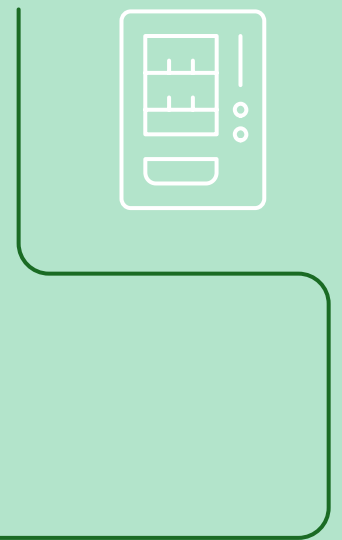


CHAMPIONING CHANGE:

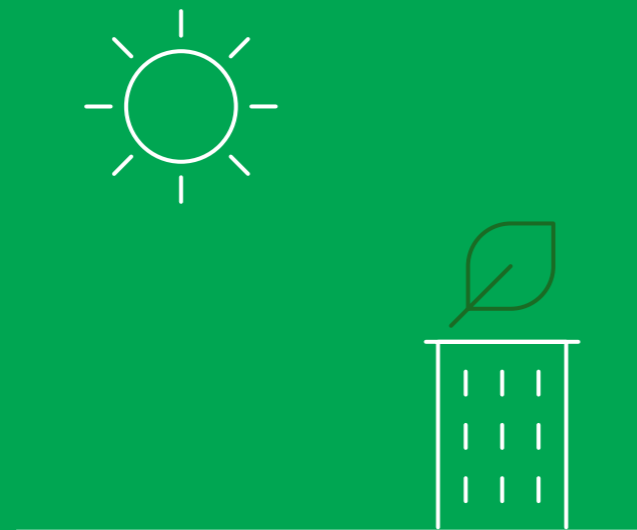
# OUR VISION FOR A BETTER, SUSTAINABLE FUTURE



2023 ESG REPORT

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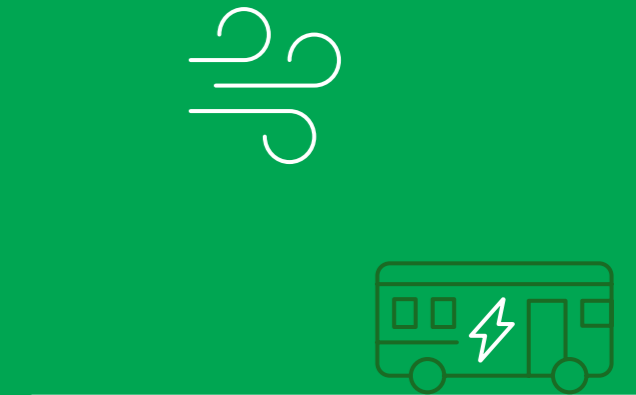


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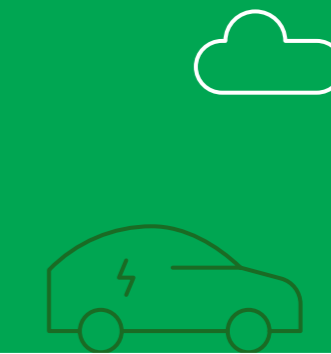
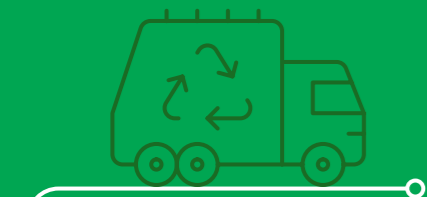
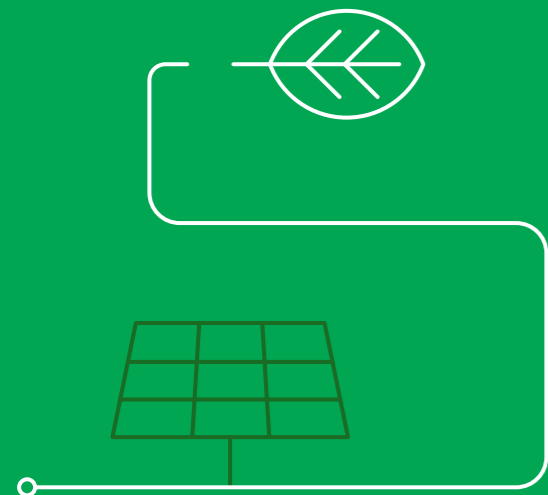


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# ABOUT THIS REPORT

This is our second ESG report focused solely on the reporting boundary of Lulu Retail Holdings Limited (referred to as 'LRHL', 'Lulu Retail', or 'We'). It also marks the third ESG report overall for our organisation. This report provides an overview of our continued sustainability efforts, highlighting our performance on material environmental, social, and governance (ESG) metrics.

The reporting period is from January 1 to December 31, 2023, and the report scope covers Lulu Retail's retail, wholesale, sourcing, and offshore activities across our operations in 26 countries.

The report has been prepared in accordance with the universally recognised Global Reporting Initiative (GRI) Standards 2021. Our report additionally aligns with the United Nations Sustainable Development Goals (UN SDGs) and the Sustainability Accounting Standards Board (SASB) Standards, along with the national development policies and visions of the countries in which we operate.

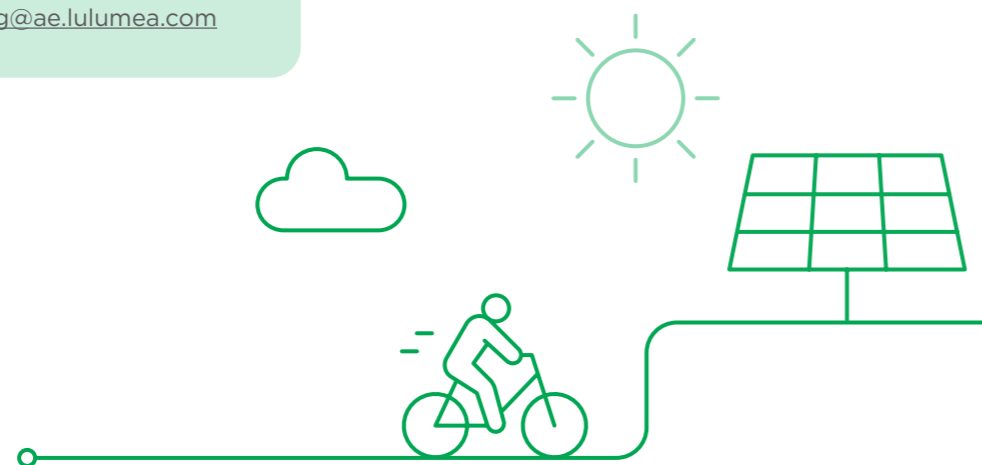
The purpose of this report is to inform our stakeholders – including employees, customers, suppliers, governments, and investors – of the progress we have made on our ongoing sustainability journey, and to outline the ESG practices that have been incorporated into our operations.

## Forward Looking Statements

This report contains certain forward-looking statements. All statements, other than statements of present or historical facts, are or may be deemed forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties that could materially affect expected results of operations, cash flow and business prospects, because they relate to events and depend on circumstances that will or may occur in the future. Readers should not place undue reliance on forward-looking statements, which speak only as of the date of this report.

We warmly welcome any feedback or suggestions related to this report and our ESG performance.

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



## MESSAGE FROM THE LEADERSHIP

# FOREWORD FROM THE CHAIRMAN

Welcome to Lulu Retail's ESG report. This year's report theme is 'Championing Change: Our Vision for a Better, Sustainable Future.' Here, we showcase our continued commitment to putting people and the planet at the heart of our business, and to driving positive impact alongside value growth.

2023 has seen us make solid progress on our sustainability journey, with strong initiatives across our three ESG strategic areas of focus: Advancing Environmental Stewardship, Empowering People and Communities, and Leading with Integrity.

From reducing emissions through renewable energy use and preventing plastic waste with smart recycling initiatives, to the launch of new, nutritionally balanced food products, Lulu Retail continues to positively influence the environmental and social agenda. Our efforts are fortified by our belief in strong, transparent governance, which empowers everyone at Lulu Retail to work together towards a more sustainable future within an inclusive, positive workplace culture.

Collaboration is key to our success, and it is thanks to the hard work and mindful efforts of our employees, corporate partners, suppliers, and customers that we continue to lead not just as a business entity but as an innovator for sustainable change. Together we have the power to shape a better future for all.

"Our efforts are fortified by our belief in strong, transparent governance, which empowers everyone at Lulu Retail to work together towards a more sustainable future within an inclusive, positive workplace culture."

**Mr. Yusuff Ali MA**  
Chairman



# MESSAGE FROM THE CEO

At Lulu Retail we understand that sustainability is no longer a 'nice to have,' it is a business imperative. For the long-term success of our organisation and to ensure we play a positive role in our ever-evolving world, it is vital that we embed sustainability into everything we do. This report highlights the progress Lulu Retail continues to make in this space.

As a multinational conglomerate with operations in 26 countries around the world, Lulu Retail recognises it has a significant responsibility – and opportunity – to influence our industry for the better. Our sustainability approach focuses on areas where we can make the most significant impact, such as responsible sourcing, reducing our environmental footprint, and fostering positive social outcomes within our communities. By integrating sustainability into our core practices, we aim to influence the retail industry towards more sustainable operations. Through collaboration, innovation, and continuous improvement, we drive meaningful change and set new benchmarks in our industry. While our approach is driven by our responsibility to lead by example, we also align with internationally recognised standards like the GRI Standards for transparency in reporting, and contribute to global progress by supporting the United Nations Sustainable Development Goals (UN SDGs).

The formal launch of our ESG Policy this year has been extremely valuable in guiding our activities to ensure maximum impact. Our continued commitment to robust, high-quality data has also been vital, enabling us to monitor a wide variety of sustainability metrics and swiftly identify opportunities for action. We understand that sustainability is an ongoing journey, so we work hard to foster a culture of continuous improvement. The pursuit of progress, not perfection, is the key to viable change.

The significant investment we made in solar photovoltaics at our UK logistics centre in Birmingham saw a pay-off this year, with the system generating 273,427 kWh of electricity and preventing around 55 tonnes of GHG emissions. We have also started installing solar panels in Bahrain.

As a major retailer, we have an important role to play in championing a model of circular consumption, and have seen tremendous success this year with our reverse vending machines. Our initial target for this initiative was quickly surpassed and I am pleased to report that our machines collected 4.9 million plastic bottles and aluminium cans during 2023. Waste management will be a focus for us going forward, and we are committed to developing waste-related KPIs and exploring other innovative waste reduction technologies.

4.9m 

plastic bottles and aluminium cans collected by our machines in 2023

Further demonstrating our positive influence in the retail space, this year Lulu Retail's Private Label launched a range of sugar-free and gluten-free products. Complemented by a variety of marketing and awareness-raising campaigns, this move not only empowers shoppers to make healthy and sustainable dietary choices but also positions us as a retailer committed to the wellbeing of its customers. Similarly, the launch of our Happiness Points Programme has been hugely successful, with significant customer adoption demonstrating the strength of our brand.

Along with our customers, we also have a responsibility to those in the communities in which we operate, and this year saw a continued push with our CSR efforts, with a 6.6% spending increase on social initiatives. Projects have ranged from blood donation drives and fundraising for schools, to our 'Convoy of Goodness,' which supported 1,000 families in need during the holy month of Ramadan. And as always, we continued to support local businesses, with over 83% of our procurement spend on local suppliers.

Of course, we could do none of this without our valued employees, so we are committed to creating a workplace culture where wellbeing is paramount, and everyone is able to thrive. I am proud to say that the number of women at Lulu Retail has grown 14.5% since 2022, and the provision of training and professional development has increased year-on-year since 2021. This includes more than 153,500 hours of human rights training, ensuring we instil core values of respect, inclusion and diversity throughout our organisation.

14.5% 

growth in the number of women employees since 2022

Lulu Retail is proud that its commitment to these initiatives – and the many more outlined in this report – have been consistently recognised by others. This year we won the Sheikh Khalifa Excellence Award for outstanding commitment to quality and business excellence, as well as awards from the Greater Birmingham Chambers of Commerce and Saudi Arabia Cleaning, Waste Management & Facilities Management (SACWFM). This recognition underscores our success in championing change across our operations and beyond.

All of us at Lulu Retail look forward to seeking out new opportunities and embracing the challenges that will advance our sustainability positioning. I invite you to read through this report to learn more about the progress Lulu Retail has made in 2023 and the ambition it has for the future. I would like to express my thanks to the Board of Directors, our customers, and stakeholders for their continued support and commitment to our sustainability mission.

“By integrating sustainability into our core practices, we aim to influence the retail industry towards more sustainable operations.”

Saifee Rupawala  
Chief Executive Officer



# ABOUT LULU RETAIL

## Company Profile

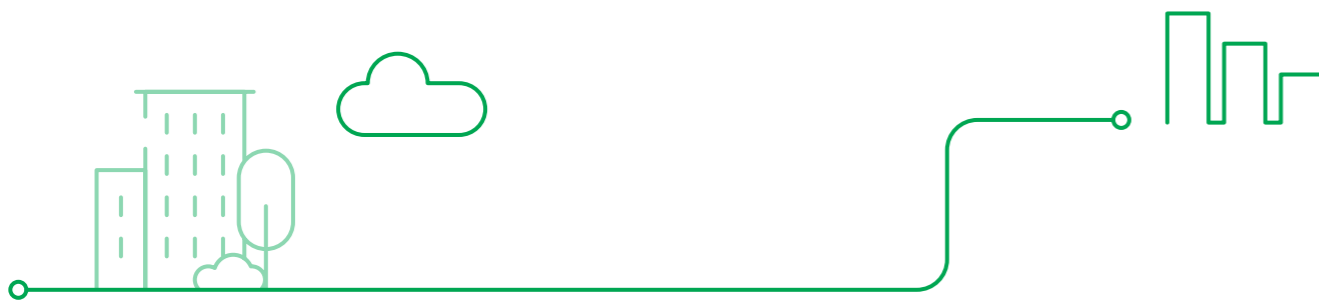
Headquartered in Abu Dhabi, UAE, Lulu Retail is a multinational conglomerate with operating locations around the world.

Founded by Yusuff Ali M.A., Lulu Retail has a significant business portfolio that covers retail operations, wholesale, sourcing, and offshore activity. With an annual turnover of c.USD 7.3 billion and a workforce of more than 51,000 people, the organisation is a key economic contributor to the Gulf Region.



“At Lulu Retail, we are committed to improving efficiency and reducing costs while positively impacting the environment. By integrating sustainable practices, we minimize waste, conserve resources, and lower our carbon footprint, contributing to a healthier planet.”

**Ashraf Ali MA**  
Executive Director - Global Operations



## Vision, Mission and Commitment



### Our Vision:

To position Lulu as a top global retail brand, leading the organised retail sector in all regions and aiming to be the preferred employer for a diverse workforce.

### Our Mission:

To deliver a unique shopping experience with top-notch products and services, while seeking new market opportunities and benefiting all business associates.

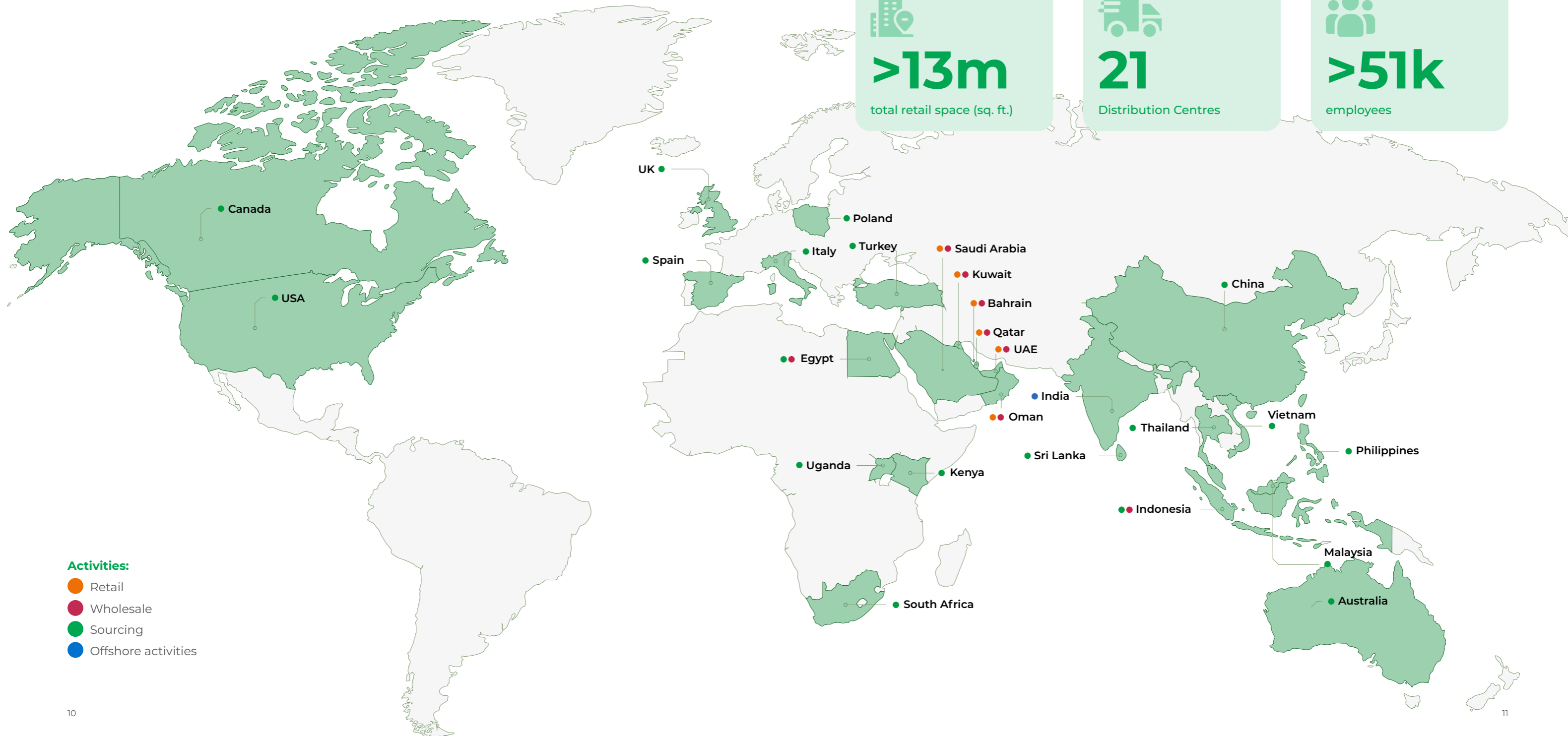
### Our Commitment:

LuLu is committed to ethical business practices, from sourcing products globally to offering them at fair prices in our stores, aiming to bring smiles and happiness to all.



# WHERE WE OPERATE

As one of the top retailers within the Gulf Cooperation Council (GCC), Lulu Retail is present in 26 countries around the world. Our retail operations in six countries and wholesale operations in eight countries are supported by sourcing operations in 19 countries, along with offshore activities that take place in India.



# CERTIFICATIONS

The certifications we have achieved across our business and operations are a testament to our commitment to sustainability.



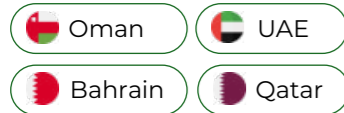
## Certificate of Recycling on E-Waste, Cardboard and Paper Waste

Received 3 different certificates for implementing effective recycling programmes in the region.



## Hazard Analysis and Critical Control Points (HACCP)

An internationally recognised system for reducing the risk of safety hazards in food, ensuring our food safety practices are of the highest standard.



## Green Saving Certificate

Saved 172,089 kg of CO2e by contributing 60,080 litres used cooking oil for recycling.



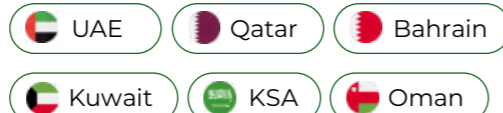
## Certificate of Environmental Accomplishment by Green Bokerage for oil W.L.L. (GBO)

Saved 184,110 kg of CO2e by contributing 61,370 litres of used cooking oil for recycling.



## Payment Card Industry Data Security Standard (PCI-DSS)

A certification that ensures our systems and processes meet rigorous standards for protecting customers' payment card information.



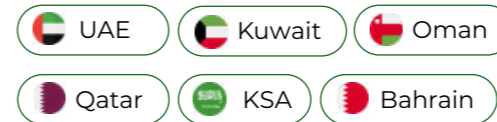
## Occupational Safety and Health Abu Dhabi (OSHAD) - Abu Dhabi Public Health Centre (ADPHC)

Achieved at eight of our outlets, this certification demonstrates our commitment to maintaining a safe and healthy workplace in line with Abu Dhabi's regulatory framework.



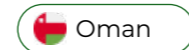
## ISO 22000:2018

An international standard that certifies our food safety management systems, ensuring we consistently provide safe food products to our customers.



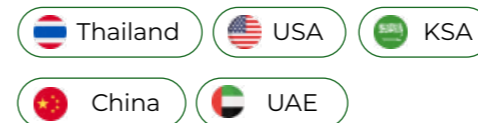
## ISO 21001

Received by training department, recognising our commitment to educational organisation management standards.



## ISO 9001

Highlighting our commitment towards quality management systems.



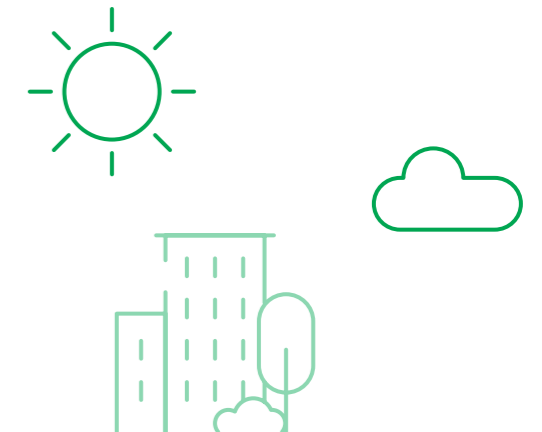
## ISO 14001:2015

Certificate for implementing Environmental Management System in compliance with internationally recognised ISO standard.



## Global Sustainability Assessment System (GSAS)

Received GSAS certification for one more store, bringing the total to 12 certified stores thereby demonstrating our dedication to sustainable practices in green building standards.



# AWARDS

Lulu Retail is proud to be acknowledged for its sustainable practices through a wide range of awards and recognition.

UAE



Sheikh Khalifa Excellence Award, 2023



برنامج دبي للخدمة المتميزة  
DUBAI SERVICE EXCELLENCE SCHEME

Dubai Service Excellence Scheme (DSES) Award, 2023



Middle East Waste and Recycling Award, 2023

KSA



Guinness World Record for 'Largest Packaged Product Number' in partnership with Procter & Gamble, 2023



Most Admired Retailer of the Year, Food & Grocery at Images RetailME Awards, 2023



Best Waste Diversion Initiative of the Year in Private Sector at Saudi Arabia Cleaning, Waste Management and FM (SACWFM) Awards, 2023

Most Admired Responsible Retailer of the Year at Images RetailME Awards, 2023

UK



Greater Birmingham Chambers of Commerce Award, 2023

Oman



Consumer Protection Authority Award for Consumer-Friendly Establishments, 2023

Bahrain



Highest Employment Rate among Bahrainis, Ministry of Labour, 2023

Level of GCC Award by Ministry of Labour, 2023

Kuwait



Service Hero Award – First Supermarkets of the Year, 2023

Qatar



Best CSR Initiative in the Retail Sector by Qatar CSR Summit and Awards, 2023



# MEMBERSHIPS OF ASSOCIATIONS

Our position as a leading retail business allows us to drive positive change in collaboration with a variety of partnerships and memberships.



**Commonwealth Enterprise and Investment Council (CWEIC), UK**  
We are a strategic partner to CWEIC, a commercial, not-for-profit membership organisation that facilitates trade and investment throughout the 56 Commonwealth member nations.



**Institute of Export and International Trade**  
Our membership with the Institute of Export and International Trade provides access to updates, trends, networking opportunities and support in navigating the challenges of operating in international markets.



**Greater Birmingham Chamber of Commerce**  
As patrons of the Greater Birmingham Chamber of Commerce we have valuable opportunities to connect and partner with some of the most influential figures in the region.



**Qatar British Business Forum**  
Qatar British Business Forum is a non-profit organisation supporting trade between Qatar and the UK, offering opportunities to develop business relationships with individuals and organisations within its network.



**Swiss Business Council**  
The Swiss Business Council supports commercial and personal relationships among its members to promote economic, social, and cultural relations between the State of Qatar and Switzerland.



**Spanish Business Council**  
The Official Chamber of Commerce of Spain in Qatar was founded in Doha in 2009. Membership includes exclusive participation in events, opportunities for company presentations and inclusion of contact details in the members' directory.



**Qatar American Chamber of Commerce (AmCham Qatar)**  
The first legally established foreign Chamber of Commerce in Qatar, AmCham Qatar is a non-profit, non-governmental organisation dedicated to fostering trust between Qatar and the United States through trade, commerce and investment.



**World Economic Forum (WEF)**  
WEF provides a global, impartial and not-for-profit platform for meaningful connection between stakeholders to establish trust and build initiatives for cooperation and progress.



**NJ Chamber of Commerce**  
The New Jersey Chamber of Commerce (NJCC) is a key business advocacy organisation that represents companies of all sizes, offering advocacy, networking, resources, discounts, visibility, and professional development to help businesses thrive in the state.



**Meadowlands Chamber of Commerce**  
The Meadowlands Chamber of Commerce (MCC) is a key organisation dedicated to fostering economic growth and development in the Meadowlands region, offering networking, advocacy, resources, visibility, and educational programmes for its members.



**Choose New Jersey**  
Engaging with Choose New Jersey provides indirect benefits such as contributing to economic growth, valuable networking opportunities, and insights into economic trends and incentives.



**SHRM – Society for Human Resource Management**  
SHRM membership benefits companies by enhancing HR practices, ensuring regulatory compliance, improving employee engagement, and providing access to industry insights, all of which support organisational success.



**Qatari Businessmen Association (QBA)**  
QBA strives to serve the vision of Qatar by pursuing ambitious projects that push Qatar forward in the global market.



**Qatar Chamber of Commerce and Industry**  
One of the oldest chambers in the GCC countries, the main role of the Qatar Chamber of Commerce and Industry is to represent and support the Qatari private sector locally and globally.



**International Chamber of Commerce Qatar**  
Membership to the International Chamber of Commerce Qatar offers a range of benefits, including access to trends and discoveries in international trade, support and networking opportunities.



**US-Qatar Business Council (Oryx Member)**  
The US-Qatar Business Council facilitates trade between the US and Qatar. We are proud to be Oryx Member of this programme.



**President Circle Member - US Arab Bilateral Chamber of Commerce**  
The US Arab Bilateral Chamber of Commerce fosters economic relations between the US and Arab countries, offering members market access, networking opportunities, business development support, advocacy, and valuable resources to enhance trade and investment.



**The Greater Houston Partnership**  
The Greater Houston Partnership provides members with networking opportunities, advocacy, business resources, and community engagement to support economic growth and success in Houston.



**Autism Speaks - Autism Society of America**  
Contributing to these organisations helps create a more inclusive and supportive environment for individuals with autism.

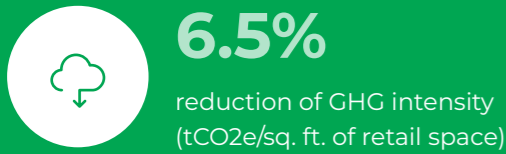
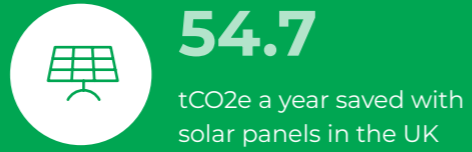


**Victorian Chamber of Commerce and Industry**  
The largest and most influential not-for-profit business organisation in Victoria, Australia, reaching over 100,000 businesses and individuals. Members enjoy a wide range of exclusive offers and discounts on various products and services.

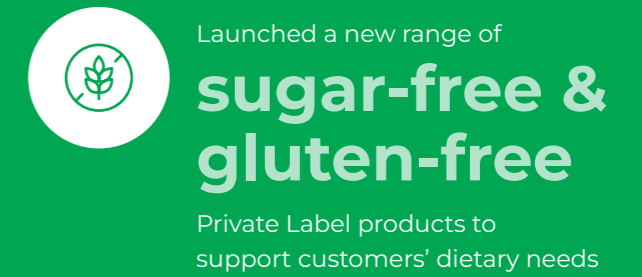
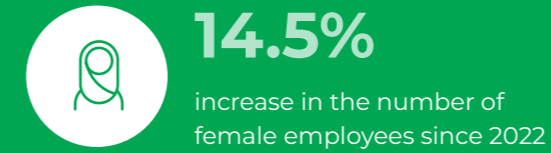
# 2023 ESG HIGHLIGHTS

Lulu Retail has made solid progress on our sustainability journey this year. Some of our ESG highlights include:

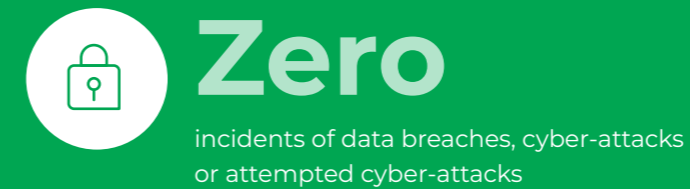
## Advancing Environmental Stewardship

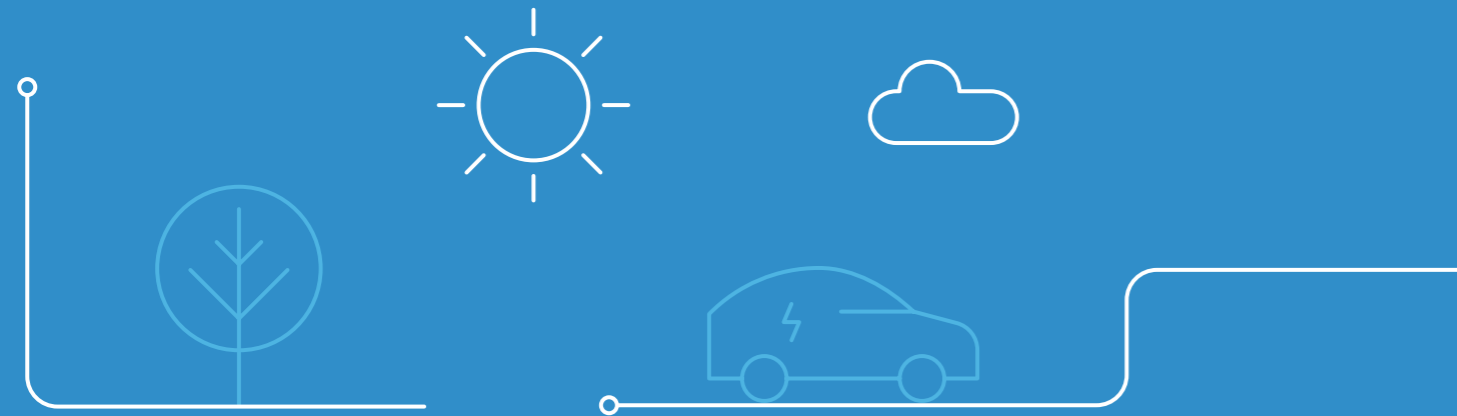


## Empowering People & Communities



## Leading with Integrity

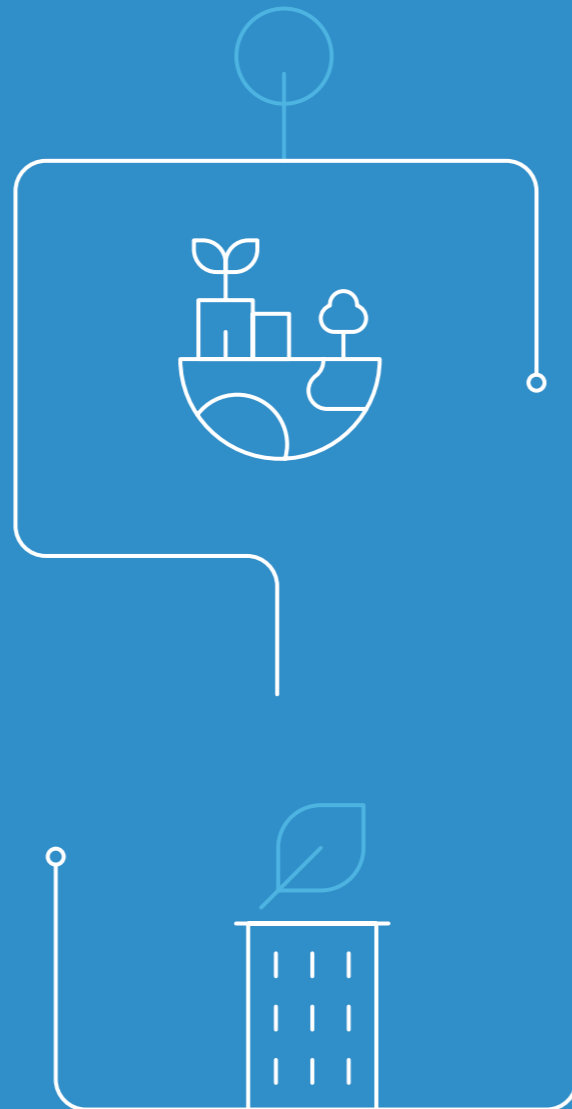




## OUR APPROACH TO SUSTAINABILITY



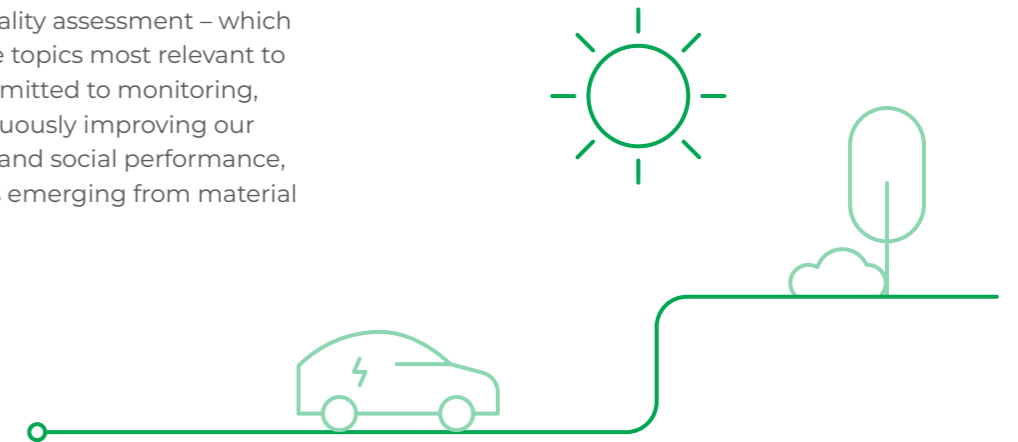
In a world marked by increasing environmental challenges, the pursuit of social equity, and the demand for ethical governance, sustainability isn't just an option; it's a necessity. By operating ethically, transparently, and proactively, we ensure our success, build resilience, and deliver positive impact to the communities in which we operate.



## OUR COMMITMENT TO SUSTAINABILITY

At Lulu Retail, sustainability is a guiding principle ingrained in our DNA, permeating every aspect of our business, from strategic planning to daily operations. Our vision is to lead the way in driving change for a more sustainable future.

Guided by our 2021 materiality assessment – which enabled us to prioritise the topics most relevant to our business – we are committed to monitoring, benchmarking and continuously improving our economic, environmental and social performance, and to mitigating key risks emerging from material sustainability issues.



# ESG GOVERNANCE AND POLICY

At group-level we have a dedicated Sustainability Department, led by the Sustainability Manager and supported by senior management, which regularly reports to the Board on sustainability matters and initiatives.

While the Board provides oversight on key ESG decisions, the Sustainability Department manages our organisation's impact on the economy, environment, and people, and supports the management team in incorporating sustainability considerations into our overall strategic decision-making processes.

Our sustainability activities are underpinned by our [ESG Policy](#), which was formally published in 2023. This Policy serves a dual purpose: firstly, to establish a robust framework for integrating sustainability principles into all aspects of our group operations, and secondly, to define our organisation's interpretation of ESG.

ESG (environmental, social and governance) are the guiding principles steering our corporate behaviour. Environmental considerations include our efforts to address climate change, conserve natural resources, and minimise our environmental footprint. Social factors include our commitment to fostering inclusive workplaces, supporting local communities, upholding human rights, and meeting the expectations of our customers. Governance principles ensure transparency, accountability, and ethical decision-making across our organisation.

Through clear definition and purpose, this policy lays the foundation for embedding sustainability as a core driver of our business strategy and operational excellence.

## Under the policy, Lulu Retail commits to:



Establish a governance framework to oversee and promote the sustainability agenda within the organisation



Upskill and communicate to Board members the business imperative for sustainability



Facilitate resources and assistance for the realisation of ESG policy commitments



Align with applicable national and international initiatives such as the UN SDGs and contribute towards achieving their goals and objectives



Monitor current sustainability trends, upcoming risk, and opportunities and evaluate their impact on the business



Comply with applicable sustainability laws and regulations in the territory we operate



Engage with stakeholders on various focus areas of our ESG Policy



Continuously work towards updating the sustainability agenda and policy in line with best practices and international frameworks

## Sustainability Champions






We have a dedicated team of Sustainability Champions across our organisation whose role it is to monitor and report internally on sustainability initiatives. The team comprising representatives for all 26 countries where Lulu Retail operates, is responsible for collating quantitative and qualitative data related to our sustainability efforts. The champions report on sustainability topics for their respective regions to the group-level sustainability department.

# OUR STAKEHOLDERS

Lulu Retail has a diverse group of stakeholders, including customers, employees, communities, suppliers, and business partners. It is important to us that these groups play an active role in shaping our sustainability commitments and that their views are taken into consideration in all business decisions. As such, stakeholder engagement is a core aspect of our business strategy.

We have dedicated channels to facilitate regular stakeholder communication and feedback, enabling us to promptly address any queries or concerns from our customers, engage with our workforce and ensure that we stay connected with our communities, suppliers, and business partners. We strive to create meaningful relationships with all our stakeholders to build a more sustainable and resilient future together.



Stakeholder Group	Mode of Engagement	Topics Raised
<b>Customers</b> 	<ul style="list-style-type: none"> <li>Customer happiness centres for direct customer feedback</li> <li>Website and social media platforms</li> <li>Emails</li> <li>Dedicated telephone lines for direct engagement with team members</li> </ul>	<ul style="list-style-type: none"> <li>Product availability and quality</li> <li>Customer satisfaction</li> </ul>
<b>Employees</b> 	<ul style="list-style-type: none"> <li>Regular contact through email</li> <li>Training sessions</li> <li>Enterprise social network</li> </ul>	<ul style="list-style-type: none"> <li>Employment</li> <li>Employee engagement</li> <li>Workplace amenities</li> <li>Manpower management</li> <li>Health and safety</li> </ul>
<b>Communities</b> 	<ul style="list-style-type: none"> <li>CSR activities and events</li> <li>Press releases</li> </ul>	<ul style="list-style-type: none"> <li>Sourcing from local communities</li> <li>Community engagement</li> </ul>
<b>Suppliers</b> 	<ul style="list-style-type: none"> <li>Meetings</li> <li>Joint initiatives</li> <li>Third party surveys</li> <li>Press releases</li> </ul>	<ul style="list-style-type: none"> <li>Environmental impact</li> <li>Product safety and quality</li> </ul>
<b>Business Partners</b> 	<ul style="list-style-type: none"> <li>Meetings</li> <li>Joint initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Product safety</li> <li>Data security</li> </ul>

# OUR MATERIALITY ASSESSMENT

Since our initial sustainability reporting journey in 2021, our materiality assessment has guided us in identifying and prioritising the sustainability topics most relevant to us. Since our material issues remain consistent with last year, we remain committed to focus on the material issues previously identified. For a detailed breakdown of our material topics by Environmental, Social, and Governance categories, please refer to our [2022 ESG Report](#).

The materiality assessment results were aligned with Lulu Retail's broader strategies and mission, encompassing environmental impacts, social influence, and responsible governance.

## LULU RETAIL'S MATERIALITY MATRIX





**Environmental**

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

---



**Social**

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

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**Governance**

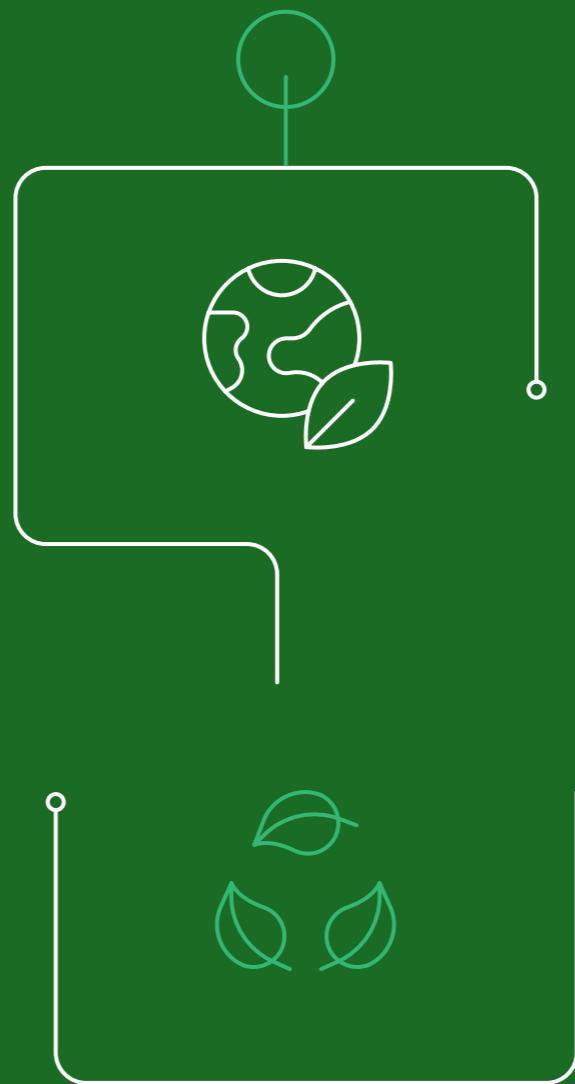
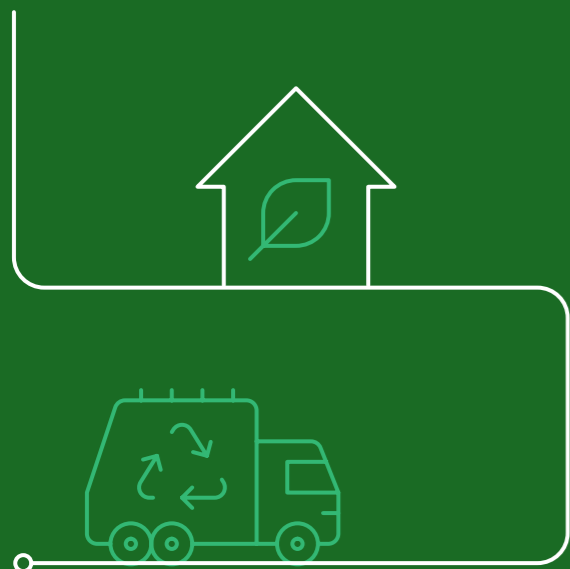
- Business Ethics
- Human Rights
- Procurement
- Data Privacy and Security

26

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# ADVANCING ENVIRONMENTAL STEWARDSHIP

Environmental stewardship is a key strategic priority for Lulu Retail, and we are committed to protecting and preserving natural resources for both current and future generations. Our focus in this area centres on efficient energy usage, reducing emissions, managing waste and water conservation.



## Highlights

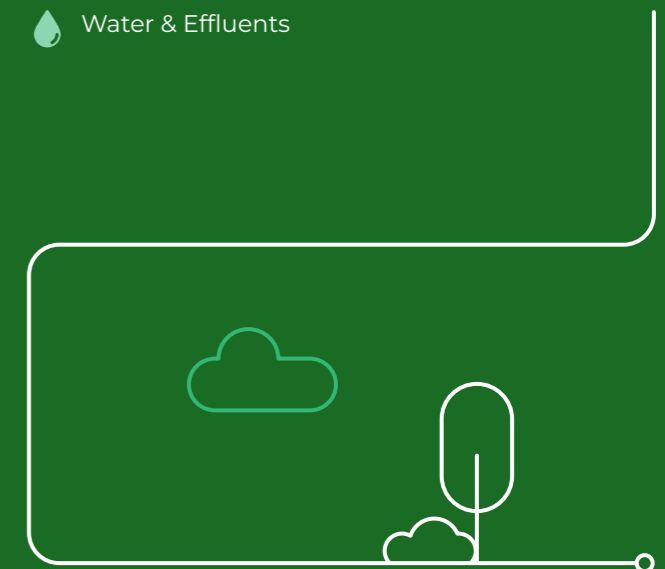
- Collected 4.9 million items via our reverse vending machines for recycling
- Saved 54.7 tCO2e a year with solar panels in the UK
- Reduced GHG intensity (tCO2e/sq. ft. of retail space) by 6.5%
- 299,116 litres of used cooking oil got recycled
- Received GSAS certificate for 12th store in Qatar with the addition of 1 more store in 2023
- Received Green Certificate for saving 172,089 kg of CO2e by contributing 60,080 litres of used cooking oil for recycling in Abu Dhabi
- Received Certificate of Accomplishment for saving 184,110 kg of CO2e by contributing 61,370 litres used cooking oil for recycling in Qatar

## UN SDGs



## Material Topics

- ⚡ Energy
- ☀️ Climate Change
- ☁️ Emissions
- 🍏 Food Waste
- 📦 Packaging Waste
- 💧 Water & Effluents



# OPTIMISING ENVIRONMENTAL MANAGEMENT

Sustainability initiatives at Lulu Retail are overseen by our management team, which ensures environmental responsibility is ingrained into all our core operations, and that we remain compliant with relevant laws and regulation. Our Group-wide ESG Policy outlines our practices and commitments to environmental stewardship.

Data is key to our progress in this area, and we actively monitor and report on our energy consumption, greenhouse gas (GHG) emissions, water use and waste production. The sustainability landscape is continually changing, so we are agile and flexible in our response to new challenges and opportunities. Underpinning this is Lulu Retail's Sustainability Champions, who help us identify potential initiatives and areas for improvement.

As a global organisation, Lulu Retail has the opportunity to drive positive change around the world. Our commitment to sustainability drives our environmental focus, which is evident across our operational locations. In Thailand, for example, we have achieved ISO 14001 certification for our

Environmental Management Systems. In Bahrain, we have partnered with Siraj Power to install solar rooftop panels, reducing our carbon footprint and contributing to a cleaner environment. Additionally, in Bahrain, we are working towards installing a food waste compost machine at each of our LuLu Hypermarkets, as well as exploring opportunities for using recycled water in cleaning and gardening operations.

Ensuring these initiatives are successful requires a culture of responsibility, and employee training and engagement is a key part of this. We hold regular training sessions for our Sustainability Champions to ensure that they are on top of emerging trends and reporting best practice.



# ENERGY & CLIMATE ACTION

## Energy

In view of climate change and world events, global energy markets are constantly shifting, therefore we must ensure our energy consumption is sustainable throughout our operations. We are committed to improving energy efficiency across our operational activities and value chain, and to increasing the use of renewable energy within our operations.

We have adopted several measures to reduce the environmental and financial impacts of energy consumption. In the UK, for example, our building is fitted with LED lighting and motion sensors, and we have on-site solar panels. In Oman, we have implemented initiatives like replacing neon signage with energy-efficient LED alternatives and applying heat-reflective roof coatings to reduce power consumption. Elsewhere we have energy-efficient lightings and HVAC systems, and building management systems (BMS) to operate buildings efficiently, monitor conditions in real-time, and optimise our energy consumption.

While our overall energy consumption increased slightly in 2023 by 4.3%, there was a minimal decrease in our energy intensity metric, reflecting a modest improvement in energy efficiency. In 2023, Lulu Retail reported an increase in overall energy consumption driven by the addition of new retail spaces through store openings and the continued expansion and growth of the business.



### CASE STUDY

## Rooftop Solar Installation in the UK

### Overview

In 2022 we made a significant investment into solar photovoltaics at our UK logistics centre in Birmingham. With a capacity of 304.39 kWp, the 812-panel installation accounts for around 30% of the building's energy demand. In 2023 the system generated 273,427 kWh of electricity, leading to an estimated cost saving of £57,910 and a carbon reduction of approximately 54.66 tonnes.

### Outcome

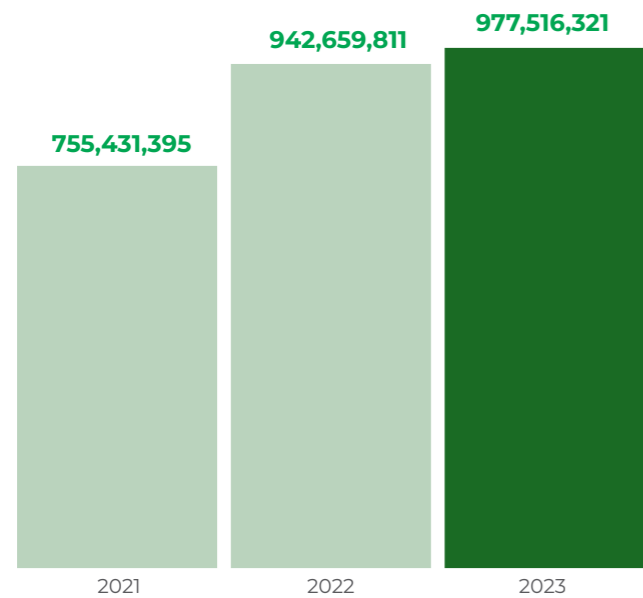
This project delivers financial and sustainability benefits for Lulu Retail and contributes to the UK's broader efforts towards net zero targets, while also offering insights for potential future renewable energy projects in the region.

**30%**   
of the energy demand met by solar power

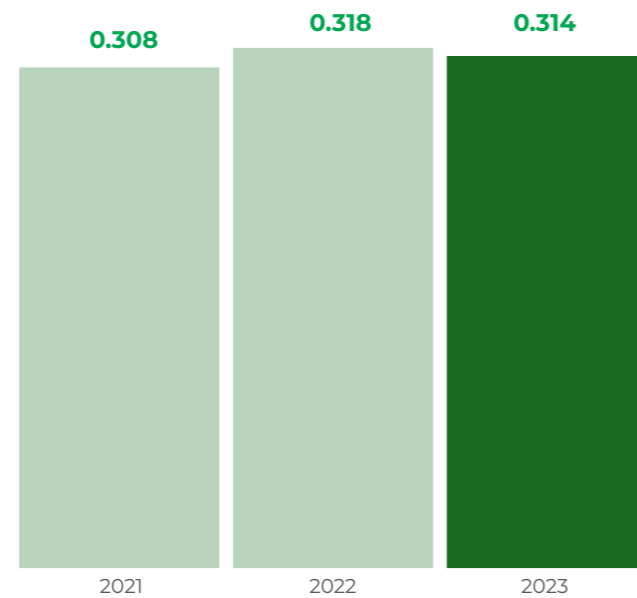
Indicator	Unit	2021*	2022	2023
Energy from Electricity	GJ	2,719,553	3,393,575	3,519,059
Total Energy Consumption	GJ	3,651,015	4,085,406	4,261,658
Energy Intensity	GJ/sq. ft.	0.308	0.318	0.314

\*The energy and emissions data of 2021 is not comparable with 2022 and 2023 due to continual enhancement of the measuring system and the significant operational impacts of the COVID-19 pandemic.

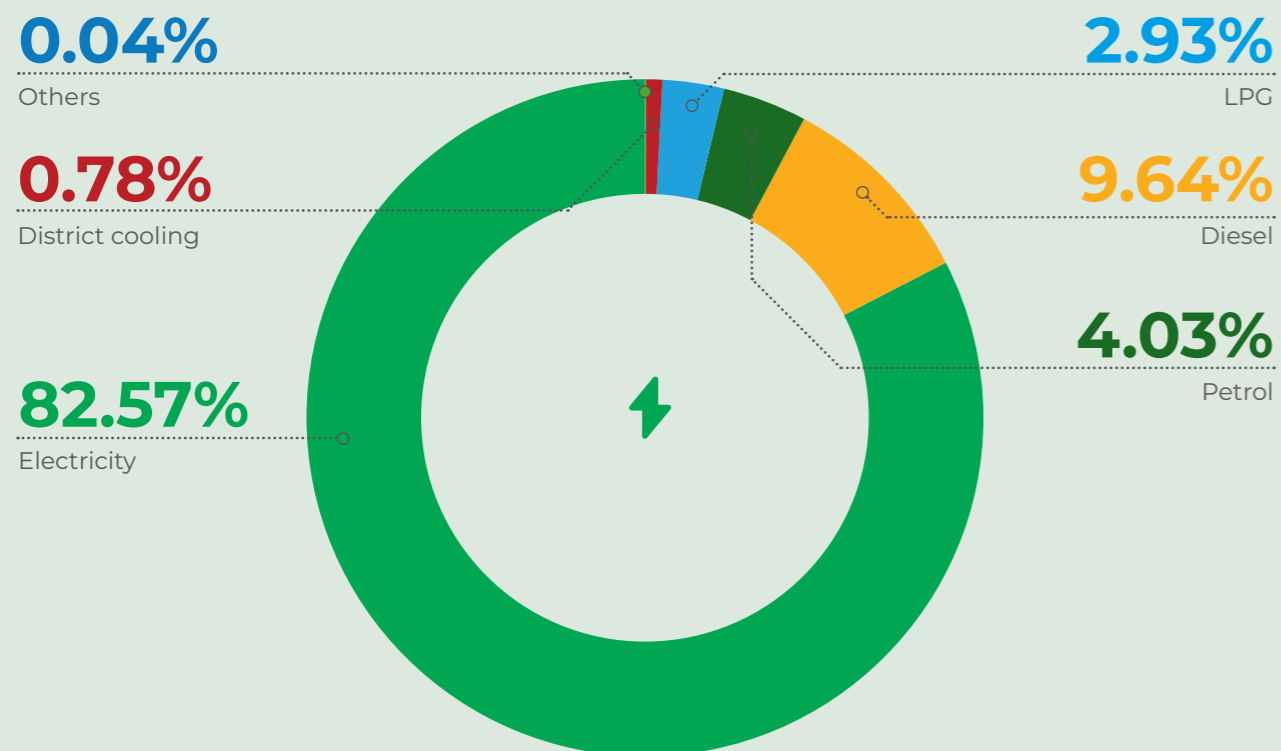
### ELECTRICITY CONSUMPTION (KWH)



### ENERGY INTENSITY (GJ/SQ. FT.)



### 2023 ENERGY USAGE BY TYPE (%)



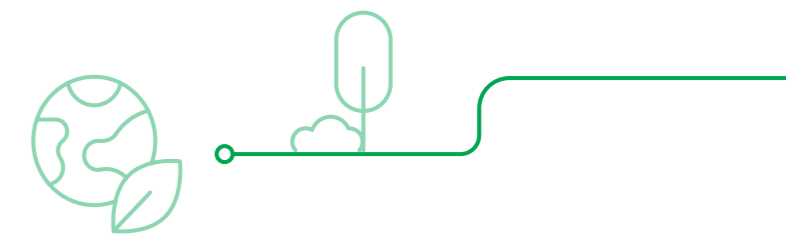
\*Others include natural gas, gas oil and CNG

## Climate Action

Climate change is one of the most pressing threats faced by the world today. Human activity has increased GHG emissions exponentially, causing more extreme weather events to occur that impact people, communities, and businesses everywhere.

As a responsible business, Lulu Retail is committed to UN SDG 13, which calls for urgent action to combat climate change and its impacts. We recognise that the nature of our business is emissions intensive, so we are taking a range of interconnected measures to reduce our carbon footprint. These include measuring and monitoring our Scope 1 and 2 emissions and exploring mechanisms to tackle Scope 3; such as identifying priority emission categories and establishing monitoring and reporting systems for Scope 3 emission categories.

We are committed to setting robust targets to support these aims, underpinned by an energy roadmap and climate change resilience plan. Scenario analysis and thorough data management will be key, as will partnerships with peers, industry associations and policymakers to share knowledge and best practice. No single organisation can tackle the climate crisis alone, so cross-sector collaboration will be vital.



### CASE STUDY

## Lulu Retail's Participation at COP28

### Overview

In 2023, Lulu Retail actively participated in COP28, focusing on two key sustainability initiatives: textile circularity and logistics decarbonisation. In collaboration with the National Project Office, Lulu Retail contributed to the Integrated Textile Circularity Initiative in the UAE, which aims to increase consumer awareness and address the challenges of textile waste generation. The panel discussed issues related to waste collection, consumer engagement, and proposed solutions for a more sustainable textile ecosystem. LuLu Retail shared insights on the opportunities and challenges in advancing textile circularity in the region.

In another event, Lulu Retail participated as an expert panellist, sharing its decarbonisation journey and offering insights into how the organisation is transitioning towards low-carbon operations. This included strategies for reducing emissions in logistics and other key operational areas, further reinforcing its commitment to sustainability.

### Outcome

Through our participation at COP28, Lulu Retail has solidified its commitment to climate action, driving innovation in both textile circularity and logistics decarbonisation. These initiatives not only contribute to reducing the company's carbon footprint but also position Lulu Retail as a leader in sustainability efforts within the retail sector. These events served as a platform for knowledge sharing and collaboration, aligning Lulu Retail with global sustainability goals and setting a benchmark for future climate-focused initiatives.

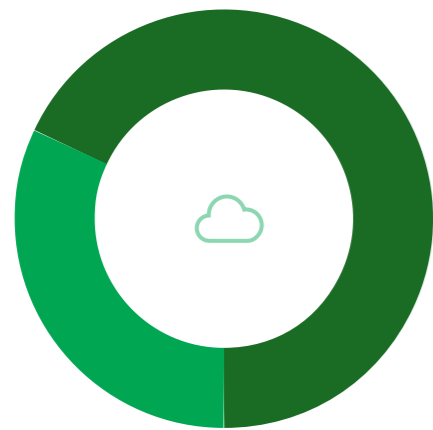


As per the GHG Protocol guidance, Lulu Retail measures and discloses its GHG emissions, accounting for direct emissions from Group operations (Scope 1) and indirect emissions from purchased energy (Scope 2). In 2023 our total Scope 1 and 2 emissions measured 734,314 tCO<sub>2</sub>e – a decrease of 1.26% from 2022. This was largely driven by improvements within our own operations (Scope 1 emissions). Our GHG emissions intensity showed a slight decrease as a result.

Indicator	Unit	2021*	2022	2023
Scope 1 GHG emissions	tCO <sub>2</sub> e	148,526	261,943	234,379
Scope 2 GHG emissions	tCO <sub>2</sub> e	390,558	481,774	499,935
Total GHG emissions	tCO <sub>2</sub> e	539,084	743,716	734,314
GHG emissions intensity	tCO <sub>2</sub> e/sq. ft.	0.046	0.058	0.054

\*The energy and emissions data of 2021 is not comparable with 2022 and 2023 due to continual enhancement of the measuring system and the significant operational impacts of the COVID-19 pandemic.

#### GHG EMISSIONS IN 2023 (tCO<sub>2</sub>e)



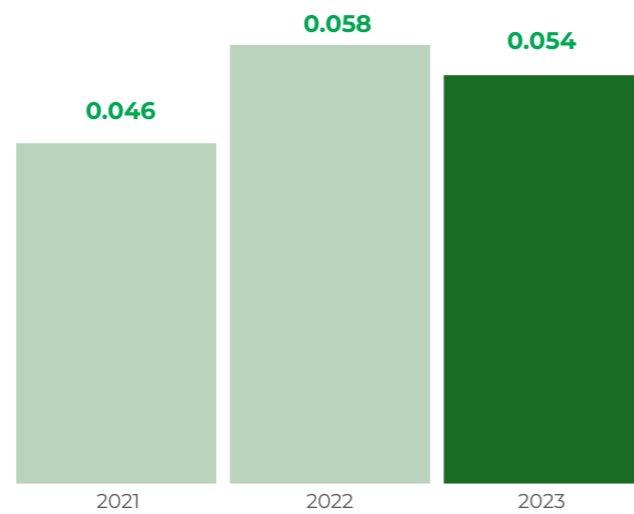
**32%**

(234,379) Direct GHG emissions (Scope 1)

**68%**

(499,935) Indirect GHG emissions (Scope 2)

#### GHG EMISSION INTENSITY (TONNES OF CO<sub>2</sub>e PER SQ. FT. OF RETAIL SPACE)



# EMBRACING CIRCULARITY

As a major retailer, Lulu Retail recognises its role in championing a model of production and consumption based on reducing, reusing, and recycling existing materials. At a group level, we are committed to developing waste-related KPIs, exploring innovative waste reduction technologies, educating and upskilling employees on waste management best practice, and collaborating with local governments, NGOs, and other stakeholders to enhance waste and resource management practices.

We have waste management initiatives at our sites around the world, all underpinned by a commitment to circularity. All waste-related activities are regularly monitored, with feedback sought from respective departments to ensure we are managing our waste as efficiently as possible.

A key success for us has been the introduction of reverse vending machines (RVMs) in UAE, which enable easy recycling of items such as plastic bottles and aluminium cans. Lulu Retail had set an ambitious target to collect 4.5 million recyclables through RVMs in 2023, and we are delighted to have surpassed this goal, collecting 4.9 million items during the year. This effort was bolstered by the introduction of 15 RVMs in UAE and the addition of 6 new machines in Qatar.

Waste gets properly managed and segregated at all our sites and recycled wherever possible per internal procedures aligned with local regulatory requirements. We systematically monitor and track all the waste we produce and recycle, including general waste, plastic waste, cartons waste, wood, metal waste, e-waste and food waste. In the UK and UAE, surplus food is donated to food banks and those in need. In Qatar, we process and recycle food waste using the ORCA food waste digester. In Qatar and Dubai our food waste is also repurposed as animal feed.

Also, in Qatar, we adopt a range of sustainable packaging solutions, such as oxo biodegradable packaging and plastic-free packaging made from sugarcane molasses. Qatar has also seen success with its 'Borrow a Bag' promotion and dedicated displays for environmentally friendly products.

In 2023, we received a Green Certificate for saving 172,089 kg of CO<sub>2</sub>e by contributing 60,080 litres of used cooking oil for recycling in Abu Dhabi. Additionally, we were awarded a Certificate of Accomplishment for saving 184,110 kg of CO<sub>2</sub>e by contributing 61,137 litres of used cooking oil for recycling in Qatar. The used cooking oil was recycled to produce biodiesel.

We will continue to invest in circular innovation and exploration, reviewing our progress in resource management to ensure valuable materials are used as efficiently as possible.

**356,199kg**   
CO<sub>2</sub>e emissions saved

## CASE STUDY

### Transition from Printed Leaflets to E-Booklets for Sustainable Promotions

#### Overview

With the objective of reducing our environmental footprint from paper waste, we transitioned from printed leaflets to eco-friendly digital formats. Promotional content is made accessible through various digital platforms, including the company's website, mobile app, social media channels, WhatsApp push, email newsletters, and QR codes available in stores.

#### Outcome

The initiative led to a significant reduction in paper waste, eliminating a substantial volume of printed copies annually and decreasing overall paper consumption. Lulu Retail achieved notable cost savings by reducing production and distribution expenses. The shift to digital formats expanded audience reach and engagement, enabling more interactive and personalised content. Overall, this transformation positively contributed to the company's sustainability goals by minimising the environmental impacts associated with paper production, transportation, and disposal.

This initiative not only supported Lulu Retail's sustainability strategy but also set a benchmark for the retail industry in adopting digital solutions to minimise waste.

“At Lulu Retail, our transition from printed leaflets to e-booklets underscores our commitment to sustainability. This move reduces paper waste, cuts costs, and boosts customer engagement, demonstrating that innovation and environmental responsibility go hand in hand.”

#### Nandakumar Vijayan

Director - Marketing and Communications



CASE STUDY

## Diverting Food Waste

### Overview

In line with our commitment to responsible waste management, we have installed a food waste processing machine at Lulu Retail Hypermarket in Doha, Qatar. The unit processed an average of 1,773 kg of food waste per month, turning it into liquid effluent.

### Outcome

Our Doha site diverted 21.28 tonnes of food waste away from landfill throughout 2023. This has prevented the release of 10.6 tonnes of carbon emissions and 0.4 tonnes of methane emissions – the equivalent of driving an average gas-powered car for 42,222 kilometres.

# 10.6



tonnes of carbon emissions prevented from being released



WASTE DATA*	Unit	2023
Total waste generated	Tons	132,946
Food waste recycled	Tons	5,546
Total waste recycled*	Tons	27,177
Waste reused	Tons	688
Waste sent to landfill	Tons	65,348
Used cooking oil	Liters	339,385
Recycled cooking oil	Liters	299,116

\*Currently, we are in the process of establishing our waste-related KPIs while also enhancing our reporting systems for recycled waste to improve data accuracy and tracking.



# MANAGING OUR WATER RESOURCES

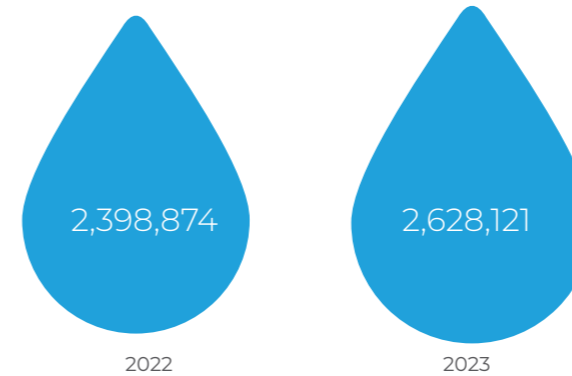
With majority of our operations in dry, desert countries, Lulu Retail is keenly aware of the critical importance of responsible water usage. From conservation measures to employee awareness training, we are staunchly committed to proper water management practices.

We use water in many processes, from food preparation and cleaning to sanitation. We first aim to reduce water consumption at the source, with water-efficient fixtures, sensors and appliances across our operations, as well as drive behavioural change among staff.

All the water we use is sourced from local authorities and municipalities and is discharged through municipal drainage lines. We take great care to ensure all fluids discharged are free of contaminants, in line with local regulations. For example, we filter wastewater from kitchens through grease interceptors before it is discharged.

To ensure our water conservation performance remains on track, we measure and monitor our total water consumption regularly. In 2023, the total water consumption was 2,628,121 m<sup>3</sup>, an increase of 9.56% from 2022. This increase is driven by the addition of new retail spaces through opening of new stores and the continued expansion and growth of the business.

### WATER CONSUMPTION (M3)



# EMPOWERING PEOPLE & COMMUNITIES

The social aspect of ESG highlights the importance of how an organisation engages with its employees and the communities where it operates, which is essential to sustainability. Lulu Retail is committed to fostering positive connections with its workforce, local communities, and suppliers. We prioritise diversity and inclusion, uphold fair labour practices, and actively engage with the community. By focusing on social responsibility, we seek to generate lasting value for our stakeholders and society at large.

## Highlights

- Number of female employees increased by 14.5% since 2022
- Training hours per employee increased significantly year-on-year since 2021
- One million customers enrolled on our LuLu Happiness Points Programme within five months of launch
- Launched a new range of sugar-free and gluten-free Private Label products to support customers' dietary needs
- Increased our funding for CSR initiatives by 6.6% since 2022

## Material Topics

- 📁 Employment
- 👥 Workforce Empowerment
- 📚 Training & Development
- ⚕️ Health & Safety
- 🏆 Healthy & High-Quality Products
- 🏷️ Marketing & Labelling
- 👤 Local Communities

## UN SDGs



# STRENGTHENING OUR WORKFORCE

Our employees are our most valuable asset. We recognise our success depends on our workforce, so we strive to create a diverse and inclusive working environment where everyone is supported to fulfil their potential.

Underpinning our responsibilities to our employees are a suite of comprehensive policies. Chief among these are our Human Rights Policy and Employee Wellbeing Policy, which outline our commitment to fair treatment and equal opportunities for all employees, the promotion of diversity and inclusion, and fostering a culture of respect and dignity. Additionally, we have a Code of Conduct that governs how work is carried out within our organisation. Adhering to these documents ensures that our working relationships continue to support a positive working environment aligned with our goals and values.

Upholding the principles of human rights is critical to Lulu Retail, and we have stringent policies in place to prevent any form of forced or compulsory labour. These apply to direct employees, as well as nearly 3,000 external workers who perform operational tasks such as maintenance, cleaning, transportation, and security. Any instances of forced or compulsory labour will be dealt with swiftly and seriously by Lulu Retail and relevant government authorities.

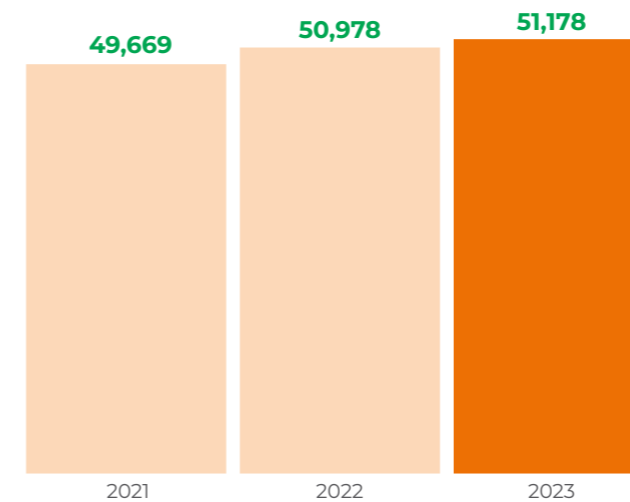
**8,560**   
Female employees

The table below provides an overview of our workforce over the last three years.

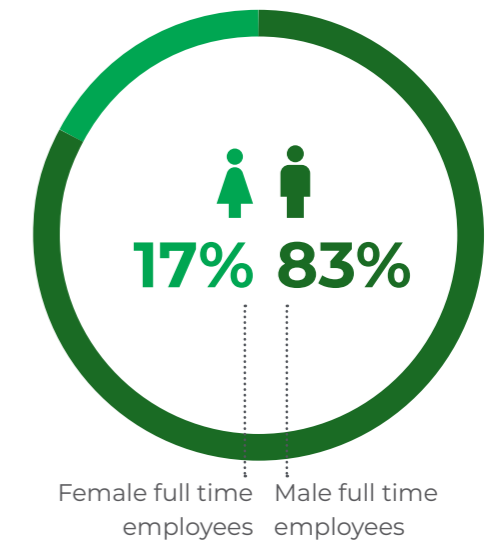
Indicator	Unit	2021	2022	2023
Total number of employees	#	49,669	50,978	51,178
By gender				
Female	#	6,693	7,479	8,560
Male	#	42,976	43,499	42,618
By age:				
18-25	#	10,168	14,575	14,163
26-35	#	24,973	23,073	23,173
36-55	#	14,072	12,852	13,472
55+	#	456	478	370



FULL-TIME EMPLOYEES (#)



FULL-TIME EMPLOYEES BREAKDOWN 2023 (#)



Employee count by region	Unit	2022	2023
Middle East	#	49,775	49,738
East & South Africa	#	49	37
Europe	#	112	106
North America	#	68	61
South Asia	#	705	933
South East Asia	#	269	303

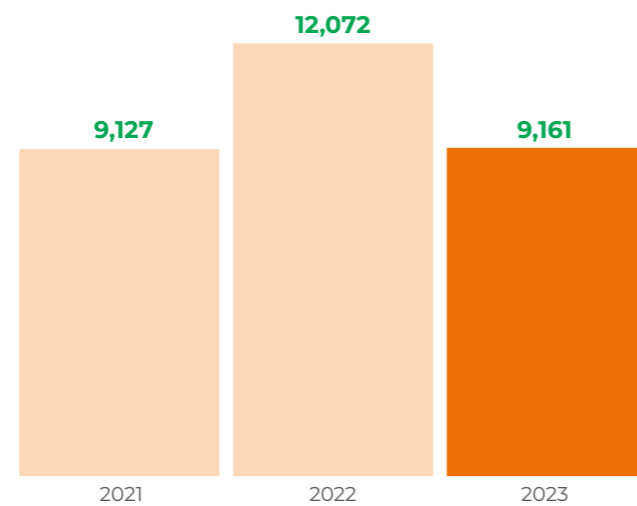
## Hiring

We are committed to helping the next generation thrive within the global workforce, and because of our continued efforts to attract strong talent we are an employer of choice for young people in the countries where we operate. Individuals under the age of 35 account for 69% of our MENA workforce. We are also proud of and value the dedication of longstanding employees – 26% of our national staff members have been with the Lulu Retail family for more than six years.

When employees leave the organisation, we conduct thorough exit interviews. Collecting feedback from departing employees offers valuable insight into ways we can improve our employee experience and workplace culture.

The number of new hires at Lulu Retail dropped from 12,072 in 2022 to 9,161 in 2023. This reduction is largely due to the optimisation of our resources, including our store staff, minimizing the need for new hires.

### NEW EMPLOYEES WHO JOINED THE ORGANISATION (#)



69%

of the MENA workforce were 30 or younger



Indicator	Unit	2021	2022	2023
Total number of new employee hires	#	9,127	12,072	9,161
By gender				
Female	#	1,578	2,624	2,439
Male	#	7,549	9,448	6,722
By age:				
18-25	#	6,039	7,274	5,433
26-35	#	2,090	4,184	3,192
36-55	#	975	607	528
55+	#	23	7	8



## Employee Engagement

We recognise that engaged employees are critical to our success, so we undertake a variety of initiatives at our locations to foster a positive and productive workforce. Celebrations, teambuilding days and sports activities are a great way to enhance job satisfaction and loyalty, and to fortify relationships between our team members.

## Recruitment and Benefits

Lulu Retail is committed to the career progression of all our capable and efficient employees. As such, we primarily focus on recruiting junior and mid-level candidates. We support the transition of these employees to higher positions. All employees undergo regular and comprehensive salary reviews. We offer competitive remuneration and paid leave to all employees per local government regulations.

## Parental Leave

All our employees are entitled to parental benefits in line with the labour laws of their respective countries. In 2023, all employees that took parental leave subsequently returned to work at Lulu Retail.

100%

Retention rate after returning to work following a period of parental leave

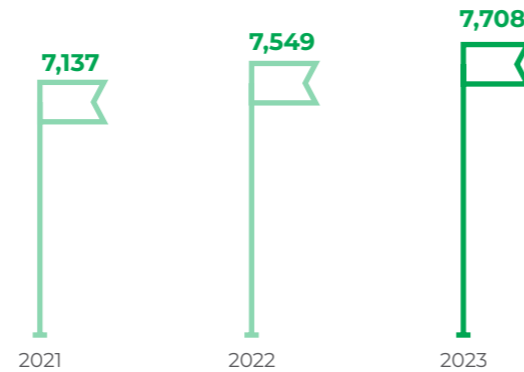
Indicator	Unit	2022	2023
Total number of female employees entitled to parental leave	#	87	116
Total number of female employees that took maternity leave	#	87	116
Total number of female employees that returned to work in the reporting period after maternity leave ended	#	87	116
Total number of female employees that returned to work after maternity leave ended and that were still employed 12 months after returning to work	#	69	116
Retention rate (total number of employees retained 12 months after returning to work following a period of parental leave / total number of employees returning from parental leave)	%	79	100

## Nationalisation

In alignment with the Ministry of Human Resources & Emiratisation (MOHRE), Lulu Retail has embedded nationalisation into its hiring policies. We have a dedicated team focused on nationalisation efforts and committed to building pathways for local talent recruitment. In Saudi Arabia, for example, we regularly attend job fairs to actively scout for talented nationals to join our workforce. In Bahrain, we got rewarded by the Ministry of Labour for the distinguished role and sincere efforts towards hiring the national employees.

The number of full-time national employees at Lulu Retail increased from 7,549 in 2022 to 7,708 in 2023. This increase is a testament to our investment in the workforces of the regions we operate within.

### NATIONALISATION (#)



Awarded by Ministry of Labour in Bahrain:

**Recognised for the distinguished role in hiring nationals.**



**Nationals make up 15% of the total workforce at Lulu Retail.**



# ADVOCATING DIVERSITY AND INCLUSION

Lulu Retail provides equal employment opportunities to all employees and job applicants regardless of race, colour, ancestry, national origin, gender, marital status, religion, age, or disability. We ensure equal opportunities throughout all employment stages, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training. Our salary structure is based solely on role.

Indicator	Unit	2021	2022	2023
<b>Total Employees in Senior Management*</b>	#	<b>76</b>	<b>76</b>	<b>14</b>
<b>Total Employees in Middle Management</b>	#	<b>539</b>	<b>569</b>	<b>612</b>
Female	#	13	20	18
Male	#	526	549	594
<b>Total Employees in Staff</b>	#	<b>49,054</b>	<b>50,333</b>	<b>50,552</b>
Female	#	6,692	7,459	8,542
Male	#	42,362	42,874	42,010

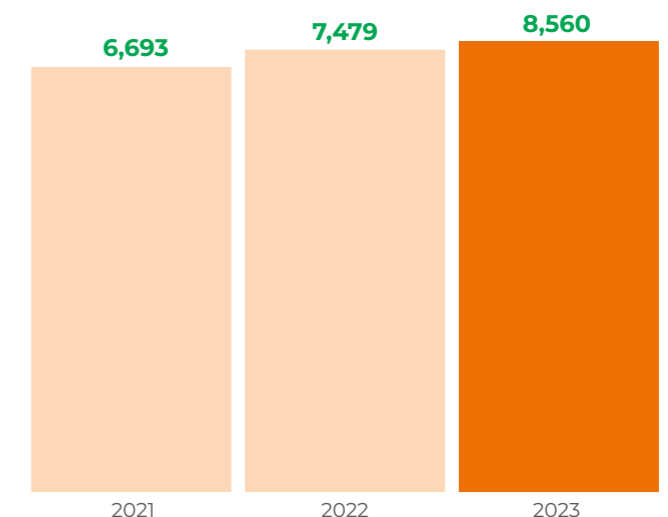
\*Due to group reorganisation and the reallocation of employee grades, the number of employees in senior management has been reduced.

### Focus on Female Talent

We take pride in our diverse workforce and are committed to supporting female talent both at Lulu Retail and across the broader industry. We provide female employees with guidance, support, and career development opportunities to help them advance in their career journey, empowering them to grow within the business.

The success of these initiatives is supported by a growing percentage of women within our organisation. The number of full-time female employees grew by 14.5% in 2023 compared to the previous year, with women now making up nearly 17% of our workforce.

### FEMALE FULL-TIME EMPLOYEES (#)





### Safe and Inclusive Work Environment

Lulu Retail upholds a zero-tolerance policy towards discrimination. This is communicated to employees during onboarding, and our code of conduct covers business ethics principles to ensure ethical behaviour in the workplace. We are committed to fostering a safe and inclusive workplace for all employees at Lulu Retail.

In the event of misconduct, we want our employees to feel comfortable raising concerns without fear of reprisal. Our strict nonretaliation process protects all employees. Grievances can be raised via multiple channels with all reports treated with sensitivity and information shared only with critical parties. Employees are kept informed at all stages of investigation and are informed of any action taken. This process is designed to uphold the principles of fairness, transparency, and accountability, and to empower everyone at Lulu Retail to shape a safe and respectful work environment.

# Zero

incidents of discrimination reported during 2023

### Employee Commitment

Our employees are a crucial part of the Lulu Retail family, so we strive to foster a sense of belonging among our workforce. We make every effort to offer employment opportunities to the immediate family members of our current employees. We support our employees by providing financial assistance for marriage celebrations. As well as competitive compensation, accommodations, and vehicle allowances, we also offer employees the opportunity to work with Lulu Retail in their home countries should they need to leave their existing company position due to family matters or retirement.



# ENHANCING GROWTH AND DEVELOPMENT

At Lulu Retail, we are committed to helping our employees thrive and reach their full potential. To achieve this, we have a dedicated Learning and Development Department that oversees the design, implementation, and evaluation of our training initiatives. Our training and development framework ensures every employee can access learning opportunities that align with their career trajectory.

We offer a comprehensive range of training and upskilling programmes for employees in all areas of the business. These include instructor-led and on-the-job training; role-specific training in customer service, sales, security, food safety, merchandising, and communication; and workplace training in teamwork, cultural sensitivity, and leadership skills. We also offer cross-sector training to enable employees to obtain the skills needed for different roles.

Training is offered in multiple formats, including workshops, online training, classroom sessions and onsite training. We conduct regular performance reviews to identify any competency gaps and

measure the success of our training through pre-training assessment and post-training evaluation. We encourage all employees to provide feedback on their training experience to ensure continuous improvement.

We are quite optimistic about the successful implementation of our advanced Learning Management System (LMS) by next year. This system is set to enhance our training initiatives with its robust features and user-friendly interface, fundamentally transforming how employees access and engage with training modules. We look forward to the positive impact this will have on our learning culture and employee development.



### Training types:

- Induction Training
- Retail Training (Basics, Intermediate, and Advanced)
- Health & Beauty Training
- Frozen Food Training
- Customer Service Training
- Housekeeping Supervisors Training
- POS Training
- Basic Food Hygiene
- Cashiers Training
- Supervisors Training
- Packers Training
- Assistant Managers Training
- Effective Communication Skills Training
- Basic Selling Skills Training
- Storekeepers Training
- Butchery Training
- Seafood Training
- Fruits & Vegetables Training
- Delicatessen Training
- Roastery Training
- BLSH/Perfume Training
- Bakery Training
- Hot food Training
- Trainers Training
- Security Training
- External Training (Department Store)
- Buyers Training
- Communication Skills Training for Managerial Level
- Leadership Training Programme
- On-the-Job Training

## ESG Training and Communication

We offer comprehensive ESG training to our sustainability champions globally to ensure sustainability gets integrated into our operations across the regions. Lulu Retail provided 346 man-hours of ESG training in 2023, helping to reinforce a culture of responsibility within our organisation and delivering positive impact among the communities we serve.

## Monitoring Employee Training and Development

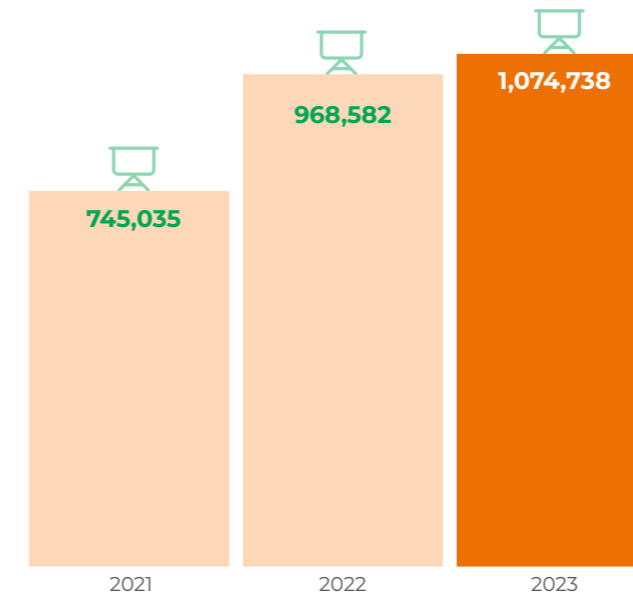
We rigorously and regularly review our employee training programs to ensure they meet the needs of Lulu Retail. Through a combination of participant surveys, learning outcome assessments, and post-training performance evaluations, we confirm that our employees are equipped with the skills they need. Employee feedback is critical to this continuous improvement, and we collect it through direct communication with supervisors. This process not only ensures that our training programmes remain relevant and adaptable to evolving business needs but also provides a valuable point of employee engagement, ensuring our workforce feels involved in their career development.

Data plays a crucial role in this process; we collect information on a wide variety of metrics, including the number of training sessions conducted, participation rates, training hours, and areas of focus. This data is then analysed to identify trends, opportunities for improvement, and discrepancies. Our cross-departmental approach enables us to share best practices and allocate resources more effectively across the organisation. This comprehensive approach allows us to produce transparent training reports that are shared with various stakeholder groups.

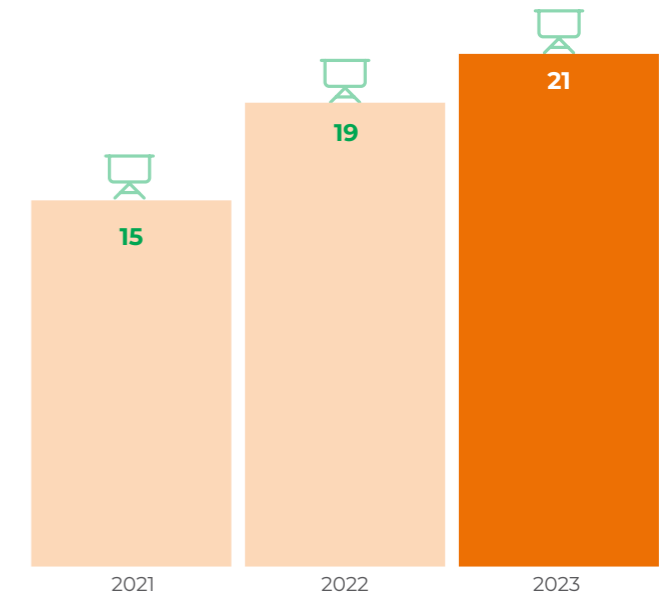
Lulu Retail is committed to excellence in training, and our programmes are carefully designed to meet or exceed industry standards. In Oman, we have achieved ISO 21001 certification, indicating our dedication to quality training. Looking ahead, we intend to pursue further opportunities to obtain certification that validates our commitment to exceptional training standards.

We actively promote our training programmes to employees at all levels of the business. With accessibility in mind, we deliver training through a range of systems, tools, and innovative technologies, including virtual webinars and workshops. Virtual training offers employees access to the latest expert information while also enabling knowledge sharing, interaction, and upskilling across different locations. As a result, our average training hours per employee have increased year-on-year since 2021.

TOTAL NUMBER OF TRAINING HOURS FOR TOTAL WORKFORCE



AVERAGE TRAINING HOURS PER EMPLOYEE



Indicator	Unit	2021	2022	2023
Total number of training hours by gender				
Total	Hours	745,035	968,582	1,074,738
Female	Hours	100,395	142,101	179,760
Male	Hours	644,640	826,481	894,978
Average hours of training per employee by gender				
Average	Hours per number of total employees	15	19	21
Female	Hours per number of female employees	15	19	21
Male	Hours per number of male employees	15	19	21



# PRIORITISING SAFETY AND WELLBEING

We are committed to ensuring all our employees have a healthy and safe working environment. We adhere to all local health and safety requirements and have a comprehensive Occupational Safety and Health (OSH) system in place to manage risk and protect the health and safety of all employees, contractors, visitors, and other interested parties.

Our OSH system aims to achieve quality universal health coverage for all employees, providing access to essential healthcare services and necessary medications. Staff in our Fresh Food Department are offered regular medical check-ups, and counselling and support services are available to employees facing personal or work-related challenges.

We also have a thorough hazard management system, which includes facility surveillance, and the provision of personal protective equipment (PPE) as needed. Working areas are regularly inspected, and our Oman stores have a dedicated Emergency Response Team (ERT), monitored by the shop general manager, to ensure worker health and safety. Every store has a system in place for reporting incidents and accidents in the workplace.

Health and safety training is a key component of our commitment to employee wellbeing. All sites regularly review health and safety training and processes to ensure continual improvement and the wellbeing of employees. All employees covered by our health & safety practices undergo health and safety training during their orientation period. For example, LuLu UAE offers fire warden training, while LuLu USA ensures all machine operators are OSHA trained and certified. LuLu UK employees are offered role-specific training and can engage in additional programmes such as fire safety and first aid. LuLu Qatar undertakes a fire and safety training programme which includes topics such as emergency situations and evacuations.

## OHS Management System

Our OHS system sets out our expectations for the safe conduct of daily operations. All our OHS systems comply with the standards and regulations of the countries in which we operate. We actively seek to develop and implement new risk management strategies, and frequently review the OHS performance at different management levels.

All employees are made aware of the risks related to their roles and are given clear instructions on the necessary precautions they must take. However, we recognise that the health and safety of our workplaces depend on employee support and vigilance, so we actively encourage all workers to report risks and hazards to their team leaders.

At our US and UK sites, Lulu Retail has dedicated Safety Committees which meet regularly to identify and discuss risks, resulting in control measures put in place to ensure a safe working environment is maintained.

In 2023, 107 work-related injuries were reported. There were no fatalities reported in 2023.

# Zero

fatalities reported in 2023

# ENSURING HIGH-QUALITY PRODUCTS AND SERVICES

At Lulu Retail we are committed to promoting a healthy and sustainable lifestyle through high quality, fresh and affordable food, and other products, alongside a great shopping experience that excels in exceptional customer service.

We offer a diverse range of products designed to meet the nutritional and dietary needs of our customers across all regions. To strengthen our offering, we actively work with our suppliers to gather data on a range of health, safety, and sustainability metrics, including ingredients, nutritional values, and allergens.

Our product portfolio now includes a greater volume of organic and locally sourced fresh fruits, vegetables, meat, and fish products, enabling us to offer products with greater nutrition, a lower environmental impact and which support local farming. We continue to expand our range of Private Label products with lower fat, sugar-free, gluten-free, and reduced-sugar options, and have been reducing salt content since 2015.

These measures are supported by consumer-facing campaigns highlighting the importance of healthy diets and nutrition, as well as a carefully designed calendar of activities to promote healthy eating habits among our customers. We are currently undertaking several initiatives in this area, including collaborations with social media influencers and advertising in print and online media.



Own brand products sold with less sugar/salt/saturated fatty acids/ free from additives offered

2022  
**495**  
2023 (target was 550)  
**583**

2025 target  
**800**

Own brand organic products offered

2022  
**319**  
2023 (target was 330)  
**334**

2025 target  
**400**



## Food Safety

We take the health, safety, and quality standards of our products extremely seriously, and our commitment to excellence in this area has helped us to maintain our position as a leading retailer in the MENA region.

We have a range of procedures in place to ensure high quality and compliance with all legal and regulatory requirements, and we are accredited to ISO 22000 and HACCP standards. Our Private Label Department – which has achieved the internationally-recognised ISO 9001:2015 certification – has developed a robust framework for vetting and selecting suppliers to maintain the integrity of our private label products. This includes regular audits, comprehensive testing protocols and adherence to GSO standards, which enable us to enhance the nutritional quality of our products and provide transparent labelling, supporting customers to make healthier choices.

LuLu Retail is ISO 22000 certified across all GCC countries. In Qatar, Oman, UAE, Bahrain, and Qatar, we also hold HACCP certification.

A dedicated Quality Team is responsible for the management and implementation of product safety, and conducts timely assessments of health and safety impacts by evaluating product testing and feedback mechanisms.

Rare events of non-compliance are dealt with swiftly with thorough investigations undertaken to determine the cause of the incident and prevent reoccurrence. We are transparent with our customers in these instances, and clearly communicate outcomes and corrective measures.

At Lulu Retail we strongly value collaboration. To ensure our products and services meet or exceed national and international standards, we support and follow the guidelines of all relevant regulatory bodies. At LuLu Qatar, all products brought into the country undergo registration with the Ministry of Public Health, with products sampled for microbiological analysis in an ISO 17025-accredited laboratory three to four times per year.

Training is crucial to our success in maintaining high standards, so we conduct regular food safety training sessions across the organisation. These sessions ensure that our employees are up to date with relevant international and industry-specific regulations and best practice.

## Lulu Retail Private Label Products

Lulu Retail's Private Label Department creates products specifically tailored to our brand and customer preferences, which are exclusively available in Lulu Retail outlets. This department oversees product development, sourcing, and quality control processes, ensuring consistency and excellence. By focusing on innovation and customisation, we aim to differentiate our brand and enhance customer loyalty.

We achieved significant milestones in the reporting year, including the successful launch of several new product lines tailored to evolving consumer preferences, such as organic, sugar-free, and gluten-free ranges. We also started implementing sustainable packaging practices, reducing environmental impact across our private label offerings. These achievements demonstrate our dedication to innovation, quality, and responsible business practices in a competitive retail landscape.

Our Private Label Department faced several supply chain challenges this year due to political instability in the Middle East and fluctuations in commodity prices. To address these issues, we implemented proactive supplier diversification strategies, optimised inventory management systems, and enhanced communication channels with vendors. These measures enabled us to maintain product availability, minimise disruptions, and uphold our responsibility to quality and customer satisfaction.

## Responsible Labelling and Marketing

Lulu Retail is committed to ethical marketing and advertising, prioritising transparency, honesty, and respect for consumer rights. Our policies ensure compliance with laws and regulations, fostering accountability and integrity in all promotional activities.

We maintain transparency in product sourcing by providing detailed information on components through labels, online platforms, and marketing materials. Open communication with suppliers, regular audits, and verification of sourcing practices uphold our quality and ethical standards. We also provide clear disposal guidelines to empower consumers to make informed and responsible choices, supporting sustainability in their everyday decisions.

Our labelling includes product origins, usage instructions, allergen warnings, and certifications such as non-GMO, Halal, and organic. We adhere to rigorous standards and regulations from bodies like MoIAT, ADAFSA, GSO, SFDA, FSSAI, and regional municipalities. Our Packaging and labelling meets local standards and undergo regular audits to ensure accuracy.

We actively collaborate with regulatory bodies and follow international benchmarks to ensure compliance, ethical practices, and the provision of accurate, valuable information to customers. Our commitment to transparency, diversity, and consumer empowerment in marketing builds trust and meaningful connections with our global customers.

### Customer Experience

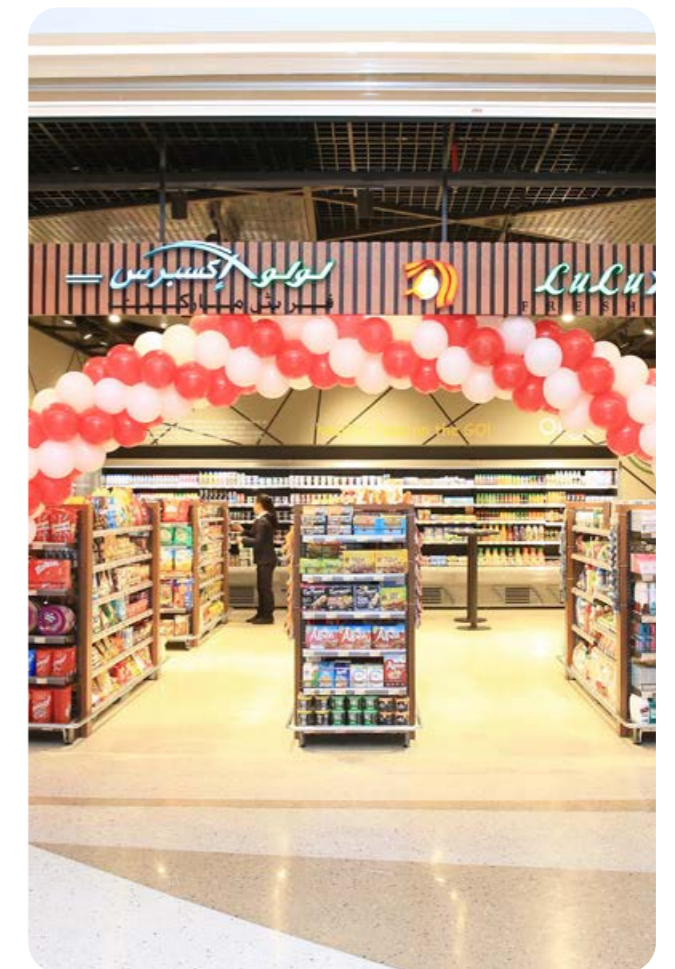
Customer satisfaction is our top priority, and we have implemented several measures to ensure a great customer experience. We have a defined customer relationship management system implemented at all our retail outlets, which enables us to connect directly with customers to obtain information on their shopping experience and any challenges they might have encountered.

Our Customer Happiness Centres are designed to provide an exemplary shopping experiences to all customers by providing structured shopping environments that are supported by knowledgeable and approachable members of staff. To ensure the successful operation of these facilities we offer comprehensive training to customer service

staff and coordinate with store management or other department heads on matters related to shopping experiences.

We have implemented a multi-channel support system, including email and social media, to assist customers efficiently. We also keep customers informed about new products, promotions, and company news through various communication channels like leaflets, emails, and social media posts.

We seek regular feedback from our customers through online and offline communication channels. This information enables us to understand our customers' needs and tailor our products and services accordingly. Each year, we assess our customer satisfaction by analysing how effectively we resolve customer complaints. This year, our analysis indicates a positive trend in overall satisfaction, with particularly positive feedback regarding product quality, customer service responsiveness, and brand loyalty.



While great efforts are made to minimise complaints, we welcome and encourage our customers to submit feedback so that we can continually improve our products and services. Customers can register complaints related to service, product quality, or any other issues through our call centre, via email, or through customer feedback forms available at the in-store customer service counter. Each complaint is carefully reviewed, investigated, and addressed by trained personnel. Feedback and complaints are integral to our continuous improvement efforts to enhance customer satisfaction and inform future decision-making processes.

We prioritise safeguarding and transparency regarding privacy protection issues. Through clear and detailed communication, customers are informed about how their data is collected and used. We follow measures to safeguard customer information, ensuring compliance with relevant regulations.



CASE STUDY

### Happiness Points Programme

**Overview**

In 2023, Lulu Retail launched the LuLu Happiness Points Programme to boost customer satisfaction, engagement, and business growth. The programme rewards customer engagement through points earned from purchases and store interactions, which can be redeemed for discounts, personalised special offers, and exclusive experiences.

**Outcome**

Over one million customers enrolled with the programme in its first five months, surpassing initial one-year projections. The programme enabled us to identify and segment our customer base and target increased and more frequent spending through personalised promotions. Currently, 70% of our sales come from loyalty programme customers, with loyalty customers spending an average of 50% more than non-loyalty customers. Initially rolled out in the UAE, the programme will now expand to other GCC countries.

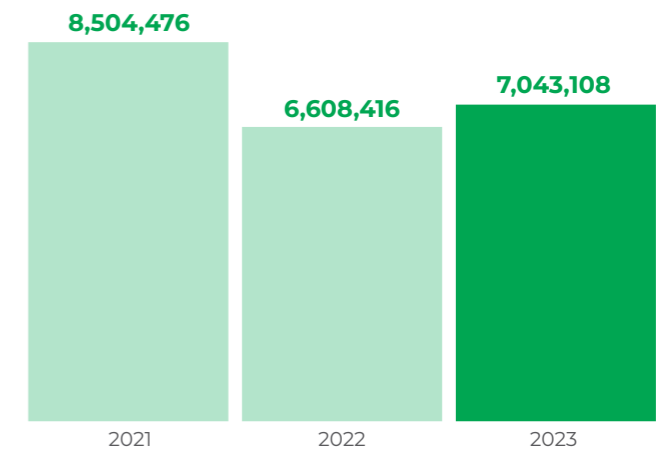


# DEVELOPING STRONG AND RESILIENT COMMUNITIES

As a leading business, Lulu Retail acknowledges our responsibility to the local communities across the 26 countries in which we operate. Guided by our ESG policy, we actively collaborate with non-profit organisations and charities on projects that reflect our core values.

Through these initiatives we support healthcare, education, and economic empowerment. Programmes range from providing iftar meals during the month of Ramadan and supporting local farmers, to participating in blood donations and taking part in breast cancer awareness campaigns. We are proud to support local youth and SMEs, and always welcome new proposals from charitable and non-profit organisations seeking our support.

DONATIONS AND SPONSORSHIPS (AED)



6.6%

increase in funding spent on social initiatives this year



CASE STUDY

### UAE Blood Donation Drive

**Overview**

Through our long-time partnership with Abu Dhabi Blood Bank, Lulu Retail organised a blood donation drive for World Blood Donor Day. A mobile donation bus was stationed at LuLu Khalidiyah Mall and LuLu hypermarket, WTC Mall across two days, with refreshments provided and donors receiving a certificate of acknowledgement.

**Outcome**

The blood drive welcomed 55 donations, with Dr. Huda Al Shamsi, Director of Abu Dhabi Blood Bank Services, commenting: "We are immensely grateful to LuLu Hypermarket for their support

and cooperation on World Blood Donor Day. By such initiatives, we can educate and inspire more individuals to embrace the noble act of blood donation, making a remarkable difference in the lives of patients in need."

55

blood donations received

Our corporate social responsibility (CSR) efforts are largely driven by region-specific projects that promote employee volunteering to support local causes. In UAE, Lulu Retail employees have taken part in blood donations, while in Bahrain we have supported local children through a 'Donate a School Bag' campaign; special needs children at SNEHA Recreation Center; humanitarian charity RHF; the Bahrain Sports Federation; and local workers through our summertime hydration drive.

In Saudi Arabia, we continued our close-knit partnership with the Saudi Cooperative Societies Council and Egg Producers Association to reimagine the agricultural landscape through a 'farm to plate' approach. Our collaboration with the SAMAQ initiative has seen remarkable sales achievements with local fish markets. For the 6th consecutive year, we proudly continue our support for the Zahra Breast Cancer Association and partnered with the Saudi Food Bank, ensuring

Ramadan meals and baskets reach those in need. Since 2021 we have been working with the Disabled Children Association, and our KSA site has also teamed up with health volunteering society named Athar and the Ministry of Health to champion the Protect Your Heart and Health is Wealth initiatives.

In Oman, we have partnered with a range of charity organisations and government bodies, including the Ministry of Social Development, Women's Association and Nida Charity, to hold pop-up bazaars and support local causes with donations and volunteering hours. During the holy month of Ramadan, we launched the LuLu Convoy of Goodness drive, distributing essential grocery boxes to support 1,000 families in Oman's remotest areas.

These partnerships are examples of our commitment to CSR and community betterment. We remain dedicated to expanding our reach and making a meaningful difference in people's lives.



↑ Distributing essential grocery boxes to support 1,000 families



↓ Best CSR Initiative award

CASE STUDY



### Lulu Retail Convoy of Goodness

**Overview**

To support families in need during the holy month of Ramadan, Lulu Retail launched the 'Convoy of Goodness' initiative to provide essential groceries to those in remote areas of Oman. This task was especially challenging given the limited facilities in these areas.

**Outcome**

Over five days a convoy of trucks and volunteers journeyed across Oman, delivering boxes of food products to those in need. The initiative supported 1,000 families and inspired other businesses to undertake similar projects.

CASE STUDY



### Turkey-Syria Earthquake Relief with Emirates Red Crescent

**Overview**

In the wake of a severe earthquake in Turkey and Syria in February 2023, our UAE site undertook a campaign for collection and relief in partnership with Emirates Red Crescent (ERC), to assist those affected by this natural disaster. Collection boxes and promotional artwork were prepared in less than a day and displayed around sites encouraging customers to make donations of winter clothing, blankets, and non-perishable food items.

**Outcome**

The initial campaign was planned for one month, but following an outpouring of support from the people of UAE donations continued for 44 days. More than two shipping containers of aid relief was collected and dispatched to ERC.

# LEADING WITH INTEGRITY

Good governance and strong leadership are essential to the success of Lulu Retail. Through robust policies and procedures, we are committed to embedding responsible business practices and ethical conduct into all areas of our organisation. This ensures we operate with transparency, integrity, and trust, enabling us to promote the welfare and interests of our diverse group of stakeholders.

## Highlights

- Increased employee training hours on human rights
- Over 83% of procurement spending is on local suppliers
- Zero incidents of data breaches, cyber-attacks or attempted cyber-attacks

## Material Topics

-  Business Ethics
-  Human Rights
-  Procurement
-  Data Privacy & Security

## UN SDGs



# RESPONSIBLE GOVERNANCE

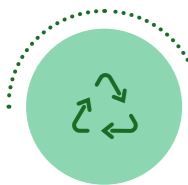
Lulu Retail has a strong framework that guides our approach to structural governance, risk, and compliance at every level of our operations. It is our commitment to this framework that ensures our longevity and that we continue to hold a leading position as a global retail brand. Our governance practices meet or exceed all legal and regulatory requirements.

The Board of Directors ('the Board') is the highest governing body within Lulu Retail and is supported by our senior management team. Board members are selected based on their qualifications, expertise and alignment with the LRHL's mission and values, with the selection process guided by recommendations from the shareholders.

## Risk Management

Effective risk management is crucial to the success and sustainability of our business. We adhere to the highest standards of risk management, and through our Enterprise Risk Management (ERM) practice we have developed a risk register that includes ESG risks. We strive for continuous improvement through regular assessment and review of key risks – including those related to ESG – that could materially impact our business.

We recognise that managing environmental, social and governance risks are key to ensuring long-term sustainable future. Our integrated approach to managing relevant ESG risks enhances our resilience, builds trust, and supports sustainable growth.



### Environmental Risks:

We focus on minimising our environmental impact through resource efficiency, managing climate change risks, and reducing carbon emissions. This includes reducing energy use, preparing for climate-related challenges, and managing our broader environmental footprint.



### Social Risks:

We prioritise community engagement, ensure fair labour practices, and uphold ethical standards in our supply chain. Our efforts include positive community outreach, promoting a diverse and safe workplace, and monitoring supplier practices.



### Governance Risks:

We uphold high standards of ethical conduct, maintain robust risk oversight, and ensure transparency through comprehensive ESG reporting. Our governance framework includes rigorous oversight by the Board and clear reporting mechanisms to keep stakeholders informed.

# EMBEDDING ETHICS

Lulu Retail prides itself on its high standards of business ethics and the trust we have established with our stakeholder groups. We have robust policies – in line with all applicable laws and regulations – that outline our commitment to incorporating ethical practices throughout our organisation.

These include an ESG Policy, an Anti-Bribery and Corruption Policy, Supplier Code of Conduct, and our employee Code of Conduct. These are clearly communicated to employees, business partners and other relevant parties to ensure all stakeholders are aligned with our values and objectives.

Our updated employee Code of Conduct sets clear expectations for behaviour across Lulu Retail. The document covers a wide range of topics that promote integrity within our organisation, including business ethics, protecting the organisation's assets, data privacy and confidentiality, anti-bribery, and anti-corruption.

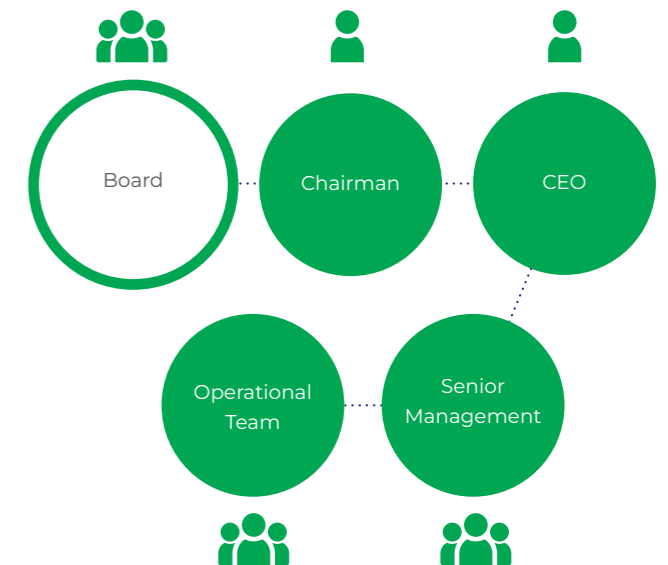
Our Supplier Code of Conduct ensures ethical, sustainable, and responsible practices across our supply chain. It mandates fair labour standards, including the prohibition of forced and child labour, non-discrimination, and safe working conditions. It upholds ethical business practices, including anti-corruption and intellectual property protection. Environmental stewardship is a key focus, with commitments to sustainability, resource conservation, and climate change mitigation.

We have a zero-tolerance approach to corruption. Some areas, such as Kuwait, have already adopted corruption risk assessment processes which include the evaluation of all operations, mandates, functions, and stakeholders for possible involvement in corrupt schemes. There have been no instances of corruption at Lulu Retail in the past three years.

## CORRUPTION INCIDENTS



## PERCENTAGE OF OPERATIONS ASSESSED FOR RISKS RELATED TO CORRUPTION



## Conflicts of Interest

Our commitment to ethical business practices means we are vigilant in matters concerning conflicts of interest. Whether they be financial or personal, we encourage our stakeholders to disclose any situations that could pose such conflicts. These concerns, if any, are overseen and managed by the Board. No critical concerns were reported in 2023.

## Human Rights

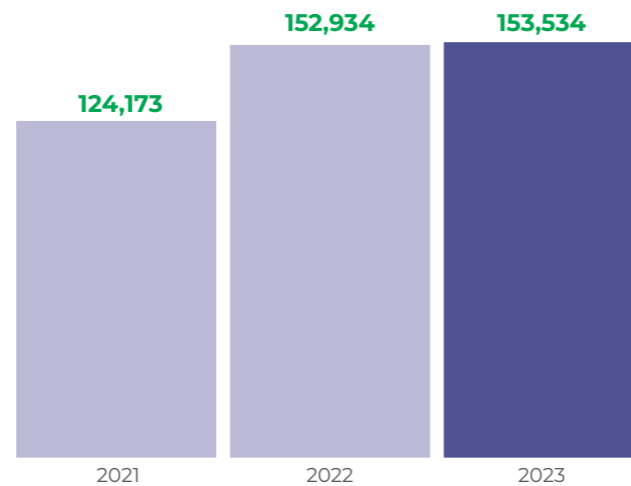
We strive to ensure that our activities and operations uphold human rights and adhere to all relevant laws in our countries of operation, and we are proud to use our influence and capabilities to support people and communities in the areas in which we operate.

Our robust Human Rights Policy has been developed in line with international human rights principles and aligns with the UN Global Compact and UN Guiding Principles on Business and Human Rights. It ensures we respect the fundamental rights and freedoms of individuals and outlines our commitment to providing equal opportunities, preventing discrimination, and fostering a safe and respectful work culture.

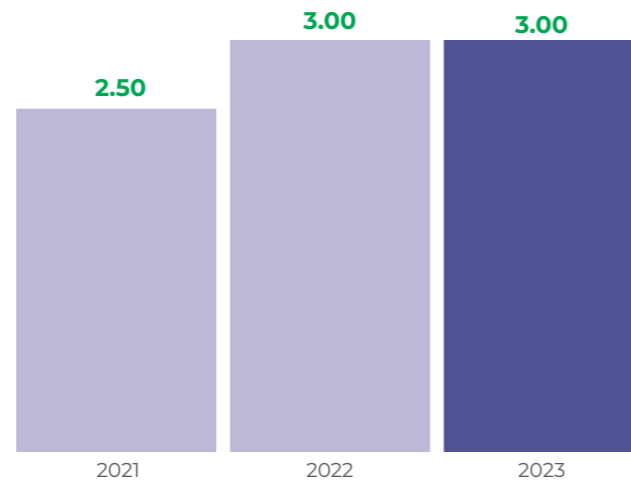
This policy applies to our entire group level operations at all locations in which we operate. Our employees are given training on human rights to ensure the strictest compliance. In 2023 we provided 153,534 trainings hours on human rights – a modest increase over the past two years.



TOTAL HOURS OF TRAINING ON HUMAN RIGHTS



AVERAGE EMPLOYEE TRAINING HOURS ON HUMAN RIGHTS (HOURS/NUMBER OF EMPLOYEES)



# SUSTAINABLE SUPPLY CHAIN

As a leading retail brand, Lulu Retail manages numerous complex supply chains. We recognise our responsibility to manage the social and environmental impacts of these supply chains, and to leverage our influence to drive wider positive change throughout our industry.

Our efforts here are underpinned by our formal Supplier Code of Conduct, which was published in 2023. This is a comprehensive document that outlines our expectations for suppliers in the areas of labour practices, ethical business, environmental stewardship, sustainable sourcing, monitoring and enforcement, and communication and reporting. It extends to all stakeholders involved in our supply chain, including suppliers, subcontractors, other intermediaries, and their employees. All parties are made aware of our Code of Conduct and non-compliance with our standards is met with swift and decisive consequences. We have procedures in place to address instances of non-compliance, including corrective actions, termination of contracts, and legal remedies, depending on the severity and recurrence of violations.

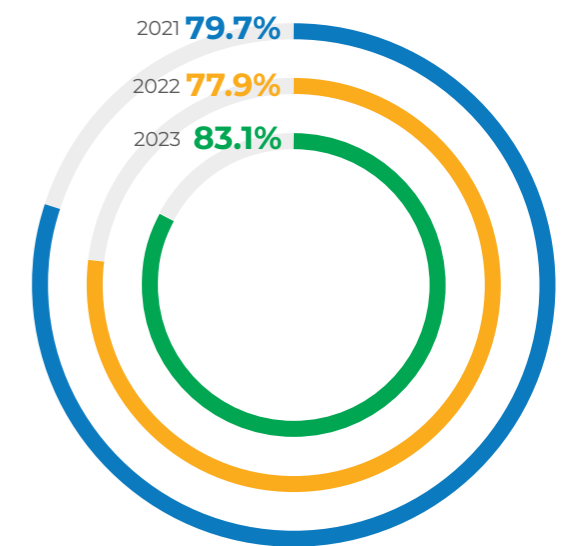
We actively promote the sourcing of goods from local suppliers and producers to support our local communities and reduce GHG emissions. We are committed to screen and prioritise all new suppliers using environmental and social criteria to ensure alignment with our sustainability goals.

We work with suppliers who ensure the delivery of high-quality products, aligned with our commitment to sustainability. We maintain open communication with our suppliers to encourage ethical business practices.

PROCUREMENT SPENDING ON LOCAL SUPPLIERS (AED MN)



% SPENDING ON LOCAL SUPPLIERS



>83% 

of procurement spending is on local suppliers in 2023

# PROTECTING OUR STAKEHOLDERS' PRIVACY

As a responsible business, Lulu Retail upholds the highest standards of data privacy and security, both to maintain trust with our stakeholders and to guard against security breaches and reputational damage.

Our efforts here are guided by our comprehensive Privacy Policy. This publicly available document outlines the way we collect, use, share and protect personal data. It also outlines users' rights and access to information, provides details on our communications Opt-Out Policy, outlines our limitations of liability, and provides information on ways to contact us and making complaints.

Data privacy and security management at Lulu Retail is overseen by our Information Technology (IT) Department. The department develops, implements, and maintains information systems, all hardware, software, and networks that are essential for the day-to-day operations of our business. The department is also responsible for running regular data security training and awareness sessions with our employees, to ensure everyone understands the importance of a secure work environment. Cybersecurity awareness sessions are conducted face-to-face or online, complemented by monthly newsletters on relevant topics. We have enforced strict access controls, with each employee required to use multi-factor authentication and passwords in line with our commitments towards data privacy and security.

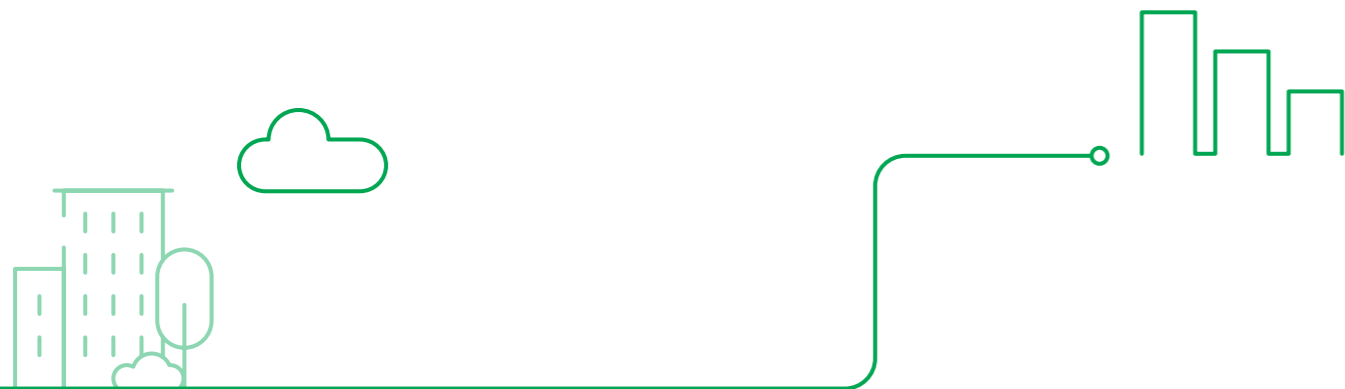
We have rigorous global and national security standards in place throughout our operations to protect customers' financial information. These include regular internal and external audits, quarterly vulnerability assessments and maintaining Payment Card Industry Data Security Standard (PCI-DSS) v3.2.1 certification.

There have been no incidents of data breaches, losses, cyber-attacks or attempted cyber-attacks within the organisation during this reporting period.

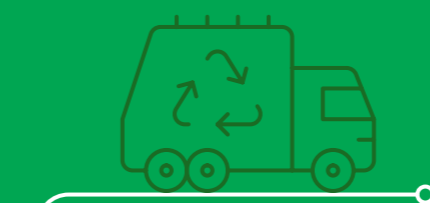
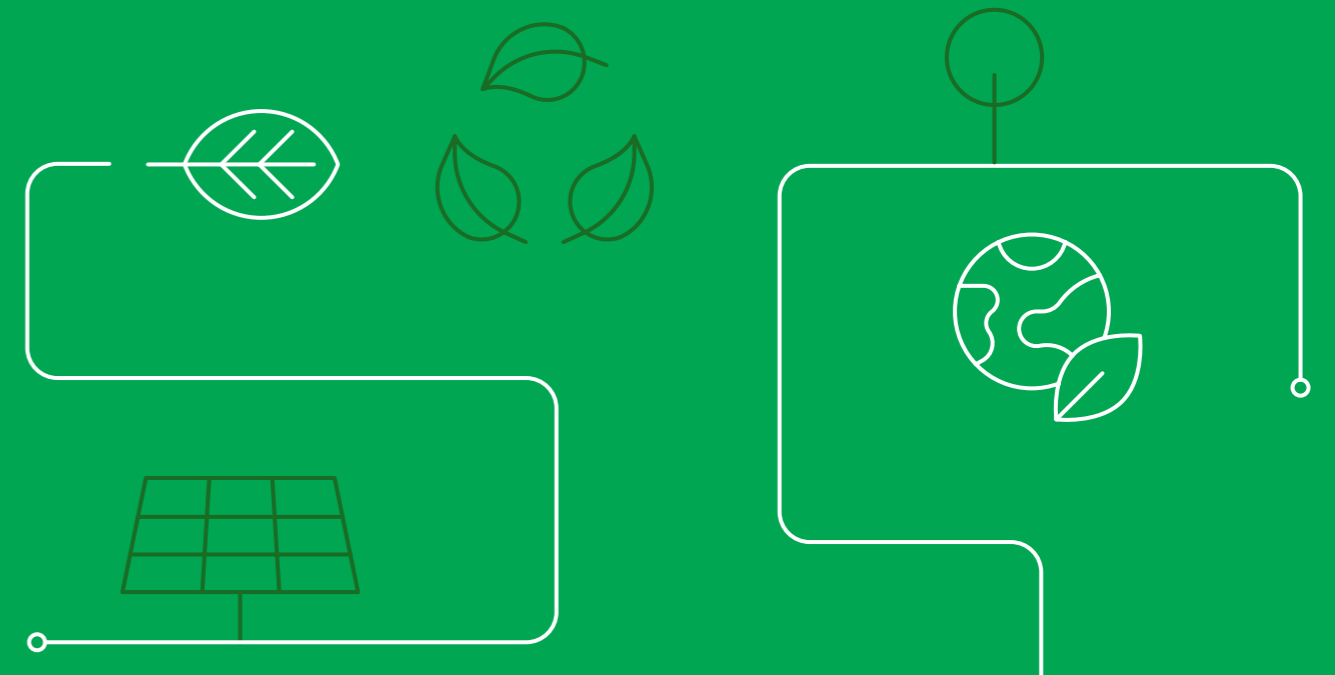
# Zero



incidents of data breaches, losses, cyber-attacks or attempted cyber-attacks within the organisation during this reporting period



# APPENDICES



# GRI STANDARDS CONTENT INDEX

<b>Statement of use</b>	LuLu Retail Holdings Limited has reported the information cited in this GRI content index for the period 1st January 2023 to 31st December 2023 in accordance with the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	None

GRI Standard/ Other Source	Disclosure	Location/Direct Answer	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>General disclosures</b>					
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 8-11	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	2-2 Entities included in the organization's sustainability reporting	Page 4			
	2-3 Reporting period, frequency and contact point	Page 4			
	2-4 Restatements of information	NA			
	2-5 External assurance	Report not assured externally			
	2-6 Activities, value chain and other business relationships	Page 8			
	2-7 Employees	Page 42, 43			
	2-8 Workers who are not employees	Page 42			
	2-9 Governance structure and composition	Page 62-63		Information unavailable/incomplete	Due to confidentiality concerns, the information on governance composition has been withheld from the ESG report, ensuring the protection of sensitive data
	2-10 Nomination and selection of the highest governance body	Page 62			

2-11 Chair of the highest governance body	Page 63			
2-12 Role of the highest governance body in overseeing the management of impacts	Page 63			
2-13 Delegation of responsibility for managing impacts	Page 63			
2-14 Role of the highest governance body in sustainability reporting	Page 22, 63			
2-15 Conflicts of interest	Page 64			
2-16 Communication of critical concerns	Page 64			
2-17 Collective knowledge of the highest governance body	Page 22, 63			
2-18 Evaluation of the performance of the highest governance body	Not disclosed	Confidentiality constraints		Due to confidentiality concerns, this information has been withheld from the ESG report, ensuring the protection of sensitive data.
2-19 Remuneration policies	Not disclosed	Confidentiality constraints		While not widely prevalent in the UAE, we appreciate the significance of reporting such information and recognize its inherent value.
2-20 Process to determine remuneration	Not disclosed	Confidentiality constraints		While not widely prevalent in the UAE, we appreciate the significance of reporting such information and recognize its inherent value.
2-21 Annual total compensation ratio	Not disclosed	Confidentiality constraints		While not widely prevalent in the UAE, we appreciate the significance of reporting such information and recognize its inherent value.
2-22 Statement on sustainable development strategy	Page 5, 6, 7, 9			
2-23 Policy commitments	Page 22, 30, 42, 48, 57, 63, 64, 66			
2-24 Embedding policy commitments	Page 22, 30, 42, 48, 57, 63, 64, 66			
2-25 Processes to remediate negative impacts	Page 48, 55, 56			
2-26 Mechanisms for seeking advice and raising concerns	Page 25, 48, 64			

2-27 Compliance with laws and regulations	Page 63		
2-28 Membership associations	Page 16, 17		
2-29 Approach to stakeholder engagement	Page 24, 25		
2-30 Collective bargaining agreements	Not disclosed	Legal prohibitions	In accordance with country's laws and regulations for labour unions

**Material topics**

GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 26, 27	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.
	3-2 List of material topics	Page 26, 27	

**Procurement**

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 65	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 65 Restatement: We revised the procurement data calculation methodology to ensure consistency, improve accuracy, and enhance comparability of metrics, supporting more reliable and informed decision-making.	

**Business Ethics**

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 63, 64	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 63	
	205-2 Communication and training about anti-corruption policies and procedures	Page 63, 64	
	205-3 Confirmed incidents of corruption and actions taken	Page 63	

**Energy**

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 31, 32	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 31, 32	
	302-2 Energy consumption outside of the organization	Not disclosed	Information unavailable/incomplete Data is not monitored.

302-3 Energy intensity	Page 31, 32		
302-4 Reduction of energy consumption	Page 31, 32		
302-5 Reductions in energy requirements of products and services	Not disclosed	Information unavailable/incomplete	Data is monitored but requires further analysis.

**Water and Effluents**

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 39	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 39	
	303-2 Management of water discharge-related impacts	Page 39	
	303-3 Water withdrawal	Not disclosed	Not applicable We record water consumption based on the water supplied by third-party entities or municipalities in the respective regions, lacking details on the specified water sources for withdrawal.
	303-4 Water discharge	Not disclosed	Not applicable Due to applicable provisions in the respective geographies of operation, we do not have ability to collect and report data on water discharge.
	303-5 Water consumption	Page 39	

**Climate Change/Emissions**

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 33, 34	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 34	
	305-2 Energy indirect (Scope 2) GHG emissions	Page 34	
	305-3 Other indirect (Scope 3) GHG emissions	Not disclosed	Information unavailable/incomplete Data is monitored but requires further analysis.
	305-4 GHG emissions intensity	Page 34	
	305-5 Reduction of GHG emissions	Page 34	
	305-6 Emissions of ozone-depleting substances (ODS)	Not disclosed	Information unavailable/incomplete Data is not monitored.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not disclosed	Information unavailable/incomplete Data is not monitored.

Food Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 36-38
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 36-38
	306-2 Management of significant waste-related impacts	Page 36-38
	306-3 Waste generated	Page 38
	306-4 Waste diverted from disposal	Page 38
	306-5 Waste directed to disposal	Page 38
Packaging Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 36-38
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 36-38
	306-2 Management of significant waste-related impacts	Page 36-38
	306-3 Waste generated	Page 38
	306-4 Waste diverted from disposal	Page 38
	306-5 Waste directed to disposal	Page 38
Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 42
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 44
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 45
	401-3 Parental leave	Page 45
Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 52
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 52

	403-2 Hazard identification, risk assessment, and incident investigation	Page 52		
	403-3 Occupational health services	Page 52		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 52		
	403-5 Worker training on occupational health and safety	Page 52		
	403-6 Promotion of worker health	Page 52		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Not disclosed	Information unavailable/incomplete	The data measurement systems at the Group level are currently being established.
	403-8 Workers covered by an occupational health and safety management system	Page 52		
	403-9 Work-related injuries	Page 52		
	403-10 Work-related ill health	Not disclosed	Information unavailable/incomplete	The data measurement systems at the Group level are currently being established.
Training and Development				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 49, 50		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 50		
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 49, 50		
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 49, 50	Information unavailable/incomplete	Data is not monitored currently.
Workforce Empowerment				
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 42-48		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 47		
	405-2 Ratio of basic salary and remuneration of women to men	Not disclosed	Confidentiality constraints	Information cannot be disclosed due to restrictions from internal policies.

**Non-discrimination**

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 48, 64
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 64

**Local Communities**

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 57-59
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 57-59 Restatement: Due to the recent reorganisation of the group, a realignment of the reporting boundary with LRHL was required, which impacted the presentation of our Donations and Sponsorship data. This adjustment ensures consistency with our updated structure, allowing for clearer reporting and continued transparency without affecting the integrity of our contributions.
	413-2 Operations with significant actual and potential negative impacts on local communities	Page 57-59

**Healthy and High-Quality Products**

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 53-55
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Page 53-55
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Page 55

**Marketing and Labeling**




GRI 3: Material Topics 2021	3-3 Management of material topics	Page 54, 55
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Page 54, 55
	417-2 Incidents of non-compliance concerning product and service information and labeling	Page 54, 55
	417-3 Incidents of non-compliance concerning marketing communications	Page 54, 55

**Customer Privacy and Security**

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 66
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 66

# ALIGNMENT WITH UN SDGS

UN SDG	GRI Standards Disclosure	Reference to Section	Page Number(s)
SDG 2: Zero Hunger 	GRI 413-2	Developing Strong and Resilient Communities	57-59
SDG 3: Good Health and Wellbeing 	GRI 305, 401, 403	Energy & Climate Action Prioritising Safety & Wellbeing	31-34, 52
SDG 4: Quality Education 	GRI 404	Enhancing Growth & Development	49-51
SDG 5: Gender Equality 	GRI 401, 404, 406	Advocating Diversity and Inclusion	47, 48
SDG 6: Clean Water and Sanitation 	GRI 303	Managing Our Water Resources	39
SDG 7: Affordable and Clean Energy 	GRI 302	Energy & Climate Action Optimising Environmental Management	30-34
SDG 8: Decent Work and Economic Growth 	GRI 403, 404, 302, 401	Strengthening Our Workforce	42-48
SDG 12: Responsible Consumption and Production 	GRI 302, 303, 305, 306	Energy & Climate Action Embracing Circularity	31-34, 36-38
SDG 13: Climate Action 	GRI 302, 305	Energy & Climate Action	31-34
SDG 14: Life Below Water 	GRI 305	Energy & Climate Action	31-34

UN SDG	GRI Standards Disclosure	Reference to Section	Page Number(s)
SDG 15: Life on Land 	GRI 305	Energy & Climate Action	31-34
SDG 16: Peace, Justice and Strong Institutions 	GRI 2-9, 2-10, 2-11, 2-12, 2-23, 205, 416-2, 417-2, 417-3, 418-1	Sustainable Supply Chain	65
SDG 17: Partnerships for the Goals 	N/A	Certifications, Awards and Memberships	16, 17

# SASB INDEX

Lulu Retail's sustainability information is aligned with SASB Standard for Food & Beverage - Food Retailers & Distributors and Multiline and Specialty Retailers & Distributors. In the coming years, Lulu Retail endeavours to align its reporting with evolving global and national sustainability standards to transparently disclose relevant sustainability risks and opportunities. The index below provides topic disclosures that are material to Lulu Retail.

Relevant SASB Industry	Topic	Metric	Unit of Measure	Relevant SASB Code	Page number(s) and/or direct answers
Food & Beverage Food Retailers & Distributors	Air Emissions from Refrigeration	Gross global Scope 1 emissions from refrigerants	Metric tonnes (t) CO <sub>2</sub> -e	FB-FR-110b.1	169,697.97
	Energy Management	Operational energy consumed	Gigajoules (GJ)	FB-FR-130a.1	Page 31
		Percentage renewable	Percentage (%)		Page 31
	Food Waste Management	Amount of food waste generated	Metric tonnes (t)	FB-FR-150a.1	Page 38
		Percentage diverted from the waste stream	Percentage (%)		Page 38
	Product Health & Nutrition	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	n/a	FB-FR-260a.2	Page 53-54
	Product Labelling & Marketing	Number of incidents of non-compliance with industry or regulatory labelling or marketing codes	Number	FB-FR-270a.1	Page 55
Labour Practices	Percentage of active workforce employed under collective agreements	Percentage (%)	FB-FR-310a.2	Page 43	
Consumer Goods - Multiline & Specialty Retailers Distributors	Energy Management in Retail & Distribution	Total energy consumed	Gigajoules (GJ)	CG-MR-130a.1	Page 31
		Percentage grid electricity	Percentage (%)		Page 31
	Workforce Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	Percentage (%)	CG-MR-330a.1	Page 47

Relevant SASB Industry	Topic	Metric	Unit of Measure	Relevant SASB Code	Page number(s) and/or direct answers
Consumer Goods - Multiline & Specialty Retailers Distributors Food & Beverage Food Retailers & Distributors	Management of Environmental & Social Impacts in the Supply Chain	Discussion of strategies to reduce the environmental impact of packaging	n/a	CG-MR-410a.3 FB-FR-430a.4	Page 36
		Data Security	Description of approach to identifying and addressing data security risks	n/a	CG-MR-230a.1 FB-FR-230a.1
		Number of data breaches	Number	CG-MR-230a.2 FB-FR-230a.2	0
		Percentage involving personally identifiable information (PII)	Percentage (%)		0
		Number of customers affected	Number		0

# ACRONYMS

ADAFSA	Abu Dhabi Agriculture and Food Safety Authority	IT	Information Technology
ADPHC	Abu Dhabi Public Health Centre	KPI	Key Performance Indicator
BHD	Bahraini dinar	KSA	Kingdom of Saudi Arabia
BMS	Building Management System	kWh	Kilowatt hours
CEO	Chief Executive Officer	LED	Light-emitting Diode
CO2	Carbon Dioxide	LMS	Learning Management System
CSR	Corporate Social Responsibility	MCC	Meadowlands Chamber of Commerce
CWEIC	Commonwealth Enterprise and Investment Council	MENA	Middle East and North Africa
DSES	Dubai Service Excellence Scheme	MOHRE	Ministry of Human Resources & Emiratization
ERC	Emirates Red Crescent	MolAT	Ministry of Industry and Advanced Technology
ERM	Enterprise Risk Management	NJCC	New Jersey Chamber of Commerce
ERT	Emergency Response Team	OSH	Occupational Safety and Health
ESG	Environmental, Social and Governance	OSHAD	Occupational Safety and Health Abu Dhabi
FSSAI	Food Safety and Standards Authority of India	PCI-DSS	Payment Card Industry Data Security Standard
GBO	Green Bokerage for oil W.L.L.	PPE	Personal Protective Equipment
GCC	Gulf Cooperation Council	QBA	Qatari Businessmen Association
GHG	Greenhouse Gas	RHF	Royal Humanitarian Foundation
GJ	Gigajoules	RVM	Reverse Vending Machine
GRI	Global Reporting Initiative	SACWFM	Saudi Arabia Cleaning, Waste Management and Facilities Management
GSAS	Global Sustainability Assessment System	SASB	Sustainability Accounting Standards Board
GSO	GCC Standardization Organization	UN SDGs	United Nations Sustainable Development Goals
HACCP	Hazard Analysis and Critical Control Points	SFDA	Saudi Food and Drug Authority
HVAC	Heating, Ventilation, and Air Conditioning	UAE	United Arab Emirates
ISO	International Organization for Standardization	USD	United States Dollar
ISSC	International Sustainability and Carbon Certification	WEF	World Economic Forum



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