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**LAZADA GROUP RELEASES ANNUAL ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)
IMPACT REPORT FOR FINANCIAL YEAR 2024**

Lazada's third ESG Impact Report underscores its commitment to building a responsible and sustainable business through innovation

SINGAPORE, 27 AUGUST 2024 – Lazada, a leading eCommerce platform in Southeast Asia, today released its annual Environment, Social, and Governance (ESG) Impact report: **Accelerating Innovation, Anchoring Resilience** for its financial year (FY) 2024. The annual report continues to detail the Group's ongoing efforts and achievements, under the four core pillars of its ESG framework, namely: Empowering Communities, Future-Ready Workforce, Environmental Stewardship, and Effective Governance.

One key highlight in this year's report is the introduction of an internal carbon data collection platform developed to track and monitor the Group's carbon emissions. The platform utilizes an improved activity-based carbon accounting methodology that is also constantly being refined to reflect real-world conditions to obtain more precise information for effective emissions management. This improvement enhances the data quality and accuracy for Scope 1 and Scope 2 emissions, making it more robust than in previous years. The implementation of various business optimization initiatives to lower overall electricity consumption also contributed to a **40% reduction** in Lazada's overall Greenhouse Gas (GHG) emissions as compared to the previous reporting period. Specifically, our reported emissions have decreased by 54% in Scope 1, and by 8% and 30% in Scope 2 and Scope 3, respectively.

"Our third ESG Impact Report continues to showcase our commitment to creating a positive impact on the environment and key stakeholders in the wider eCommerce ecosystem that includes our employees, buyers, sellers and the communities we serve," said James Dong, Chief Executive Officer, Lazada Group. "Our confidence in Lazada's future stems from our commitment to fostering long-term growth through continuous adaptation and resilience building. We remain focused on creating value for our stakeholders, driving economic prosperity, and championing sustainable developments across the region."

The report highlights many other notable achievements and progress of the company's ESG efforts during the reporting period, including:

- **Empowering Communities:**
 - Driving innovations across the ecosystem: Lazada leverages technological innovations to redefine the online retail experience and bridge the digital divide:
 - AI applications to empower buyers, such as Lazada's "Ask the Buyers" feature to prompt past buyers to respond to product-related questions and aid other buyers in product selection, and the launch of LazzieChat, Lazada's first-of-its-kind chatbot powered by OpenAI ChatGPT, in Indonesia, the Philippines and Singapore.
 - Lazada's national QR code payment initiative to facilitate seamless payments in Singapore and Thailand, to provide more online payment options for buyers, making online shopping more accessible and inclusive for consumers without credit or debit cards.

- Championing local businesses: Lazada launched the [Lazada Sustainability Academy](#) in October 2023, a pioneering program to empower small and medium Southeast Asian businesses with the mindset and knowledge needed to future-proof and transform sustainably.
- **Future-Ready Workforce:**
 - Shaping the future of digital commerce through digital enablement and outreach engagement: Lazada Indonesia partnered with the West Java Ministry of Education through the Acceleration of Indonesian Digital People's Work Movement (AKAR), to organize the "Naik KeLaz" Training of Trainers program for 100 vocational high school teachers.
 - Cultivating a deeper understanding of sustainability for Lazadians: Lazada launched its first ESG internal training module, to provide a foundational understanding of ESG principles, enabling all employees to apply these learnings in day-to-day business practices.
- **Environmental Stewardship:**
 - Lower carbon footprint: Lazada reduced its overall GHG emissions by 40%, compared to the last reporting period, based on a more accurate activity-based carbon accounting methodology.
 - Notable sustainable logistics initiatives: In September 2023, Lazada Thailand launched its first eco-friendly logistics hub at the Tha Raeng Ramindra logistics facility 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. 20% of the facility's electricity needs are powered by solar energy generated.
- **Effective Governance:**
 - Strengthened cybersecurity measures: Lazada achieved a 100% employee training completion rate for its Code of Business Conduct and Anti-Bribery and Corruption Policy during the reporting period.
 - Best practices for intellectual property protection (IPR) and processes: Lazada's Intellectual Property Protection Platform processes over 97% of takedown requests by rights holders within 72 hours. Under the proactive measures program, the platform is able to leverage advanced technology like AI and image recognition to remove 85.7% of identified listings, achieving a 90% removal rate before transactions occur for 140 brands.

"Sustainability is a continuous journey, which should be managed holistically. As such, we believe in transparency and accountability when it comes to tracking and reporting on our progress," said Gladys Chun, General Counsel, Lazada Group. "We are proud of the achievements that we have accomplished on this journey, as we strive to make positive and meaningful contributions to the wider eCommerce ecosystem, the communities we serve and the environment."

Lazada's FY2024 ESG Impact Report is prepared with reference to the Global Reporting Initiative (GRI) Standards 2021¹.

The full FY2024 ESG Impact Report: Accelerating Innovation, Anchoring Resilience can be found [here](#).

-ENDS-

Editor's Note:

¹ See Editor's Note for more details



- Lazada’s FY2024 ESG Impact Report details its ESG approach and performance across the Group’s operations in six countries – Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam – and the operations of its subsidiary, RedMart in Singapore for the reporting period of 1 April 2023 to 31 March 2024 (“FY2024”), unless otherwise stated.
- This report also includes data from the prior reporting period of 1 April 2022 to 31 March 2023 (“FY2023”) for comparison where applicable.
- The GRI Standards was selected as it is the most widely adopted global standard among businesses to report on sustainability matters across comparable criteria. A detailed GRI Standards content index is provided at the end of the report (page 24).

About Lazada Group

Lazada Group is Southeast Asia's pioneer eCommerce platform. For the last 12 years, Lazada has been accelerating progress in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam through commerce and technology. Today, a thriving local ecosystem links about 160 million active users to more than one million actively-selling sellers every month, who are transacting safely and securely via trusted payments channels and Lazada Wallet, receiving parcels through a homegrown logistics network that has become the largest in the region.

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LAZADA'S ESG IMPACT REPORT FY2024:

ACCELERATING INNOVATION, ANCHORING RESILIENCE

As a leading digital commerce business in the Southeast Asian region, we aim to positively impact the environment, society, and communities we engage with, while also driving innovation and conducting business responsibly.



EMPOWERING COMMUNITIES

We endeavor to enrich the lives of Southeast Asian communities by providing the necessary jobs, services and capacity-building across our network and support economic development across the region.

AI applications to empower buyers such as “**Ask the Buyers**” feature or OpenAI ChatGPT-powered chatbot, **LazzieChat***

**Available in Indonesia, the Philippines and Singapore.*



FUTURE-READY WORKFORCE

We continue to enrich the work experience for our employees while developing the skill sets and knowledge of the broader talent pool to stay resilient in a fast-changing world.

Launched the **1st ESG training module** for employees, to provide a foundational understanding of ESG principles.

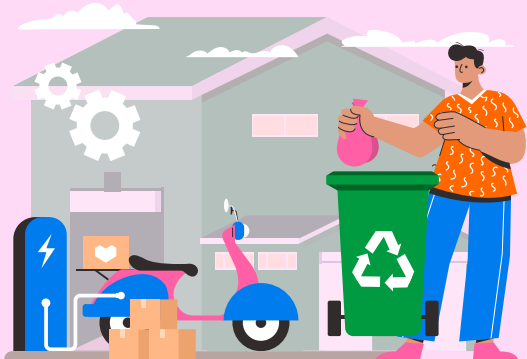


ENVIRONMENTAL STEWARDSHIP

We strive to minimize the impact of our operations on the environment in the communities we operate in with strategies that lower our carbon footprint and reduce our material use of natural resources.

40% of overall GHG emissions were reduced, compared to the last reporting period*

**Based on a more accurate activity-based carbon accounting methodology.*



EFFECTIVE GOVERNANCE

We focus on providing our buyers and sellers a safe and reliable digital environment, supported by effective governance structures that upholds ethical, transparent and responsible business conduct.

100% employee training completion rate for Code of Business Conduct and Anti-Bribery and Corruption Policy.

