

ACCELERATING INNOVATION, ANCHORING RESILIENCE



FY2024 ESG Impact Report



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FROM OUR LEADERS

LETTER FROM GROUP CHIEF EXECUTIVE OFFICER



Our confidence in Lazada's future stems from our commitment to adaptation and resilience. We remain focused on creating value for our stakeholders, driving economic prosperity, and fostering sustainable development across the markets we serve.



James Dong

Chief Executive Officer
Lazada Group

Dear Stakeholders,

In an era marked by economic shifts, climate challenges, and evolving regulations, embracing change and innovation is crucial for sustained success. For Lazada, these principles are not just responses to an ever-changing environment, but core aspects of our resilient and sustainable business model. We are confident that digital commerce will remain a strong growth driver in this region.

The theme for our FY2024 ESG Impact Report, our third voluntary edition, is **“Accelerating Innovation, Anchoring Resilience.”** It highlights the role of innovation in our development. Innovation is not new to Lazada; for over a decade, we have been investing in technology and our payments and logistics infrastructure. These investments help us set new standards in the digital commerce industry, supporting responsible and sustainable growth.

Our Achievements

Our commitment to empowering brands and enriching customer experiences in Southeast Asia drives us forward. Understanding consumer needs is paramount to our ability to consistently deliver impactful offerings. In 2023, we introduced various user-centric enhancements through the applications of advanced technologies such as Artificial Intelligence (AI) and Augmented Reality (AR). We launched our Lazada Skin Technology and the first-of-its-kind LazzieChat chatbot powered by Open AI ChatGPT technology to improve customer shopping experience. These solidify our dedication to innovation and our Customer-First culture.

We are also steadily advancing sustainability within our company and ecosystem. We are proud to be the first Southeast Asian digital commerce platform to offer dedicated sustainability education to our seller community through the Lazada Sustainability Academy, equipping small and medium-sized businesses with the tools they need to thrive in a sustainable future. We are also committed to fostering a sustainability-conscious workforce through our “ESG Essentials for Lazadians” internal training program.

Actively managing our carbon footprint is a priority and one we address by leveraging technology and our partner network. A significant milestone was Thailand's first environmentally friendly distribution center, the Tha Raeng – Ram Inthra Logistics Hub, made possible through innovative partnerships. Our employees are the biggest contributors to Lazada's success. Their unwavering dedication has enabled our business to remain resilient amid necessary adaptations to the wider business environment. We remain committed to supporting our Lazadian community, ensuring that everyone feels valued and motivated. Looking beyond Lazada, we are investing in the future by sharing our expertise and resources with schools and youths, building the digital workforce of tomorrow.

Last but not least, strong governance practices are central to our operations. We remain committed to building a trusted and safe platform and upholding the highest standards of conduct, reflecting our responsibility to stakeholders and the communities we serve.

Our Journey Ahead

Looking ahead, we aim to further our ESG commitments and build a truly sustainable business. Our confidence in Lazada's future stems from our commitment to adaptation and resilience. We remain focused on creating value for our stakeholders, driving economic prosperity, and fostering sustainable development across the markets we serve.

This Impact Report celebrates our collective achievements and outlines our ongoing ESG commitments for the road ahead. There is still much more to be done. We invite you, our valued stakeholders, to partner us as we continuously innovate and drive positive change for our customers, partners, employees, and the broader community.

Thank you for your unwavering support and trust. Together, let's build a resilient and prosperous future for all.

5 QUESTIONS WITH SENIOR MANAGEMENT

Frank Luo, Chief Finance Officer, and Gladys Chun, General Counsel, provide their perspectives on key ESG issues.



Frank Luo
Chief Finance Officer
Lazada Group



Gladys Chun
General Counsel
Lazada Group

With sustainability becoming a financial foundation for companies in 2024, what is Lazada's approach towards integrating sustainability into its financial strategy?

Frank: We recognize that sustainability and financial stability are fundamentally intertwined, making it imperative to integrate ESG considerations into our financial strategy for long-term success. At Lazada, our approach is multi-pronged: climate change and ESG issues pose significant financial risks to businesses globally, so we have proactively included ESG considerations in our financial planning and risk assessments. Additionally, we are exploring how our financial decisions can support sustainable growth, enhance resilience, and drive innovation. By focusing on strategic long-term investments in sustainable facilities and product lines within the rapidly evolving digital commerce landscape, we aim to create long-term value for Lazada and our stakeholders, demonstrating that sustainable practices are not only beneficial for the planet but also smart business decisions.

Gladys: Transparency and accountability are important considerations when it comes to our sustainability efforts. The recent development of global disclosure standards, like those from the International Sustainability Standards Board (ISSB), is a positive step. These standards provide a unified framework for reference as we continue to refine our reporting practices. By actively studying these emerging best practices, we aim to enhance the communication of our sustainability efforts to stakeholders. This will ensure our disclosures not only align with the evolving regulatory landscape but also foster a deeper understanding of how sustainability is integrated into our financial strategy. Ultimately, our commitment to open communication strengthens engagement with investors, regulators, and the public, allowing us to work collaboratively towards a more sustainable future.

What aspects of Lazada's strategy are impacted by ESG-related trends and developments, and how well is the company positioned to adapt?

Gladys: With a presence across six markets, staying on top of the latest ESG-related trends and developments is crucial. We proactively monitor and adapt to the new developments, which positions us well to mitigate emerging risks and capitalize on new opportunities. For example, recognizing the transition to electric vehicles and promotion of green operations, we have launched Thailand's first environmentally friendly logistics hub, which features solar energy utilization and electric motorcycles for goods transportation. Citing another example, we are also aware of the growing consumer demand for greener products and took steps to continuously expand our sustainable product range on RedMart.

How is Lazada integrating technology into its ESG strategy and what are the anticipated benefits?

Frank: We prioritize data-driven decisions in our ESG strategy. In 2023, we developed our own in-house carbon data collection platform to track Scope 1 and 2 emissions, and are in the process of expanding our platform to track Scope 3 emissions, water, waste, and electricity data. This platform leverages our advanced in-house technological capabilities to provide an end-to-end data tracking platform for Lazada to measure its performance and make better-informed decisions. Our in-house platform is continuously being refined to close data gaps and improve accuracy. For example, enhanced data management allowed Lazada to switch from calculating carbon emissions based on estimates to using actual business activity data. This shift provides more precise and accurate information for emissions management and progress tracking.

How is Lazada fostering collaboration in its ESG management practices?

Frank: Collaboration at Lazada is more than just a buzzword; it is the very foundation of our success. This naturally extends to our ESG management practices, which encompass a wide range of ESG initiatives. Similar to our approach in other areas of our business, our ESG management hinges on partnering with high-caliber individuals and organizations that share our values. We seek like-minded partners who, like us, embrace optimism and a shared mission: to accelerate progress in Southeast Asia through technology and commerce. Through these partnerships, we leverage combined expertise and resources to drive meaningful change. Collaboration strengthens our ESG efforts in three key ways:

Knowledge Sharing: Partnerships allow us to learn from others' expertise and share our best practices. For example, in Indonesia, we partnered with the West Java Ministry of Education to train vocational high school teachers. This initiative leverages our knowledge and experience to not only share best practices but also gain valuable insights from educators.

Collective Action: Collaboration allows us to tackle broader sustainability challenges that a single entity cannot address alone. In Thailand, we partnered with AIS, a leading mobile phone operator, to educate and encourage shoppers on e-waste disposal. This collaboration amplified our impact, promoting responsible waste management across a wider audience.

Innovation: Collaboration fosters a breeding ground for innovation. Throughout the year, we worked with various partners to explore new solutions. This includes developing LazzieChat, the first digital commerce AI chatbot in Southeast Asia, a project that combines Microsoft Azure's OpenAI service with Lazada's extensive consumer reach.

By focusing on strategic long-term investments in sustainable facilities and product lines within the rapidly evolving digital commerce landscape, we aim to create long-term value for Lazada and our stakeholders, demonstrating that sustainable practices are not only beneficial for the planet but also smart business decisions.

As a leading digital commerce company, we hold ambitious sustainability goals. At the same time, we understand that these can only be meaningfully achieved through collective action with like-minded partners.

How is Lazada addressing the issue of greenwashing and assessing vulnerability to greenwashing claims?

Gladys: We are actively combating greenwashing and like I mentioned before, transparency and accountability are fundamental to our sustainability efforts. We provide ESG training to all employees and consistently communicate these ESG principles throughout the organization. This ensures that our employees, who are ambassadors for our sustainability initiatives, are aligned on our commitment to responsible business practices.

Sustainability is a continuous journey, not a one-time achievement. As a leading digital commerce company, we hold ambitious sustainability goals. At the same time, we understand that these can only be meaningfully achieved through collective action with like-minded partners.

There will be challenges along the way, which is why we believe in being transparent with our commitments and keeping ourselves accountable by tracking our progress. Our voluntary reports go beyond just listing our accomplishments to do just that.

Given our extensive reach, we also see opportunities where we can bring others along on this sustainability journey as well and have undertaken efforts to educate our sellers, buyers, and partners. One example is the Lazada Sustainability Academy, which equips sellers with the knowledge and tools to operate sustainably, empowering them to go beyond performative actions and contribute to a genuinely sustainable digital commerce ecosystem.

ABOUT US

AT A GLANCE

As Southeast Asia’s pioneering digital commerce platform, Lazada operates across six countries: Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam. We are committed to accelerating progress and fostering the region’s growth through the power of technology and commerce. Our vast ecosystem connects users with a network of more than one million monthly active-selling sellers, ensuring safe and secure transactions through trusted payment channels and the Lazada Wallet. We take pride in our expansive logistics network, one of the largest in the region, providing prompt and reliable parcel delivery to our valued users.

Looking ahead, our ambitious vision is to serve 300 million shoppers by 2030, achieve US\$100 billion gross merchandise volume and, excel in enabling brands and sellers to digitalize their businesses. We remain steadfast in our commitment to sustainability, driving forward initiatives that benefit both our business and the broader community and are proud to present our third ESG Impact Report, highlighting our progress, challenges, and vision for shaping a better future.

WHO WE ARE AND HOW WE OPERATE

Lazada is a leading digital commerce platform in Southeast Asia, providing a trusted and engaging ecosystem for consumers, brands and sellers to connect through:



Southeast Asia’s biggest virtual mall, featuring a curated selection of leading international and local brands from reputable retailers and resellers. Shopping on LazMall delivers an unparalleled online experience, akin to visiting your favourite departmental store and online brands all in one place. It sets a new retail standard with 100% product authenticity and a 30-day free return policy.¹

Lazada Marketplace

Lazada Marketplace provides sellers, including SMEs, with instant access to millions of new customers through a comprehensive suite of services, including secure payment options, customer care support, an extensive distribution network, and marketing analytics, all designed to help increase sales.



Lazada’s cross-border business brings global brands to Southeast Asia and connects Southeast Asian brands to international consumers, featuring a diverse range of products through its Global Collection channel, with fast delivery supported by Alibaba’s technology infrastructure and logistics network.



RedMart is Singapore’s first fully digital grocer, offering an online supermarket experience that delivers a wide range of quality fresh food, household essentials, and premium products with the convenience of scheduled home delivery seven days a week, all year round.

Lazada provides users with a convenient, safe, and trusted shopping environment through enabling elements that form the foundation of our operations such as:



LOGISTICS We get it there

Offering end-to-end logistics with fulfillment centers and deliveries across Southeast Asia



TECHNOLOGY A smarter way to shop

Enhancing user experience with a personalized shopping journey tailored to individual needs



PAYMENTS Safe, seamless transactions

Supporting payments and financial services infrastructure with secure digital solutions

ABOUT THIS REPORT

This Impact Report showcases Lazada’s efforts in addressing Environmental, Social and Governance (ESG) impact in six countries - Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam - and its subsidiary, RedMart, in Singapore. It also includes data from our regional team supporting cross-country operations, with employees based in these countries and China.

Covering the reporting period from 1 April 2023 to 31 March 2024 (“FY2024”), this Report also includes data from the prior reporting period of 1 April 2022 to 31 March 2023 (“FY2023”) for comparison where applicable. The report outlines our current policies, views and strategic direction but does not create any legal rights or obligations. Some information is derived from publicly available or third-party sources, and while we strive for accuracy, Lazada makes no representation or warranty regarding the completeness or reasonableness of this information. Lazada is not obligated to update or revise this Report.

This Report, reviewed and approved by the Board of Directors, provides an overview of Lazada’s ESG management approach and performance. It is not guaranteed to be complete, accurate, or up-to-date, and Lazada disclaims any liability for loss or damage arising from the use of the information contained herein. Any restatements of information are duly noted within this Report.

Prepared with reference to the Global Reporting Initiative (GRI) Standards 2021 and the Sustainability Accounting Standards Board (SASB) reporting standards, this Report also considers the United Nations Sustainable Development Goals (UN SDGs). However, these do not create any legal rights or obligations.

We have not sought external assurance for this ESG Impact Report but may do so in the future as our sustainability practices evolve. Any forward-looking statements are based on assumptions and estimates Lazada considers realistic as of 31 March 2024. However, actual results may differ due to various external factors. Unless required by law, we do not undertake to update any forward-looking statements.

¹ Except for orders with non-returnable items. For details, refer to LazMall’s return policy.

ESG AT LAZADA

As a leading digital commerce business in Southeast Asia, we aim to positively impact the environment, society and communities we engage with, while driving innovation, building resilience, and conducting business responsibly. Our strategy revolves around fostering a stronger, greener economy through sustainable initiatives and innovative solutions. We strive to create enterprise value by building resilience for our business, stakeholders, and the wider environment. We are committed to continuous improvement by actively engaging our stakeholders and aligning our ESG initiatives with their expectations. Through our ESG Impact Report, we communicate our performance, successes and learnings, holding ourselves accountable by rigorously tracking and reporting our actions.



FY2024 HIGHLIGHTS

Empowering Communities	Future-ready Workforce	Environmental Stewardship	Effective Governance
<p>Around 1 million stakeholders benefit from the economic opportunities² we provide</p>	<p>43% of our workforce are women</p>	<p>Launched internal carbon data collection platform, improving accuracy with activity-based carbon accounting</p>	<p>Over 97% of takedown requests processed within 72 hours</p>
<p>1 million monthly active-selling sellers³ on Lazada's platform</p>	<p>32 nationalities represented by Lazadians</p>	<p>100% of carton boxes used in Lazada Logistics' FBL initiative in five countries⁵ are FSC-certified</p>	<p>0 substantiated complaints concerning breaches of customer privacy and losses of customer data</p>
<p>160 million monthly active users⁴ on Lazada's platform</p>	<p>Over 20 employee events held across six countries</p>	<p>278 products in RedMart's sustainable house brand product range</p>	<p>100% employee training completion rate for our Code of Business Conduct and ABC Policy</p>
<p>Over 50,000 runners participated in Lazada Run 2023 supported by 162 brand partners and sponsors</p>	<p>1st sustainability training module launched for Lazadians</p>	<p>Opened Thailand's first environmentally friendly logistics hub Tha Raeng – Ram Inthra Logistics Hub</p>	<p>3 consecutive years of winning the ALB Southeast Asia Law Awards</p>

² Refer to the Appendix on page 21 for details.

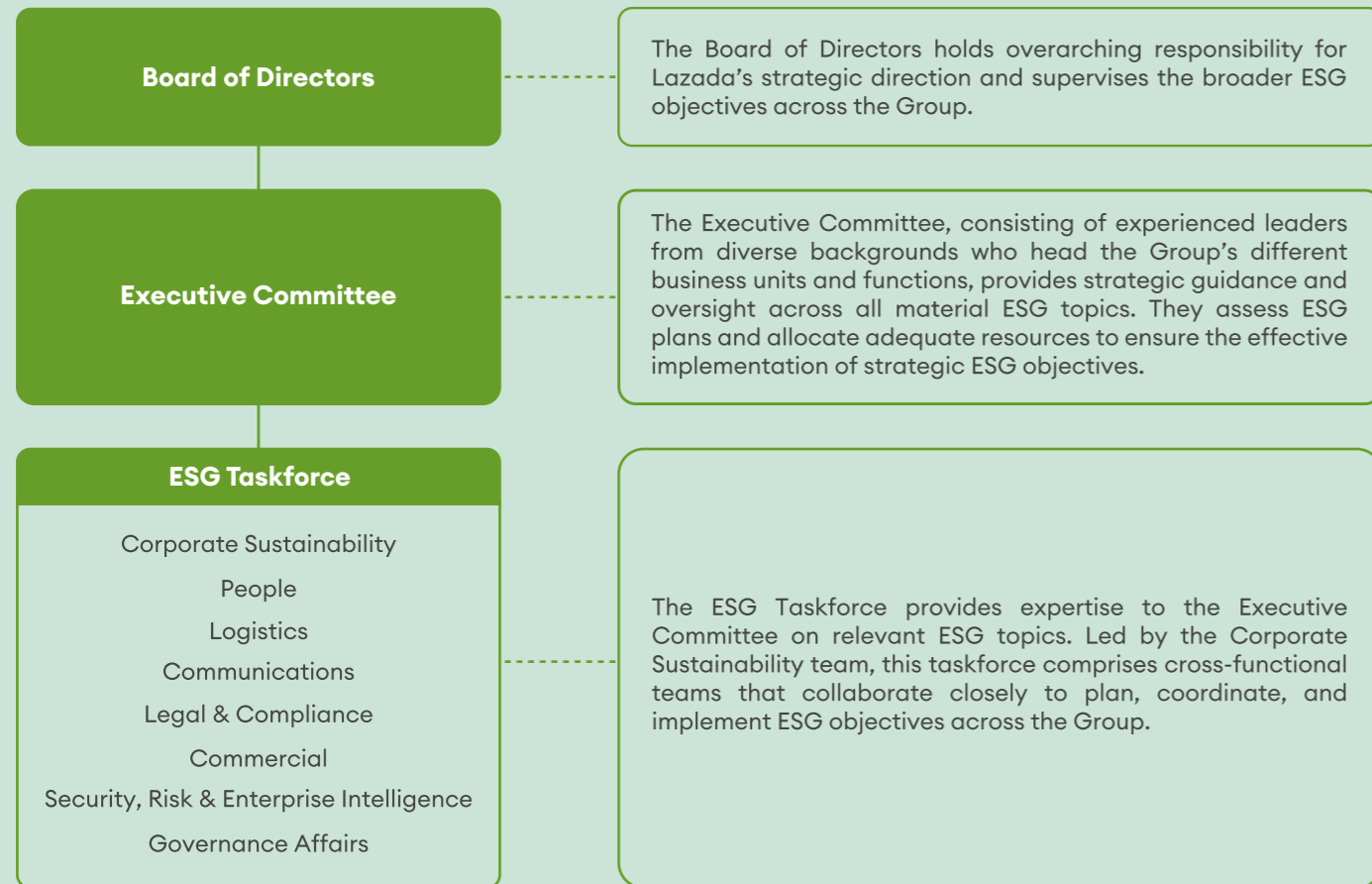
³ Monthly active-selling sellers refer to the unique sellers who have at least one sale on Lazada's platform in the last 30 days.

⁴ Monthly active users refer to the unique users who log in onto Lazada's platform in the last 30 days.

⁵ For Indonesia, the Philippines, Singapore, Thailand, and Vietnam.

ESG GOVERNANCE

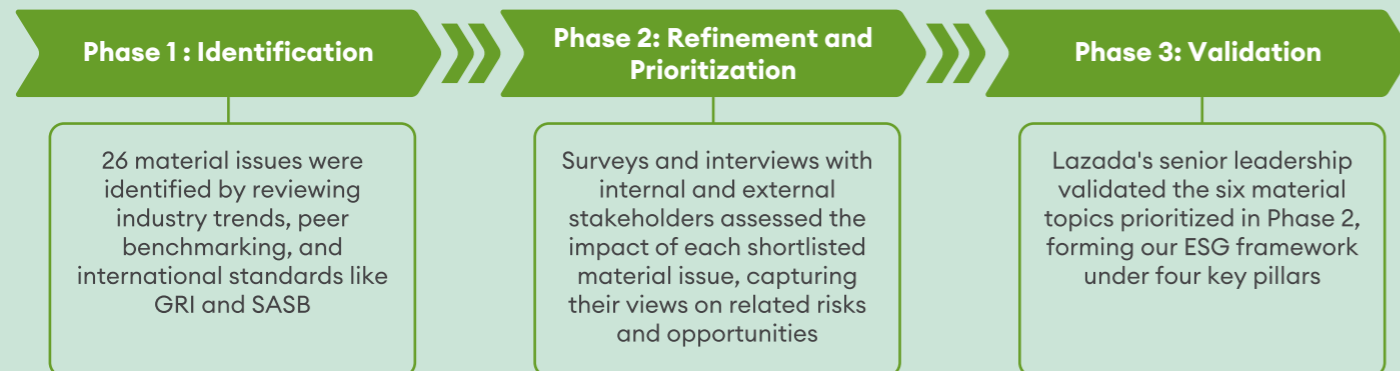
To ensure accountability for the impact and value we create across our ecosystem, we have established a robust ESG Governance structure. This structure empowers us to uphold our commitments and continuously advance our ESG strategy to foster long-term value creation.



ESG PRIORITIES AND MATERIALITY ASSESSMENT

Our ESG priorities for the reporting period remain unchanged. During this time, we continuously monitored industry developments and conducted peer benchmarking, confirming that the previously identified and validated six material topics remain relevant.

These six material topics were selected via a comprehensive materiality assessment conducted by an independent consultant, to understand the ESG issues most significant to our business and stakeholders. Through a rigorous three-stage process, we prioritized and validated the top six topics according to the double materiality concept, evaluating their impact on our enterprise value and our assessed impact on society and the environment.










ESG FRAMEWORK



STAKEHOLDER ENGAGEMENT

We build strong relationships with our stakeholders through effective communication channels. We focus on the significance of our impact on them and their level of influence and interest in us.


Stakeholders	Engagement methods	Frequency	Key concerns	Lazada's response
Logistics 	<ul style="list-style-type: none"> • Business and operational meetings • Training and development programs • Communications and updates online and via the app portal 	Ongoing basis	<ul style="list-style-type: none"> • Operational updates • Benefits, welfare and training 	<ul style="list-style-type: none"> • Improving communication efficiency by optimizing online platform and system functionality • Continuously enhancing our training programs and benefits system
Buyers 	<ul style="list-style-type: none"> • Marketing and promotional campaigns • Social media platforms • In-app communications 	Ongoing basis	<ul style="list-style-type: none"> • Access to products, including price and delivery • User-centric experience • Safety and reliability of services • Data and privacy protection 	<ul style="list-style-type: none"> • Providing new services and offerings to meet diverse and evolving needs • Scaling up customer service operations through various support avenues • Enhancing data and privacy protection via internal and external capacity-building training
Communities 	<ul style="list-style-type: none"> • Industry discussions • Programs and collaborations • LazBeat news hub • Lazada Insider podcast 	Ongoing basis	<ul style="list-style-type: none"> • Business strategy and outlook • Environmental, social and economic impact • Sustainability efforts 	<ul style="list-style-type: none"> • Supporting the communities through commercial and non-commercial activities • Communicating our sustainability performance to the community through multiple channels
Employees 	<ul style="list-style-type: none"> • Townhall meetings • Internal communications and updates • Social cohesion activities • Training and development programs • LazListen • Employee engagement initiatives 	Ongoing basis	<ul style="list-style-type: none"> • Career development and training opportunities • Employment practices, remuneration and benefits • Organizational updates • Financial and sustainability performance of the company 	<ul style="list-style-type: none"> • Enhancing employee professional skills through a comprehensive training system combined with our in-house training platform • Providing rewarding career development opportunities through a robust salary assessment and promotion mechanism • Tracking employee satisfaction and sourcing inputs for improvements through diverse benefits and enrichment activities • Improving employee work experience by creating a friendly and safe work environment
Government Sectors 	<ul style="list-style-type: none"> • Laws and regulations updates • Discussions and collaborations with governments and regulators 	Ongoing basis	<ul style="list-style-type: none"> • Compliance with laws and regulations 	<ul style="list-style-type: none"> • Ensuring compliance with the latest legal and regulatory requirements through proactive external engagements and reviewing internal policies regularly
Sellers 	<ul style="list-style-type: none"> • Lazada University • Lazada Insider podcast • Surveys and publications • Lazada seller center • Marketing and promotional campaigns • Seller conferences 	Ongoing basis	<ul style="list-style-type: none"> • Data and intellectual property protection • Product and category trends • Visitors' conversion 	<ul style="list-style-type: none"> • Enhancing data and privacy protection via internal and external capacity-building trainings • Protecting sellers' rights through a contactable intellectual property protection system • Strengthening sellers' market sensitivity through market trend-sharing activities
Suppliers 	<ul style="list-style-type: none"> • Business and operational meetings • Procurement management • Product innovation 	Ongoing basis	<ul style="list-style-type: none"> • Long-term cooperation • Operational updates 	<ul style="list-style-type: none"> • Creating a fair and equitable business model through supplier management and internal control • Exploring new market opportunities together through diversified cooperation models


EMPOWERING COMMUNITIES


Across Southeast Asia, the digital economy is poised for impressive growth, with projections reaching US\$600 billion in gross merchandise volume (GMV)⁶ by 2030 and eCommerce driving much of this growth, estimated to grow to US\$295 billion by 2025.⁷ As the region’s leading digital commerce platform, Lazada is committed to playing a pivotal role in this expansion. We are collaborating with governments and enterprises to build a high-quality digital ecosystem that offers rewarding employment opportunities, innovative services, and capacity-building initiatives in the communities across the six Southeast Asian markets we serve.

Despite the promising growth potential, challenges remain in promoting inclusive and sustainable economic development.⁸ One major hurdle is bridging the digital divide and ensuring inclusive access to the digital economy. At Lazada, we focus on fostering a prosperous environment that empowers stakeholders in our ecosystem to adopt new technology and innovations, enabling them to actively participate and benefit from the digital landscape. By driving innovation within our ecosystem, supporting local businesses to thrive, and building community resilience, we are shaping the future of digital commerce and ensuring that the benefits of technology and commerce are shared broadly across all communities.

 **Around 1 million** stakeholders benefit from the economic opportunities we provide

 **1 million** monthly active-selling sellers on Lazada’s platform

 **160 million** monthly active users on Lazada’s platform

 **Over 50,000** runners participated in Lazada Run 2023 supported by 162 brand partners and sponsors



⁶ Chadha, S. (2023). How Southeast Asia can become a \$1 trillion digital economy. World Economic Forum. <https://www.weforum.org/agenda/2023/12/how-southeast-asia-can-become-trillion-digital-economy/>

⁷ Cher, Benjamin. (2023). S-E Asia’s 2023 revenue from digital economy set to hit US\$100 billion. The Business Times. <https://www.businesstimes.com.sg/startups-tech/startups/s-e-asias-2023-revenue-digital-economy-set-hit-us100-billion>

⁸ Hoppe, F., Bajjal, A., Chang, W., Chadna, S. & Hoong, F.W. (2023). e-Economy SEA 2023. Bain & Company. <https://www.bain.com/insights/e-economy-sea-2023/>

INNOVATIONS ACROSS THE LAZADA ECOSYSTEM

In an ever-evolving digital landscape, growing consumer demand for engagement, innovation and technology across the region has driven Lazada to apply emerging technologies to unlock innovations. From cutting-edge advancements to seamless customer experiences, we continue to redefine the online retail experience and empower our 160 million monthly active users to participate in the digital economy through our platform.

Unlocking Innovations for Better Choice and Value

In the face of an ongoing inflationary environment, consumers are struggling with the rising cost of living and adopting more cost-conscious habits, leading to more selective consumption. Addressing this new reality, we introduced a new platform channel, "Choice", in 2023, with the aim to "bring the best value products to Southeast Asian consumers". Choice guarantees access to quality products at competitive prices, along with shipping and bundle discounts that further reduce the cost of purchase. This is made possible by logistical efficiency as consumers can bundle multiple items into single orders, reducing the number of delivery trips compared to individual orders. Through Choice, we are not only prioritizing buyers' needs for quality, convenience, and an exceptional customer experience, but also enhancing the efficiency of our logistical processes.

Key Features of Choice



Buy more, save more



Free shipping



On-time guarantee



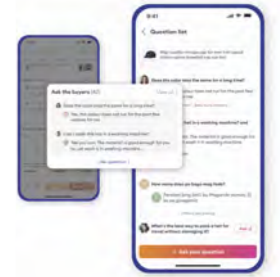
30-day free return



One of Lazada's key investments for long-term, sustainable growth is our continuous research into how technology can benefit our shoppers and sellers. By adopting emerging technologies, brands stay competitive in Southeast Asia's markets, while shoppers make confident, informed purchases through innovative solutions.

Artificial Intelligence (AI) on Lazada

To empower user purchase decisions, Lazada has incorporated AI technology within its platform, launching an "Ask the Buyers" feature to generate product-related questions for users. By analyzing consumer data, and identifying patterns and preferences, the AI algorithms create questions that aid users in product selection. Additionally, the AI technology enhances product reviews for newly launched products and helps generate compelling selling points. By actively involving buyers in the decision-making process through this technology, brands on Lazada's platform are able to foster a sense of involvement and improve the overall shopping experience.



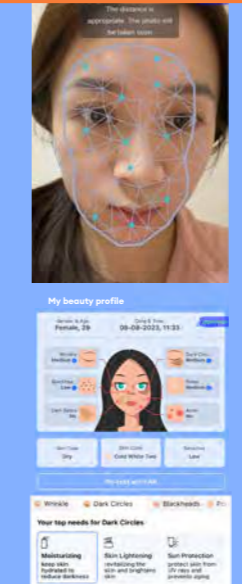
AI Chatbot LizzieChat

LizzieChat is the first eCommerce AI chatbot of its kind in Southeast Asia, powered by OpenAI ChatGPT technology in Microsoft Azure OpenAI Service. Designed to enhance the shopping experience, LizzieChat answers users' queries on Lazada's platform, providing personalized assistance. Initially launched in Indonesia, the Philippines, and Singapore, LizzieChat enables customers to receive immediate responses, find products that match their preferences or answer, and get detailed answers to specific product questions. This chatbot empowers buyers to make more informed decisions and enhances their confidence in online shopping.



AI-powered and Augmented Reality (AR) Skin Test Technology

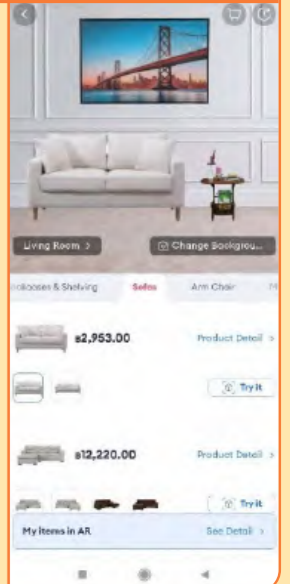
Lazada's latest innovation, the AI-powered and AR Skin Test Technology, enables users to quickly diagnose and analyze their skin using their phone cameras, in under a minute. Based on the analysis results, buyers receive personalized product recommendations tailored to their specific needs and concerns. This advanced technology helps users better understand their skin conditions and make more informed decisions about skincare products.



AR Feature: Put In My Home

The new AR feature, "Put In My Home," allows buyers to visualize products in their own living spaces, enabling a virtual experience that helps them make more informed purchase decisions. This interactive feature enhances the shopping experience and fosters better engagement with the brands.

First launched in Thailand in October 2023, the feature offers nine different AR scenarios, each showcasing a variety of products tailored to different settings.



Reducing Barriers and Facilitating Seamless Payments

At Lazada, we support financial inclusion and community empowerment by building an open, accessible digital ecosystem. We offer convenient, secure payment and financing options to support lifestyle needs, aiming to increase accessibility to digital commerce through new alternative payment methods.

Buy Now Pay Later (BNPL)

Lazada offers BNPL as an alternative payment method, allowing buyers to defer payments and make purchases through installment plans. This payment option is especially helpful for individuals without traditional banking services or credit cards, as it expands their access to credit. To further enhance the reach and accessibility of BNPL, Lazada has partnered with financial institutions, making it easier for a wider audience to benefit from this flexible payment option.

90% growth in BNPL adoption rate compared to the last reporting period

National QR Integration

Lazada has integrated national QR code payment systems in Singapore and Thailand, providing more online payment options for buyers. This makes online shopping more accessible for people who do not have credit or debit cards and are not familiar with other financial solutions. To encourage the use of this payment method, Lazada offers further discounts on purchases for buyers who pay via national QR codes.

More than **1 million** customers in Singapore and Thailand benefitted from more than US\$715,000 of discounts

Adding More to Life

Adding Fitness to Life with Lazada Run 2023

Aligned with Lazada’s brand proposition, “Add to Cart. Add to Life,” Lazada Run is a tangible demonstration of our commitment to empowering customers to enrich their lives by “Adding Fitness to Life”. This inaugural multi-country running tour spanned six Southeast Asian cities: Ho Chi Minh City, Jakarta, Bangkok, Manila, Kuala Lumpur, and Singapore. The event culminated in the Ultimate Southeast Asia Challenge held in Singapore, where top participants from the 21km and 10km races competed for cash prizes of US\$3,500 and US\$2,000, respectively.

The race featured routes infused with interactive activities, prioritizing both runners’ safety and a premium experience. A pioneering addition to the event was the introduction of pacers adorned with vouchers attached to their waistbands, offering participants the unique opportunity to grab them midway through the race. Additionally, distance markers with QR codes were placed along the race routes, allowing participants to collect vouchers by scanning the codes.

Lazada Run aimed to meet the demand for offline fitness and wellness activities while strengthening Lazada’s brand affinity through a meaningful experience. By providing a fun and engaging environment, Lazada is helping customers to stay fit and active, showcasing our commitment to enhancing lives beyond the digital realm.

Over **50,000** runners participated in races featuring an interactive Lazada voucher grab during the route, supported by 162 brand partners and sponsors



CHAMPIONING LOCAL BUSINESSES

The rise of digital commerce is built on the success of sellers and local businesses. As we are committed to the continued development of the industry, it is crucial that our sellers and local businesses, who are vital elements of the ecosystem, have what they need to build resilience and grow sustainably. At Lazada, we continually seek to understand mega-trends and change drivers, transforming these insights into actionable strategies for sellers and brands. Through our tools and platform, we empower businesses to thrive in the digital marketplace and meet the diverse demands of Southeast Asia’s markets.

Empowering Growth and Equipping Skills

Empowering Sustainable Growth: Lazada Sustainability Academy and Sellers Acceleration Camp

Small and medium enterprises (SMEs) form the backbone of Southeast Asian economies, making their participation in sustainable practices vital for regional climate progress. As a leading digital commerce platform, Lazada launched the Lazada Sustainability Academy (LSA) in October 2023. This pioneering initiative in Southeast Asia’s digital commerce industry, developed in close collaboration with esteemed industry experts, offers a wealth of resources readily accessible to SME sellers at any stage of their sustainability journey. Through LSA, sellers not only learn the essentials of running a sustainable business but also explore various aspects of sustainability, including sustainable packaging practices, energy-efficient operations, product traceability, the circular economy, and employee health and safety.

SMEs ready to adopt sustainability business practices were invited to the Seller Acceleration Camp, an intensive two-day boot camp followed by a six-month coaching program led by subject matter experts. Participants gained hands-on knowledge of actionable sustainable practices and effective impact measurement. Outstanding participants received recognition awards from Lazada for embracing responsible business practices. The camp was first piloted in Indonesia in October 2023 with 30 selected local sellers, in partnership with Kopernik, the International Trade Centre, and Modalku.



30 local sellers selected for the pilot Seller Acceleration Camp held in Indonesia

More than **6,000 views** on the online LSA program

Shining the Spotlight on Local Sellers

Through innovative programs and leveraging Lazada’s resources and global network, we continue to support and promote local sellers, helping them reach their full potential, achieve greater success, and gain recognition.

Seller Support with PiliPino by Lazada

The PiliPino program by Lazada in the Philippines was introduced to champion local products, businesses and entrepreneurs. Aimed at helping micro, small and medium-sized enterprises (MSMEs) at all stages of their digital commerce journey, the program offers support ranging from mentorship to the creation of growth opportunities. As part of this initiative, Lazada brought together 34 female entrepreneurs who are starting, scaling, or sustaining their businesses to share stories and exchange insights. Additionally, Lazada partnered with the Department of Interior and Local Government (DILG) to conduct a workshop, onboarding 36 new entrepreneurs to take their ventures online.



36 local sellers participated in the in-person workshop hosted in collaboration with DILG

Top Seller Appreciation Immersion Tour

With Alibaba being the official partner of the 19th Asian Games, Lazada organized its inaugural 4-Day Top Seller Appreciation Immersion Tour in Hangzhou, China. During the tour, sellers gained valuable insights into China’s digital commerce ecosystem and participated in a strategic roundtable discussion with Lazada’s regional executives, fostering meaningful exchanges and strengthening partnerships between top sellers and Lazada. The tour concluded with a memorable experience at the Asian Games, marking our appreciation and commitment to the 32 top sellers from our Lazada Marketplace and LazMall across Southeast Asia.

32 top sellers invited to the Appreciation Immersion Tour in Hangzhou, China



COMMUNITY RESILIENCE

Lazada believes that building a compassionate and resilient society starts with supporting the local communities where we operate. We seek to bolster community resilience by giving back to local communities through various initiatives and being a trusted pillar of support.

Community Health Center near Cimanggis Lazada Warehouse

As an early player in the digital commerce space, we have seen firsthand how it opens up access to rural areas and brings significant benefits to people’s lives. Accessibility to healthcare remains an issue for many communities in the region where we operate, and we saw an opportunity to leverage our logistics infrastructure to help address this issue for the wider community in Indonesia.

During the reporting period, Lazada established a health center facility (Puskesmas) near the Cimanggis Lazada Warehouse to engage the local community. This facility is used by nearby residents for regular community meetings and various local activities, including health activities organized by local health centers and sub-districts. As part of the launch of the health center, free medical check-ups were provided to 61 local residents.



61 local residents received free medical check-ups as part of the health center’s launch

Spreading Happiness and the Culture of Giving: The “Buy to Give” Program


At Lazada, we aim to utilize our platform to spread goodwill and encourage the spirit of giving, among our millions of users. During the Ramadan season in 2023, Lazada Indonesia introduced the “Buy to Give” program, inviting our users to participate in a meaningful way. Through the generous contributions of our community, Lazada collaborated with WeCare.id to assemble care packages containing basic necessities and Eid clothing. These packages were distributed to beneficiaries in orphanages, nursing homes, and vulnerable families, enabling them to celebrate Eid during this festive season of happiness.

More than **100,000** Ramadan welfare packages distributed




FUTURE-READY WORKFORCE


We believe digital commerce will be a resilient key growth driver, contributing to the creation of millions of in-demand job opportunities in the ecosystem. However, for this to be meaningful and truly beneficial, we must ensure these opportunities are inclusive and equitable. Lazada’s long-term investment focuses on skill development, attracting the right talent, and fostering a healthy environment where our employees can grow together with the business. At the same time, we are vested in the growth of digital talents in the markets where we operate. We collaborate with governments, institutes, and partners to build a future-ready workforce by promoting digital commerce career opportunities, enhancing capabilities in emerging technologies, and nurturing an entrepreneurial and innovative mindset.




43% of our workforce are women



32 nationalities represented by Lazadians



Over 20 employee events held across six countries



1st sustainability training module launched for Lazadians



DIGITAL ENABLEMENT AND OUTREACH ENGAGEMENT

A workforce with today’s digital skills is not enough for long-term success and resilience; we must anticipate and prepare for the skills and capabilities required for the future. At Lazada, our investment in building a future-ready workforce begins ahead of time by helping youths today to understand and plan for emerging trends and technologies, ensuring they are equipped to meet future challenges and opportunities.

Shaping the Future of Digital Commerce Through Educators Today

Educators play a crucial role in developing digital talent and preparing Indonesia’s young generation for a productive future. To equip teachers with knowledge relevant to the digital economy, Lazada Indonesia, in collaboration with the West Java Ministry of Education through the Acceleration of Indonesian Digital People’s Work Movement (AKAR), organized the “Naik KeLaz” Training of Trainers (ToT) program. This program informed vocational high school teachers about the economic opportunities and accessibility of the digital commerce industry. With this deeper understanding of the industry, teachers can better nurture skilled talents for the digital economy, introducing students to the potential of a career in digital commerce from a young age.



100 vocational high school teachers were trained

Inspiring Young Creative Minds

Lazada believes a robust digital economy will create a prosperous and inclusive future for Asia. In October 2023, Lazada Indonesia collaborated with the Coordinating Ministry for Maritime and Investment Affairs of Indonesia and Selaksa to host the Asian Creative & Digital Economy Youth Summit (ACE-YS) with the theme “New Waves from the SEA”. Hundreds of young professionals from ASEAN+3 (ASEAN countries, China, Japan, and South Korea), aged 18-35, gathered to share experiences, solve problems, and accelerate the growth of the creative economy.



LAZADIANS AT THE HEART OF OUR BUSINESS

Our success relies on bringing out the best in our people, known as Lazadians. We are continuously seeking out the best approaches, policies, and systems to create the right environment that nurtures growth and development, allowing our employees’ best ideas to surface as we advance in our work of setting new standards for digital commerce.

Talent Attraction • • • •

At Lazada, we are dedicated to creating a positive and inclusive working culture that attracts and retains top talent. We believe everyone has unique contributions to offer, and we aim to cultivate an environment where all employees feel valued and respected.

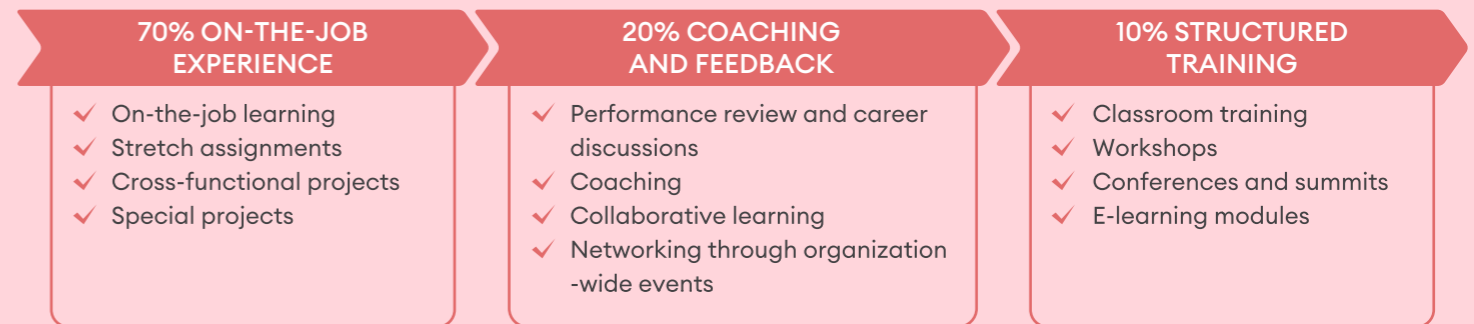
Promoting Diversity, Equal Opportunity, and Non-discrimination

Women make up 43% of Lazada’s workforce,⁹ compared to a lower female representation in the technology industry, where women only represent 33% of the workforce at large tech companies.¹⁰ Celebrating the diverse backgrounds of our employees, we nurture talent within the regions we operate and embrace the rich diversity of Lazadians from 32 nationalities.

Our talent attraction strategy emphasizes inclusivity and equal opportunities, ensuring job postings, recruitment channels, and communication materials are free from discriminatory language and biases. We uphold a fair and inclusive culture based on meritocracy and mutual respect, condemning all forms of bias, harassment, and discrimination. To support this, we incorporate ongoing educational initiatives within our organization that help enhance awareness and understanding. By maintaining these standards, we ensure a respectful and supportive environment for all Lazadians.

Talent Development • • • •

We continually invest in the development of Lazadians so they can reach their full potential in an evolving business landscape. Beyond conventional training, we offer a range of learning resources, including workshops, e-learning modules, and coaching programs, catering to the varied learning styles of our diverse workforce. Our learning and development framework is adapted from the 70-20-10 model:



ESG Training for Lazadians

During the reporting period, we launched our first ESG training module titled “ESG Essentials for Lazadians”, to introduce employees to sustainability. The module provides a foundational understanding of ESG principles, enabling employees to apply these learnings in their day-to-day business practices. In addition to the basic training, specialized content was available for employees in Procurement and Communications functions to ensure practical application relevant to their roles. With this increased awareness, our employees are encouraged to become ambassadors of sustainability by integrating sustainable practices into their daily actions and communications.



⁹ Refer to Appendix pages 21-22 for more details regarding Lazada’s workforce.

¹⁰ (2022). Women in tech are cracking the industry’s glass ceiling, achieving double-digit gains in leadership roles. Deloitte. <https://www.deloitte.com/global/en/our-thinking/insights/industry/technology/women-tech-leadership.html>

Employee Well-being

Our comprehensive employee benefits encompass a variety of offerings to meet the different needs of our employees. To maintain the relevance and competitiveness of our benefits program, we conduct regular reviews based on user feedback and benchmark analyses against market standards. These holistic evaluations enable us to optimize our offerings effectively. Recent enhancements include the introduction of flexi-credits, allowing employees to choose benefits that align with their individual needs.

Building Mental Health Support in the Workplace

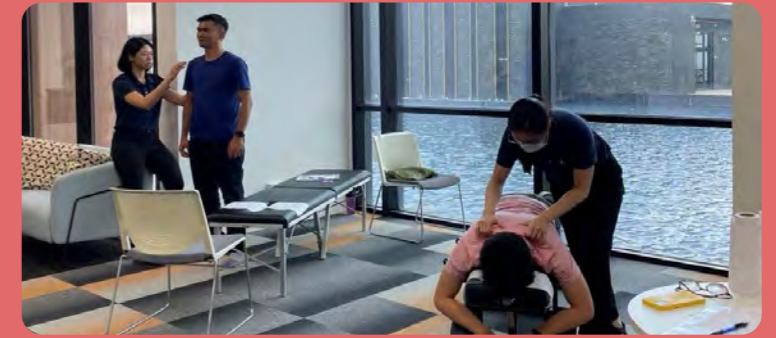
In October 2023, Lazada hosted a region-wide offline and online watch party engaging more than 300 employees from Singapore, Malaysia, the Philippines, and China, for an “Anchoring Yourself Amidst Anxiety” livestream. This event was part of efforts to normalize mental health conversations within workplace communities.

During the livestream, employees discussed managing mental well-being by recognizing signs and symptoms of anxiety and learning tips for coping with it. Additionally, information about Lazada’s mental health support resources, including LazListen, was shared. LazListen offers a round-the-clock support hotline and confidential consultations with trained professionals, providing employees the resources they need for mental health support.



Spinal Evaluation for Logistics Employees

In Singapore, Lazada partnered with PERKs to provide free spinal evaluation for logistics employees. Given the physical demands of their work, these employees are particularly vulnerable to spinal discomfort issues. The assessment included checks for the shoulder, neck, and lower back, along with posture analysis and range of motion testing. On-site experts offered personalized advice to improve posture and manage discomfort.



Connecting Lazadians through a Culture of Celebration

We connect with Lazadians by recognizing their contributions to our organizational success and celebrating achievements and diversity within the workplace. By fostering a culture of appreciation and inclusion, we are constantly working to ensure every Lazadian feels valued and motivated to contribute to our shared success.

510 Lazada Day – Inspired by You, United as One

We celebrated the contributions of Lazadians and their support systems during Lazada Day in 2023. The event, attended by over 5,000 people including employees, their families, and friends, featured fun and engaging activities. Inspiring employee stories were highlighted to showcase the unique personas of Lazadians, both at work and in their personal lives, promoting an inclusive and supportive workplace culture. The event included office tours, eco-friendly reminders, and reusable goodie bags. Additionally, Lazada collaborated with its brand partners to celebrate their role in the extended community.



Lazada Running Clubs and Wellness Clubs

Extending our brand belief, “Add to Cart, Add to Life,” to include our employees and foster a culture of an active and healthy lifestyle, we have introduced Lazada Running and Wellness Clubs to engage our employees and encourage them to “Add Fitness to Life”.

In Singapore, fitness workout sessions are hosted monthly in addition to weekly running sessions, inviting employees to try out a variety of fitness programs such as HIIT, Circuit Training, Body Attack, Piloxing and Barreless classes.

In the Philippines, an active running club meets periodically for a quick run or jog around the office area. Additionally, sports clubs regularly organize activities like basketball and football games, providing employees with an avenue to bond, have fun and train.

In China, there are 14 sports and wellness clubs across four different locations offering a range of activities such as badminton, table tennis, frisbee, yoga and band jamming sessions, ensuring everyone can find something they enjoy.

In Malaysia, two sports clubs organized bi-weekly badminton and futsal games. Additionally, Pilates and Zumba sessions are conducted in the office, offering employees with convenient opportunities to unwind and stay active at their workplace.



Recognizing Employee Contributions During Mega Campaign Seasons

Mega campaigns are the busy peak periods for employees across the Group, from customer service teams ensuring transactions are completed smoothly to logistics teams ensuring timely deliveries. To support our employees through these demanding times, we create a motivating and uplifting work environment with engagement activities such as roving surprises, photobooths, giveaways, and bonding games through these campaign seasons. These initiatives unite our employees and help create space for fun and team bonding.



ENVIRONMENTAL STEWARDSHIP

At Lazada, we understand our shared responsibility to protect the environment and promote sustainable practices. As the digital commerce sector continues to grow across the region, the environmental impact is likely to be amplified especially in the form of increased emissions from deliveries, more packaging and plastic waste, and greater landfill contributions.¹¹ Operationally, the technologies needed to support the digital economy’s growth can increase energy demand and e-waste generation.¹²

We recognize that our operations can have significant environmental impacts if not managed responsibly. It starts with us to mitigate these impacts and promote sustainable practices across the industry. Lazada’s dedication to environmental stewardship is demonstrated through our innovative initiatives implemented in collaboration with various partners. These efforts aim to reduce our carbon footprint, minimize waste, and foster eco-friendly practices throughout our ecosystem. By integrating sustainable solutions into our business model, we seek to contribute to a greener future while supporting the well-being of the communities we serve.



Launched internal carbon data collection platform, improving accuracy **with activity-based carbon accounting**



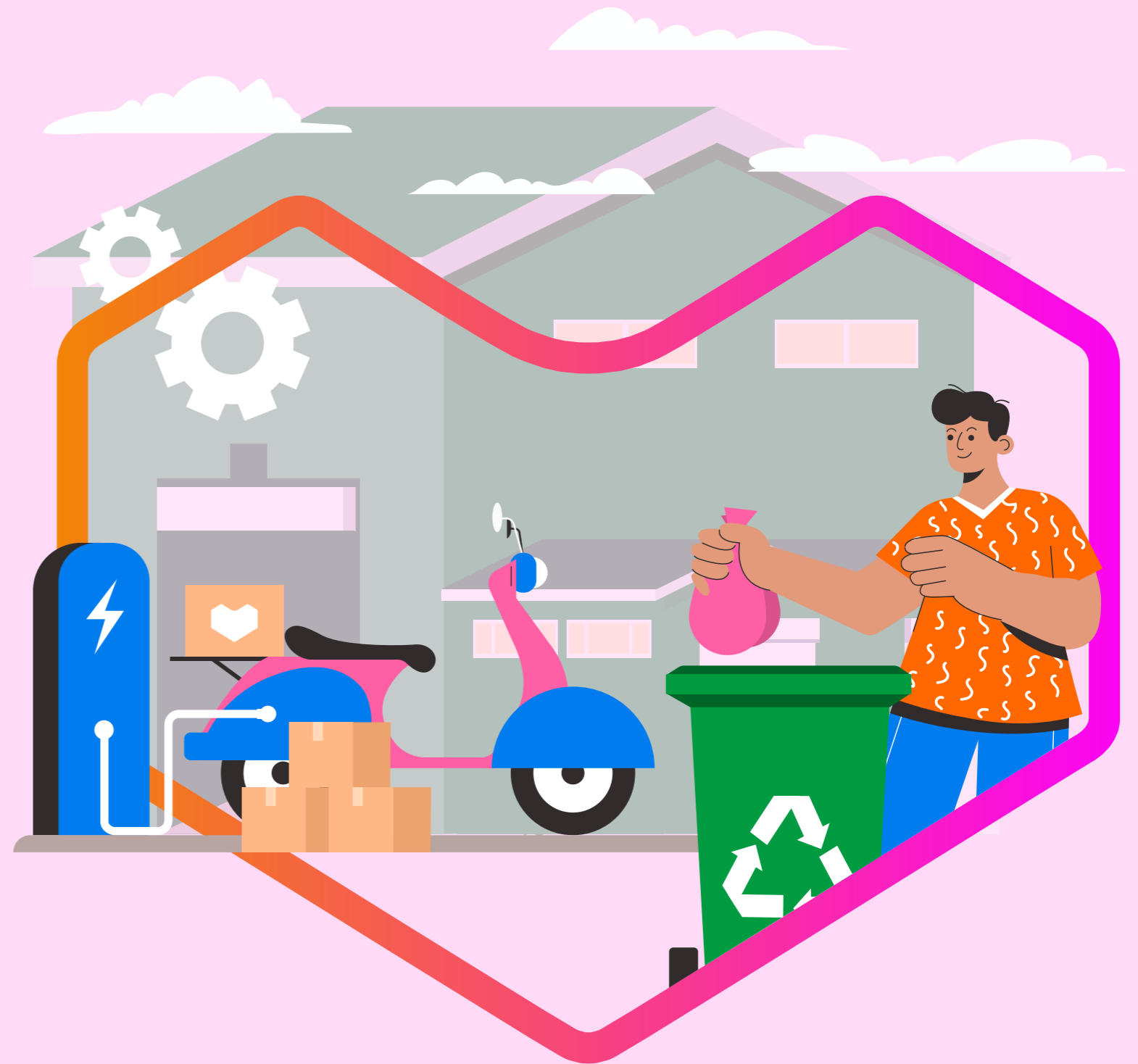
100% of carton boxes used in Lazada Logistics’ FBL initiative in five countries are FSC-certified



278 products in RedMart’s sustainable house brand product range



Opened **Thailand’s first environmentally friendly logistics hub** – Tha Raeng – Ram Inthra Logistics Hub



¹¹ (2023). E-commerce evolution in Asia and The Pacific. Asian Development Bank. <https://www.adb.org/sites/default/files/publication/922086/e-commerce-evolution-asia-pacific-opportunities-challenges.pdf>

¹² (2023). Curbing the digital economy’s growing environmental footprint. UN Trade & Development. <https://unctad.org/news/curbing-digital-economys-growing-environmental-footprint>

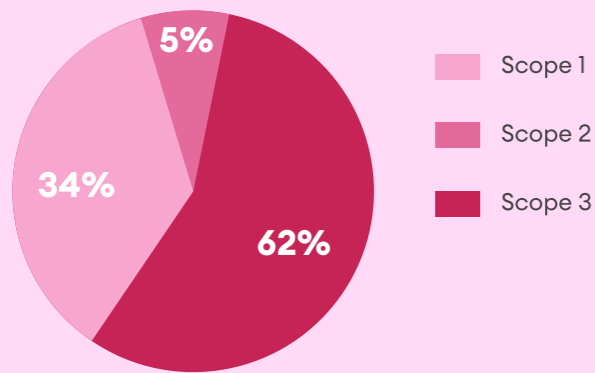
CARBON FOOTPRINT

Climate change poses a significant challenge to businesses worldwide, and the digital commerce sector is no exception. As global temperatures rise and weather patterns become increasingly unpredictable, the ripple effects to our operations, environment, and communities are profound.

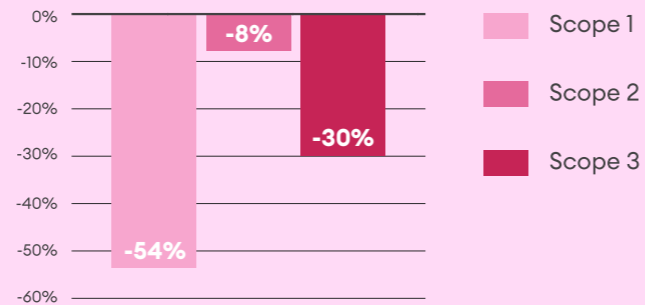
At Lazada, we acknowledge our responsibility in the collective effort to address climate change. To understand our carbon footprint, we continuously update our carbon accounting methodologies¹³ to reflect real-world conditions and diligently monitor our progress in managing greenhouse gas (GHG) emissions. During the reporting period, Lazada successfully established an internal carbon data collection platform, enhancing our data quality and accuracy. Where applicable, we have shifted from estimate-based to activity-based carbon accounting methodology, meaning our calculated Scope 1 emissions are based on actual business activities rather than relying on general estimates. This shift provides a more accurate and precise measurement of our carbon footprint.

As a result of adopting this new activity-based carbon accounting methodology and implementing other business optimization initiatives to lower overall electricity consumption, our overall GHG emissions are 40% lower than in the previous reporting period.¹⁴ Specifically, our reported emissions have decreased by 54% in Scope 1, 8% and 30% in Scope 2 and Scope 3.

Proportion of GHG Emissions in FY2024 (%)



Changes in GHG Emissions in FY2024 Compared to FY2023 (%)



Energy-saving Program in Lazada Thailand Sortation Center

At Lazada Thailand's Theparak Sortation Center (TPKSC), various energy-saving measures have been implemented to optimize electricity usage and reduce carbon footprint. By identifying high electricity consumption areas, such as the continuously operating "Big Fan," a scheduling system was introduced to control the fan's operation, ensuring it runs only when necessary. Additionally, an alternative ventilation system with entrance shutters designed for natural air ventilation was installed, reducing temperatures effectively without the constant use of fans. These initiatives collectively help lower energy consumption and associated carbon emissions.



27% reduction in daily electricity usage for fans after implementing the scheduling system

Innovative Pathways to a Clean Energy Future

In the face of obstacles like limited infrastructure and steep initial setup costs, our dedication to catalyzing positive change remains unwavering. We look to innovative approaches to propel us forward in our journey of integrating clean energy into our everyday operations.

Renewable Energy Adoption in Lazada Indonesia

Lazada Indonesia initiated the use of renewable energy by installing solar panels at its logistics facilities. Solar energy was first introduced at two facilities, located in Bali and Bandung, in June and September 2023 respectively, with expected annual outputs of 9,800 kWh and 3,700 kWh. Building on the success of these pilot projects, Lazada Indonesia expanded the initiative to its largest logistics facility in Cimanggis Depok, West Java. This facility is expected to produce approximately 500,000 kWh of solar energy annually, meeting about 13% of the facility's electricity needs.



Approximately **500,000 kWh** of solar energy generated annually at the largest logistics facility in Indonesia

Piloting Thailand's First Green Logistics Hub

In September 2023, Lazada Thailand launched its first eco-friendly logistics hub at the Tha Raeng – Ram Inthra Logistics Hub to minimize its environmental impact through three key strategies: using solar power, utilizing electric motorcycles for transportation, and providing delivery partners with uniforms made from recycled PET plastics bottles. Following a successful pilot program, the initiative to use recycled plastic uniforms has been expanded to include all new delivery partners working with Lazada Thailand.



20% of the logistics hub's electricity needs are powered by solar energy generated and 30 out of 37 bikes are electric

¹³ Please refer to Appendix page 23 for more details.

¹⁴ Restating historical emissions data using the activity-based carbon accounting method is not possible because the company does not have the detailed records such as specific activity levels from previous years needed for accurate recalculation.

MATERIALS AND PACKAGING

With the growth of digital commerce, the demand for products and their corresponding packaging materials is rising in tandem. Sustainable materials offer a solution to minimize environmental impact while meeting demands. Lazada is committed to continuously adopting and developing innovative sustainable materials solutions for our products and packaging.

Lazada Logistics, under its Fulfillment by Lazada (FBL) initiative, has integrated sustainability considerations into its packaging practices, ensuring all materials used are responsibly sourced. Since September 2023, all carton boxes used in Indonesia, the Philippines, Singapore, Thailand, and Vietnam are sourced from suppliers certified by the Forest Stewardship Council (FSC). Additionally, Lazada Logistics repurposes inbound carton boxes as void fills in packaging, promoting the reuse of materials and reducing the need for plastics fills.

To further reduce carton box usage, RedMart offers customers the option to return carton boxes in good condition to delivery partners during deliveries. During the reporting period, RedMart has reused more than 220,000 carton boxes for delivery. In addition, both Lazada Express and RedMart have implemented guidelines to avoid extra packaging for individual bulky items, further reducing unnecessary carton box usage.

Offering Sustainable Product Options

In line with our sustainability goals, we collaborate closely with suppliers to ensure RedMart house brand products meet high environmental and social responsibility standards throughout their lifecycle, from production to procurement. One key approach involves evaluating and ensuring that the RedMart house brand food range prioritizes healthy products without added MSG. Recognizing that material selection and product packaging significantly influence our environmental footprint, we aim to introduce sustainable products that empower buyers to shop sustainably.

Currently, RedMart’s sustainable product range features:

ECO Products:

We develop innovative items within RedMart’s ECO Products range, including products such as garbage bags, dishwashing liquids, bamboo wipes, and corn starch foodware.

ECO Packaging:

We provide responsible packaging solutions that reduce and remove excess packaging, use compostable and recycled materials, avoid harmful substances, and provide disposal information where possible.

Locally Manufactured:

We support local producers and growers by featuring local products and promoting them to shoppers on our platform.

Organic:

Our house brand food products labeled organic meet established certified organic standards such as United States Department of Agriculture (USDA) Organic and European Union (EU) Organic standards.

Responsible Sourcing:

We ensure the responsible sourcing of products, including FSC-certified paper, cage-free poultry and eggs, as well as free-range meat that meets RSPCA standards.

278 products featured in our RedMart house brand sustainable product range

46% of the products in our RedMart house brand sustainable product range are locally manufactured



Collaboration for Further Innovation

We believe in collective action for sustainable growth. As a leader in our ecosystem, we collaborate with partners to develop innovative and sustainable solutions. Together, we can drive positive impact by promoting environmental responsibility and pave the way for a more sustainable future.

Collaborating to Encourage Proper E-Waste Disposal

In February 2024, Lazada Thailand partnered with AIS, a major local mobile phone operator and network provider, to launch the “Give the E-Waste, Get the Code” campaign. The campaign aimed to educate and encourage customers to dispose of e-waste properly by introducing convenient e-waste collection boxes at selected AIS branches. These collection points not only made the disposal process easier but also allowed users to track the journey of the e-waste deposited using AIS’ E-Waste+ app, an innovative blockchain-based platform. As an added incentive, users who participated in the campaign received online shopping vouchers usable on Lazada’s platform, enhancing the campaign’s appeal and encouraging more users to participate in sustainable practices.



More than 3,500 pieces of e-waste collected

Collaborating to Reduce Ocean Waste

Building upon efforts from the last reporting period, Lazada Indonesia continues to tackle ocean waste and foster sustainable development in one of the world’s largest archipelagos. The coastal and marine areas of the Thousand Islands in Indonesia face a significant waste problem due to the rising volume of single-use plastics and high logistics costs for waste disposal. The year-long Islands Cleanup program included an Islands Hackathon, environmental actions, on-the-ground initiatives, and community engagements.

In collaboration with the Archipelagic and Island States (AIS) Forum and the Coordinating Ministry of Maritime Affairs and Investment (Kemenkomarves) in Indonesia, Lazada held an Islands Hackathon competition aimed at identifying innovative solutions for the waste problem in the Thousand Islands. The winning solution involves using pyrolysis technology to convert plastic waste into fuel for inter-island transportation. Subsequently, the winning team secured seed funding and showcased their solution at the AIS High-level Meeting in October 2023, which was attended by 47 heads of state and country representatives.



EFFECTIVE GOVERNANCE

At Lazada, we proactively embrace governance, understanding its crucial role in achieving sustainable success. Our governance framework emphasizes responsible business practices, data privacy, and the protection of intellectual property (IP) rights.

We understand the importance of building a secure and trustworthy marketplace for both brands and consumers. This commitment begins with robust security practices. Our ISO 27001:2013 certified management system ensures the highest level of security for our corporate information assets. Additionally, Lazada Singapore achieved the Advocate-level certification under the Cyber Trust mark program, conferred by the certification body appointed by the Cyber Security Agency of Singapore.



Over 97% of takedown requests processed within 72 hours



0 substantiated complaints concerning breaches of customer privacy and loss of customer data



100% employee training completion rate for our Code of Business Conduct and ABC Policy



3 consecutive years of winning the ALB Southeast Asia Law Awards



CORPORATE GOVERNANCE

Our governance structure is anchored in strong ethical behavior and corporate responsibility, ensuring long-term sustainability and success. This is supported by a robust risk management framework that effectively identifies, assesses, and mitigates risks, protecting our assets and reputation.

Upholding Business Ethics and Anti-corruption

As an ethical and responsible entity, we are committed to conducting business with unwavering ethical principles, adhering to national laws and international trade rules. Our governance policies encompass critical areas such as:

Code of Business Conduct	The Anti-Bribery and Corruption Policy	Conflict of Interest Provision	Supplier Code of Conduct	Grievance Mechanisms
Expected behavior for all Lazada employees across basic duties, compliance, anti-discrimination and anti-money laundering	We adopt a zero-tolerance approach aligned with global laws	Measures for addressing actual, perceived, or potential conflicts	Expected behavior and compliance requirements for our suppliers with any violation possibly leading to the termination of contracts	Confidential mechanisms for reporting grievances and resolving disputes

We take pride in our strong practices established throughout the organization, which have helped us maintain a record of zero instances of corruption and bribery. To support this, we provide a whistleblowing mailbox (whistleblow@lazada.com) for reporting any suspected or actual fraud, corruption, illegal acts, or unethical practices. Additionally, we offer annual training and e-learning refresher courses focused on our Code of Business Conduct and ABC policy, emphasizing compliance and corruption prevention. New employees are required to complete an e-learning module to familiarize themselves with Lazada’s policies, ensuring everyone is well-informed from the start.

100% employee training completion rate

for our Code of Business Conduct and ABC Policy during the reporting period

Implementing Risk Management

We have implemented Enterprise Risk Management (ERM) to ensure a structured approach to managing risks across our organization, including the consideration of ESG factors. The ERM Steering Committee, led by the Group Chief Executive Officer, oversees the company’s most significant risks. Supporting this, the ERM Working Committee develops a robust risk management framework and policy, identifies major risks, and devises effective mitigation strategies. Our risk management system includes internal and third-party audits, forming a “three lines of defense” mechanism. This multi-layered approach allows us to proactively monitor, assess, and respond to risks, ensuring greater protection for our customers and stakeholders.

Asian Legal Business (ALB) Southeast Asia Awards

Lazada was recognized at the prestigious ALB Southeast Asia Awards during the reporting period. We were honored with the title “Compliance and Risk Management In-House Team of the Year” for the third consecutive year, acknowledging our exceptional compliance and risk management capabilities. This recognition reflects our innovation in various tools, including those for managing privacy incidents, an ABC due diligence review tool for our Corporate Social Responsibility activities, and a law enforcement request portal that allows us to efficiently manage regulatory requests. By leveraging technology and automation, we continuously improve to build a reliable platform for our buyers and brands, aiming for sustainable, long-term growth with all our ecosystem partners.

CYBERSECURITY AND DATA PRIVACY

In digital commerce, cybersecurity and data privacy are crucial for success, given the vast amount of data flowing through our online platform. Strong internal management system and regular external audits further enhance our cybersecurity measures.

Ensuring Cybersecurity

To safeguard our digital assets, we conducted penetration testing with internal and external teams and addressed identified issues through our internal vulnerability management platform. Our vulnerability management process includes routine network scans and automatic scans before application deployment. We also promote user and employee awareness through our security initiatives, which includes regular drills, training, and awareness campaigns.

Protecting Customer Privacy

Customer privacy is a top priority, closely tied to our cybersecurity efforts. We assess third-party service providers’ security measures through our Third-party Risk Management program to meet regulatory and contractual data privacy obligations. This program involves risk profiling, collaborative risk assessments, and due diligence during onboarding. As a result, we achieved no substantiated complaints¹⁵ concerning customer privacy breaches or data losses in the reporting period, down from one incident in the previous reporting period.¹⁶ We remain committed to promptly addressing all security and privacy-related queries and requests from stakeholders. These matters are promptly reviewed and resolved swiftly at various operational levels, following our established privacy incident handling processes and protocols.

INTELLECTUAL PROPERTY

Intellectual property protection is vital for a legally compliant and healthy digital commerce environment in Southeast Asia. To ensure compliance, all new sellers must complete web-based Lazada University course modules, covering Lazada’s platform terms and conditions as well as IP Rights (IPR) protection policies. Sellers are informed about the consequences of non-compliance, which include penalties on product listings or account termination. Lazada’s robust IPR protection program comprises many technology-leveraged modules to ensure a robust defense against IP infringement on our platform:

IPP Platform	IPP Plus Program	Proactive Measures Program	Online-To-Offline Enforcement
Rights holders can register accounts, submit and track takedown requests, including counter-notices by sellers, on the IPP Platform. The platform processes over 97% of requests within 72 hours, with a median time of under 15 hours.	Selected rights holders ¹⁷ on the IPP Plus Program, including over 100 brands , benefit from expedited takedown processing and enhanced support. Over 96% of takedown requests filed by IPP Plus users are processed within 48 hours, with a median time of under 8 hours.	Advanced technology like AI and image recognition is used to proactively remove counterfeit listings. This program includes over 140 brands and achieves a 90% removal rate before transactions even occurred. ¹⁸ Listings proactively removed by Lazada account for 85% of all listings removed.	Lazada supports rights holders in offline investigations and enforcement actions targeting the entire supply chain to prevent counterfeit goods from entering the online sales channel. Over 230 leads have been analyzed with brand partners.

¹⁵ “Substantiated complaints” are those made by third-parties or regulatory bodies. For a complaint to be considered substantiated, Lazada is required to report the issue to a relevant regulator, or the regulator must start an investigation based on a complaint from an affected party. Additionally, complaints must result in penalties for Lazada such as fines, jail terms, orders to stop certain activities, or a business halt, or lead to voluntary corrective actions by Lazada.

¹⁶ The number of complaints concerning customer privacy breaches or customer data losses for FY2023 has been restated to one (1). In FY2023, RedMart Limited recorded an inquiry from the Personal Data Protection Commission (PDPC) of Singapore regarding an incident report on the legitimate interest for the collection of personal information and measures to eliminate and mitigate risks of unauthorized use and disclosure of such information. In the final decision issued by the PDPC on 18 January 2023, the Commissioner confirmed that RedMart has met the requirements for reliance on the Legitimate Interest Exception, including the enhanced access controls implemented to mitigate risks of unauthorized use and disclosure of personal information collected. No evidence of incidents resulted in customer privacy breaches or data losses. Details of the PDPC statement can be viewed at: DECISION OF PERSONAL DATA PROTECTION COMMISSION

¹⁷ Criteria for selecting rights holders for the IPP Plus Program include reporting volume and accuracy of past takedown requests.

¹⁸ The decrease is due to more actions taken compared to the previous year.

APPENDIX

ADDITIONAL INFORMATION

Conversion rates of local currencies to USD used throughout the report are shown in the table below.

Currency conversion rates used	
SGD to USD	SGD 1 = USD 0.741
THB to USD	THB 1 = USD 0.0275
VND to USD	VND 1 = USD 0.0000403
PHP to USD	PHP 1 = USD 0.0178
MYR to USD	MYR 1 = USD 0.212
IDR to USD	IDR 1 = USD 0.0000630

Currency conversion rates are extracted from [XE currency tables](#) and are based on historical close rates as of 31 March 2024.

Empowering Communities

The methodology and assumptions below derive the number of economic opportunities created directly and indirectly from Lazada’s platform on pages 6 and 9.

Economic Opportunities Created Directly and Indirectly from Lazada’s Platform	
Number of Sellers	Number of active sellers that have at least one sale on Lazada’s platform as of the end of the reporting period.
Number of Employees	Number of permanent and contract employees on Lazada’s payroll as of the end of the reporting period.
Number of Third-Party Logistics (3PL) Drivers	<p>Number of 3PL drivers was estimated using the number of parcels delivered by 3PL drivers for Lazada in the reporting period, divided by the delivery efficiency (parcel/ driver) during the reporting period.</p> <p>Assumptions: The delivery efficiency of 3PL drivers is assumed to be similar to that of Lazada Logistics operations.</p> <p>Lazada Logistics’ delivery efficiency was computed using the total number of parcels delivered divided by the total number of drivers in Indonesia, Malaysia, the Philippines, Thailand and Vietnam. Singapore was excluded as it does not have Lazada Logistics operations.</p>
Number of Enabler Company Employees	Number of enabler company employees was estimated by aggregating the average number of employees in the reporting period by each enabler company that Lazada works with within the countries in which we operate. This number was rounded down to the nearest thousand for a more conservative estimate, as different enabler companies may use different methods to estimate the average number of employees in the reporting period.
Number of Influencers	Number of influencers was estimated by aggregating the total number of influencers that Lazada worked with across LazLive and various social media channels in the countries in which we operate during the reporting period. This number was rounded to the nearest thousand for a more conservative estimate.

Future-ready Workforce

Values reflected are rounded to the appropriate decimal places.

Breakdown of Employees by Employee Type and Gender ¹⁹ (%)						
Categories	FY2022		FY2023		FY2024	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Male	56.6	0.3	56.1	0.2	56.9	0.2
Female	42.4	0.7	43.0	0.7	42.5	0.4

¹⁹ There are less than 0.1% of employees who identify themselves as genders other than male and female or prefer not to declare their genders during the reporting period.

Breakdown of Employees by Region and Gender (%)							
Categories	FY2023						
	Singapore	Indonesia	Malaysia	The Philippines	Thailand	Vietnam	Regional
Male	6.8	10.3	4.3	7.1	6.6	7.2	13.9
Female	4.2	5.8	3.9	7.0	7.8	6.4	8.7
Others	-	-	-	0.0	0.0	-	-
Categories	FY2024						
	Male	8.3	9.9	3.9	7.2	5.6	4.2
Female	3.8	4.8	3.7	6.2	6.8	3.8	13.9

Parental Leave				
Categories	FY2023		FY2024	
	Return to work rate (%) ²²	Retention rate (%) ²³	Return to work rate (%)	Retention rate (%)
Male	88	84	85	72
Female	83	78	88	55

Breakdown of New Hires Rate ²⁰ by Gender, Age Group and Region (%)			
Categories	FY2022	FY2023	FY2024
Overall	39.8	27.9	22.1
Breakdown by Gender			
Male	34.5	24.5	17.9
Female	46.7	32.1	27.5
Breakdown by Age Group ²¹			
Under 30 years old	61.5	45.7	36.3
30 - 50 years old	24.4	15.8	13.8
Over 50 years old	6.5	5.7	2.1
Breakdown by Region			
Singapore	26.8	26.3	20.5
Indonesia	32.8	25.7	7.4
Malaysia	56.7	38.9	42.5
The Philippines	27.3	19.8	25.9
Thailand	40.7	34.4	30.8
Vietnam	52.0	36.1	16.8
Regional	45.7	22.1	21.1

Diversity of Gender and Age Group under Each Employee Category (%)												
Categories	FY2022				FY2023				FY2024			
	Level ²⁴	1	2	3	4	1	2	3	4	1	2	3
Breakdown by Gender												
Male	10.7	24.9	15.0	6.4	8.9	25.4	14.8	7.1	8.0	24.8	16.6	7.6
Female	7.5	21.0	10.7	3.9	6.3	22.9	10.6	4.0	5.5	21.5	11.6	4.3
Other	-	-	-	-	-	0.0	0.0	-	0.0	-	-	-
Breakdown by Age Group												
Under 30 years old	10.3	25.8	6.0	0.4	8.3	27.0	5.3	0.4	6.5	24.4	6.4	0.4
30-50 years old	6.9	19.3	19.3	9.6	6.0	21.1	19.7	10.4	5.9	21.7	21.5	11.3
Over 50 years old	0.9	0.2	0.4	0.3	0.9	0.2	0.4	0.3	1.2	0.2	0.3	0.3
Unknown age	-	-	-	-	-	-	-	-	0.0	-	-	-

²⁰ Internal transfers from sister companies within the Alibaba Group (the parent company of Lazada), are categorized as "transfers" rather than new hires. The figures only reflect the new hires of permanent employees. The new hires rate was derived by dividing the number of new hires by the number of permanent employees.

²¹ There are less than 0.1% of employees who prefer not to disclose the range of their age during the reporting period.

²² The return to work rate was derived by dividing the number of employees that did return to work after parental leave by the number of employees due to return to work after taking parental leave.

²³ The retention rate was derived by dividing the number of employees retained 12 months after returning to work following a period of parental leave by the number of employees returning from parental leave in the prior reporting period.

²⁴ Level 1 refers to employees who are fresh graduates; Level 2 refers to employees who are associates and analysts; Level 3 refers to employees who are managers and senior managers; and Level 4 refers to employees who are vice presidents and above.

Description On Methodology

GHG Emissions

GHG emissions refer to a group of gases that contributes to the greenhouse effect by absorbing infrared radiation. Lazada adopted the operational control method in accordance with the GHG Protocol Corporate Standard for its direct (Scope 1) and indirect electricity (Scope 2) GHG emissions. Computation of Scope 3 emissions is based on the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Scope 1

Direct GHG emissions occurring from sources owned or controlled by Lazada’s operations in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam in the reporting period. Lazada’s Scope 1 emissions sources include:

Mobile combustion
 Singapore: The fuel consumed by RedMart’s operations in the reporting period was sourced from vehicles. The fuel type is diesel, expressed in Litres, calculated to GHG emissions using emissions factors from Singapore’s Fourth Biennial Update Report (2020). Gases considered in the calculation include CO₂, CH₄ and N₂O. Lazada Logistics operations in Singapore were excluded as Lazada Singapore mainly works with third-party logistics providers, and emissions for third-party logistics providers are included under scope 3 emissions.

Indonesia, Malaysia, the Philippines, Thailand and Vietnam: The emissions of Lazada Logistics operations in these countries are derived from the total distance traveled for all vehicles owned or controlled by Lazada and the emission factors were sourced from the GHG Protocol Emission Factors from Cross-Sector Tools (2017) while Global Warming Potential (GWP) values were sourced from the IPCC Fifth Assessment Report (2014). Gases considered in the calculation include CO₂, CH₄ and N₂O.

Fugitive emissions
 Singapore: Refrigerant charge for the chillers. The refrigerant type is R507, expressed in Kilograms, calculated to GHG emissions using GWP from the IPCC Fifth Assessment Report (2014).

Indonesia, Malaysia, the Philippines, Thailand and Vietnam: Fugitive emissions from fire extinguishers in infrastructure. Fire extinguisher composition contains CO₂ and HCFC-123, expressed in Kilograms, calculated to GHG emissions using GWP from the IPCC Fifth Assessment Report (2014).

Scope 2

Indirect GHG emissions occurring from the generation of purchased electricity that is consumed in Lazada’s owned or controlled operations in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam in the reporting period. Lazada’s Scope 2 emissions sources include:

Electricity consumption
 Total purchased electricity consumed by Lazada’s facilities (offices, warehouses/fulfillment centers, sortation centers and hubs) in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam in the reporting period, expressed in multiples of watt-hours. Where electricity consumption data was unavailable for a facility, electricity consumption data was estimated using the electricity consumption intensity corresponding to its facility type relative to its geographical location.

Grid emission factors used for the reporting period were taken from government sources, including the Energy Market Authority of Singapore and Ministry of Energy of Thailand, and international reports, including the IGES List of Grid Emission Factors and the Climate Transparency Report. Gases considered in the calculation include CO₂.

GHG Emissions

Scope 3

Other indirect GHG emissions that are a consequence of Lazada’s activities and operations in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam in the reporting period but occur from sources that are not owned or controlled by Lazada. Lazada’s reported Scope 3 emissions sources were selected based on the significance of their contribution to total emissions, influence Lazada has over the emissions category and data feasibility. They include:

Category 1: Purchased goods and services

Purchased goods and services relating to logistics and warehousing consumables.

Category 4: Upstream transportation and distribution

Upstream transportation relating to land transportation, air freight, ocean freight and third-party logistics providers.

Category 6: Business travel

Business travel of employees by air.

Computation of Scope 3 emissions is based on the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The GHG Protocol Scope 3 Evaluator Tool, which leverages environmental input-output datasets based on the World Input-Output Database (WIOD) and the Open IO Database, was also used in the quantification of emissions. Gases considered in the calculation include CO₂, CH₄ and N₂O.

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

Statement of use	Lazada has reported with reference to the GRI Standards for the period 01 April 2023 to 31 March 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI STANDARD	DISCLOSURE	SECTION/STATEMENT	PAGE REFERENCE	NOTES
General disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details	About Us - At a Glance	5	/
	2-2 Entities included in the organization's sustainability reporting	About Us - About This Report	5	/
	2-3 Reporting period, frequency and contact point	About Us - About This Report	5	/
	2-4 Restatements of information	Effective Governance - Cybersecurity and Data Privacy	20	/
	2-5 External assurance	About Us - About This Report	5	No external assurance.
	2-6 Activities, value chain and other business relationships	About Us - Who We Are and How We Operate	5	/
	2-7 Employees	Appendix	21-22	For confidentiality purposes, actual employee numbers are not disclosed.
	2-8 Workers who are not employees	/	/	Workers who are not employees pertains to interns. For confidentiality purposes, actual worker numbers are not disclosed.

GRI STANDARD	DISCLOSURE	SECTION/STATEMENT	PAGE REFERENCE	NOTES
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	ESG at Lazada - ESG Governance The Board of Directors is the highest governance body of Lazada Group.	7	/
	2-10 Nomination and selection of the highest governance body	Board members are selected based on a list of criteria that includes tenure of service with Lazada, qualifications, business experience, expertise and other competencies relevant to serve on the Board.	/	/
	2-11 Chair of the highest governance body	The chairman of the Board is not a senior executive of Lazada Group.	/	/
	2-12 Role of the highest governance body in overseeing the management of impacts	ESG at Lazada - ESG Governance The Board of Directors provides leadership by setting the strategic objectives of Lazada Group.	7	/
	2-13 Delegation of responsibility for managing impacts	ESG at Lazada - ESG Governance The Group CFO reports regularly to the Board about the status and development of Lazada, including ESG-related matters.	7	/
	2-14 Role of the highest governance body in sustainability reporting	ESG at Lazada - ESG Governance	7	/
	2-15 Conflicts of interest	Effective Governance - Corporate Governance	20	/
	2-16 Communication of critical concerns	Critical concerns are communicated to the highest governance body.	/	For confidentiality purposes, the number and nature of critical concerns are not disclosed.
	2-22 Statement on sustainable development strategy	From our Leaders	3-4	/
	2-23 Policy commitments	Lazada has included the content related to responsible business conduct and respect for human rights in its Code of Business Conduct Policy in Effective Governance Chapter. While the policy currently does not refer to authoritative intergovernmental instruments or stipulate conducting due diligence, there are plans to revise the policy to be aligned with International Labour Organization (ILO) and Organisation for Economic Co-operation and Development (OECD) guidelines in the near future.	/	The Code of Business Conduct Policy is only for internal announcements and is not disclosed publicly.

GRI STANDARD	DISCLOSURE	SECTION/STATEMENT	PAGE REFERENCE	NOTES
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	ESG at Lazada - ESG Governance; Effective Governance - Corporate Governance	7, 20	/
	2-25 Processes to remediate negative impacts	Effective Governance - Corporate Governance; Intellectual Property	20	/
	2-26 Mechanisms for seeking advice and raising concerns	The grievance mechanism also serves to seek advice and raise concerns about responsible business conduct.	/	/
	2-29 Approach to stakeholder engagement	ESG at Lazada - ESG Priorities and Materiality Assessment; Stakeholder Engagement	7-8	/
	2-30 Collective bargaining agreements	During the reporting period, an amicable agreement was reached with the union representing our Singapore employees following productive discussions on our business transformation. We remain committed to strengthening labor-management relations and ensuring that any business decisions impacting our workers' interests are promptly communicated to all relevant stakeholders. We adhere to local regulations and standards on working conditions and maintain good relationships with all our stakeholders.	/	/
Material topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESG at Lazada - ESG Priorities and Materiality Assessment	7	/
	3-2 List of material topics	ESG at Lazada - ESG Framework	7	/
Material Topic: Socioeconomic Impact				
GRI 3: Material Topics 2021	3-3 Management of material topics	Empowering Communities	9-12	/

GRI STANDARD	DISCLOSURE	SECTION/STATEMENT	PAGE REFERENCE	NOTES
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Empowering Communities - Community Resilience	12	/
	203-2 Significant indirect economic impacts	Empowering Communities	9-12	The significance of the impacts is not evaluated in the context of external benchmarks and stakeholder priorities.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	ESG at Lazada - ESG Priorities and Materiality Assessment; Empowering Communities - Community Resilience	8, 12	/
	413-2 Operations with significant actual and potential negative impacts on local communities	Lazada's operations have no significant actual or potential negative impacts on local communities.	/	/
Material Topic: Talent Attraction, Development and Well-being				
GRI 3: Material Topics 2021	3-3 Management of material topics	Future-ready Workforce	13-15	/
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Appendix	22	For confidentiality purposes, numbers of new hires and turnovers are not disclosed.
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Future-ready Workforce - Employee Well-being	15	/
	401-3 Parental leave	Appendix	22	/

GRI STANDARD	DISCLOSURE	SECTION/STATEMENT	PAGE REFERENCE	NOTES
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	All employees, except those still on probation, received a regular performance and career development review during the reporting period.	/	/
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Appendix	22	/
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There is no incident of discrimination during the reporting period.	/	/
Material Topic: Materials and Packaging				
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Stewardship - Materials and Packaging	16, 18	/
	301-1 Materials used by weight or volume	Appendix	22	/
GRI 301: Materials 2016	301-2 Recycled input materials used	Environmental Stewardship - Materials and Packaging	18	Recycled materials like shredded cartons are used in our operations, but the weight is not quantifiable.
Material Topic: Carbon Footprint				
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Stewardship - Carbon Footprint	16-17	/
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Stewardship - Carbon Footprint	17	For confidentiality purposes, the GHG emissions are not disclosed.
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Stewardship - Carbon Footprint	17	For confidentiality purposes, the GHG emissions are not disclosed.

GRI STANDARD	DISCLOSURE	SECTION/STATEMENT	PAGE REFERENCE	NOTES
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Environmental Stewardship - Carbon Footprint	17	For confidentiality purposes, the GHG emissions are not disclosed.
	305-5 Reduction of GHG emissions	Environmental Stewardship - Carbon Footprint	17	For confidentiality purposes, the reduction of GHG emissions is not disclosed.
Material Topic: Cybersecurity and Data Privacy				
GRI 3: Material Topics 2021	3-3 Management of material topics	Effective Governance - Cybersecurity and Data Privacy	19-20	/
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Effective Governance - Cybersecurity and Data Privacy	20	/
Material Topic: Intellectual Property				
GRI 3: Material Topics 2021	3-3 Management of material topics	Effective Governance - Intellectual Property	19-20	/

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) CONTENT INDEX

SASB CODE	ACCOUNTING METRIC	SECTION/STATEMENT	PAGE REFERENCE	NOTES
SASB: E-Commerce				
Hardware Infrastructure Energy & Water Management				
CG-EC-130a.1	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable	Information unavailable/incomplete	/	Fuel consumed by the distribution process in Indonesia, Malaysia, the Philippines, Thailand and Vietnam is not recorded as the vehicles with the fuel consumption are not owned by Lazada.
CG-EC-130a.2	(1) Total water withdrawn (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Not Applicable	/	Non-material topic for Lazada as our business has limited water consumption.
CG-EC-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Not Applicable	/	Data centers are under the operations of Lazada's parent company, Alibaba, and are out of the reporting scope.
Data Privacy & Advertising Standards				
CG-EC-220a.1	Number of users whose information is used for secondary purposes	All users who have not opted out.	/	/
CG-EC-220a.2	Description of policies and practices relating to behavioral advertising and user privacy	Effective Governance - Cybersecurity and Data Privacy	20	/

SASB CODE	ACCOUNTING METRIC	SECTION/STATEMENT	PAGE REFERENCE	NOTES
Data Security				
CG-EC-230a.1	Description of approach to identifying and addressing data security risks	Effective Governance - Cybersecurity and Data Privacy	19-20	/
CG-EC-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Effective Governance - Cybersecurity and Data Privacy	20	/
Employee Recruitment, Inclusion & Performance				
CG-EC-330a.1	Employee engagement as a percentage	Confidentiality constraints	/	/
CG-EC-330a.2	(1) Voluntary (2) involuntary turnover rate for all employees	Confidentiality constraints	/	For confidentiality purposes, the turnover rates are not disclosed.
CG-EC-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff (3) all other employees	Appendix	22	/
CG-EC-330a.4	Percentage of technical employees who are H-1B visa holders	Not Applicable	/	Lazada does not operate in the US during the reporting period.
Product Packaging & Distribution				
CG-EC-410a.1	Total greenhouse gas (GHG) footprint of product shipments	Confidentiality constraints	/	For confidentiality purposes, the GHG emissions are not disclosed.
CG-EC-410a.2	Discussion of strategies to reduce the environmental impact of product delivery	Environment Stewardship - Carbon Footprint; Materials and Packaging	17-18	/