



## **ALDAR'S 2022 SUSTAINABILITY REPORT UNDERSCORES IMPORTANCE OF COLLABORATION TO ACHIEVE CLIMATE GOALS**

- **Science-aligned Net Zero Plan launched**
- **AED 7.6 billion recirculated to the UAE economy**
- **42% Emiratisation rate in corporate workforce**
- **Over AED 42 million invested in community support programmes**
- **Improved ratings across three ESG global benchmarks**

**Abu Dhabi, UAE – 15 March 2023:** Aldar Properties PJSC ('Aldar') published its 2022 Sustainability Report today, showcasing the progress it has made across the four pillars of its sustainability strategy - environment, economy, community and people – as it moves forward to create a better, more sustainable future.

2022 was a defining year in the sustainability-led transformation of Aldar's business. Over the course of the year, Aldar completed the development of its Net Zero Plan, demonstrating its commitment to supporting the UAE Net Zero by 2050 Strategic Initiative and to being a leader on climate action in the region.

**Faisal Falaknaz, Acting Group Chief Financial and Sustainability Officer of Aldar Properties, said:** "Aldar's 2022 Sustainability Report tells the story of how we are creating positive impact in the near term while also activating a sustainability roadmap that will drive positive change for years and decades to come. Underpinning this long-term, strategic approach is our recently launched Net Zero Plan, which is already starting to drive deep and rapid change across all our lines of business and throughout our supply chain. Moreover, with the UAE declaring 2023 the 'Year of Sustainability' and hosting COP 28, we have a unique opportunity to catalyse collaboration across the real estate value chain to ensure a prosperous future for generations to come."

**Salwa Al Maflahi, Director of Sustainability and CSR at Aldar, said:** "As Aldar continues on its journey to shape a better future, we are focused on achieving sustainable growth and supporting the development of the UAE economy. To achieve our ambitions, we are engaging our entire value chain and actioning plans that span the whole lifecycle of our assets, including everything from low carbon design and construction through to energy efficiency. More broadly, as a Group that is a community developer, a retail and lifestyle designer, an educator, and an investor at the same time, we are ideally positioned to tackle social challenges and create a positive impact on communities across the UAE."

Within the report Aldar outlines the need for closer collaboration across the entire real estate sector, and with governments and customers, in order to achieve global climate and sustainability goals. Aldar's



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approach to collaboration led to it joining the global Science Based Targets initiative (SBTi) Expert Advisory Group for the building sector as well as the Middle East Clean Energy Business Council in 2022. More recently, in February 2023, Aldar and the Ministry of Climate Change and Environment co-hosted a real-estate focused National Dialogue for Climate Ambition ('NDCA') meeting where 29 real-estate and construction companies from across the UAE signed Aldar and MOCCA's Real Estate Climate Pledge. By signing the Pledge, the signatories are supporting the UAE's Net Zero by 2050 Strategic Initiative through a commitment to publishing their own decarbonisation targets before COP 28. Aldar is actively engaging companies throughout the UAE real estate and construction sector to encourage them to join the Pledge and support the UAE's Net Zero targets.

As one of the largest real estate developers and managers in the region, Aldar is in a unique position to influence the actions and operations of its supply chain and enhance the sustainability of its assets throughout their entire lifespan. Aldar activated its supply chain in 2022 by introducing new low-carbon design guidelines and incentivising more sustainable building practices. It also held sustainability training sessions for more than 400 of its suppliers over the course of the year.

This engagement with suppliers complemented initiatives such as a portfolio-wide energy retrofit project, which is expected to reduce energy consumption by about 20% across Aldar's assets. The first phase of this project was completed in 2022, with Aldar subsequently making an additional investment of AED 25 million to expand the programme. Aldar's focus on embedding sustainable and energy efficient processes in its developments is reflected in the launch of The Sustainable City – Yas Island earlier this year, which saw its first phase sell out within 24 hours, a testament to the demand for a more sustainable way of living.

Reinforcing its commitment to being part of the long-term growth story of the UAE, Aldar recirculated AED 7.6 billion to the UAE economy in 2022. In its role as a strategic partner of the national In-Country Value (ICV) programme, 100% of Aldar Projects' contracts in 2022 were awarded to ICV-certified suppliers. Aldar is also supporting the local economy through its Emiratisation programme, which aims to develop the next generation of talent in the UAE. In 2022, Aldar saw an increase in the percentage of Emiratis in its corporate offices to 42% of its workforce, up from 35% 2021.

People are a priority for Aldar, whether it is developing the Company's talent or ensuring the safety of its construction site workers – including those that are employed by contractual partners. In 2022, 100% of Aldar's general contractors demonstrated an improvement in employment practices related compliance since their initial onboarding and 90% of the accommodation facilities have demonstrated improved compliance against Aldar's checklist since their initial assessment.

In line with Aldar's commitment to creating positive social and environmental impact, the Company invested over AED 42 million in social responsibility programmes over the course of 2022 to promote



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healthy and inclusive living. The partnerships forged or expanded included Emirates Red Crescent, Ma'an, the Family Care Authority, and the Department of Community Development, and enable the Company to support initiatives that provide urgent access to housing, healthcare and education. Meanwhile, to foster greater diversity and inclusion in its communities, Aldar launched the Thrive Scholarship Programme to support children from low-income families by offering them access to quality education.

As a result of the strategic integration of ESG into the firm's operating model, Aldar witnessed a strong year on year improvement in its ratings across three major global, environmental, social, and governance benchmarks. This includes a two-point increase on the Dow Jones Sustainability Index (DJSI), while the sector average slightly declined. MSCI upgraded Aldar from a BB rating to BBB, and Sustainalytics lowered the Company's risk from 16.6 to 16.1 in its ESG Risk Assessment Scale.

For further information on Aldar's ESG strategy and the 2022 Sustainability Report, please visit: [aldar.com/en/sustainability](https://aldar.com/en/sustainability).

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**About Aldar**

Aldar Properties PJSC is the leading real estate developer, investor, 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 is Aldar's dedicated project delivery arm and the manager of its fee-based development management business; 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 32 billion portfolio of investment grade and income-generating assets diversified across retail, residential, commercial,



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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, with almost 33,000 students across 28 operated and managed schools, 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](http://www.aldar.com) or follow us on:

