



MAJID AL FUTTAIM GROUP

UN GLOBAL COMPACT: 2015
COMMUNICATION ON PROGRESS

11 May, 2016

To our stakeholders,

I am pleased to reaffirm Majid Al Futtaim's support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In 2014, we conducted a sustainability materiality and risk review across our entire group of companies (which includes Majid Al Futtaim - Holding; Majid Al Futtaim - Properties; Majid Al Futtaim - Retail, the sole franchisee of the Carrefour brand in the MENA and Central Asia regions; and Majid Al Futtaim - Ventures. This review sought to identify and provide details on our key sustainability risks and impact areas in order to allow us to develop an overarching policy, reporting framework and governance structure for sustainability at Majid Al Futtaim - Holding and its subsidiary companies. In 2015 we took some time to pause and consider our Group approach to sustainability, and resolved to enhance our ambition and seek a genuinely pioneering approach to sustainability, not just for the region, but on a global scale. Our ambition is to maximise the positive impact of our business.

We are currently undertaking analysis to determine what this approach will look like at a Group-level. As such, our third United Nations Global Compact Communication on Progress retains its focus on Majid Al Futtaim - Properties, as the majority of sustainability impacts arise from this part of our business.

The strengthening of our corporate approach to sustainability will support our commitment to uphold the principles of the United Nations Global Compact. Six years into the implementation of Majid Al Futtaim - Properties' sustainability strategy, we continue to make progress in integrating sustainability and the Ten Principles into our business strategy, culture and daily operations.

In addition to our focus on our Properties business, we include within this Communication on Progress instances where Majid Al Futtaim - Holding has overarching responsibility for ensuring the business meets the Ten Principles. In addition we include details of some of the initial actions taken by Majid Al Futtaim - Retail and Majid Al Futtaim - Ventures to embed the principles of the United Nations Global Compact into operations.

Yours Sincerely,



Alain Bejjani
Chief Executive Officer
Majid Al Futtaim - Holding

HOLDING

PO Box 91100, Dubai, United Arab Emirates
T +971 4 294 9999
F +971 4 294 0217

majidalfuttaim.com

Majid Al Futtaim Holding LLC issued capital AED 2,486,729,000
Commercial registration number: 59383 - Dubai

القابضة

ص.ب. ٩١١٠٠، دبي، الإمارات العربية المتحدة
هاتف: +٩٧١ ٤ ٢٩٤ ٩٩٩٩
فاكس: +٩٧١ ٤ ٢٩٤ ٠٢١٧

ماجد الفطيم القابضة ش.م.م. رأس المال ٢.٤٨٦.٧٢٩.٠٠٠ درهم إماراتي
رقم السجل التجاري: ٥٩٣٨٣ - دبي

1. Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

1.1. Assessment, policy and goals

Description of the relevance of human rights for the company (i.e. human rights risk-assessment)

Description of policies, public commitments and company goals on Human Rights

Majid Al Futtaim - Holding

Majid Al Futtaim aims to uphold the principles in the Universal Declaration of Human Rights and expects all employees to abide by these principles. We employ people from more than 86 nations.

Majid Al Futtaim - Properties

Majid Al Futtaim - Properties' Code of Business Conduct sets out our values, which include ethical actions, honesty, respect for others and teamwork. Their exercise requires an environment that is open, supportive, and interdependent. No action could be more contrary to our values than discrimination.

Majid Al Futtaim - Properties' policies prohibit discrimination and harassment of any kind, and each employee needs to meet this obligation. Discrimination, harassment, slurs, or jokes based on a person's race, colour, creed, religion, national origin, citizenship, age, sex, sexual orientation, marital status, or mental or physical disability are not tolerated.

Majid Al Futtaim - Properties' Code of Business Conduct also includes a health and safety section, which requires all staff to contribute to promoting a safe environment and asserts that Majid Al Futtaim - Properties respects the right of all individuals to work in a safe working environment that promotes wellbeing.

In some of the countries we operate in there is a quota for the employment of local people in order to support local skills development and economic growth. Majid Al Futtaim - Properties aims to meet or exceed these quotas wherever possible.

Majid Al Futtaim - Properties' Labour Standards Policy ensures the protection and enhancement of labour standards amongst our own workforce, our contractors and our direct suppliers. It makes a number of commitments pertaining to wages and benefits, working hours, annual leave, basic worker rights, women's rights, child labour, health and safety, labour accommodation and education. It has been designed to align with international best practice standards, in particular the International Labour Organisation Core Conventions and the requirements set out in the UN Global Compact.

Majid Al Futtaim - Properties has also set minimum standards for labour conditions and the health and safety for the supply chain workers on our construction sites and in our assets, and we have special criteria for those supply chain staff resident in labour accommodation camps. Contractors are required to comply with Majid Al Futtaim - Properties' standards and our labour accommodation audits follow International Labour Organisation (ILO) guidance.

Majid Al Futtaim - Retail

As the sole franchisee of the Carrefour brand in the MENA and Central Asia regions, Majid Al Futtaim - Retail applies many of Carrefour's international standards, including those that relate to procurement and our global supply chain. Carrefour's own requirements relating to the United Nations Global Compact are set out in its Code of Business Conduct and its Ethical and Social Charter for Suppliers.

1.2. Implementation

Description of concrete actions to implement Human Rights Policies, address Human Rights risks and respond to Human Rights violations.

Majid Al Futtaim - Properties

Our Human Resources Policies and Procedures Manual includes details of our equal opportunities commitments and is the principal way in which the practical implementation of our commitments is met.

Details of the implementation of our labour conditions and health and safety commitments are included below in Section 3.

1.3. Measurement of Outcomes

Description of how the company monitors and evaluates performance

Majid Al Futtaim - Properties

Details of the measurement of outcomes of our labour conditions and health and safety commitments are included below in Section 3.

2. Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.

Principle 5: Businesses should uphold the effective abolition of child labour.

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

This section focuses on the actions taken by Majid Al Futtaim - Properties to support the United Nations Global Compact labour principles. It also sets out actions taken by Majid Al Futtaim - Retail.

2.1. Assessment, policy and goals

Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities)

Description of written policies, public commitments and company goals on labour rights

2.1.1. Assessment

With labour conditions in the regions in which we operate lagging behind international best practice and scrutinised by the press and NGOs, there are considerable risks if we do not manage and improve labour conditions in our supply chain. We also recognise the need to prevent child labour in all of the countries that we operate in and source materials from.

Majid Al Futtaim - Properties

Majid Al Futtaim - Properties has over 1,000 employees. Additionally a significant proportion of Majid Al Futtaim – Properties’ work at construction sites and assets is delivered by contractors, and therefore supply chain standards and auditing are critical to the upholding of the UN Global Compact Labour Conditions Principles. A total of 44,423,502 man hours were worked by contractors on Majid Al Futtaim - Properties’ construction sites in 2015.

In this context, health and safety is a constant management challenge and underpins Majid Al Futtaim - Properties’ licence to operate. Majid Al Futtaim - Properties has put in place many of the building blocks of a robust health and safety system but more work is needed to establish a holistic and systematic approach across all activities to minimise this risk to our organisation.

2.1.2. Policies and procedures

Majid Al Futtaim - Properties

In 2014, we advanced our approach by introducing a Labour Standards Policy to ensure the protection and enhancement of labour standards amongst our own workforce, our contractors and our direct suppliers. It makes a number of commitments pertaining to wages and benefits, working hours, annual leave, basic worker rights, women’s rights, child labour, health and safety, labour accommodation and education. It has been designed to align with international best practice standards, in particular the International Labour Organisation Core Conventions and the requirements set out in the UN Global Compact.

In 2015, we worked to ensure that our Labour Standards Policy requirements are included in all new contracts. In 2016, we will perform a review of our existing processes and procedures relating to the policy to ensure that the systems which we have in place to ensure that requirements are being met are fit for propose.

Majid Al Futtaim - Properties’ Code of Business Conduct includes a health and safety section, which requires all staff to contribute to promoting a safe environment and which asserts that Majid Al Futtaim - Properties respects the right of all individuals to work in a safe working environment that promotes wellbeing.

The Code of Business Conduct sets out Majid Al Futtaim - Properties' values which include ethical actions, honesty, respect for others, and teamwork. Their exercise requires an environment that is open, supportive, and interdependent. No action could be more contrary to our values than discrimination.

In some of the countries we operate in there are quotas for the employment of local people in order to support local skills development and economic growth. Majid Al Futtaim - Properties aims to meet or exceed these quotas wherever possible.

Majid Al Futtaim - Retail

As the sole franchisee of the Carrefour brand in the MENA and Central Asia regions, Majid Al Futtaim - Retail applies many of Carrefour's international standards, including those that relate to procurement and our global supply chain. Carrefour's own requirements related to the United Nations Global Compact are set out in its Code of Business Conduct and its Ethical and Social Charter for Suppliers.

2.1.3. Long term goals

Majid Al Futtaim - Properties

By 2018, Majid Al Futtaim - Properties aims to achieve public recognition for transforming labour conditions in the MENA region, both through our work with government authorities and the delivery of a best practice management system.

By 2018, Majid Al Futtaim - Properties strives to achieve zero fatalities and have in place a certified health and safety management system covering all activities.

2.2. Implementation

Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.

Majid Al Futtaim - Holding

Majid Al Futtaim is committed to a culture of integrity and ethical behaviour, marked by a sense of openness, honesty and accountability. As a staff body we are all equally responsible for upholding these values and principles. But sometimes we may see or hear something that seems unethical, out of step with our Policies, our Code of Conduct or the Law. In 2016, we launched our *Ethics Hotline* to help support staff in addressing these sorts of concerns. The confidential telephone line provides the opportunity for staff to voice concerns around ethics in the workplace and is available 24 hours a day, 365 days a year.

Majid Al Futtaim - Properties

Majid Al Futtaim - Properties performs bi-annual audits to assess levels of compliance with our labour conditions and health and safety standards, and make improvements to health and safety systems. A total of 42 labour camp audits and 104 health and safety audits were conducted across our malls and offices and construction sites in 2015. Despite the continued delivery of health and safety audits we are yet to appoint an employee with responsibility for corporate health and safety, and we must redouble our efforts to address this in 2016.

Majid Al Futtaim - Properties uses a staff satisfaction survey to solicit the views of direct employees on their happiness working at Majid Al Futtaim - Properties.

Majid Al Futtaim - Retail

Majid Al Futtaim - Retail audits social standards in our supply chain to ensure that Carrefour's Ethical and Social Charter for Our Suppliers is respected. To ensure employees have the opportunity to voice concerns, Majid Al Futtaim - Retail has a supplier and employee hotline, through which feedback can be given.

Majid Al Futtaim - Retail uses a management survey to gauge the views of employees on their satisfaction working at Majid Al Futtaim - Retail.

To ensure a safe working environment for employees, all hypermarkets and supermarkets have been certified to the ISO 18001 Occupational Health and Safety Standard and hygiene training is given to employees. In addition, Hazard Analysis and Critical Control Point (HACCP) certification is used to further improve the occupational conditions of hypermarkets and supermarkets.

2.3. Measurement of Outcomes

Description of how the company monitors and evaluates performance

Majid Al Futtaim - Properties

We assess the progress of all our sustainability activities including those related to labour. To ensure the delivery of long term sustainability goals, Majid Al Futtaim - Properties sets and tracks annual targets and key performance indicators which are externally audited on a quarterly basis. Progress is directly reported on a bi-annual basis to the Board and publicly in our annual financial and sustainability reports. To ensure continual improvement, we have established a Sustainability Steering Group, which includes the CEO, and is supported by national sustainability groups. The Sustainability Steering Group meets on a quarterly basis to review our progress and implement changes where required.

Case study: 'We've Got Your Back' – Promoting Worker Well-being

Majid Al Futtaim - Properties has committed to improve the lives of all of those involved in the development and operation of our assets, and we often do this through promoting health and well-being. This includes the employees who work for our contractors, including labourers and cleaning staff.

In early 2015, for example, we engaged with 284 labourers from our Al Zahia development site and 210 cleaners from Mall of the Emirates through the "We've Got Your Back" campaign. Each worker received free physical stretch and exercise programmes to improve their long-term physical health and emotional well-being.

As part of this pioneering project, run in collaboration with our partner *the [sameness] project*, each participant also received a wellness bag containing items such as pain relieving cream, a tennis ball (for muscle massage), thick sports socks and construction sunglasses. Additionally, each worker received a blood sugar and pressure test, and access to advice from nurses and doctors.

In addition to helping to prevent potential injuries at work, the project gave us the opportunity to talk to workers about the importance we attach to health and wellbeing – and to hear their views on the topic.

Majid Al Futtaim - Retail

In accordance with Carrefour international standards, Majid Al Futtaim - Retail regularly audits suppliers to ensure that its labour standards set out in the "Ethical and Social Charter for Our Suppliers" are respected.

3. Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

This section focuses on the progress made by Majid Al Futtaim - Properties to implement the UN Global Compact's environmental principles and also describes some of the ways Majid Al Futtaim - Retail and Majid Al Futtaim - Ventures are acting to support these principles.

3.1. Assessment, policy and goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities)

Description of policies, public commitments and company goals on environmental protection

3.1.1. Assessment

Majid Al Futtaim - Properties

Majid Al Futtaim - Properties' operational portfolio has an absolute carbon footprint of 584,261 tonnes of CO₂e. This is only set to increase as we continue to rapidly expand our portfolio across the region.

As a market leader in the development of world class shopping malls and communities in the Middle East, Majid Al Futtaim - Properties wants to build high performance assets to international standards. For us this means using best practice green building standards. However, this continues to be challenging in our operating markets where environmental standards are yet to be enshrined consistently in building codes and regulations.

We operate in some of the most water-scarce countries in the world where energy-intensive desalination is common place. We need to minimise our water footprint to protect the long term availability of water and to reduce associated carbon emissions.

Poor waste infrastructure across the markets in which we operate, and a waste footprint of 43,534 tonnes in 2015, means waste management is an ongoing challenge for our business. If managed properly, this could become a net positive income stream for our business.

With Majid Al Futtaim - Properties' malls and hotels receiving over 1.5 million visitors in 2015, Majid Al Futtaim - Properties has a huge opportunity to engage with customers and visitors to help them live sustainable lives. This represents a significant opportunity for us to operate as a sustainability 'change agent'.

3.1.2. Policies and procedures

Majid Al Futtaim - Properties

Majid Al Futtaim - Properties' **Sustainability Policy** sets out our broad, high level commitment to delivering our sustainability strategy.

The Majid Al Futtaim - Properties' **Green Building Policy** specifies detail on the minimum green building standards which all Majid Al Futtaim - Properties' projects must achieve during design, delivery and operation, and provides guidance on how to achieve these standards. A target of achieving LEED Gold/equivalent accreditation has been set for all assets.

Majid Al Futtaim - Properties' **Energy and Water Management Policy** sets out how all property divisions should approach the design, development, delivery and operation of their properties in order to reduce their electricity and water consumption. The policy aims to: limit and control electricity and water wastage, minimize electricity and water costs through the property lifecycle, and reduce carbon emissions and environmental impacts.

Majid Al Futtaim - Properties' **Pre-Acquisition Policy** seeks to identify major environmental risks and to ensure that these are properly considered as part of the due diligence undertaken before the acquisition of development sites, new land or new buildings.

Our **Sustainability Implementation Plans** are developed for each new project to ensure that all developments are created in line with the Sustainability Policy.

Majid Al Futtaim - Retail

As the sole franchisee of the Carrefour brand in the MENA and Central Asia regions, Majid Al Futtaim - Retail applies many of Carrefour's international standards, including those that relate to procurement and our global supply chain. Carrefour's own requirements related to the United Nations Global Compact are set out in its Code of Business Conduct and its Ethical and Social Charter for Suppliers.

3.1.3. Long term goals

Majid Al Futtaim - Properties

Majid Al Futtaim - Properties aims to create and manage resource efficient assets, communities and infrastructure.

We will build and operate all assets to best practice green building standards in the MENA region.

3.2. Implementation

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents

3.2.1. Concrete actions to date

Majid Al Futtaim - Properties

In 2010, we established energy, water and waste baselines across our portfolio. Since then we have invested over AED 25 million in improving the energy and water efficiency of assets. This includes measures such as the installation of energy efficient equipment including LED lighting and efficient building services plants.

To engage tenants Majid Al Futtaim - Properties has developed a Green Star Rating system to assess the environmental credentials of tenants' shop fit-outs. The system appraises the measures taken by the tenants in our shopping malls to reduce their impact on the environment and takes into consideration energy, water and waste efficiency. A Green Star Rating Manager, who oversees, and drives improvements in green building performance across Majid Al Futtaim - Properties' malls portfolio, has been in post since 2014. In 2015 166 of our tenants have successfully achieved three Green Stars or more, with 17 tenants achieving the coveted five green star rating.

To further expand our measurement and reporting of our total impact we introduced environmental data monitoring for our construction sites in 2013. This process is gradually being rolled out across all our construction sites.

Majid Al Futtaim - Properties has engaged millions of customers through environmental communications in malls and hotels. In 2015 we ran a series of sustainability presentations to tenants in our malls. These were designed to discuss ways of better incorporating sustainability factors into tenants' operations, to seek and share views on improving resource efficiency and to support tenants in communicating the benefits of sustainability to customers. Majid Al Futtaim - Properties also supported Earth Hour for the eighth consecutive year in 2015.

Finally, as part of Majid Al Futtaim - Properties' commitment to producing high performance assets and minimising our impacts, we commissioned high level research into renewable energy technology investment and installation, and will publish our targets and plans in this regard in 2016.

Majid Al Futtaim - Retail

In 2013, Carrefour announced the launch of its Eco-Friendly shopping bags; reusable bags made entirely of recycled material. The bags are available to purchase at a nominal fee of AED 5 (USD 1.36) from all Carrefour stores and will help reduce plastic bag usage and waste in the UAE.

As part of its environmental CSR programme, Carrefour has been involved in a number of beach and desert clean-ups throughout the GCC. Volunteers from Carrefour's workforce took time out of their weekends to help pick up rubbish along coastlines and desert areas, reducing the amount of litter that damages wildlife and helping to preserve these eco-systems.

Majid Al Futtaim - Retail is benchmarking the utility performance of our portfolio of stores and trialling closed refrigeration to improve the resource efficiency of our operations.

Majid Al Futtaim - Ventures

Majid Al Futtaim - Ventures has put in place a waste reduction programme and enacted initiatives to reduce water and energy use at Ski Dubai.

3.2.2. Next steps

Majid Al Futtaim - Properties

Majid Al Futtaim - Properties has set a range of long term environmental and green building targets, aiming to reduce like for like energy and water use and waste production. We will continue to invest in capital projects to improve environmental performance.

In 2016, we will continue to improve the way in which we track the financial returns we get from capital expenditure on energy, water and waste reduction, ensuring that reduction calculations made are aligned with our internal financial and audit systems.

Furthermore, in 2016 will publishing a piece of thought leadership into renewable energy in the MENA region, detailing the internal feasibility study that Majid Al Futtaim - Properties has taken. We hope that by sharing our approach, and demonstrating the commercial viability of investments in on-site and off-site renewable energy in the MENA region, we will promote other similar companies to take a similar course. On top of this, we intend to start rolling out renewable energy across our portfolio, in line with our targets.

3.3. Measurement of Outcomes

Description of how the company monitors and evaluates environmental performance

3.3.1. Approach

Majid Al Futtaim - Properties

We regularly assess the progress of all of our sustainability activities. To ensure the delivery of long term sustainability goals, Majid Al Futtaim - Properties sets and tracks annual targets and key performance indicators which are externally audited on a quarterly basis. Progress is directly reported on a bi-annual basis to the Board and publicly in our annual financial and sustainability reports. To ensure continual improvement, we have established a Sustainability Steering Group, which includes the CEO, and is supported by national sustainability groups. The Sustainability Steering Group meets quarterly to review progress and implement changes where required.

Our annual Sustainability Report is aligned with the Global Reporting Initiative principles and we participate in the Global Real Estate Sustainability Benchmark (GRESB) through which we, and our stakeholders, are able to better understand our performance in comparison with that of our peers. We provide a separate report on environmental data in line with the European Public Real Estate (EPRA) Sustainability Best Practice Recommendations. This can be downloaded from our website.

Majid Al Futtaim - Properties' first set of environmental targets were established for the period 2010 to 2013. At the end of 2013, a full review of performance was undertaken and a new set of environmental targets were set for the period 2014 to 2016. An assessment of the company's progress against these targets will be published in Majid Al Futtaim - Properties' 2015 sustainability report which is due to be published in June 2016, where we will also disclose our new 2016-2018 targets

3.3.2. Performance

Majid Al Futtaim - Properties

Full details on Majid Al Futtaim - Properties' environmental performance are detailed in the 2015 Sustainability Report. A summary of achievements is provided below.

To measure the resource efficiency of assets, at the end of 2013, Majid Al Futtaim - Properties launched a new set of long-term environmental targets. Since this launch, highlights have been:

- **11% reduction in like-for-like landlord shared services and common parts water consumption (m³/visit) for malls against a 2013 baseline**
- **13% reduction in water consumption (m³) for hotels against a 2013 baseline**
- **9% reduction in *genuine performance** energy consumption (MWh) for hotels against a 2013 baseline**
- **5% reduction in landlord shared services and common parts energy consumption for all operational offices (kWh/m²/yr) against a 2014 baseline (adjusted for degree days)**
- **64% and 66% recycling rate for MAF Tower II and City Centre Offices respectively (target: 60% by the end of 2015)**

Full details can be found in our 2015 Sustainability Report.

*Genuine performance is Farnek's environmental data analysis tool

Case Study: The First LEED Platinum Shopping Centre in MENA

Our City Centre Me'aisem mall in Dubai opened in September 2015 and within two months had become the first development in the Middle East to achieve LEED platinum status for green buildings – the highest possible level.

As such, the mall is an excellent example of the good progress we are making towards fulfilling our vision of setting and meeting international best practice standards. When we do this, we generally establish new benchmarks in the Middle East and North Africa that allow us to adopt a leadership position that raises standards across the region.

The LEED accreditation system, which is the most widely used third-party verification for green buildings around the world, ranks developments across various sustainability criteria, including water use and energy efficiency. Platinum accreditation at City Centre Me'aisem, which hosts 54 shops across 31,200 square metres, came about because the development secured 80 points out of a possible 100 available across all criteria.

Among the innovative measures that helped to obtain platinum status was the use of materials that reflect heat away from the mall and reduce the heat island effect, where the mall can become significantly warmer than the surrounding area because of solar gain. This material was used on more than 75% of the roof area.

Points were also scored for the widespread use of materials – such as paints, coatings, adhesives and sealants – that contained a low volume of volatile organic compounds, providing a healthier interior environment.

During building work an indoor air quality management plan was implemented on the construction site to protect workers. There was also a waste management plan that helped to divert 50% of waste away from landfill, and an environmental management plan that ensured more general protection of the environment. Additionally, 20% of materials used in construction were sourced within the MENA region, and 10% contained a high recycled content. What is more, the entire construction phase, which was more than two million man hours, was completed without health and safety incident.

Car park shading structures at the mall have integral solar panels that generate 12% of the annual energy consumption of the entire building, which also uses low energy LED lighting throughout. All of the water needed for irrigation is provided by an onsite treatment plant that recycles water from the mall's washrooms, and the landscaped gardens feature local, low water consuming plants in a setting that has mimicked the local environment – including through the construction of wadis (dry river valleys that capture rain) which are found in Dubai's natural landscape.

City Centre Me'aisem has shown the way forward for us, and by replicating many of the innovations there, we hope to achieve our goal of building and operating all assets to best practice green buildings standards in the MENA region by 2018. Since 2014 we've met our commitment to deliver all new developments to LEED gold standard – or its equivalent – and have also brought nine of our existing assets up to gold standard.

4. Anti-Corruption

Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.

The business' approach to corporate governance is predominantly set at Majid Al Futtaim - Holding level. This section therefore focuses on the actions taken at group level with discussion on how these actions feed into the operations of Majid Al Futtaim - Properties, Majid Al Futtaim - Retail and Majid Al Futtaim - Ventures.

4.1. Assessment, policy and goals

*Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment)
Description of policies, public commitments and company goals on anti-corruption*

4.1.1. Assessment

At Majid Al Futtaim we recognise that the countries we operate in can present challenges related to bribery and corruption. This can be a result of political conditions or the lack of good corporate governance in the markets in which we operate. Corruption presents a risk to the success of our business and we resolutely seek to minimise our exposure to corruption.

4.1.2. Long term goal

Majid Al Futtaim places considerable emphasis on upholding best practice approaches to governance and transparency. We believe strong corporate governance is fundamental to making better commercial decisions over the long term and ensuring that risks, including those related to bribery and corruption, are reduced to the greatest extent possible. Our goal is to maintain international best practice corporate governance.

To demonstrate our commitment to corporate governance, Majid Al Futtaim became a founding partner of the Pearl Initiative in 2012. The Pearl Initiative is a GCC based private sector-led not-for-profit organisation set up in collaboration with the UN Global Compact. We aim to support the Pearl Initiative's objective to drive the adoption of best practice in corporate governance throughout the GCC and to tackle issues including bribery and corruption. We count this objective among our own goals.

4.1.3. Policies and procedures

To ensure effective governance, we have voluntarily adopted the principles of the UK's Combined Code on Corporate Governance. The code sets out principles that inform how the management and board of an organisation are structured, remunerated, held accountable and engage with shareholders.

Across the Group we implement a robust risk management framework which covers corruption and bribery risks. As an example of how this translates into our operations, each Majid Al Futtaim business uses country risk registers. The risk registers assess the quality of governance in each country and the risk that staff may be exposed to corrupt behaviour. Where risk is identified, the Majid Al Futtaim business assesses our strategy for managing the risk and, where necessary, takes action to improve procedures and protocols.

4.2. Implementation

Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

4.2.1. Concrete actions to date

To comply with the UK's Combined Code on Corporate Governance we have put in place world-class boards at all of our operating companies, chaired by and with a majority of independent non-executive directors.

We conduct due diligence and regular audits to ensure that all applicable laws and regulations in the countries in which we operate are complied with including those related to corruption and bribery.

As part of the Pearl Initiative, Majid Al Futtaim actively contributes to roundtable discussions and thought leadership on the challenges of bribery and corruption within the GCC region. At these meetings, we share our insights and learnings to help improve the policies and actions of other organisations to mitigate the risk of corrupt practice in GCC markets.

In 2015 Majid Al Futtaim - Holding partnered with Expolink to set-up a fully independent whistleblowing hotline to encourage employees to speak up if they hear something that is unethical, out of step with our Policies, our Code of Conduct or the Law. Employees are still encouraged to speak to their line manager or a member of the Ethics Committee if they so wish, but the hotline gives employees the option of remaining anonymous.

Majid Al Futtaim - Retail

Majid Al Futtaim - Retail, which controls Carrefour operations in the MENA and central Asia regions, operates in accordance with Carrefour's international standards and supports Carrefour's Code of Business Conduct and Social and Ethical Charter for suppliers which require all employees, suppliers and sub-contractors to refuse all forms of corruption.

4.2.2. Next steps

In 2014, Majid Al Futtaim continued to implement international best practice in corporate governance by further developing the risk management framework within all businesses.

4.3. Measurement of Outcomes

Description of how the company monitors and evaluates anti-corruption performance

We have clear codes of business conduct across our operating companies. We expect our staff to sign these codes annually. The Group also has clear governance with transparent terms of reference.

All figures stated are correct as of 11th May 2016.