



ALDAR TAKES LEADING POSITION ON NET ZERO BY LAUNCHING COMPREHENSIVE PLAN TO DECARBONISE ITS BUSINESS AND ASSETS

- **Aldar’s Net Zero Plan is a first of its kind in terms of depth of detail and breadth of scope**
- **The Plan includes a detailed roadmap to achieve Net Zero in Scope 1, Scope 2 and Scope 3 emissions by 2050**
- **The Net Zero commitment encompasses Aldar’s operational emissions, the embodied carbon of its developments and projects, and emissions associated with its supply chain and tenants**
- **By 2030, Aldar will already be Net Zero in its Scope 1 and Scope 2 emissions, with a 45% reduction in the intensity of its Scope 3 emissions relative to its own 2021 baseline**
- **Aldar will work closely with all stakeholders – including government, utilities providers, suppliers, and customers – to drive transition to Net Zero**

Abu Dhabi, UAE – 12 January 2023: Aldar Properties PJSC (“Aldar”) has today launched its Net Zero Plan (the “Plan”), with a commitment to becoming a Net Zero carbon business (“Net Zero”) across its Scope 1¹, Scope 2, and Scope 3 greenhouse gas (“GHG”) emissions by 2050, in line with the goals of the Paris Agreement and the UAE Net Zero by 2050 Strategic Initiative.

Aldar has also set science-aligned 2030 interim targets, which will see it achieve Net Zero in its Scope 1 and Scope 2 GHG emissions and deliver a 45% reduction in the intensity of its Scope 3 GHG emissions relative to the company’s 2021 baseline.

Aldar’s Net Zero Plan explains how it will achieve Net Zero in its direct emissions and the embodied carbon of all its developments and projects, as well as emissions associated with its supply chain and tenants. By launching this Plan, Aldar is taking a leading position on the global transition to Net Zero and is underlining its commitment to helping control the effects of climate change.

Talal Al Dhiyebi, Group Chief Executive Officer of Aldar Properties, said: **“As one of the UAE’s largest real estate developers and managers, and with a growing presence across the wider Middle East, Aldar is committed to not only supporting the UAE Net Zero by 2050 Strategic Initiative but also leading climate action in our industry and region. Our Net Zero Plan will drive deep and rapid change across all our lines of business and throughout our supply chain. It will transform our approach to design, supply chain**

¹ Scope 1 emissions include direct emissions from Aldar’s operations such as on-site fuel combustion and fugitive refrigerant gases

Scope 2 emissions include indirect emissions from purchased energy, cooling and chilled water

Scope 3 emissions include all other emissions associated with Aldar’s supply chain including procurement, construction and tenant emissions



management, construction, operations, and asset management. Our plan is comprehensive, ambitious, and based on science – matching leading global real estate industry benchmarks and setting a new standard for the region in its depth and detail.”

The nature of Aldar’s business as a developer and asset manager - with a diversified portfolio spanning retail, residential, commercial, hospitality, logistics, and schools - means Aldar is in a unique position to transform assets across their entire lifecycle, which is why it has taken a whole building approach and incorporated Scope 3 tenant-controlled emissions into its commitment.

Partnerships and engagements will be fundamental to the success of Aldar’s Net Zero Plan. The Company will work extensively with suppliers to decarbonise materials and operational emissions, while working with commercial tenants and owner associations to drive sustainable asset operation. Accessing clean energy is critical to Aldar’s Net Zero Plan, so Aldar intends to work with utilities providers to source low-carbon energy as the grid decarbonises in line with the UAE Net Zero by 2050 Strategic Initiative. Aldar will also work with government entities to develop necessary regulations and foster fair competition for construction partners on decarbonisation pathways.

Delivering Aldar’s Net Zero Plan

The company has identified eight decarbonisation focus areas that span the whole lifecycle of its assets.

1. **Low carbon design:** Aldar will create an Aldar Sustainable Design Standard to embed low carbon active and passive design options, maximising energy efficiency, building performance, and asset climate resilience. This will include taking measures to:
 - Use low-carbon concrete in all projects
 - Use low-carbon steel in all projects
 - Integrate other low-carbon materials as Aldar’s supply chain matures
 - Adopt active and passive design for energy efficiency
 - Implement carbon price to incentivise low carbon development

2. **Low carbon supply chain:** Aldar will incentivise its supply chain to innovate around low carbon products, materials, and manufacturing processes. Aldar will engage its supply chain to:
 - Enhance sustainability criteria in supplier selection
 - Include environmental performance specifications in contracting
 - Engage with suppliers to accelerate Net Zero transition and innovation
 - Procure key materials with Environmental Product Declarations



3. **Green construction:** Aldar will take a whole lifecycle approach to assets that prioritises low carbon site practices and construction material procurement. This will include:
 - Reducing waste through improved material management
 - Introducing low-carbon construction site practices
 - Electrifying construction sites where feasible

4. **Clean energy:** Aldar will prioritise the use of clean energy through grid decarbonisation and procuring clean energy through market-based mechanisms or instruments. This will involve:
 - Sourcing low-carbon energy as the grid decarbonises
 - Procuring low-carbon energy to support energy transition
 - Introducing on-site clean energy generation

5. **Resource efficiency and management:** Aldar will upgrade its systems to reduce leakage and improve asset efficiency. This will involve:
 - Reducing consumption through improved energy and water conservation programmes
 - Expand our retrofit project across the portfolio

6. **Tenant initiatives:** Aldar will develop a programme of tenant engagement regarding all leased and managed assets, offering guidance and incentives for more sustainable behaviours. This will include:
 - Launching a tenant engagement programme for energy
 - Introducing green leasing to improve tenant environmental performance
 - Work with our tenants to promote retrofits and improve efficiency

7. **Circular economy:** Aldar will look to enhance waste management during the design, build, and use phases, prioritising diversion from landfill, increasing greywater recycling and supporting the local waste sector. This will include:
 - Reducing and recycling waste in cooperation with tenants and government entities
 - Sorting waste at source to drive efficient management
 - Treating organic waste through on-site composting

8. **Sustainable acquisitions:** All new investments and acquisitions will be guided by criteria that formally integrate sustainability considerations into the end-to-end investment decision making process. This means Aldar will:
 - Integrate sustainability and Net Zero transition plans into its investment strategy
 - Expanding its energy retrofit programme to include all newly acquired assets



Reporting and tracking progress

Aldar has set both near and long-term GHG emission reduction targets, which align with the latest guidance on climate science. Aldar will seek independent validation of its targets once the Science Based Targets Initiative (“SBTi”) publishes its guidance for the buildings sector in late 2023, at which point Aldar will also review its Net Zero targets to ensure they meet the criteria, particularly with regards to Scope 3 GHG emissions. Aldar is already a member of SBTi’s Expert Advisory Group for the buildings sector.

Progress towards targets will be reported each year as part of Aldar’s annual Sustainability Report, while targets will be reviewed for relevance to its business and best practice alignment. Aldar will be transparent on progress and with regards to how it deals with technical challenges related to issues such as neutralisation of residual emissions.

More detail on Aldar’s Net Zero Plan is available here www.aldar.com/sustainability/netzero

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Download Aldar’s Net Zero Plan

<https://www.aldar.com/netzero/plan.pdf>

About Aldar

Aldar Properties PJSC is the leading real estate developer and manager in the UAE with a diversified and sustainable operating model centered around two core businesses: Aldar Development and Aldar Investment.

Aldar Development is a master developer of integrated, liveable, and thriving communities across Abu Dhabi’s most desirable destinations, including Yas Island, Saadiyat Island, Al Raha, and Reem Island. It is responsible for developing Aldar’s c. 69 million sqm land bank and includes three businesses: Aldar Projects, which manages Aldar's fee-based development management business including government



housing and infrastructure projects; Aldar Ventures, which incubates and nurtures new business opportunities and innovation areas; and Aldar Egypt, the platform focused on developing mixed-use communities in Egypt.

Aldar Investment houses Aldar's core asset management business comprising over AED 30 billion portfolio of investment grade and income-generating real estate assets diversified across retail, residential, commercial, hospitality, and logistics segments. Aldar Logistics owns a 70% stake in Abu Dhabi Business Hub which owns a strategically located warehousing, industrial, and office complex in Industrial City Abu Dhabi with a total net lettable area of c. 166,000 sqm. Aldar Investment also manages three core platforms: Aldar Education, Aldar Estates, and Aldar Hospitality and Leisure. Aldar Education includes Aldar's entire educational portfolio, including Aldar Academies, the leading education group in Abu Dhabi, with 21 schools, over 27,000 students, and a growing network of 3,000 educators from over 100 nationalities, offering a wide range of curriculum and ancillary services such as a Teacher Training Academy. Aldar Estates consolidates Aldar's Retail Operations alongside existing Residential and Commercial real estate operations within Provis and will further include Community Management under one integrated property management platform. Aldar Hospitality and Leisure looks after Aldar's portfolio of hotel and leisure assets, which are anchored around Yas Island and Saadiyat, in addition to Ras Al Khaimah. It includes Aldar's portfolio of 13 hotels, comprising over 4,250 hotel keys and managing operations across golf courses, beach clubs, and marinas.

Aldar's shares are traded on the Abu Dhabi Securities Exchange (Stock quote: ALDAR:UH), and is a profitable, cash-generative business that provides recurring revenues, and benefits from a diverse and supportive shareholder base. Aldar operates according to high standards of corporate governance and is committed to operating a long-term and sustainable business in order to provide ongoing value for its shareholders.

Aldar is driven by a vision to be a leading real estate developer and manager in the region by playing a key role in the development of quality, comfortable, desirable destinations that people can live in, work at and visit.

For more information on Aldar please visit www.aldar.com or follow us on:

