

# ESG REPORT 2021

For a better tomorrow



# Contents

## About this Report 3

### Introduction 5

Message from the CEO  
About Us  
Where We Operate  
2021 ESG Highlights  
Certifications and Awards  
Memberships of Associations



### Sustainability 17

Stakeholder Engagement  
Materiality Assessment  
Alignment with Standards  
and Frameworks



### Environmental Stewardship 25

Environmental Management  
Climate Change and  
Energy Management  
Water Management  
Circular Economy



### Empowering Our People 37

Our Employees  
Workforce Empowerment  
Learning and Development  
Occupational Health and Safety



### Enriching Lives 51

Healthy and High-Quality  
Products  
Local Communities



### Responsible Governance 61

Corporate Governance  
Business Ethics  
Procurement  
Data Privacy and Security



## Looking Forward 69

## GRI Context Index 70





# About this Report

102-5, 102-45, 102-46, 102-50, 102-52, 102-53, 102-54

**Welcome to LuLu Group International's inaugural sustainability report, encompassing our operations in 22 countries.**

This report covers the period from January 1 to December 31, 2021. As our first environmental, social and governance (ESG) report, it sheds light on the efforts of the Group to contribute to sustainable development by highlighting our performance on various ESG parameters.

This report follows internationally recognized standards and frameworks for sustainability reporting such as the Sustainability Accounting Standards Board (SASB), the United Nations Sustainable Development Goals (SDGs), and the national development policies, or visions, of the countries in which we operate. This report has been prepared in accordance with the GRI 2016 Standards: Core option.

In this report, we have included all our portfolio operations and assets across the 22 countries where we operate. With the report, we aim to inform our stakeholders, including our employees, customers, suppliers, governments and investors on our ESG practices.

We welcome your feedback on this report and our ESG performance.

Please email us at: [esg@ae.LuLumea.com](mailto:esg@ae.LuLumea.com)



# 01

## Introduction

This report is LuLu Group's first annual ESG report. It is focused on our priority ESG topics - those that we believe are the most relevant to our business and important to our stakeholders.

“At LuLu, business is not just about money, products or services. It’s all about people.”



**Mr. Yusuff Ali M. A.**

Chairman and Managing Director of LuLu Group International

# Message from the CEO

102-14

2021 marks the year in which LuLu Group International has embarked on a journey to sustainable development, commemorated with the Environmental, Social and Governance (ESG) report. This report represents an important testimony of our Group's commitment to virtuously reconciling business objectives with concrete and measurable results in social and environmental areas, across our activities and our geographic locations.

I am proud to demonstrate how our business is being conducted with social responsibility, in parallel with clear corporate goals and steps towards becoming a model organization for sustainable development. We owe it to our employees and the millions of valued customers who choose us daily.

Our mission is to provide a unique shopping experience to our customers with unmatched value in terms of quality of products and services, while continuously exploring new market opportunities and adding value to all our business associates. We are committed to follow ethical business practices in all spheres of activities from the sourcing of products from around the world to selling those at the fairest prices across our stores, ensuring a smile on everyone's face and bringing happiness to all. LuLu Group works to create shared value for all its stakeholders, including customers, employees, business partners, communities and society, working towards a future of increasingly responsible and sustainable growth for all.

This first report comes to life in a period of continued uncertainty generated by the global crisis caused by the COVID-19 pandemic, against which the LuLu community demonstrated its ability to react with unity of purpose, capacity of innovation, speed and deep awareness of the indispensable service role it plays.

The acceleration we gave to our e-commerce capability has made it possible to revolutionize and continue to improve the experience of our customers, while safeguarding health, further establishing our role as a global retail brand.



Our customer satisfaction rates have been admirable, having received numerous awards, such as the Best Performing Outlet Award by the Dubai Service Excellence Scheme (DSES) and being voted as the "Best Supermarket" in Kuwait.

At LuLu, we have always understood the importance of aligning our business objectives with the national visions of the Middle Eastern countries in which we operate and are proud of the contribution we make, in many ways, to the development of these societies – through diversification, economic growth, capacity building, and community investment. These are important goals for us, and for society at large.

Recognizing the critical role we play in contributing to a better future for all, I welcome you to discover our ESG progress and our ambitions for the coming years through this report.

**Saifee Rupawala**  
Chief Executive Officer

**“LuLu is embracing the sustainability agenda, anchoring it in our purpose, and doing so in a way that strives to create value for all our stakeholders.”**

**Ashraf Ali MA**  
Executive Director



# About Us

102-1, 102-2, 102-3, 102-7, 102-16, 102-45

LuLu Group International (referred to as ‘LuLu Group’ or ‘LuLu’) is a highly diversified conglomerate with successful entities operating in strategic locations worldwide.

Founded by the acclaimed business visionary Yusuff Ali M.A., LuLu Group has become a key contributor to the Gulf region’s economic standing. The Group is headquartered in Abu Dhabi, the capital of the United Arab Emirates (UAE) and is a world-renowned purveyor of an international business portfolio that ranges from retail chains (hypermarkets), shopping malls, wholesale trading, and properties.

Guided by our vision to become a global retail brand and to be the preferred employer for our multi-ethnic base, LuLu Group mainly operates in 22 countries located across the Middle East, Africa, Asia, the United States (US), United Kingdom (UK) and Europe.

Our worldwide operations cover business divisions in retail for the popular hypermarket brand, wholesale, sourcing, e-commerce and properties.





**OUR VISION**

To become a truly global retail brand by retaining the number-one position in the organized retail sector of the regions in which we operate and to be the preferred employer for our multi-ethnic base.



**OUR MISSION**

To provide a unique shopping experience to customers with unmatched value in terms of quality of products and services, while continuously exploring new market opportunities and adding value to all our business associates.



**COMMITMENT**

LuLu always strives to follow ethical business practices in all spheres of activities, from sourcing products from around the world to selling them at the fairest prices across our stores, all the while ensuring there is a smile on everyone's face and that we bring happiness to all.

**LULU INTERNATIONAL HOLDINGS**



# Where We Operate

102-4, 102-6, 102-7

LuLu Group is one of the top retailers in markets across the GCC and has worldwide presence in 22 countries. Retail operations in 9 countries are supported by sourcing operations in 15 countries and offshoring operations in India.



### Activities:

-  Retail
-  Shopping Malls
-  Sourcing
-  Wholesale
-  Properties
-  Offshoring Activities

# 2021 ESG Highlights

 **22,051,515**  
Total Retail Space (sqft)

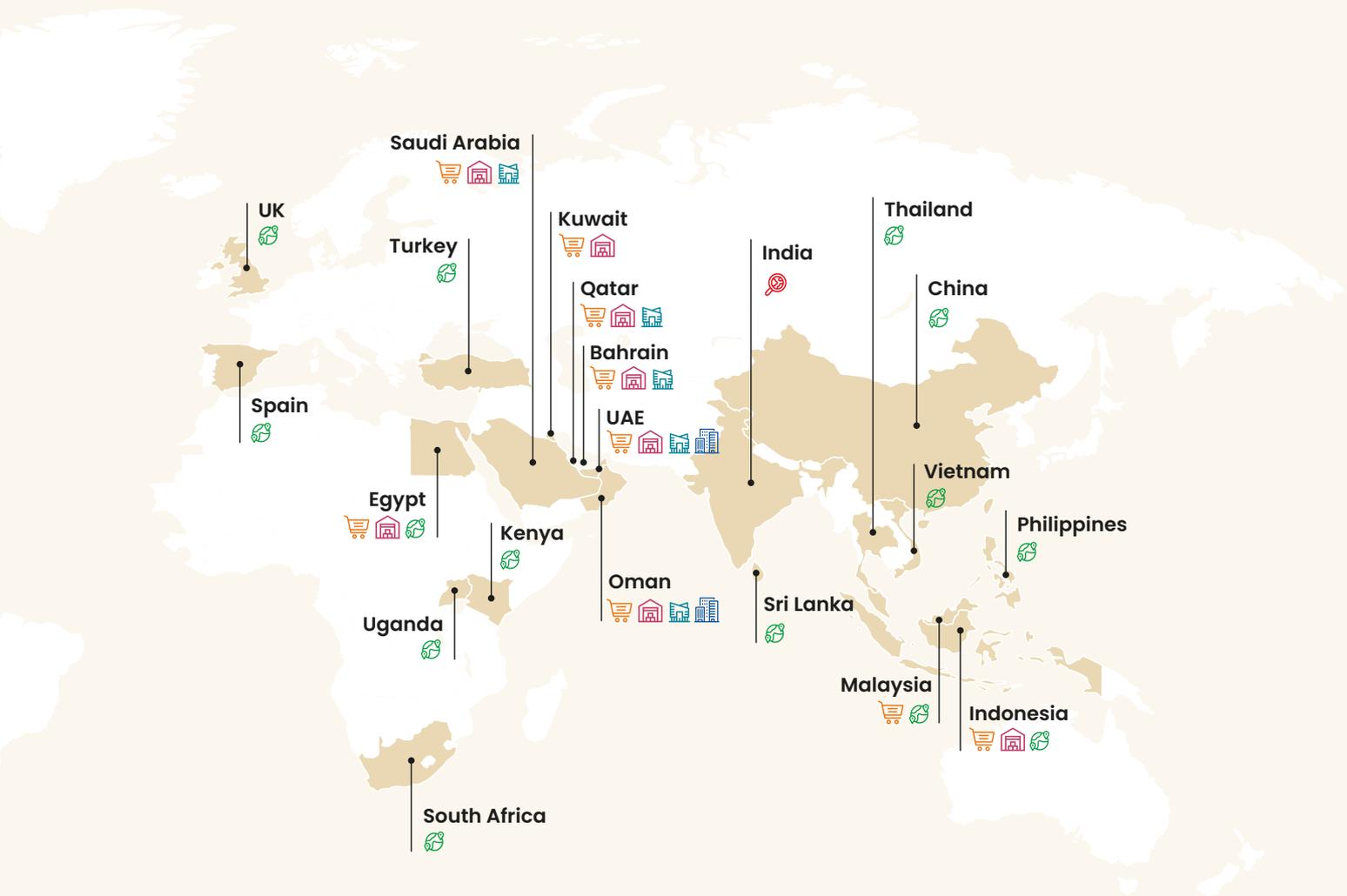
 **206**  
Retail Stores

 **22**  
Countries Worldwide

 **201**  
Retail Outlets

 **50,353**  
Employees

 **25**  
Shopping Malls



**USD 6.7 Billion**

Annual Turnover



**7,153**

GCC Nationals Employed



**AED 9,241,210**

Contributed through Donations and Sponsorships



**1 Million +**

Customers Served Daily



**PCI-DSS Certification**

Received for Security Compliance across 7 countries

# Certifications and Awards

	CERTIFICATIONS	COUNTRY
	ISO 14001:2015 for Environmental Management Systems	Spain, Bahrain, Thailand
	ISO 22000:18 for Food Safety Management Systems	UAE, Qatar, Oman, Bahrain
	Certification from Abu Dhabi Agriculture and Food Safety Authority (ADAFSA)	UAE
	Certification for Occupational Safety and Health Management System (OSHMS) by the Abu Dhabi Public Health Center (ADPHC)	UAE
	GOLD rating certification for Sustainable Operations from the Global Sustainability Assessment System (GSAS) from the Gulf Organisation for Research & Development (GORD)	Qatar
	Recertification of Hazard Analysis Critical Point Control (HACCP) from SGS	Bahrain, Oman, UAE, Kuwait, Qatar
	PCI-DSS v3.2.1 certification achieved for Group entities across 7 countries worldwide	Qatar, Bahrain, Indonesia, Saudi Arabia, Oman, Egypt, Kuwait

## LuLu Group has obtained **multiple certifications** for its business and operations.

	AWARDS	COUNTRY
	Best Employer Award from the World Human Resources Development (HRD) Congress	India
	Best Performing Outlet Award by the Dubai Service Excellence Scheme (DSES)	UAE
	Dubai Quality Award (DQA) – 2021 Dubai Department of Economy & Tourism (DET), Government of Dubai	UAE
	Best Consumer Friendly Company Award (2021) – for LuLu Stores by the Dubai Department of Economy & Tourism (DET), Government of Dubai	UAE
	Mohammed Bin Rashid Al Maktoum (MRM) Customer Excellence Award, Dubai Chamber of Commerce	UAE
	Mohammed Bin Rashid Al Maktoum (MRM) Business Award, Dubai Chamber of Commerce	UAE
	Service Hero 2021 Customer Service Assessment Award after consumers in Kuwait voted the retailer as the “Best Supermarket 2021” in the country	Kuwait

# Memberships of Associations

102-13

Vietnam



Indian Business Chamber in Vietnam (INCHAM)

Bahrain



Bahrain Chamber of Commerce and Industry

UAE



Dubai Service Excellence Scheme (DSES)

Oman



Oman Chamber of Commerce and Industry

Thailand



Thai National Shippers' Council



Thai Chamber of Commerce

We take a proactive approach in a number of associations and **collaborate with stakeholders** to scale the impact of our efforts.

Qatar



Ellen MacArthur Foundation

Indonesia



Indonesia Retail Merchants Association

Malaysia



Malaysia Retailers Association

Egypt



Confederation of Indian Industries

United States



US-Qatar Business Council



New Jersey State Chamber of Commerce



Meadowlands Chamber



# 02

## Sustainability

Our inspiration, the motto “For a Better Tomorrow”, encapsulates our commitment to operate responsibly, transparently and have a positive impact on our communities while maintaining sustainable success.



Sustainability is defined as meeting the needs of today's society without compromising the ability of future generations to meet their own needs. It considers natural, social and economic resources.

At Lulu Group, we are guided by the notion that business is not just about money, products or services. It's about people and fostering a good quality of life for them today and in the future.

With our inspiration, "For a Better Tomorrow", we are embarking on a progressive roadmap to monitor, benchmark and continuously enhance our economic, environmental, and social performance.

Having carried out our first materiality assessment, we will address the topics most relevant to our business and enhance our economic, environmental and social performance.

## Sustainability Governance

We are in the process of embedding sustainability at the core of our business and formalizing it in our governance practices. Accordingly, we are working to enhance the charters of our Board of Directors and the Board's committees to include and define ESG-related authorities and responsibilities at the highest level of our organization. In effect, as part of our ambition, we are focused on generating a wider range of economic, environmental and social benefits for all our stakeholders, starting with the establishment of an ESG Committee.

The ESG Committee will have responsibility for the overall implementation of our sustainability policies and ambitions. We envision the Committee will play an integral role in reviewing and recommending ESG-related objectives, strategic key performance indicators (KPIs), targets, programs and initiatives. The responsibilities of the Committee will include alignment with our corporate strategy, improving ESG performance and reducing our impact on the environment and delivering on our commitments to create shared value. We look forward to reporting on the establishment of the Committee and its progress in the near future.



### SUSTAINABILITY CHAMPIONS

We have set up a dedicated team of Sustainability Champions to assist with the collation of data, information and updates on initiatives related to sustainability reporting. A Taskforce overseeing this comprises representatives from across the 22 countries in which Lulu Group operates, reporting to the Abu Dhabi headquarters.

# Stakeholder Engagement

102-11, 102-21, 102-40, 102-42, 102-43, 102-44

At Lulu, we emphasize responsibility, a key factor in the success of our company, which can be measured by the satisfaction of all our stakeholders.

Understanding the views and concerns of Lulu Group’s diverse stakeholders informs our business practices and corporate priorities. As such, we engage regularly with our key stakeholder groups to shape our sustainability commitments and drive our performance.

We maintain close contact and regular interactions with our key stakeholder groups on a variety of matters, maintaining open lines of communication to exchange feedback and ideas for consideration in business decisions. Through various channels of communication, we seek the views of stakeholders who are impacted by our business.

For example, we have Customer Happiness Centers to ensure excellent shopping experiences for all our customers. With employees, we have established reward and recognition programs, which are held monthly.

## KEY STAKEHOLDERS



## Topics raised

- Product availability and quality
- Employment
- Pricing
- Customer satisfaction
- Sourcing from local communities
- Employee engagement
- Workplace amenities
- Manpower management



# Materiality Assessment

102-15, 102-47



As a first-time reporter, LuLu Group conducted its inaugural materiality assessment and conceptualized sustainability into four focus areas: **Environmental Stewardship, Empowering our People, Enriching Lives** and **Responsible Governance**. These pillars serve as guides for managing our environmental, social and economic impacts for a better tomorrow.

We conducted a detailed materiality assessment as part of our first ESG report to identify key material issues. The process included:

- Identifying a list of potential material issues through desk-based research, including a review of peer companies, industry standards, international frameworks and employee workshops
- Prioritizing the identified topics through engagement with stakeholders to rate material issues in terms of their perceived importance
- Reviewing and validating the results internally among LuLu Group management to ensure the list of material issues captures stakeholder perspectives

The results of our 2021 materiality assessment are aligned with our identified areas of opportunity, encompassing environmental impacts and governance aspects of our business, with a particular emphasis on social causes.

## MATERIAL TOPICS

### ENVIRONMENTAL



Energy  
Food Waste  
Packaging Waste  
Climate Change/Emissions  
Water and Effluents

### SOCIAL



Healthy and High-Quality Products  
Training and Development  
Human Rights  
Health and Safety  
Employment  
Marketing and Labeling  
Local Communities  
Workforce Empowerment

### GOVERNANCE



Procurement  
Business Ethics  
Data Privacy and Security

The findings are presented in our materiality matrix:

**LULU'S MATERIALITY MATRIX**

● Environmental ● Social ● Governance



# Alignment with Standards & Frameworks

The United Nations’ SDGs represent a global strategy for achieving economic growth that respects human rights, the environment and economic stability.

LuLu Group supports the 17 SDGs and particularly adheres to 11 priority SDGs, to which it contributes by means of various corporate social responsibility (CSR) and sustainability initiatives.

SDGs	LuLu Group’s Contribution to the SDGs
 <p><b>2 ZERO HUNGER</b></p>	<p><b>ZERO HUNGER</b></p> <p>While our entities strive to minimize food waste generation through dedicated systems and processes, we take measures to donate excess food to local charities.</p>
 <p><b>3 GOOD HEALTH AND WELL-BEING</b></p>	<p><b>GOOD HEALTH AND WELL-BEING</b></p> <p>LuLu has taken great steps to promote the consumption of healthier food products, having dedicated campaigns promoting awareness among our customers, specialized departments in our retail stores for organic and vegan produce, and going beyond the standards of international food safety management to ensure quality and safe products for all the communities to which we sell.</p>
 <p><b>4 QUALITY EDUCATION</b></p>	<p><b>QUALITY EDUCATION</b></p> <p>All our employees undergo induction and vocational training programs to best equip them with the knowledge and skills necessary for their jobs. Additionally, we provide training programs dedicated to our Gulf Cooperation Council (GCC) nationals to upskill the regional workforce, in line with national development programs.</p>
 <p><b>5 GENDER EQUALITY</b></p>	<p><b>GENDER EQUALITY</b></p> <p>LuLu is an equal opportunities employer, committed to attracting and retaining talent based on merit. We are keen to increase the proportion of women in our workforce.</p>

## SDGs

## LuLu Group's Contribution to the SDGs

6 CLEAN WATER AND SANITATION

**CLEAN WATER AND SANITATION**

We are focusing on an increase in water-use efficiency and ensuring sustainable withdrawals by utilizing reverse osmosis (RO) plants, one of the greenest solutions for industrial wastewater. RO plants allow for the capture and correct disposal of impurities within the main water feeds.

7 AFFORDABLE AND CLEAN ENERGY

**AFFORDABLE AND CLEAN ENERGY**

LuLu is in discussion with solar photovoltaic panel suppliers across the GCC as it seeks to deploy renewable solar energy to power its facilities.

8 DECENT WORK AND ECONOMIC GROWTH

**DECENT WORK AND ECONOMIC GROWTH**

LuLu is a prominent employer in the Middle East and North Africa region. As our organization expands, we are expanding opportunities to grow our workforce and support the economies of the countries in which we operate.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

**RESPONSIBLE CONSUMPTION AND PRODUCTION**

Waste management is an important aspect of our business as we strive to reduce waste consumption by transitioning to a circular economy that will see us reuse and recycle materials used in our operations and our packaging.

13 CLIMATE ACTION

**CLIMATE ACTION**

We are introducing numerous initiatives aimed at reducing our carbon footprint, such as the installation of efficient lighting and refrigeration equipment, as well as integrated building management systems that enable us to monitor and manage our consumption.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

**PEACE, JUSTICE AND STRONG INSTITUTIONS**

Our international locations support us in delivering the best food and non-food products from around the world to our customers in the Middle East and North Africa (MENA) region. Our sourcing operations, therefore, significantly increase the exports of developing countries, contributing to their respective gross domestic products (GDPs).

17 PARTNERSHIPS FOR THE GOALS

**PARTNERSHIPS FOR THE GOALS**

We have partnered with institutions, NGOs and local governments to achieve common objectives in myriad environmental and social areas.



# 03

## ENVIRONMENTAL STEWARDSHIP

Environmental sustainability is an integral part of our operations. We strive to operate responsibly and to transform our business and product supply chains.

### Material Topics

- Climate Change/Emissions
- Energy
- Food Waste
- Packaging Waste
- Water and Effluents

### SDGs



# Sustainable Operations at LuLu



**LuLu Hypermarket in Qatar was one of the first retailers in the MENA region to achieve the Sustainable Operations certification from the Global Sustainability Assessment System (GSAS) and from the Gulf Organisation for Research & Development (GORD).**

The GSAS is a performance-based sustainable building rating system. It certifies and encourages the creation of a sustainably built environment that minimizes ecological impacts while preserving the values, traditions and identity of the region.

LuLu Hypermarket underwent and successfully completed the audits by the organizations' sustainability experts, who evaluated the facilities against six metrics: energy performance, the indoor environment, waste management, facility management, water performance and environmental policy and awareness. LuLu Hypermarket achieved an overall score of 1.51, corresponding to a Gold rating under the GSAS Operations certification system.

"By achieving the GSAS Operations certificate with a Gold rating, LuLu Group has demonstrated its conscious efforts towards operational excellence,

which is incomplete without environmental sustainability. We congratulate the organization and hope that its initiatives inspire others in the retail sector," said Dr. Yousef Mohamed Al Horr, Founding Chairman of GORD.

The GSAS Operations certification is an important milestone in our efforts to make our business more sustainable and circular.

LuLu Hypermarket has identified environmental management as one of the highest corporate priorities to reduce risks to the environment and the organization. Our focus is to cut our carbon emissions, reduce single use plastic, eliminate food waste and measure water use while increasing sustainable practices such as recycling. We are also exploring new innovations like reverse vending machines and vertical farming to further support our ambitions.

# Environmental Management

103-1, 103-2, 103-3, 307-1

Recognizing that environmental management is one of our highest corporate priorities, we have embarked on a journey of continuous improvement to achieve better environmental efficiencies that consider energy and emissions, waste and water management.

We monitor our energy use, emissions, water and waste, guaranteeing adherence to local and regional regulations as well as alignment with the Group's strategic objectives. LuLu is in the process of developing an ESG position statement that will encompass guidance on responsible resource and environmental impact management.

Efforts to evaluate and improve environmental performance have been recognized across our facilities, as has our progress in continuously improving health and safety practices for our employees and customers. LuLu Hypermarket in Qatar was awarded the GSAS Operations Certification, with a 'GOLD' rating.

The management team at LuLu strives to promote a common ethos and maintain an integrated approach towards environmental responsibility. We run a myriad of initiatives and programs that are overseen by management through regular meetings with the operations and facilities teams. In this way, we seek to identify new challenges and opportunities. Furthermore, LuLu Group invests in energy-efficient installations, including lights, freezer systems, chillers and air conditioning.

We are developing a series of Group-wide ESG position statements, that will address topics such as climate change and environment, energy and emissions management. In Qatar, Kuwait, Bahrain and Thailand, our entities have respectively defined environmental management systems that have already been approved by management and instated.

إيجية تمنح شهادة 'جي ساس' للتشغيل من المستوى الذهبي لمركز لولو هايبر مار  
D AWARDS LULU HYPERMARKET WITH GSAS OPERATIONS 'GOLD' CERTIFICA



# Climate Change and Energy Management

LuLu Group recognizes the role it plays in mitigating climate change through efficient resource management and consumption. For this reason, we aim to bolster collective climate action across our verticals through operational emission reduction initiatives, innovation in product supply chain practices, supplier engagement and advocacy.

We are reducing greenhouse gas (GHG) emissions to mitigate climate change and are committed to transitioning to a low-carbon economy. We are in the process of developing a Climate Change position statement to demonstrate our commitment to mitigating climate change. We have taken this approach given the nature and scale of our businesses, which are energy intensive. For this reason, we are making great efforts to conserve energy and minimize its consumption. Many of our regional units follow internal policies targeting reduced energy consumption to increase cost savings, which inevitably also helps reduce GHG emissions. Our Group-wide ESG and climate change position statements will encompass energy management in operations across all our verticals and geographic locations. Additionally, all our staff receive training on the importance of energy

management and conservation. For example, in Kuwait, Energy Saving is considered as one of the key topics in the regular training module by the training departments.

Across our facilities, energy consumption is monitored and reported continuously through meters and an internal system to avoid unnecessary use. We also conduct regular monitoring and management of our equipment and conduct maintenance of systems to ensure they are running efficiently. These processes help raise awareness among our staff about the efficient use of electricity, especially for air conditioning.

In the UAE, Oman, Qatar and Saudi Arabia, we have implemented a digital Building Management System (BMS), which manages and monitors equipment such as air conditioners, ventilation, lighting, power systems and energy and gas meters. This has already led to significant energy savings. Furthermore, all of the existing hypermarkets in Qatar have been technically audited by the GSAS, which is a performance-based sustainable building rating system.





Arabia and Oman are looking to deploy solar power plants for their warehouses and outlets.

Refrigeration accounts for a large part of our electricity use and is necessary for all operations, specifically in retail and warehousing to preserve our food stocks. For this reason, we utilize optimal HVAC systems and have insulated our buildings to achieve considerable energy savings.

Given the significant global warming potential (GWP) of refrigerants, we have made great efforts to use chillers that have a high energy efficiency ratio. We also utilize ammonia refrigeration systems that can operate on significantly less electricity. Hydrofluorocarbon and haloalkane refrigerants, which have insignificant ozone depleting potential and a lower GWP, are also deployed in our stores. Under consideration is a heat recovery ventilation system and wheel concepts to reduce heat loss and HVAC load.

Our entities have contributed to cutting emissions through various initiatives, including the installation of LED lighting systems in many of our facilities. We have also fitted buildings with heat and insulation systems, to reduce energy consumption. Furthermore, locations in Saudi

### Energy and Emissions



Electricity consumption



Total scope 1 emissions\*



Total scope 2 emissions from electricity consumption

\* Data for scope 1 emissions is not inclusive of all regions.



# Water Management

103-1, 103-2, 103-3, 303-1, 303-2, 303-5

We recognize the importance of the responsible use of water to meet our demands, and those of our customers and local communities, and to safeguard the environment.



Our primary use of water is in the customers' and employees' lavatories, in the staff pantries and in the Fresh Food departments, as well as the water used for cleaning operations, and in our retail stores where food is prepared. In our shopping malls, water is mainly used in lavatories, water fountains, for irrigation and landscaping, cooling tower operations, retail operations, aquariums, fire-suppression systems, housekeeping and general cleaning services.

We source water from local authorities and municipalities across our global operations and dispose of it through dedicated sewage networks, ensuring that all fluids discharged are contaminant-free as per international standards and local regulations.

LuLu Group makes efforts to reduce water consumption and minimize waste through internal policies.

For example, through the BMS systems in our buildings in the UAE, Qatar, Oman and Saudi Arabia, we can track and monitor water consumption. Any anomalies detected are addressed immediately. Additionally, many of our facilities have installed sensors on washroom taps and in canteens. We also use sanitary equipment within our cleaning services that consume minimal amounts of water and some of our malls recycle condensate water from the cooling towers for landscape irrigation systems.

Reverse osmosis (RO) plants at our facilities in Al Ain, Bahrain, Oman and Saudi Arabia enable us to purify water and use it for landscaping. In Oman, a water-softening system has been added to reduce RO plant utilization, while in Saudi Arabia, LuLu has initiated grey-water recycling and treatment in its most recently opened store.

To ensure everyone at LuLu Group plays their part, we provide our employees with regular training on the importance of and processes for water conservation. In Kuwait, "Ideal Water Usage and its Savings" is one of the key topics covered in regular training sessions. It is also a message we convey in advice and conduct campaigns for customers and staff.

Water Consumption*	2019	2020	2021
 Total water consumption (m <sup>3</sup> )	264,127,519	270,609,212	<b>276,606,371</b>

\* Water consumption of operations in China are excluded from the table due to data availability.



# Circular Economy

103-1, 103-2, 103-3, 306-1

## Lulu Hypermarket joins Ellen MacArthur Foundation to promote circular economy

THE PENINSULA - Doha

Lulu Group International, the leading business conglomerate that has diversified business interests in the Middle East, North Africa, India, Malaysia and Indonesia, has joined the Ellen MacArthur Foundation as a Network member to facilitate collaboration for accelerating its ongoing efforts towards the transition to a circular economy.

The Ellen MacArthur Foundation is a UK-registered charity that develops and promotes the idea of a circular economy – a global systemic shift from the ‘take, make, waste’ extractive model to one that designs out waste and pollution, keeps products and materials in use, and regenerates natural systems.

A circular economy offers solutions to tackle global challenges such as climate change, waste and pollution, and biodiversity loss. Underpinned by a transition to renewable energy, a circular economy designs out waste, and pollution, maximises resource efficiency, and promotes the reuse, sharing, repair, refurbishment and recycling of materials.

Commenting on the promising initiative of Lulu Group, Joe Murphy, the Network Lead at the Ellen MacArthur Foundation said: “With a diverse portfolio, there is great scope for the Lulu Group to embed circular economy practices and, as a member of the



Foundation’s Network, the group will have the opportunity to collaborate with some of the world’s leading organisations. In the near term, we hope to see the Lulu Group spark projects in markets where we have traditionally had a smaller presence.”

Lulu Group has always been working on the integration and implementation of sustainability principles across different spheres of its activity for a long time, aligned with the sustainable development goals of the United Nations. As a multinational organisation with majority of its operations in those countries that have food security vulnerabilities, Lulu Group is mindful of its responsibilities. In line with this, they have taken various measures in cooperation with the local regulatory bodies to maintain food security in the region it operates and in-house policies to reduce the food wastage.

As a responsible retailer, Lulu Group has framed its own strategy on sustainability which is put into practice in all its retail units and supply chains worldwide. The strategy mainly involved outlining of projects for overall improvements in social, environmental and economic

values (ESG) as well as contributions to improve people’s quality of life and satisfaction.

Dr. Mohamed Alhal, Director of Lulu Group International, said: “Sustainability is the core of our company’s strategy. Joining Ellen MacArthur Foundation would give us an opportunity to share our learnings with others. This will also help us to formulate our strategy in reduction of food waste and to make progress in sustainable packaging.”

In recognition of its continued efforts towards sustainability, Lulu Group was bestowed with the Sustainability Award in Qatar Region from the Gulf Organization for Research and Development (GORRD) in the year 2018. Most recently, Lulu Group’s Chairman and Managing Director Yusuf Al Hal, has won the Sustainable Business Leader of the Year 2020 Award from Abu Dhabi Sustainability Group (ADSG) for his excellence in implementing the Sustainability best practices in retail.

Lulu Group has made advancements in pursuit of circularity starting with recycling of packaging materials, reduction of food waste, and the introduction of recyclable paper bags. A comprehensive policy

towards circularity is key to ensure that consumers are provided with a more durable, repairable, recyclable and reusable choices. Aligned with this, Lulu also has focused on a cost-effective implementation of proactive measures to increase the intake and promotion of recyclable products, promote healthier food options, reduce the waste which is disposed through landfill and encourage recycling.

Besides these, they have also started sourcing of more producers and services from sustainable circular partners who share the common philosophy, which will give the opportunity for customers to make more informed choices.

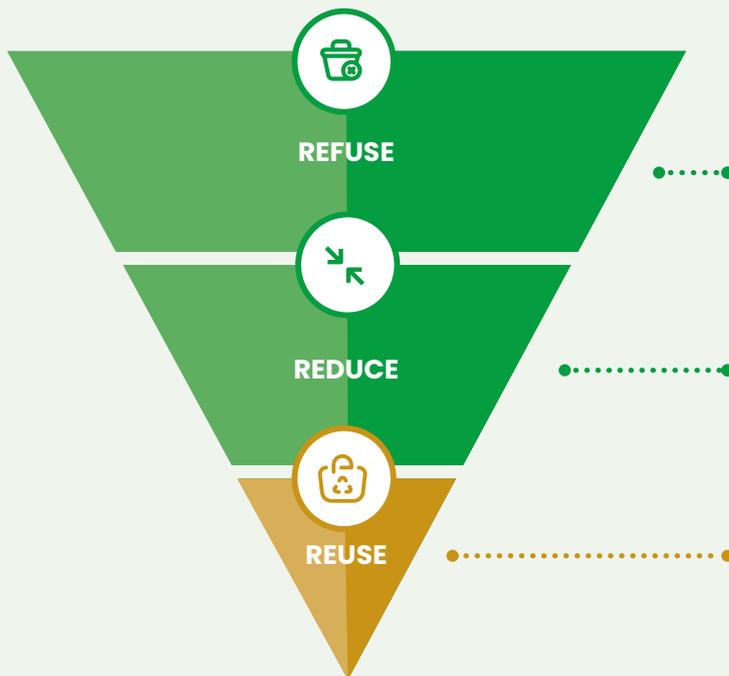
Apart from these, Lulu formulated and executed an action plan to reduce the use of plastic bags by encouraging customers to go for reusable choices – a woven bag or a more environmentally friendly jute bag.

Lulu Group believes that transitioning to a circular economy will significantly reduce our impact on the environment and our GHG emissions. A circular economy is designed to eliminate waste and pollution by recovering and reusing byproducts to make new materials and products.

In Qatar, the dedication to this transition is reflected in LuLu’s regional membership of the Ellen MacArthur Foundation, a charity organization committed to creating and fostering a circular economy globally.

Since 2015, the Group has introduced the 3R (Refuse-Reduce-Reuse) campaign aimed at reducing waste generated by operations and customers in our retail outlets.

### REFUSE-REDUCE-REUSE



**Refusing** waste is the most effective way to minimize it. Our procurement teams keep this in mind, refusing to purchase wasteful and non-recyclable products or those contained in unnecessary packaging

**Reducing** the use of harmful, wasteful and non-recyclable products results in less waste materials ending up in landfills and lowers the associated negative environmental impacts. We strive always to use the minimum amount required of any material to avoid unnecessary waste

A “throw-away” culture has been created by single-use plastics. We encourage our customers to utilize **reusable** or biodegradable shopping bags

At the Group-level, we have adopted an approach of designing new products for customers with circularity in mind, including packing certain foods in reusable bottles that can be reused by customers for storage. Recyclable materials are used for product packaging, such as paper in secondary wrappers and carton boxes made from recycled waste. We are also in the process of stocking plastic-free shopping bags in all our hypermarkets. This creates awareness of biodegradable and reusable carry bags so that our customers can minimize their own plastic consumption.

Our contributions to a circular economy rely heavily on cooperating with recyclers to provide products used in our operations. For this reason, we maintain open lines of communication with these agents and engage frequently with them to identify and implement processes that reduce waste.

We regularly monitor each of our regions' packaging usage and regularly conduct meetings with concerned stores' management teams to evaluate consumption and identify areas of improvement. We also set targets to reduce our material consumption at the Group-level, covering items such as paper, cartons and printing cartridges.

## Food Waste

**We recognize the important role we play in reducing food waste and have implemented various initiatives across our retail outlets to minimize it.**

This requires the cooperation of our employees, suppliers and external contractors. We have adopted internal policies at the regional level that require regular monitoring of food waste to ensure the optimum usage of products and materials.

An inventory management system has been developed as a first step in the process. The system ensures proper storage and warehouse practices to limit damage to foods, to control ordering and to reduce the maintenance necessary to prevent damage to temperature-sensitive products.

In our retail outlets, food waste generation is monitored in both the Fresh Food and the Grocery sections. In the former, we take great efforts to manage production schedules based on the frequency of sales to avoid excess production.

This enables us to continuously compile and analyze data on waste so that we can eliminate it from all our activities. Also, we assess actual waste management results and compare them with predicted impacts and mitigation measures.



Some waste is inevitable, and our outlets work with local farmers in grading and segregating unsold or damaged fruit and vegetables so that they can be sent back to the farmers for use as fertilizers. Excess is also donated to local charities, zoos and other animal welfare organizations.

# Waste Management

**LuLu Group strives to minimize its impact on the environment by ensuring sustainable consumption in the use of materials and products. In this way we can find innovative ways to minimize our waste generation.**

Across our facilities, we carry out numerous programs to promote recycling. Balers have been installed in stores to separate cardboard, paper and plastic; hazardous waste like batteries are collected and transferred to approved recycling partners; equipment such as computers are reused to minimize equipment disposal; and innovative food digesters are being deployed to break down food waste. Recyclable waste, such as paper and used oils, is picked up by outsourced specialized third-party agencies.

We work with well-established waste management organizations and have implemented procedures that have the highest standards of hygiene and safety to comply with the regulations of the countries and regions in which we operate.

Our efforts have been recognized through numerous certifications, including the ISO 22000:2018 for food safety management systems. The Abu Dhabi Agriculture and Food Safety Authority (ADAFSA), the Occupational Safety and Health Management System (OSHMS) and the Abu Dhabi Occupational Safety and Health System (OSHAD) have issued approval certifications for our waste management systems.

Our regions have set internal waste targets for our stores. These are monitored through wastage reports and remedial action is sought for cases when limits are exceeded.

In Al Ain, for example, an annual reduction target has been set for retail store-generated refuse. To meet this target, LuLu's Al Ain outlets are implementing an environmental management system to segregate garbage. The outlets are also engaged with the Abu Dhabi Waste Management Company (Tadweer) and follow its regulations and procedures.

In Qatar, specific goals are set on an annual basis covering metrics on the recycling of oils and the percentage of waste being diverted from landfills to recyclers.

LuLu Group has also implemented strict and regular monitoring and control of overhead usage and generation of waste at all outlets to ensure that we play our part in minimizing waste generation. In the regions, wastage reduction and its analysis are key agenda items at our management meetings so that we can identify any anomalies as well as opportunities for improvement.

Our staff are expected to join in these efforts. LuLu Group employees receive training on the importance of minimizing waste generation and on recycling. They are also informed on the strategies and processes that help us achieve our targets. Depending on the position and the department, varied training courses relating to waste management are provided.

For example, in the warehouse facilities, training is provided to all personnel in health, safety and environment (HSE) orientation sessions. Personnel responsible for waste management undergo an intensive training course and packaging staff are trained on the efficient use of materials and waste reduction. We also provide regular training to staff on how to reduce the use of plastic and how to encourage customers to do the same by shifting to reusable bags.

Our efforts to cut waste extend beyond our own operations and to our customers. We encourage them to consider their own disposal of packaging materials, including shopping bags. Awareness-raising campaigns focus on the great impact that can be made by the simple act of switching to reusable or recyclable shopping bags.



Reverse vending machines enable customers to deposit used plastic bottles and aluminum cans. This technology encourages and incentivizes our customers to be mindful of their own waste generation and seeks to increase recycling rates.



# 04

## EMPOWERING OUR PEOPLE

As a company dedicated to serving people, we aspire to recruit and retain exceptional talent and empower them by providing the knowledge, skills and dedication needed to achieve our business objectives.

### Material Topics

- Employment
- Workforce Empowerment
- Training and Development
- Health and Safety

### SDGs



# Our Employees

102-7, 102-8, 103-1, 103-2, 103-3, 401-1

As a prominent employer in the Middle East, we seek to accelerate the professional advancement and development of our employees. Our focus is to ensure inclusion, wellbeing and growth.

We actively encourage an inclusive and positive working environment and strive to help our employees perform at their best every day. To do so, we have a strong focus on personal and professional development, providing our employees with a range of learning and other opportunities that are guided by our numerous Group-level policies. Specific labour policies at the Group level are not in place given that the Group operates across the

world and therefore is subject to the labour laws of each country.

We are proud to have received numerous awards throughout the years that recognize Lulu as a top employer. We were given the Best Employer Award by the World Human Resources Development (HRD) Congress in 2020 and a certificate of recognition from the Ministry of Human Resources & Emiratization (MOHRE) for Emirati recruitment in 2019. Receiving recognition through awards for being a top employer is a solid demonstration of our efforts and dedication to our people.



## OUR PEOPLE – AN OVERVIEW

Our Workforce	2019	2020	2021	Target
<b>Workforce size</b>				
 <b>Total number of employees</b>	47,760	47,873	<b>50,353</b>	55,400
Full-time employees	47,760	47,873	<b>50,353</b>	55,400
<b>Workforce by employment level</b>				
 <b>Full-time employees in top management</b>	72	76	<b>77</b>	80
 <b>Full-time employees in middle management</b>	498	520	<b>550</b>	600
 <b>Full-time employees at other levels</b>	47,190	47,277	<b>49,726</b>	54,720
<b>Workforce by gender profile</b>				
 <b>Female full-time employees</b>	7,069	6,951	<b>6,824</b>	8,000
 <b>Male full-time employees</b>	40,691	40,922	<b>43,529</b>	47,400

During the COVID-19 pandemic in 2021, we continued to focus on proactively adjusting our business to maintain continuity and resilience while safeguarding the health of all our stakeholders.

During that time, we suffered staff shortages at our stores as employees contracted the virus. We

addressed the issue by continuously conducting local recruitment drives, providing additional cross training to staff members to improve efficiency and we offered guidance on how to overcome challenges.

We were able to conduct physical recruitment in India and Nepal and virtual recruitment sessions for candidates in Kenya, Uganda, Philippines, Nepal and Sri Lanka on the basis of the various travel restrictions. We are proud of having achieved an average recruitment lead time of 18 days, enabling us to manage the business without sacrificing productivity.

Furthermore, for staff who were stranded overseas and unable to return to work due to pandemic travel bans, we were granted special permission from the National Emergency Crisis and Disasters Management Authority (NCMEA) of the UAE, the health authorities and the Immigration and Checkpoints Authority (ICA) to fly them back on chartered flights. Similarly, we obtained special permission from the governments and higher authorities of other countries to operate charter flights and bring back our employees.

LuLu Group continued to offer flexible work-from-home arrangements for staff whose jobs do not require their presence on-site. For those required to be on-site, comprehensive COVID-19 safety measures were implemented.

With the rapid change in technology and intense globalization forcing organizations to change their overall business strategies, the need for proactive workforce planning has become indispensable. Analytics aid in the identification of skills and the development of talent among employees. A strategic workforce plan can help reduce attrition rates, mitigate risks and build a value-added training culture for the organization. For this reason, our human resources (HR) policy and robust manpower planning have been designed to ensure that we attract, develop, and retain the best talent. Processes such as environmental health and safety, quality control and suggestion schemes have been established to ensure that people are involved in decision making and feel empowered.

## Employee Engagement

In 2021, employee wellbeing programs were launched to support a safe working environment and maintain individual performance. Alongside this, efforts were made to keep employees engaged and motivated by recording their concerns and suggestions transparently. These contributions have been taken into consideration in our employee engagement strategy.

Prior to the pandemic, LuLu Group conducted employee engagement events such as cricket and football tournaments and other sporting activities to foster a sense of community. We look forward to resuming activities of this nature once it is safe to do so.





## Talent Attraction and Retention

Retaining talent is critical to the success of our business, which is why we continuously work to enhance employee experiences in an increasingly competitive space.

We strive to create a positive work environment by involving employees in ways that foster a sense of belonging within the organization. We do this through programs such as our Employee Suggestion System, Reward and Recognition Program and other engagement initiatives.

### EMPLOYEE HAPPINESS PROGRAM

Every single person in our workplace is an asset with the potential to achieve greatness if they are given the right tools and support. They have the ability to make a positive impact through their work and by setting the stage, we can generate the desire and motivation for them to fulfil that promise. As such, in the GCC, LuLu retail outlets launched an Employee Happiness Program in which volunteers take the initiative to identify and help any employee who may be facing difficulties, whether work-related or personal. They will bring those concerns to the attention of the Director, if required, to seek further support.

Monitoring our hiring and turnover metrics allows us to identify and implement strategic actions that help in our efforts to be the best employer possible. For example, in Egypt, we took great efforts to significantly reduce turnover rates by revising the salary structures, providing leadership training to senior-level staff and updating the recruitment process. We also ensure that the staff members are comfortable at their respective work locations by way of constant interaction with top officials at each outlet.

LuLu Group works hard to create jobs and offer benefits that support the financial, physical and emotional wellbeing of our employees. We offer competitive compensation and benefit packages that provide paid time off (including maternity leave) and medical and life insurance.

Our employees are treated like family at LuLu, which is why we are always happy to provide financial assistance to our employees for family matters such as weddings and other celebrations. We also prioritize the hiring of our employees' children, siblings and other close relatives to build a strong and loyal community.

Employees who wish to relocate to home countries in which we have operations are also accommodated through offers that enable them to continue their employment with LuLu Group.



### Key Performance Indicators (KPIs)

2019

2020

2021

#### New Hires



**Total number of new employee hires**

10,333

5,685

**10,346**

Female

2,261

1,110

**1,864**

Male

8,072

4,575

**8,482**

Aged 18–25

6,805

3,527

**6,319**

Aged 26–35

2,901

1,676

**3,270**

Aged 36–55

620

477

**751**

Aged 56+

7

5

**6**

#### Turnover



**Total number of employee turnover**

7,747

5,585

**7,536**

Female

1,824

1,228

**1,829**

Male

5,923

4,357

**5,707**

# Nationalization

As a prominent employer, we recognize the role we play in creating direct job opportunities for local individuals. LuLu Group is at the forefront of employing young nationals and providing them with the opportunity to learn and grow with the organization. We strive to go beyond adhering to nationalization requirements of the MENA countries in which we operate to actively attract and retain local talent.

In the UAE, LuLu Group has been recognized by the UAE government for our support and participation in governmental initiatives to hire Emiratis through the Human Resources Authority – Job Fair (Tawteen). In Saudi Arabia, we are strong supporters of the Saudi Vision 2030 and actively scout for talented nationals to join our organization who are fostered

and mentored to fast-track their professional progression into managerial positions.

Of the 7,153 nationals in our MENA-region workforce, 55% are younger than 30. We actively participate in open days conducted by the national government authorities of the MENA region to attract and hire locals. Furthermore, the Group values the efforts and success of our local employees who have remained with us over the years. Currently, 27% of our MENA national employees have been with LuLu Group for more than six years.

To contribute to the development and growth of our national employees, we provide on-the-job training programs.

Nationalization*	2019	2020	2021	Target
 <b>Nationals among total full-time workforce</b>	6,535	6,318	<b>7,153</b>	8,000
 <b>Nationals in the workforce (%)</b>	14%	13%	<b>14%</b>	14%

\* National employee counts contained in the table represent GCC nationals in their respective countries.



# Workforce Empowerment

103-1, 103-2, 103-3, 403-3, 405-1, 406-1

LuLu Group firmly believes in maintaining diversity and upholding gender equality across all operating functions and regions.

## WOMEN EMPOWERMENT IN SAUDI ARABIA

In February 2021, LuLu Group opened its first store led by an all-female staff in Saudi Arabia. It was a pioneering move that reaffirmed our commitment to the economic empowerment of Saudi women and in line with the Saudi Vision 2030 development program. We employ 3,000 Saudi nationals including 800 women in various positions at the hypermarkets across the country. Our aim is to encourage more women to work in our organization.

“Apart from introducing innovative shopping platforms, we are proud to announce that this is our very first store led by our female team, from the general manager to the cashiers, which signifies our effort to empower more Saudi women in the workforce,” said Shehim Mohammed, director of LuLu Hypermarkets Saudi Arabia.



The LuLu Express was opened in Jeddah, with a retail space of 3,416 sq m and was the 20<sup>th</sup> LuLu outlet to open in the kingdom.

LuLu Group provides equal employment opportunities to all employees and job applicants without regard to race, color, ancestry, national origin, gender, marital status, religion, age or disability. Equal opportunities apply to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation and training. We are committed to ensuring that our salary structure is based on designation rather than gender.

Discrimination is not only unacceptable, but also unlawful. We have a zero-tolerance policy on any form of discrimination at LuLu. The policy is included in the Employee Handbook, making all employees aware of its expectations and ensuring that it is properly outlined and enforced. LuLu Group will act in accordance with all statutory requirements and consider any relevant codes of conduct.

It is a requirement for all employees to undergo training on how to properly respond to workplace discrimination.

In India, we have an Internal Complaints Committee (ICC) that has been constituted in the workplace to receive, investigate and effectively deal with employee grievances. The decisions of the committee are notified to all covered persons at the workplace. Additionally, Mantle Solutions in India has also instated an Anti-Sexual Harassment Policy, which is guaranteed by the Constitution of India.

Across all our operating countries, there are Internal Complaints Committees to address grievances of employees. The Regional Directors, HR Managers and Commercial Managers welcome employee feedback and complaints and encourage having one-on-one sessions with employees to raise their concerns. Concerns can also be raised via a separate dedicated email ID. While in Dubai and the UAE's Northern Emirates, an Employee Grievance Handling Policy, which covers complaints and grievances, is available.

## Female Empowerment



We strive to empower women and promote gender equality, actively encouraging their participation across all business levels and undertaking initiatives to hire and retain female employees.

We are proud of the efforts by our businesses in the United States and in India, where most employees are women.

Our aim is to have a higher participation of women and minorities across the organization and in higher management positions.

In 2021, 100% of our employees that took maternity leave returned to work after maternity leave ended.

Women in LuLu		2019	2020	2021	Target
	Female employees	7,069	6,951	<b>6,824</b>	<b>8,000</b>
	Female employees in the workforce (%)	15%	15%	<b>14%</b>	<b>14%</b>

# Learning and Development

103-1, 103-2, 103-3, 404-1, 404-2



Ensuring our people have the resources and skills to perform their duties to the best of their abilities is one of our key priorities. We provide our employees with myriad learning and development opportunities through programs to enhance their knowledge, competencies and skills.

Our emphasis on improvement starts with induction training, in which we work to ensure that everyone has the capabilities necessary to contribute towards the Group's strategic goals.

Learning and development departments instated at the regional level are entrusted with driving educational activities within the Group to develop required knowledge and skills and enhance employee performance. The departments seek to design and implement effective teaching and training courses.

In 2021, we faced challenges associated with the pandemic, such as staff shortages that necessitated the hiring of new employees. The departments were integral to providing new employees with early training in the most effective way possible.

The pandemic highlighted the importance of good mental health among our employees. We therefore initiated training programs aimed at informing staff of the relevant resources available to them.

For staff affected by the pandemic, personal counselling sessions were provided and quarantined staff were given personal guidance and support by their respective training departments.

## Training Programs

All new hires are provided with on-the-job training by their respective departments' supervisors, who monitor their progress. They undergo an initial orientation training program before going onto Essential Food Safety Training (EFST) and customer service, emergency response and OHSMS training.

Vocational training is provided for selected staff based on their job functions, roles and responsibilities, and we fund further external training. This may include learning expertise in HSE, sales and account management, First Aid, communication skills or food safety training. We also take into consideration local and regional requirements and feedback obtained from the Group's staff and customers.

LuLu Group also provides training on a series of ESG-related topics including food safety, sustainability, ISO standards, and Circular Economy concepts. This instills awareness at the operational and mid-management levels about the work being done by LuLu in relation to these topics.

Training evaluations are conducted to understand the strengths and areas of improvement through training feedback reports, employee focus groups and Employee Happiness Surveys. The evaluations consider the learning outcomes and delivery of the training programs.

We also assess the evaluations of certified outlets on a periodic basis as per the HACCP and ISO standards' requirements to ensure compliance and best practice.

Training Need Analyses are performed through management feedback on employee performance and behavior at work as well as through direct observation by training teams. Based on the feedback and insights from these observations, we can identify skills and knowledge gaps and design training to address them.

We are looking to advance our training and development programs by creating an online learning platform, enabling employees to personalize their learning programs and ensuring they have access to relevant courses.

In addition, we plan to develop and implement dedicated training action plans with clearly set-out development needs and establishing personal and career development goals.

We are also considering transitioning to a horizontal approach to training through a mentorship program, rather than through traditional teaching methods.

Key Performance Indicators (KPIs)		2019	2020	2021	Target
<b>Training hours</b>					
	<b>Total training hours</b>	477,600	622,349	<b>755,295</b>	997,200
	Female	406,910	531,986	<b>652,935</b>	853,200
	Male	70,690	90,363	<b>102,360</b>	144,000
<b>Average training per employee</b>					
	<b>Average training hours per employee</b>	10.00	13.00	<b>15.00</b>	18.00
	Female	10.00	13.00	<b>15.00</b>	18.00
	Male	10.00	13.00	<b>15.00</b>	18.00

## Career Progression

Clear career pathways encourage our employees to pursue certifications and training programs to support their progression and we favor in-house training and promotion of internal employees.

Across our regions, some of our verticals have adopted evaluation and feedback systems.

# Occupational Health and Safety

103-1, 103-2, 103-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-9

LuLu Group is committed to the highest standards of health and safety in the workplace. We adhere to safe labour practices and laws to protect and ensure the wellbeing of all our employees, all overseen by our regions' occupational health and safety (OHS) departments.

We continue to implement and regularly update our OHS management systems in accordance with the standards and regulations set out by local regulators. These are committed to:

Our entities are certified by numerous local and international authorities for our health and safety programs and management systems. These include those issued by the Abu Dhabi Occupational Safety and Health System Framework (OSHAD-SF) and the Occupational Safety and Health Management System (OSHMS). The certifications demonstrate LuLu's commitments to safeguarding the health and safety of all employees, contractors, visitors and other interested parties.





## OHS Management System

Our regions each have an OHS system in place that specifies the requirements to be followed on a day-to-day basis to ensure that all stakeholders, properties and assets are protected. All OHS systems comply with the standards and regulations of the respective countries of operation.

We promote a positive OHS culture within the organization and determine the OHS roles and responsibilities and resources required through regular employee training.

Hazard identification and risk assessments are conducted by senior management at all premises and control measures are put in place. Regular health and safety meetings address any new risks.

To evaluate our systems and processes and ensure utmost safety, regular evaluations are conducted.

Identified risks and hazards are addressed through dedicated control measures taken to reduce the number and severity of accidents. At LuLu Group, we have found that the control of risks and hazards by means of elimination has the highest level of effectiveness, reliability and protection.

The support of our employees is crucial in ensuring a safe working environment. For this reason, we continuously seek their feedback and encourage the reporting of all hazards to team leaders. Furthermore,

employees are consulted by Environment, Health and Safety (EHS) representatives – in coordination with relevant managers and supervisors – in OHS matters, including any change that may have a potential impact on the workforce's health and safety. They are also instructed on the likely risks of their work and precautions they should take; issues around language barriers, literacy and learning disabilities; the planning of safety and health training; and the potential OHS consequences of introducing new technology.

Employees are never reprimanded for reporting hazards, instead, they are publicly acknowledged for identifying risks.

In 2021, a small number of lost-time injuries were reported, nearly all of which were the result of cuts to the skin as well as injuries resulting from manual handling of equipment. To prevent future instances, we continuously provide refresher trainings to promote health and safety awareness, develop and implement risk management strategies, introduce mechanisms for evaluation and frequently review the OHS performance in different management levels.

Medical insurance is provided to all employees, in accordance with national labour laws. We ensure that our employees are aware of the healthcare systems.



# 05

## ENRICHING LIVES

We are committed to empowering the communities in which we work and to supporting them to thrive by offering the best possible products and services and the means to progress.

### Material Topics

- Healthy and High-Quality Products
- Human Rights
- Health and Safety
- Marketing and Labeling
- Local Communities

### SDGs



# Healthy and High-Quality Products

103-1, 103-2, 103-3, 416-1, 417-1, 417-2

Providing safe, healthy and affordable food and other products is essential to our mission to offer a unique shopping experience for our customers combined with unmatched value in terms of product and service quality. In addition to providing food access in communities across the MENA region, we work to strengthen the policies, practices and standards that sustain the quality and safety of our products. We also engage with our suppliers to educate consumers on food and product safety and to help us understand their needs.

In recognition of the importance of a healthy and sustainable lifestyle, we have steadily introduced more lines of healthier food products, like protein-rich items, immunity boosters, meat substitutes and vegan options.

Within the Fresh Food departments of our retail stores, LuLu has taken appropriate measures to reduce the salt content of our food since 2015, reaching a 50% cut in various bakery products. We have also lowered the sugar and fat concentrations of in-house products, adding sugar-free, gluten-free and no-added-sugar items to promote healthy eating and to meet customer preferences.

We have also increased the proportion of sustainable organic fresh fruits, vegetables, meat and fish products in our portfolio, in addition to locally sourced products. Sourcing locally not only promotes biodiversity and supports local farming communities, it also enables us to prioritize freshness, nutrition and flavor while reducing transportation costs and emissions.



To raise awareness about healthy nutrition and food products, we run informative promotions and campaigns. The Group has a carefully designed calendar of activities to promote healthy eating habits among our customers.

Under a memorandum of understanding (MoU) signed with the Abu Dhabi Public Health Center (ADPHC) in 2018, we highlight and promote the sale of healthy products under the SEHHI program, launched to increase the community's access to healthy food and promote awareness about healthy eating.



## SUPPORTING LOCAL FARMERS IN THE UAE

LuLu Hypermarket signed a MoU with the Ministry of Environment and Water of the UAE to support the region's farmers by purchasing local produce.

The MoU was signed during the opening ceremony of our inaugural organic food festival 'Go Organic with LuLu', held at the LuLu Hypermarket in Barsha, Dubai. Signatories were Eng. Majd Al Herbawi, Director of Animal Health & Development Department, Agricultural & Animal Affairs Sector, Ministry of Environment & Water, and Mr. Salim M.A., Director, LuLu Group.

Both parties agreed it is essential to promote the agricultural sector by providing a platform to sell their organic and hydroponic products.

Such products can contribute to consumer health and help to maintain a sustainable environment for future generations.

In line with the festival, certified organic produce from the UAE was prominently displayed in a dedicated space at LuLu outlets across the region. Knowledge of local organic options is typically limited given the high quantity of imports.

Availability of local organic produce has been limited. But great strides have been made by the UAE to increase food security by supporting local farming initiatives. We are supporting the cause by selling a large range of certified organic produce through all our stores.

# Food Safety

**Our standards of quality, health and safety have helped us maintain our position as a top-ranked and admired retailer in the MENA region.**

All our entities follow and have implemented Group policies and directions regarding health and safety in a timely and effective manner, including the food safety management system (FSMS) to ensure the quality and safety of products. Our departments work to enhance, implement and improve policies and procedures in adherence with local and international regulatory food safety standards.

In the UAE, Oman, Qatar and Bahrain we upgraded the ISO 22000:2018 certification for FSMS from the 2015 iteration of the standard and obtained recertification for our hazard analysis critical point control (HACCP) from SGS, the world's leading testing, inspection and certification company, with zero reports of non-compliance.

We monitor food safety processes and procedures constantly and regularly audit and assess product quality and safety upon delivery from suppliers, as required by HACCP. We have a detailed standard operating procedure for product handling and distribution, which includes as part of our verification procedure the sampling of random products for microbiological and chemical analysis.

No major instances of non-compliance with regulations on customer health and safety have been reported. Nevertheless, we work hard to monitor and enhance our systems to take preventive actions to avoid incidents.

# Customer Experience

We seek to nurture positive relationships with our customers to maintain their loyalty and attract new business.

Our Customer Happiness Centers ensure that excellent shopping experiences are provided to all customers. We provide structured shopping environments, offer training to customer service staff, coordinate with store management or other department heads on matters related to shopping experiences and resolve complaints as per the Group policy.

Our outlets across the MENA region have received numerous awards for customer satisfaction. In Dubai, LuLu won the Consumer-Friendly Award organized by the Government of Dubai, and the Best Performing Outlet Award by the Dubai Service Excellence Scheme (DSES) launched by the Dubai Department of Economy and Tourism (DET). In Kuwait, LuLu Hypermarket won the prestigious Service Hero 2021 Customer Service Assessment Award after consumers in the country voted it the 'Best Supermarket 2021'.



During the pandemic, we put in place measures to assure store hygiene and the safety of our customers by ensuring employees had been vaccinated and by regularly sanitizing common touch points.



## Customer Relations

We have a defined customer relationship management system implemented across all our retail outlets. We strive always to connect with our customers and conduct Customer Happiness Surveys to gather feedback on their shopping experiences, the prices of products and any challenges they may have faced. These also help us gather our customers' general impressions of our stores. Those reviews continue to improve year over year.

To serve our customers better, we have introduced innovative updates to shopping experiences, including quick ordering systems through a variety of online platforms with options for home delivery or store pick-up. Self-checkout facilities were installed in some of our premium outlets during the pandemic to provide employees adequate social distancing from customers, ensuring their mutual health and safety. We also introduced e-receipts, removing the need for paper purchase invoices, a move that has enhanced their easy retrieval when needed for exchanges and proof of warranty.

We handle all feedback efficiently and endeavor to resolve complaints within 48 hours. In 2021, the complaint resolution rate stood at more than 99%, a testament to how well we manage feedback and resolve disputes.

**"We aim to offer an unrivalled customer experience, with the highest quality products and most fair prices."**

**- Saifee Rupawala (CEO)**

Great efforts are made to minimize complaints and to obtain the highest levels of customer satisfaction. Nevertheless, we welcome feedback to seek out areas of improvement.

Feedback and complaints can be submitted through a variety of channels including paper forms, phone calls, emails and direct feedback to the shopfloor managers. Each LuLu retail outlet has a designated Customer Happiness Center, to whom feedback and comments are forwarded to be assessed and resolved immediately by the store general manager. They are reviewed and discussed during meetings so that proactive responses can be deployed in the future.

At LuLu, we strictly adhere to the guidelines of the relevant local authorities and obtain approval from local ministries of commerce for all food and other product promotions, marketing and advertising.

# Local Communities

102-12, 103-1, 103-2, 103-3, 413-1

LuLu Group has always placed corporate responsibility at the forefront of its operations. We strive to engage with the communities in which we operate to gain a better understanding of their needs, helping us to serve them better.

We are developing a corporate social responsibility (CSR) position statement that will guide us on how we serve the community and reinforce our commitments.

The Group regularly participates in community-development initiatives across the world to support and give back to our communities. We actively work with local governments and charitable organizations to identify the groups and activities that we can support. We welcome proposals from all charitable and non-profit organizations seeking our support. In 2021, we contributed AED 9,241,210 through donations and sponsorships.



## THE UAE FOOD BANK PARTNERSHIP

In the UAE, LuLu has been a partner with the UAE Food Bank since its founding year, 2017. The Food Bank is a non-profit charitable organization committed to distributing food to those in need while eliminating food waste. LuLu has been supporting the Food Bank's mission by donating food products including excess food products and items that are close to expiry but

consumable. In 2021, LuLu donated 25,000kg of food to support those in need.

Moreover, in selected LuLu Hypermarkets within the UAE, dedicated refrigerators have been installed containing food products, available for those in need to collect directly.

Some of the activities we conducted or participated in include:

**BAHRAIN**



**Bag of Love**

Initiative to support under privileged women, providing them with support and daily essentials.



**Labour Camp Support**

Providing essentials and conducting Eid celebrations for labourers.



**Joy of Giving**

Distributing iftar meals and Ramadan grocery kits.

**SAUDI ARABIA**



**Barran Bi Makkah**

Donated SAR 1 million to the organization to help families and owners of small businesses who have been negatively impacted by the COVID-19 pandemic.



**Zahra Program**

Raising awareness for breast cancer. A campaign was launched through which donations were made for each reusable bag purchased from the retail stores.

### QATAR



#### Qatar Cancer Society

We support many of the society's campaigns and cancer awareness programs.



#### Qatar Charity

We renewed a cooperation and partnership agreement with QC to support its humanitarian work.



#### Bedaya Center for Entrepreneurship and Career Development

Signed a MoU for entrepreneurs to display their products at LuLu's retail outlets.

### VIETNAM

Sponsored an Emergency Bypass System for the health department with the help of the Indian consulate.



**UAE**



**Blood Donation Camp**

Organized a blood donation initiative to help those in need and foster a culture of humanitarianism among our people.



**Ramadan Gift Cards**

Signed a MoU with the Mohamed Bin Rashid al Maktoum Charity and Humanitarian Foundation to provide more than 4,500 families in the UAE with Ramadan gift cards worth AED 3.5 million.



**Education Funding Campaign**

Emirates Red Crescent and Abu Dhabi University recently launched the campaign in coordination with LuLu to support disadvantaged students in their university studies.

We also work with local farmers in the GCC, including initiatives with cooperatives and associations to support the agricultural sector, and directly procure their produce to cut out the cost of middlemen.





# 06

## RESPONSIBLE GOVERNANCE

Our goal is to ensure best practices in transparency, integrity, trust and good governance throughout our operations and in every business decision.

### Material Topics

- Business Ethics
- Procurement
- Data Privacy and Security

### SDGs



# Corporate Governance

102-15, 102-18, 102-19

**Strong corporate governance begins with setting structures that help the company thrive in the long term.**

We have built a global retail brand that has retained the number-one position in the organized retail sector in our regions. We have embarked on a journey to embed a holistic approach to structural governance, risk and compliance at each level of our operations.

LuLu Group aspires to exceed mandated legal and regulatory requirements by adopting international best governance practices, which are being implemented in our compliance and reporting structures. We are also taking a top-tier approach to integrating a governance, risk and compliance module into our enterprise risk management (ERM) system.

The Group is headed by our Board of Directors, which comprises five members, four of whom are executive members. The Board receives regular updates from the senior management regarding ESG topics relevant to the organization and provides oversight on related decision making annually as part of the Group's Business Plan presentation.



# Business Continuity



The COVID-19 pandemic presented unique challenges to Lulu Group's operations, employees and customers. We worked hard to ensure the safety of all our stakeholders throughout the period, regularly updating policies and guidance in line with wider national policies. We implemented a variety of measures focused on our operations, employees and customers that enabled us to continue delivering the best possible products and services.

In 2020, we launched the following business initiatives to mitigate the pandemic's impacts on our service provision and to maintain access for all:

- We continuously monitored precautionary measures implemented by the governments and accordingly implemented COVID-19 policies and emergency response teams
- Our people's health and safety was of the utmost priority. Accordingly, we conducted vaccination drives, established quarantine facilities for those who tested positive and sanitized all facilities
- In our malls, we adjusted operating hours as per government regulations and limited the number of people entering them to allow for wider social distancing
- Staff availability was crucial to maintaining business continuity. We therefore acquired special permission from the National Emergency Crisis and Disasters Management Authority (NCMEA) of the UAE, health authorities, and the Immigration and Checkpoints Authority (ICA)

to fly our employees stranded in their home countries back to the UAE on chartered flights

- We ensured the availability of food, essential items and a general stock of products in our retail outlets to boost consumer confidence
- We invested in our e-commerce business to facilitate the delivery of goods to customers during the pandemic, focusing on hiring local talent and providing necessary funding to specific assets to boost deliveries across our locations
- Online shopping was given high priority and customers were encouraged to shop via the company website. Customers were offered 'Click and Collect' facilities wherein they could order items online and collect them from our shops
- We conducted many campaigns targeting the promotion of health and safety measures such as social distancing, good hand hygiene practices and other protocols to prevent the spread of the COVID-19 virus

Further to this, we recognize that the management of risk is fundamental to the way we do business. We regularly identify, assess, monitor, and review the key risks that could materially affect our business, financial performance, and reputation in line with the Enterprise Risk Management (ERM) practice.

Further, annual internal audit plans are aligned with the top risks to ensure adequate assurance is provided during the year.

# Business Ethics

102-17, 103-1, 103-2, 103-3, 205-1, 205-2, 205-3, 412-2

LuLu Group strives to make trust a competitive advantage of our business as we model our activities on the highest standards of ethics and compliance.

The Group follows a strong principle of ethical behavior with zero tolerance for corruption and is in the process of documenting a formal Ethics and Prevention of Corruption Group-level policy that will also censure bribery and anti-competitive practices. The Group also strongly abides by national laws and regulations of the countries in which it operates, ensuring it follows genuine and transparent business ethics.

A Group-level risk assessment procedure is under development to homogenize ethical practices across our entities globally. Some regions have already adopted corruption risk assessment processes, such as Kuwait, wherein operations, mandates, functions and stakeholders are evaluated for possible involvement in corrupt schemes. The risks are then analyzed to determine their likelihood and impact so that we can prioritize and address major risks. Those controls will be reviewed to determine the requirements for and the feasibility of new measures and a risk mitigation plan. All the while, we will conduct risk assessments to make the most effective use of limited resources.

We have strong systems and controls in place to combat bribery, fraud and other forms of corruption. The Group is in the process of documenting and formalizing these policies, including an Anti-Money Laundering and Sanctions Policy, Compliance Policy, Whistleblower Policy and Anti-Bribery and Corruption Policy.

We expect every employee to follow and promote the LuLu Group principles of integrity that underlie these systems and controls. Training and general awareness messages are provided to each employee at the time of joining. LuLu is also updating a Code of Conduct to foster a culture of integrity in our organization. The program will serve to create an ethical mindset among all employees.

Integrity is at the heart of everything we do at LuLu. There have been zero instances of corruption in the past three years and 100 percent of our business units are analyzed for risks related to money laundering.

We take great care to ensure that our activities and operations respect human rights and adhere to all relevant laws in our countries of operation. We seek to use our influence and capabilities to help people and communities. No human rights-related grievances were reported in 2021.



Anti-Corruption		2019	2020	2021
	Corruption incidents	0	0	<b>0</b>
	Business units analysed for risks related to money laundering	100%	100%	<b>100%</b>

Human Rights		2019	2020	2021	Target
	Employee training hours on human rights	47,760	95,746	<b>125,883</b>	<b>166,200</b>
	Incidents of discrimination reported	0	0	<b>0</b>	<b>0</b>



# Procurement

103-1, 103-2, 103-3, 204-1, 102-9



Amid the pandemic, Lulu played a crucial role in ensuring that an uninterrupted supply of food and non-food products reached our communities.

Our procurement procedures, among the most important functions of the retail industry, were faced with difficulties during the COVID-19 crisis. We are proud to state that Lulu was able to manage stock availability in our shops at stable prices, notwithstanding global supply chain interruptions. Timely action and accurate forecasting assisted us in maintaining the availability of a full range of products, especially fresh food. We were able to demonstrate the retail strength of our organization and its supply chain network.

To maintain the high standards of safety and quality expected of us, all our regions adhere to the Group's Buying Policy and only deal with reputed suppliers who can regularly provide certification and proof of standards and quality.

Through the Lulu Supplier Quality Assurance Program, suppliers are clearly informed of the high expectations placed upon them and reminded

that they must respect and abide by those and other requirements. Lulu Group is developing a Sustainable Sourcing position statement, which will be enforced next year. The position statement will also encompass aspects of ESG topics.

Our international entities outside of the MENA region conduct sourcing and consolidating operations for food and non-food products from Europe, Africa, Asia and North America. Although we procure a significant amount of goods from around the world to display in our retail outlets, prime importance and priority is always given to the local suppliers and producers. In fact, in 2021, 87% of our total purchase spending was allocated to local suppliers.

We prefer to engage with producers and suppliers with sustainable operations. For this reason, the Group has invested in multiple supplier development programs to support our producers and suppliers in raising standards in terms of food safety, quality, health, and environmental performance. These are carried out through vendor site audits and training programs.

In Bahrain, Lulu signed its first Partnership with Export Bahrain, the kingdom’s dedicated platform and the national export development and internationalization support arm of Bahrain. The leading initiative of the kingdom’s national SME Development Board partnered with the Lulu Hypermarket to make available a platform that enables locally made products to be sold on our shelves.

Procurement Spending	2019	2020	2021
 Total procurement spending (million AED)	20,833	21,149	<b>20,601</b>
 Procurement spending on local suppliers* (million AED)	18,050	18,497	<b>18,000</b>
 Local suppliers engaged*	10,182	10,464	<b>10,729</b>

\* Local suppliers refer to the local suppliers of each individual sourcing office and operating country offices

# Data Privacy and Security

103-1, 103-2, 103-3, 418-1

With the onset of e-commerce and the increased use of digital payments, safeguarding the privacy and security of our customers has become of paramount importance to our global operations.

We have implemented global and national security standards throughout the Group to protect customers’ financial information. This includes:

- Implementing a policy to adopt, implement and maintain relevant cyber security controls
- Collecting customer data and storing it in relevant applications with proper access controls and authorizations

- Obtaining the PCI-DSS v3.2.1 certification for relevant Group entities that involve processing payment information of end customers (PCI Certification has been achieved for Group entities across seven countries worldwide)

We have implemented the Abu Dhabi Global Market (ADGM) data protection regulation in our relevant entities, in addition to developing and implementing a dedicated Privacy Policy at the Group level.

To date, there have been zero incidents of data breaches or losses.



# Looking Forward

We look forward to making continued progress in all aspects of ESG in 2022 as we integrate sustainability into our governance systems and embed it in the core of everything LuLu Group does.

We are establishing robust programs, governance frameworks and hiring the talent needed to drive those ambitions, which comprise:

- **ESG strategy and position statement**, showcasing how ESG is integrated into the overall business strategy and decision making at LuLu
- **CSR position statement**, demonstrating LuLu's commitment towards undertaking CSR programs and initiatives for enhancing the quality of life and wellbeing of the communities it operates in
- **Climate change position statement**, showcasing our commitment towards operating in a responsible manner to combat climate change
- **Sustainable sourcing position statement**, underpinning LuLu's commitment towards implementing sustainable best practices while sourcing goods and services
- **Data privacy position statement**, highlighting LuLu's commitment towards safeguarding stakeholders' confidential or sensitive information
- **Environment position statement**, highlighting LuLu's commitment towards minimizing the impact of its activities on the environment and preserving natural resources
- **Health and safety position statement**, focusing on LuLu's efforts towards enhancing the health and safety of its employees as well as customers
- **Employee wellbeing position statement**, highlighting LuLu's efforts towards creating and promoting a work environment that focuses on overall employee wellbeing
- **Human rights position statement**, showcasing LuLu's commitment towards fighting against human rights violations across all of its business operations and activities
- Enhancing the charters of our Board of Directors and the Board's Committees to include ESG authorities and responsibilities
- Establishing an ESG Committee at the executive level to support LuLu's ongoing commitment to ESG as relevant to our business

# GRI Content Index

102-55

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and Clarifications
<b>GRI 101: Foundation 2016</b>			
<b>General Disclosures</b>			
GRI 102: General Disclosures 2016	<b>Organizational profile</b>		
	102-1 Name of the organization	8	
	102-2 Activities, brands, products, and services	9	
	102-3 Location of headquarters	8	
	102-4 Location of operations	10-11	
	102-5 Ownership and legal form	3	
	102-6 Markets served	10-11	
	102-7 Scale of the organization	10-11	
	102-8 Information on employees and other workers	10-11, 39	
	102-9 Supply chain	66-67	
	102-10 Significant changes to the organization and its supply chain	Content Index	No significant changes to the organization and its supply chain have occurred
	102-11 Precautionary principle or approach	18-19	
	102-12 External initiatives	14-15	
102-13 Membership of associations	14-15		
<b>Strategy</b>			
102-14 Statement from senior decision-maker	6-7		
102-15 Key impacts, risks, and opportunities	20, 63		
<b>Ethics and Integrity</b>			
102-16 Values, principles, standards, and norms of behavior	8, 64		
102-17 Mechanisms for advice and concerns about ethics	64		
<b>Governance</b>			
102-18 Governance structure	62		
102-19 Delegating authority	62		
102-21 Consulting stakeholders on economic, environmental, and social topics	19-20		
<b>Stakeholder Engagement</b>			
102-40 List of stakeholder groups	19		

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and Clarifications	
<b>GRI 102: General Disclosures 2016</b>	102-41 Collective bargaining agreements	Content Index	Collective bargaining agreements are not permitted in the UAE.	
	102-42 Identifying and selecting stakeholders	19		
	102-43 Approach to stakeholder engagement	19		
	102-44 Key topics and concerns raised	19		
	<b>Reporting Practice</b>			
	102-45 Entities included in the consolidated financial statements	3		
	102-46 Defining report content and topic Boundaries	3		
	102-47 List of material topics	20-21		
	102-48 Restatements of information	Content Index	No previous reports have been published therefore no information has been restated.	
	102-49 Changes in reporting	Content Index	No previous reports have been published therefore no changes in reporting have been made.	
	102-50 Reporting period	3		
	102-51 Date of most recent report	Content Index	2021	
	102-52 Reporting cycle	3		
	102-53 Contact point for questions regarding the report	3		
	102-54 Claims of reporting in accordance with the GRI Standards	Content Index	This report has been prepared in accordance with the GRI Standards: Core option.	
	102-55 GRI content index	70-75		
102-56 External assurance	Content Index	This report is not externally assured. We aim to gain external assurance of our sustainability report in the upcoming years to enhance our reporting efforts.		

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and Clarifications
<b>GRI 200 Economic Standard Series</b>			
<b>Procurement Practices</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	66	
	103-2 The management approach and its components	66	
	103-3 Evaluation of the management approach	66	
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	67	
<b>Anti-corruption</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	64	
	103-2 The management approach and its components	64	
	103-3 Evaluation of the management approach	64	
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	65	
	205-2 Communication and training about anti-corruption policies and procedures	65	
	205-3 Confirmed incidents of corruption and actions taken	65	
<b>GRI 300 Environmental Standards Series</b>			
<b>Energy</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	28-29	
	103-2 The management approach and its components	28-29	
	103-3 Evaluation of the management approach	28-29	
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	29	
<b>Water and Effluents</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	30-31	
	103-2 The management approach and its components	30-31	
	103-3 Evaluation of the management approach	30-31	
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	30-31	
	303-2 Management of water-discharge related impacts	30-31	
	303-5 Water consumption	31	

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and Clarifications
<b>Emissions</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	26-29	
	103-2 The management approach and its components	28	
	103-3 Evaluation of the management approach	26-29	
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	29	
	305-2 Energy indirect (Scope 2) GHG emissions	29	
<b>Waste</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	32-34	
	103-2 The management approach and its components	32-34	
	103-3 Evaluation of the management approach	32-34	
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	32-35	
<b>Environmental Compliance</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	26-27	
	103-2 The management approach and its components	26-27	
	103-3 Evaluation of the management approach	26-27	
<b>GRI 307: Environmental Compliance 2018</b>	307-1 Non-compliance with environmental laws and regulations	26-27	
<b>GRI 400 Social Standards Series</b>			
<b>Employment</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	38-45	
	103-2 The management approach and its components	38-45	
	103-3 Evaluation of the management approach	38-45	
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	42	
	401-3 Parental leave	45	
<b>Occupational Health and Safety</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	48-49	
	103-2 The management approach and its components	48-49	
	103-3 Evaluation of the management approach	48-49	

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and Clarifications
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	48-49	
	403-2 Hazard identification, risk assessment, and incident investigation	49	
	403-3 Occupational health services	49	
	403-4 Worker participation, consultation, and communication on occupational health and safety	48-49	
	403-5 Worker training on occupational health and safety	49	
	403-6 Promotion of worker health	49	
	403-9 Work-related injuries	49	
<b>Training and Education</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	46-47	
	103-2 The management approach and its components	46-47	
	103-3 Evaluation of the management approach	46-47	
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	46-47	
	404-2 Programs for upgrading employee skills and transition assistance programs	46-47	
<b>Diversity and Equal Opportunity</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	44-45	
	103-2 The management approach and its components	44-45	
	103-3 Evaluation of the management approach	44-45	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	44-45	
<b>Non-discrimination</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	44-45	
	103-2 The management approach and its components	44-45	
	103-3 Evaluation of the management approach	44-45	
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	44-45	

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and Clarifications
<b>Human Rights Assessment</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	64-65	
	103-2 The management approach and its components	64-65	
	103-3 Evaluation of the management approach	64-65	
<b>GRI 412: Human Rights Assessment 2016</b>	412-2 Employee training on human rights policies or procedures	65	
<b>Local Communities</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	56-59	
	103-2 The management approach and its components	56-59	
	103-3 Evaluation of the management approach	56-59	
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	56-59	
<b>Customer Health and Safety</b>			
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	52-54	
	103-2 The management approach and its components	52-54	
	103-3 Evaluation of the management approach	52-54	
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	52-54	
<b>GRI 417: Marketing and Labeling 2016</b>	417-1 Requirements for product and service information and labeling	52-54	
	417-2 Incidents of non-compliance concerning product and service information and labeling	52-54	



Tel: +971 2 4182000 · Fax: +971 2 6421716 · [lulugroupinternational.com](http://lulugroupinternational.com)