplier Environmental Assessments

308-1 New suppliers that were screened using environmental criteria
All contractors, consultants and suppliers will have undergone a requirement to answer questions surrounding environmental and sustainability policy documentation and accreditation (see Embedding responsible procurement on page 42).

308-2 Negative environmental impacts in the supply chain and actions taken
Sustainable Procurement Policy is available on our website: www.majidalfuttaim.com

Social Topics

3-3 Management of material topics - Social
The Empowering Our People pillar of our sustainability strategy includes material topics: Labour practices, health and safety, employment, training and development, diversity and human rights.
Empowering Our People progress can be found on pages 54-64.
Updates on our social impact can be found on pages 40-52.
Majid Al Futtaim has policies, targets and KPIs in place to ensure that we follow a best practice approach.
Our Employment Conditions Policy can be downloaded from our website: www.majidalfuttaim.com

- Occupational health and safety
- Supplier assessment for labour practices
- Employment
- Training and education
- Diversity and equal opportunity
- Non-discrimination
- Child labour
- Human rights
- Local communities

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure

Answer

Employment

401-1 Employment and wealth generation
New employee hires and employee turnover

JOINERS	Holding, Trust, Charity & President's Office				Properties				Retail			
	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover
MENA	115	88	203	36%	149	184	333	17%	5,646	2,269	7,915	27%
Africa	0	0	0	0	0	0	0	0	366	235	601	23%
Central Asia	0	0	0	0	0	0	0	0	1,411	1,583	2,994	83%
S&SE Asia	0	0	0	0	0	0	0	0	888	157	1,045	54%
Eastern Asia	0	0	0	0	0	0	0	0	2	4	6	27%
Europe	0	0	0	0	0	0	0	0	0	1	1	33%
Total	115	88	203	36%	149	184	333	17%	8,313	4,249	12,562	34%

JOINERS	Entertainment				Lifestyle				Global Solutions			
	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover
MENA	1,111	414	1,525	27%	317	237	554	52%	124	141	265	31%
Africa	0	0	0	0	0	0	0	0	0	0	0	0
Central Asia	0	0	0	0	0	0	0	0	0	0	0	0
S&SE Asia	0	0	0	0	0	0	0	0	0	0	0	0
Eastern Asia	0	0	0	0	0	0	0	0	0	0	0	0
Europe	0	0	0	0	0	0	0	0	0	0	0	0
Total	1,111	414	1,525	27%	317	237	554	52%	124	141	265	31%

LEAVERS	Holding, Trust, Charity & President's Office				Properties				Retail			
	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover
MENA	66	30	96	17%	141	144	285	15%	5,246	1,658	6,904	24%
Africa	0	0	0	0	0	0	0	0	222	131	353	14%
Central Asia	0	0	0	0	0	0	0	0	1,427	1,544	2,971	82%
S&SE Asia	0	0	0	0	0	0	0	0	873	97	970	50%
Eastern Asia	0	0	0	0	0	0	0	0	2	7	9	41%
Europe	0	0	0	0	0	0	0	0	2	2	4	133%
Total	66	30	96	17%	141	144	285	15%	7,772	3,439	11,211	30%

LEAVERS	Entertainment				Lifestyle				Global Solutions			
	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover	Male	Female	Total	% Turnover
MENA	670	326	996	18%	146	132	278	26%	62	68	130	15%
Africa	0	0	0	0	0	0	0	0	0	0	0	0
Central Asia	0	0	0	0	0	0	0	0	0	0	0	0
S&SE Asia	0	0	0	0	0	0	0	0	0	0	0	0
Eastern Asia	0	0	0	0	0	0	0	0	0	0	0	0
Europe	0	0	0	0	0	0	0	0	0	0	0	0
Total	670	326	996	18%	146	132	278	26%	62	68	130	15%

GRI Standard

WEF Stakeholder
Capitalism Metrics

WEF Stakeholder Capitalism Metrics	Disclosure	Answer																								
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<p>Majid Al Futtaim provides full time employees with:</p> <ul style="list-style-type: none"> Medical and Life Insurance as well as their eligible dependants which entitles employees to medical treatment/prescription from selected private hospitals, clinics and government hospitals from their start date Group Life and Personal Accident Insurance from their start date (disability benefits are also covered within this) Annual leave, sick leave and maternity leave Maternity leave extended from 45 to 90 days Company-wide in 2023 (employees who started their maternity leave in 2022 also benefited from the change) Pensions and bonuses Additional benefits include schooling assistance and relation/repatriation assistance when applicable <p>More information is available upon request from the HR department.</p>																								
401-3	Parental leave	<table border="1"> <thead> <tr> <th>PARENTAL LEAVE 2022</th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Entitled to take parental leave</td> <td>5,903</td> <td>2,051</td> <td>7,954</td> </tr> <tr> <td>Took parental leave</td> <td>700</td> <td>195</td> <td>895</td> </tr> <tr> <td>Returned to work after parental leave</td> <td>700</td> <td>195</td> <td>895</td> </tr> <tr> <td>Still employed 12 months after their return to work</td> <td>288</td> <td>59</td> <td>347</td> </tr> <tr> <td>Return to work and retention rates</td> <td>41%</td> <td>30%</td> <td>39%</td> </tr> </tbody> </table>	PARENTAL LEAVE 2022	Male	Female	Total	Entitled to take parental leave	5,903	2,051	7,954	Took parental leave	700	195	895	Returned to work after parental leave	700	195	895	Still employed 12 months after their return to work	288	59	347	Return to work and retention rates	41%	30%	39%
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GRI Standard

WEF Stakeholder
Capitalism Metrics

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

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer
403-5	Worker training on occupational health and safety	Occupational Health and Safety Policy is available on our website: www.majidalfuttaim.com Across Majid Al Futtaim, competence, training and awareness processes are implemented, including first aid and emergency response training and critical safety training for roles that manage rides and attractions.
403-6	Promotion of worker health	Occupational Health and Safety Policy is available on our website: www.majidalfuttaim.com Majid Al Futtaim provides a Health Care and insurance scheme and is active with various health and wellness initiatives, such as our annual Wellness Week to promote healthy lifestyles among staff. All of our employees have access to a range of health services, including health checkups, nutritional advice, eyesight and hearing testing and blood donations. Additionally, we offer a free gym membership via a selection of gyms. For more information, see Creating a wellness culture on page 60.
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety Policy is available on our website: www.majidalfuttaim.com Across each of our Operating Companies, we have specific hazard identification and risk assessment processes in place to mitigate specific health and safety impacts.
403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety Policy is available on our website: www.majidalfuttaim.com Across Majid Al Futtaim's Operating Companies, various processes and policies are in place to manage worker's healthy and safety. An Occupational Health and Safety management system in line with ISO 45001 covers Majid Al Futtaim - Retail, Entertainment and Lifestyle employees and workers engaged in the premises, this system is reviewed and audited periodically to ensure it's effective and continually improved. See Best practice health, safety and human rights on page 62 for more information.

GRI Standard

WEF Stakeholder Capitalism Metrics	Disclosure	Answer																																																																																																																																																																						
403-9 Health and wellbeing	Work-related injuries	Best practice health, safety and human rights, page 62 ABSENTEE AND INJURY 2022 - Rates based on 1,000,000 hours worked <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="10">Employees</th> </tr> <tr> <th>Absentee rate</th> <th>Number of minor injuries</th> <th>Minor injury rate</th> <th>Number of major injuries</th> <th>Major injury rate</th> <th>Total number of injuries</th> <th>Overall injury rate</th> <th>Work-related fatalities</th> <th>Fatality injury rate</th> <th>Total hours worked</th> </tr> </thead> <tbody> <tr> <td>Retail</td> <td>0.51%</td> <td>813</td> <td>18.92</td> <td>180</td> <td>4.19</td> <td>989</td> <td>23.02</td> <td>-</td> <td>-</td> <td>42,968,320</td> </tr> <tr> <td>Properties</td> <td>0.12%</td> <td>1</td> <td>46.21</td> <td>0</td> <td>0.00</td> <td>1</td> <td>46.21</td> <td>-</td> <td>-</td> <td>21,640</td> </tr> <tr> <td>Entertainment</td> <td>0.01%</td> <td>54</td> <td>6.20</td> <td>10</td> <td>1.15</td> <td>64</td> <td>7.35</td> <td>-</td> <td>-</td> <td>8,708,071</td> </tr> <tr> <td>Lifestyle</td> <td>0.84%</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Holding</td> <td>2.75%</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Global Solutions</td> <td>0.00%</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="9">Workers</th> </tr> <tr> <th>Number of minor injuries</th> <th>Minor injury rate</th> <th>Number of major injuries</th> <th>Major injury rate</th> <th>Total number of injuries</th> <th>Overall injury rate</th> <th>Work-related fatalities</th> <th>Fatality injury rate</th> <th>Total hours worked</th> </tr> </thead> <tbody> <tr> <td>Retail</td> <td>648</td> <td>7.16</td> <td>0</td> <td>0.00</td> <td>644</td> <td>7.12</td> <td>0</td> <td>-</td> <td>90,443,520</td> </tr> <tr> <td>Properties</td> <td>199</td> <td>6.17</td> <td>3</td> <td>0.09</td> <td>202</td> <td>6.26</td> <td>1</td> <td>0.03</td> <td>32,244,439</td> </tr> <tr> <td>Entertainment</td> <td>13</td> <td>2.13</td> <td>0</td> <td>0.00</td> <td>13</td> <td>2.13</td> <td>0</td> <td>-</td> <td>6,092,258</td> </tr> <tr> <td>Lifestyle</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Holding</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Global Solutions</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table>		Employees										Absentee rate	Number 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	0.51%	813	18.92	180	4.19	989	23.02	-	-	42,968,320	Properties	0.12%	1	46.21	0	0.00	1	46.21	-	-	21,640	Entertainment	0.01%	54	6.20	10	1.15	64	7.35	-	-	8,708,071	Lifestyle	0.84%	-	-	-	-	-	-	-	-	-	Holding	2.75%	-	-	-	-	-	-	-	-	-	Global Solutions	0.00%	-	-	-	-	-	-	-	-	-		Workers									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	648	7.16	0	0.00	644	7.12	0	-	90,443,520	Properties	199	6.17	3	0.09	202	6.26	1	0.03	32,244,439	Entertainment	13	2.13	0	0.00	13	2.13	0	-	6,092,258	Lifestyle	-	-	-	-	-	-	-	-	-	Holding	-	-	-	-	-	-	-	-	-	Global Solutions	-	-	-	-	-	-	-	-	-
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403-10	Work-related ill health	Best practice health, safety and human rights, page 62 Our Occupational Health and Safety Policy defines our commitment to eliminating hazards, mitigating health and safety risks, and raising awareness among employees, contractors and all stakeholders who may be affected by our activities. We have been certifying our occupational health and safety management systems to ISO 45001. In 2022, six supermarkets and hypermarkets in Egypt achieved certification as well as four hypermarkets and Carrefours' head office in Qatar, contributing towards our total of 111 certified assets across Majid Al Futtaim – Properties and Majid Al Futtaim – Retail. Other operational action plans include training, replacement of faulty equipment and close monitoring of action plans.																																																																																																																																																																						

GRI Standard

WEF Stakeholder
Capitalism Metrics Disclosure

Answer

Training and Education

404-1
Skills for the future
Average hours of training per year per employee

TRAINING HOURS 2022

Retail Average Training Hours				Properties Average Training Hours				Entertainment Average Training Hours			
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
38.15	25.73	19.91	19.05	11.24	11.38	11.20	9.80	110.50	111.85	51.57	29.05

Lifestyle Average Training Hours				Holding Average Training Hours				Global Solutions Average Training Hours			
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
33.60	31.31	45.21	47.70	11.30	12.28	15.02	15.27	15.68	16.56	23.15	22.72

We currently collect employee training data across multiple platforms and are continuously working with our teams to ensure the highest accuracy of this information.

404-2
Programs for upgrading employee skills and transition assistance programs

The Leadership Institute was launched in 2015 and provides hands-on development programmes through partnerships and global faculty. It offers our people practical opportunities to develop their capabilities across a variety of programmes and training modules (see Upskilling MAFers with the skills of tomorrow on page 63).
More information can be found on our website: www.majidalfuttaim.com

404-3
Percentage of employees receiving regular performance and career reviews

CAREER DEVELOPMENT 2022 - Percentage of individuals who received a performance and career development review in 2022

Retail				Properties				Entertainment			
Number of individuals who received a performance and career development review in 2022 (Non-manager)		Number of individuals who received a performance and career development review in 2022 (Manager)		Number of individuals who received a performance and career development review in 2022 (Non-manager)		Number of individuals who received a performance and career development review in 2022 (Manager)		Number of individuals who received a performance and career development review in 2022 (Non-manager)		Number of individuals who received a performance and career development review in 2022 (Manager)	
Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
7,545	21,384	795	4,208	369	541	69	166	899	2,105	107	331
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Lifestyle				Holding				Global Solutions			
Number of individuals who received a performance and career development review in 2022 (Non-manager)		Number of individuals who received a performance and career development review in 2022 (Manager)		Number of individuals who received a performance and career development review in 2022 (Non-manager)		Number of individuals who received a performance and career development review in 2022 (Manager)		Number of individuals who received a performance and career development review in 2022 (Non-manager)		Number of individuals who received a performance and career development review in 2022 (Manager)	
Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
295	489	48	57	102	133	78	143	271	300	51	126
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

All Majid Al Futtaim employees receive career development reviews through an automated career review process.

GRI Standard

WEF Stakeholder
Capitalism Metrics Disclosure

Answer

Diversity and Equal Opportunity

405-1
Dignity and equality
Diversity of governance bodies and employees

DIVERSITY OF THE BOARD FOR 2022 - Number of employees who sit on governance bodies (the Board) in each age group

	Retail				Properties				Entertainment			
	Age			Total	Age			Total	Age			Total
	under 30	30-50	50+		under 30	30-50	50+		under 30	30-50	50+	
Male	-	14%	71%	86%	-	-	100%	100%	-	-	67%	67%
Female	-	-	14%	14%	-	-	-	0%	-	-	33%	33%

	Lifestyle				Holding				Global Solutions			
	Age			Total	Age			Total	Age			Total
	under 30	30-50	50+		under 30	30-50	50+		under 30	30-50	50+	
Male	-	50%	-	50%	-	11%	89%	100%	-	50%	-	50%
Female	-	-	50%	50%	-	-	-	0%	-	-	50%	50%

405-2
Dignity and equality
Ratio of basic salary and remuneration of women to men

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

Non Discrimination

406-1
Dignity and equality
Incidents of discrimination and corrective actions taken

A total of 30 cases from all Operating Companies pertaining to discrimination were logged through the Ethics Hotline for the period 1 January 2021 to 31 March 2022.
Our investigation of all of the 30 cases has revealed the following: 12 proven cases, wherein it was actioned with coaching (3), termination (3), written warning (3), written reminder of the policy (1) and 2 cases resolved in accordance with our policies and procedures.

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure

Answer

Child Labour

408-1 Dignity and equality	Operations and suppliers at significant risk for incidents of child labour	<p>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 Sustainable Procurement Policy which require our tier 1 suppliers and contractors to comply with the requirements laid out within them.</p> <p>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 Policy and Responsible Procurement Policy are met.</p> <p>Majid Al Futtaim's Employment Conditions Policy addresses child labour, this is also reflected within the contracts template where child labour is clearly prohibited.</p> <p>The policy can be found on our website: www.majidalfuttaim.com</p>
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Forced or Compulsory Labour

409-1 Dignity and equality	Operations and suppliers at significant risk for incidents of forced or compulsory labour	<p>During 2022, zero cases of forced or compulsory labour in our operations were identified.</p> <p>Majid Al Futtaim's Employment Conditions Policy addresses forced labour, this is also reflected within the contracts template where forced labour is clearly prohibited.</p> <p>Additionally, checks are made on all contractors and suppliers to ensure the requirements set out in the Employment Conditions Policy are met.</p> <p>The policy can be found on our website: www.majidalfuttaim.com</p>
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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 employees across Majid Al Futtaim – Properties. In 2022, we began developing an accommodation audit training to upskill auditors on our updated requirements and the importance of providing safe and just accommodation for all our employees, suppliers and contractors. The training will be conducted in 2023. We also provided training on the updated labour accommodation checklist for all Operating Companies as well as human rights training for all non-frontline MAFers to develop a collective understanding and ensure they are aware of their fundamental rights.

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure

Answer

412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	100% of contracts contain our Employee Conditions Policy, aligned with the International Labour Organisation's eight core conventions, which includes Majid Al Futtaim's requirements on human rights.
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Local Communities

413-2	Operations with significant actual and potential negative impacts on local communities	<p>At Majid Al Futtaim, Environmental Impact Assessments are carried out at all of our development projects along with an Additional Infrastructure Framework which help to identify the local community development programmes required.</p> <p>The Additional Infrastructure Framework engages 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.</p> <p>For our communities, local stakeholders involved include schools for special needs children, local businesses, community groups, NGOs, etc.</p> <p>For more information on our social impact, see pages 40-52. Majid Al Futtaim has an internal Health and Safety Committee and an external People of Determination Advisory Council that are engaged with supporting on these issues, including any grievances within the community.</p>
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Supplier Social Assessment

414-1	New suppliers that were screened using social criteria	All tier 1 suppliers are screened using social criteria.
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GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure	Answer
414-2 Negative social impacts in the supply chain and actions taken	<p>We understand that our greatest negative social risks are within our supply chain and it is for that reason that we launched our Employee Conditions Policy and Sustainable Procurement Policy that require our tier 1 suppliers and contractors to comply with the requirements laid out within them. In addition, we actively encourage the suppliers and contractors to cascade the policy down to their own suppliers and contractors.</p> <p>Additional checks are made on all contractors and suppliers to ensure the requirements set out in the Employment Conditions and Sustainable Procurement Policy are met. Majid Al Futtaim's Employment Conditions Policy addresses key issues including employees' wages and benefits, working days and hours, annual leave, basic employee rights, women's rights, child labour, health and safety, employee accommodation and education and can be found on our website. We have taken several measures to integrate social issues into our contractual clauses. The policy is also integrated in 100% of contracts.</p> <p>We have implemented supplier questionnaires, surveys and risk assessments to improve supply chain standards in the Middle East and beyond. Through training and ongoing monitoring, we aim to create a positive impact on local communities and the environment.</p> <p>After launching our Sustainable Procurement Policy, all suppliers are trained and upskilled as of the previous point. Suppliers must be compliant by 2025, otherwise we will terminate their contract.</p>
Customer Health and Safety	
416-1 Assessment of the health and safety impacts of product and service categories	100% of Private Label products are developed based on strict product development processes that include the product's technical review and lab analysis and supplier's audits to ensure compliance with the quality and food safety standards.
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	<p>Only one case of non-compliance was reported with the authorities based on a customer complaint however, the case was not confirmed and subsequently closed by the authorities.</p> <p>All Private Label products are subject to a product evaluation and registration to ensure compliance with regulation before launching and after the launch throughout the regular monitoring plan.</p>

GRI Standard

WEF Stakeholder
Capitalism Metrics

Disclosure	Answer
Marketing and Labelling	
417-1 Requirements for product and service labelling	All products are subject to product evaluation and registration to ensure compliance with regulation before launching and after the launch through the regular monitoring plan.
417-2 Incidents of non-compliance concerning product and service information and labelling	We did not receive any fines or warnings.
417-3 Incidents of non-compliance concerning marketing communications	<p>There was one incident in one of our store branches, Nass Centre, which resulted in a warning from the local municipality with regards to placing advertisements on storefronts without municipality approval. As a corrective measure, the team applied for approval on the municipality's portal and removed all branding from external-facing windows. From July 2022, the team must apply for approvals before proceeding to advertise on any external areas, even if they are within Majid Al Futtaim - Retail premises.</p> <p>To our knowledge, no other fines, penalties or warnings have been received.</p>

World Economic Forum Stakeholder Capitalism Metrics

Pillar	Theme	Core Metrics & Disclosures	Response
GOVERNANCE	Governing purpose	Setting purpose	Our value creation model, page 6 Our sustainability strategy, page 11
	Quality of governing body	Governance body composition	Governing with accountability, page 66
	Stakeholder engagement	Material issues impacting stakeholders	Stakeholder engagement, page 13
	Ethical behaviour	Anti-corruption	Governing with accountability, page 66 Stakeholder engagement, page 13 <ul style="list-style-type: none"> Each Operating Company has an Ethics Panel, comprising the Holding Head of Compliance, Operating Company CEO & CFO, Operating Company General Counsel, Operating Company HC Officer, and Operating Company Head of Risk & Compliance. This multidisciplinary and operationally independent body plays a vital role in governance, with responsibilities that include driving, role modelling, and supporting the business ethics programme, particularly in relation to anti-corruption. All Ethics Panel members undergo training on anti-corruption policies and standards. Additionally, we have implemented a mandatory GHE training program for employees of a certain job grade and higher, which has so far provided anti-corruption training to all relevant staff members. 12 incidents of anti-corruption were recorded in 2022, of which 8 involved an employee and 4 involved a supplier.
		Protected ethics advice and reporting mechanisms	Governing with accountability, page 66

Pillar	Theme	Core Metrics & Disclosures	Response
GOVERNANCE	Risk and opportunity oversight	Integrating risk and opportunity into business process	Our value creation model, page 6 Our strategic context, page 10 Our sustainability strategy, page 11 We have mapped our risks and opportunities to operations against key macro-trends that influence how we generate value for our stakeholders. At Majid Al Futtaim we have an advanced information security program to support our data and digital transformation strategies. The program is risk-based with a defined risk appetite and is modelled in accordance with international leading practice. The program includes a Security Operations Centre (SOC), which provides 24/7 security monitoring and relies on a full suite of security technologies and processes to ensure our cyber risk is adequately managed. Additionally, we undertake periodic vulnerability assessments and penetration testing of our platforms to identify any potential gaps. Updates about our information security program are frequently provided to the board. During the coverage period, the company did not have any data breaches.

Pillar	Theme	Core Metrics & Disclosures	Response
PROSPERITY	Employment and wealth generation	Absolute number and rate of employment	GRI 401 – 1
		Economic contribution	AED 36.3 billion
		Financial investment contribution	AED 2.5 billion
	Innovation in better products and services	Total research and development expenses	N/A
	Community and social vitality	Community investment	AED 8.5 million
Total tax paid		AED 126 million	

World Economic Forum Stakeholder Capitalism Metrics (continued)

Pillar	Theme	Core Metrics & Disclosures	Response
PLANET	Climate change	Greenhouse gas (GHG) emissions	Environmental Data Annex available on our website Managing our Scope 1 & 2 emissions, page 23
		Task Force on Climate-related Financial Disclosures (TCFD) implementation	TCFD response, page 70
	Nature loss	Land use and ecological sensitivity	Our strategic context, page 10 Supporting nature positive outcomes, page 30 GRI 304 - 1
	Freshwater availability	Water consumption and withdrawal in water-stressed areas	GRI 303 - 3 For Tilal Al Ghaf, annual water consumption for 2022 was 45,883 m ³ . Treated Sewage Effluent (TSE) is used for irrigation purposes. The amount of TSE supplied by the municipality in 2022 was 257,670 m ³ . In Al Zahia Community in Sharjah there is an on-site sewage treatment plant with a capacity to treat 2,200 m ³ of water per day. The water is collected from the residential units and after being treated, it is used for irrigating the community landscape. In line with Majid Al Futtaim's Sustainable Building Policy , no potable water is used for irrigation purposes.

Pillar	Theme	Core Metrics & Disclosures	Response
PEOPLE	Dignity and equality	Gender pay equality (%)	Omission - Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
		Diversity and inclusion (%)	Omission - Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
		Wage level (%)	Omission - Reason: Confidentiality constraints Explanation: This is not currently common place in the UAE but we recognise the value in reporting this information. We have initiated a consultation with our Human Capital team and the Board to disclose this information.
		Risks for incidents of child, forced or compulsory labour	GRI 408, 409
	Health and wellbeing	Health and safety (%) of injury and fatalities	Best practice health, safety and human rights, page 62 GRI, 403 - 9
	Skills for the future	Training provided	Upskilling MAFers with the skills of tomorrow, page 63 GRI 404 - 1

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