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We are proud to publish our third Sustainability Report, which provides a detailed insight into Aldar's 2020 journey across our four sustainability pillars: Economy, Community, People and Environment.

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Navigation

Within this report you will see a series of navigational items to differentiate our businesses



Aldar Investment



Aldar Development



About this report

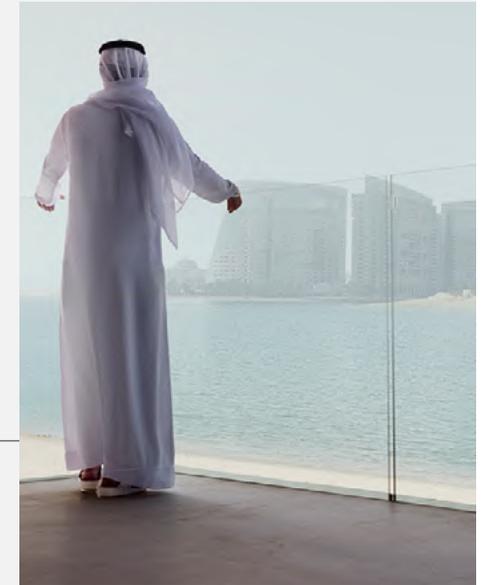
Welcome to Aldar Group's 2020 Sustainability Report.

Globally, 2020 has been an extraordinary year, with the COVID-19 pandemic posing unprecedented challenges for every business. At Aldar, the development of our new operating model and digital transformation programme has helped us to meet those challenges and to set ourselves up for long-term, sustainable growth.

As a leading developer, owner and manager of real estate, we are very aware of our responsibility to the environment and to our people. We are in the early stages of our sustainability journey, but we believe we can pioneer an approach that will deliver benefits now and for generations to come.

Already, we are making steady progress across our four sustainability pillars: Economy, Community, People and Environment.

This report has been prepared in accordance with the GRI Standards: Core option, the world's most widely used standards on sustainability reporting and disclosure.



We welcome all feedback on this report and our wider approach to sustainability:
sustainability@aldar.com

Welcome from the Chairman

Acting as a force for good and a force for change



As we look ahead with hope, we recognise that our sustainability ambitions are great, but so is our confidence that together we can achieve anything.

The year 2020 taught the world a lesson in resilience and agility, and forced us all, individuals, businesses and governments, to be more responsible towards one another, and towards humanity as a whole.

The world went into a state of shock as the global COVID-19 pandemic took centre stage and became the driving force of almost every decision worldwide. Only a handful knew how to navigate the complexity of the situation and chart their way out safely and successfully – the United Arab Emirates was one of them.

At a time of crisis and disruption, the UAE demonstrated leadership and adaptability in ways that astonished the global community. From its rapid response at the onset of the pandemic, to the tremendous work that went into paving the way for a strong recovery and an impeccable vaccination rate, the UAE became an example of determination, collaboration, and hope. A true testament to this was the launch of the Arab world's first mission to Mars. Known as the Hope probe, it is a historic achievement that is expected to have a lasting impact on climate change, and one that reaffirms the UAE's status as a leader in achieving the sustainable development goals.

Inspired by the vision of the UAE leaders, Aldar too turned the challenges of 2020 into an opportunity to demonstrate strength and purpose, and make a positive impact on its economy, community, people and environment – the four core pillars of our sustainability strategy.

Reflecting on last year, it gives me great pride to see how we stepped up as a private sector leader and supported the Abu Dhabi community. As the largest property developer and manager in Abu Dhabi, Aldar touches so many aspects of life in

the Emirate, and its role in society and the economy has never been greater. From our people to our partners, our investors to our customers, we remained committed to doing everything we could to ensure a sustainable future for our local community and the generations to come.

In parallel, Aldar continued to push forward with its sustainability priorities and ambitions, in line with Abu Dhabi's vision for a greener economy and more sustainable development.

I am proud to share Aldar's third sustainability report, which outlines the significant progress we have achieved in our pursuit for responsible growth. The report showcases the pioneering role we have taken in the Abu Dhabi real estate industry, leading the way towards ensuring sustainable practices throughout the supply chain. It also highlights our advancement in digital transformation, talent development, and governance and operating structures, laying the foundations for more impactful and effective change. Every day is a step closer to building a sustainable future, and I believe that we are in a strong position to build on the momentum we have gained thus far.

Finally, I want to extend my appreciation and gratitude to the visionary leaders of the UAE for their exceptional guidance and leadership throughout 2020 and beyond. I would also like to thank every member of the Aldar family, our partners, our communities, and our shareholders for their support and dedication during one of the most challenging times in modern history.

H.E Mohamed Khalifa Al Mubarak
Chairman of Aldar Properties

CEO's letter

Making vital and sustainable contributions to society



At Aldar, we are driven by the purpose of shaping a better future.

Looking back at 2020, it is almost overwhelming to consider how transformational the year was.

In a short space of time, we adapted to a complete change in our daily lives and routines, with some countries and some people impacted more than others. In the UAE, our visionary leadership's decisive actions and clear strategic direction limited the impact; the country remained resilient, navigated the headwinds head on and set a clear path to recovery and growth.

Aldar too was also able to adapt, delivering a powerful operating and financial performance. We were proud to report a 17% increase in revenue and an 8% increase in gross profit, true markers of the resilience of our business. Adaptability, agility and flexibility were key enablers. Our diversified business model, strategic growth mindset and robust governance drove our success. The investments we have been making in innovation and digital transformation also proved to be effective.

If 2020 brought the world one positive, it was the validation of environmentally and socially sound and sustainable business practices. At Aldar, we are driven by the purpose of shaping a better future. We are committed to pursuing responsible and sustainable growth, developing thriving and inclusive communities, investing in our people and protecting the environment. Throughout 2020, we took significant steps to further embed these four sustainability pillars across the entirety of the business.

In line with our promise of supporting and creating value for all our stakeholders, we acted quickly and decisively at the onset of the pandemic, investing AED 190 million into a pioneering programme of support for our customers, tenants, students and communities. Simultaneously, we leveraged our digital

transformation programme and invested heavily in a suite of innovative digital platforms and tools, to ensure continuity across our operations and our first-class customer and sales services. Our promise of operational excellence simply cannot be realised without our people. They are the cornerstone of our success and their relentless energy and dedication inspires me every day. Attracting, empowering and retaining talent will always be our utmost priority in order to ensure we remain an employer of choice for anyone seeking a meaningful career.

The risks posed by climate change, and the responsibility of businesses to act, has never been more imminent. I am immensely proud to announce the launch of a portfolio-wide energy management project, which will enable us to make great strides towards achieving our energy and emissions reduction targets, and pave our way forward in achieving our commitment to be carbon neutral. As we strengthen our sustainability leadership position, we are committed to further aligning our strategic priorities with international leading best practice. Supporting and responding to the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) and becoming a signatory of the United Nations Global Compact, are significant milestones in our journey, as they have enabled us to respond to the challenges of climate change and to monitor and evaluate our progress.

As we embark on the next phase of our journey with a new operating model, we will continue to focus our efforts on making vital and sustainable contributions to all communities in which we operate.

Talal Al Dhiyebi

Chief Executive Officer of Aldar Properties

Introduction to our business

Aldar: a real estate leader

Aldar is the leading developer, manager, and owner of real estate in Abu Dhabi. Recognised for our iconic developments, we have become one of the best-known corporations in the UAE and wider Middle East region.

Our vision, mission and values

Our Vision

To become a leading regional real estate developer and manager that creates memorable experiences and value for our customers and shareholders.

Our Mission

To place our customers first, by embedding sustainability, quality, technology and innovation in everything we do.

Our Values

Customer centricity

We engage and deliver an exceptional customer journey.

Diversity & inclusion

We value diversity and treat everyone with respect, inclusiveness and dignity.

Agility

We are responsive, dynamic and committed.

Innovation

We differentiate ourselves by going above and beyond in everything we do.

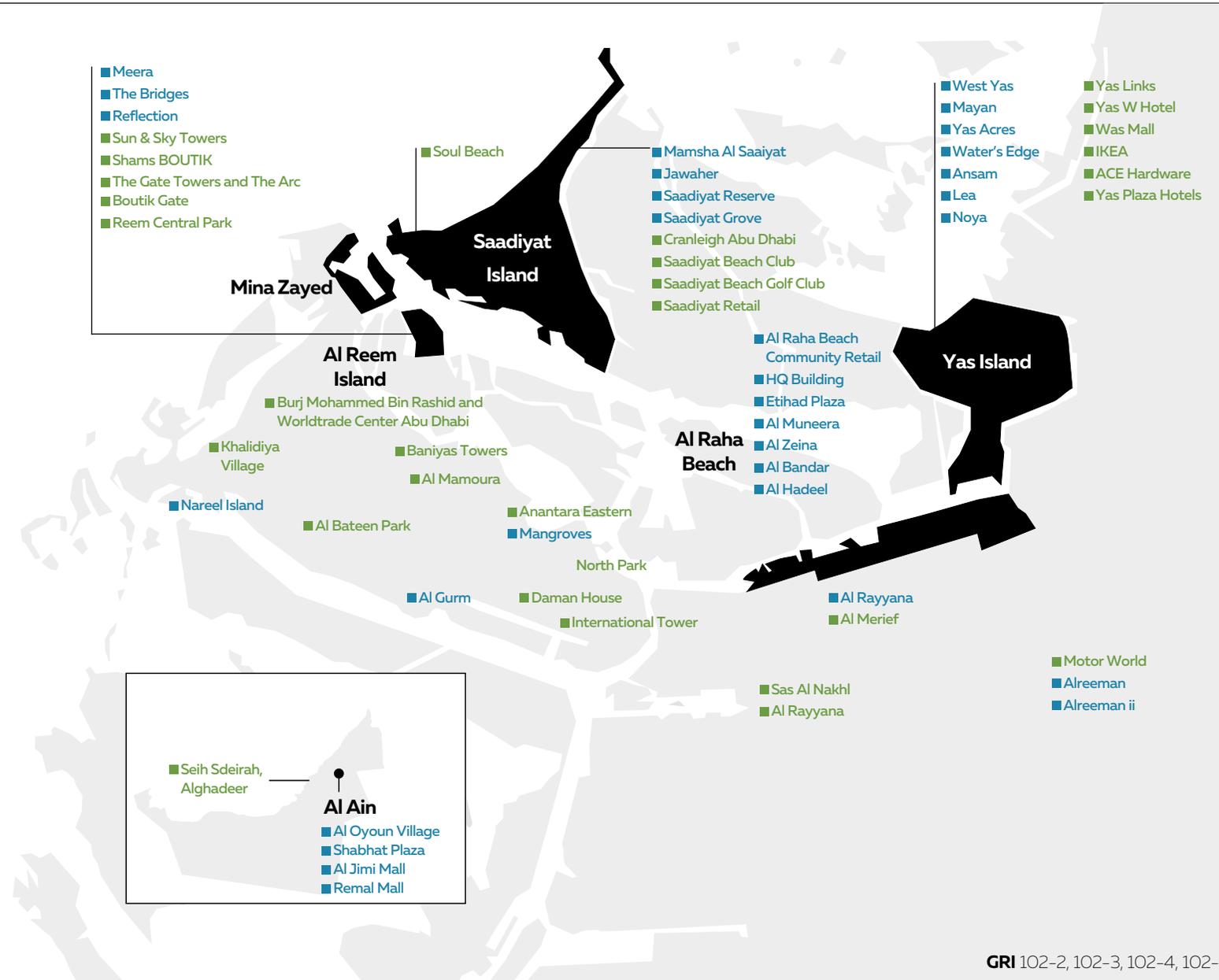
Collaboration

We are one team, working together, across boundaries, to achieve our mutual objectives.

Introduction to our business

Our presence

Creating world class attractions and communities across Abu Dhabi, Aldar Development has completed over 29,000 residential units since inception and Aldar Investment owns and operates a diverse portfolio of AED 18 billion in value.



Key



Aldar Development



Aldar Investment

Introduction to our business

Our operating model: a foundation for growth

In January 2021, Aldar Group announced a new operating model, to be led by two core businesses – Aldar Development (formerly Development Management) and Aldar Investment (formerly Asset Management).

Although Aldar Development and Aldar Investment will each have their own governance and operational functions, they will work collaboratively under the umbrella of Aldar Group, which will focus on the overarching brand, strategy, sustainability, capital allocation and governance, as well as our people, legal, audit and excellence functions.

Our new business model will help to drive the next phase of growth by expanding the scale and breadth of our activities, accelerating our digital transformation and strengthening our operational efficiency. It will enable a sustainability-orientated approach that is uniquely tailored to each business, helping us to build, develop and manage real estate in a more sustainable way across the entire Group.



New Group Operating Model



Aldar Investment

Aldar Investment is our core asset management business, focused on maximising the value of our diverse AED 18 billion portfolio. It includes: Aldar Education, a leading educational service provider offering nursery through to adult education; Aldar Estates, Provis and Khidmah which encompass property and facility management services as well as retail operations; and Aldar Hospitality and Leisure, which owns and manages Aldar's portfolio of hotel and leisure assets, anchored around Yas Island and Saadiyat Island.

- Education
- Estates
- Hospitality and Leisure



Aldar Development

Aldar Development will be responsible for developing our 65 million square metre land bank. It includes three subsidiaries: Aldar Projects, to manage our fee-based development management business; Aldar Ventures, which will look after new business opportunities and innovation; and Aldar Egypt, focused on the Egyptian property market.

- Projects
- Ventures
- Egypt

- Finance & Sustainability
- Strategy
- People
- Legal
- Audit
- Excellence

Introduction to our business

Aldar at a glance

AED 8.4B

Group revenue

12M SQM GFA

at various stages of development

65M SQM

Land bank

88%

Occupancy rate across
investment properties

8,057

Units in development

2,930

Rooms and suites
across 11 hotels



29,000+

Residential units developed

AED 40B

Total assets

318,074

SQM GLA

Office space

AED 1.9B

Group net profit

25,000+

Students across
20 schools

485,000

SQM GLA

Retail space

Our sustainability journey

Aldar is now in the third year of its sustainability journey. We're pleased to have made some significant progress to date.



Economy

Demonstrated strong resilience with a

17%

increase in revenue and an 8% increase in gross profit

Announced

AED 40B

partnership with Abu Dhabi Government to continue shaping Abu Dhabi's landscape

Launched

Scale Up

programme to boost innovation in sustainable real estate

Community

AED 190M

invested in our communities aimed at supporting residential communities, schools, retail partners, and homebuyers

AED 2M

invested in the ground-breaking ATMAH programme, the GCC first social impact bond

Hosted

+460

virtual fitness and wellness classes, with more than 3,800 residents attending

Aldar employees contributed

AED 1M

to the 'Together We Are Good' programme launched by The Authority of Social Contribution – Ma'an.



For more about how we create stable, responsible and diversified growth, see pages 21 to 38.



For more about how we support sustainable, healthy and inclusive communities, see pages 39 to 47.

Our sustainability journey



People

12%

increase in Great Place to Work annual audit, placing Aldar in the UAE's top 10 Great Places to Work

Emiratis represent almost

30%

of our workforce, up from 27% in 2019

New mandatory sustainability training modules delivered to

300

employees

60%

reduction in the number of Serious Reportable Incidents, and a 57% reduction in the Lost Time Injury Frequency Rate compared with 2019



For more about how we protect and empower our diverse workforce, see pages 48 to 65.

Environment

Became one of the

first

in the region to support the Task Force on Climate-related Financial Disclosures (TCFD)

Launched a portfolio-wide energy management project, covering

87 assets

13%

like-for-like reduction in Aldar Investment's carbon footprint

Significant strides made in disclosing

Scope 3

emissions



For more about our responsible environmental stewardship, see pages 66 to 82.

Looking to the future

Q&A

Here Greg Fewer, our Group Chief Financial and Sustainability Officer, discusses what sustainability means for Aldar and the future of real estate with Salwa Al Maflahi, Director – Sustainability & CSR.



Salwa Al Maflahi
Director Sustainability & CSR

Greg Fewer
Chief Financial and Sustainability Officer

Reflecting on this year's progress, we know there are still many opportunities to be identified and built on, in order to achieve our longer-term goals.

Salwa – 2020 was a transformational year for Aldar. What opportunities have arisen and how will it impact Aldar's strategic approach?

Greg – During 2020, Aldar leveraged its strong strategic and business focus, agility and culture of collaboration to deliver a robust financial performance whilst putting in place the foundations for the next phase of our growth, including significant investments in the long-term sustainability of our business.

Seizing the opportunities that we create, including product diversification and international expansion, is critical to achieving our ambitious growth plans. Within this context, sustainability is a strategic priority for the Group, and fundamental to achieving our long-term goals by building a resilient business and fostering innovation and operational excellence.

Operating sustainably is about ensuring that our Company will prosper, delivering on our purpose and shaping a better future by continuing to do things more effectively and efficiently tomorrow than we do today. In this respect, despite the challenges of the global pandemic, 2020 was a year of progress in our sustainability journey, from enhancing data collection throughout the lifecycle of our assets so that we can assess our progress even more effectively, launching our biggest energy management project across 87 of our assets, to articulating what we stand for and implementing our ambitions throughout our business.

Salwa – The past year has seen a record inflow into ESG funds. What in your view is driving investor behaviour?

Greg – The increasing focus investors are placing on sustainability has accelerated in recent years. This shows no sign of abating. The climate crisis, coupled with the disruption caused by COVID-19, has prompted investors to identify resilient businesses to reduce investment risk and boost long-term growth. The level of change is gaining pace across our region, and Aldar is uniquely placed to benefit from this transformation whilst directly contributing to the UAE's sustainability ambitions.

As a leader in our sector, Aldar is setting the bar in terms of sustainability, implementing initiatives across our business and at all stages of the real estate lifecycle. As such, we have increased our transparency and disclosures to investors, through benchmarks and indices including the European Property Real Estate Association's (EPRA) Best Practice Recommendations (BPR) guidelines and the Dow Jones Sustainability Index (DJSI). We are confident that our value-driven approach, from climate change to diversity, inclusion and health and safety is not only the right thing to do but will deliver sustainable growth for our investors and shareholders.



Looking to the future



Salwa – How will the increasing focus on climate risk influence our sustainability strategy and focus?

Greg – Climate change is one of the defining challenges of our time; how governments, society and the business community respond will have lasting implications for future generations. At a national level, we support the UAE's commitment to reduce carbon emissions by 25% by 2030 as a signatory to the Paris Agreement, and we are taking action to reduce the footprint of our own operations.

The investment community is likewise rightly focused on the risks that climate change poses, and companies are under increasing scrutiny to disclose their governance and management of climate-related risks. In this regard, frameworks such as the Taskforce on Climate-related Financial Disclosures (TCFD) have a significant role to play in providing a framework to identify, manage and measure both the transitional and physical impacts from climate change.

Due to the nature of our business and our geographic location, climate change poses some of the most significant and complex risks facing Aldar and our stakeholders. Our ability to sustain the levels of growth we have achieved to date are contingent on a robust strategy to manage these risks, but also to deliver buildings and places that mitigate its impacts and support the UAE's transition to a low-carbon economy.

We have taken steps to comprehensively review and address Aldar's climate-related risks, including a business-level risk assessment, which has given us a better understanding of the impacts of climate-related risks and opportunities, helped us to enhance our risk management and governance procedures, and integrate climate-risks into our decision making. Our support of the TCFD recommendations (included on page 89 of this report), sets out the foundations of how we will address these through our corporate and sustainability strategies.



Driven by our purpose

Our purpose is to shape a better future. That's why sustainability is not only embedded throughout Aldar Development and Aldar Investment, but extends beyond our operations. We aim to encourage responsible business practice, increase positive impact on our communities, and drive change across our value chain, wider society and the economy.

Throughout 2020, Aldar's Corporate Sustainability & CSR team, the Sustainability Council and Champions have made significant progress in developing a Group-wide strategy and cascading it and our KPIs to all Aldar businesses, departments, and subsidiaries.

The development of a Carbon Neutral Action Plan remains a priority for us. This year we are responding to the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) for the first time through a comprehensive assessment and review of the risks and opportunities that climate change brings to our business (see page 89 for more detail). This will help establish a solid governance approach, enhance our disclosures and, ultimately, manage climate change risks in our business activities.

Aldar joined the United Nations Global Compact (UNGC), with the aim of further aligning the strategy and initiatives with the United Nations Global Agenda. We have mapped our contribution to eight UN Sustainable Development Goals (SDGs) (see page 16 for more detail).

We will develop detailed implementation plans for both Aldar Investment and Aldar Development in 2021, empowering each business to deliver impactful sustainability initiatives.



We have been taking steps to firm up our commitments to tackling climate change. We signed up to the TCFD and to the UNGC, showing our stakeholders that we're committed to best practice, bettering our performance and improving our ESG rating.

Greg Fewer
Chief Financial and
Sustainability Officer



Driven by our purpose

Our Sustainability Framework

Strengthening Aldar's sustainability governance

Behind our Sustainability Framework is a clear structure of accountability, overseen by our Chief Financial and Sustainability Officer (CFSO) and Sustainability Council. We will be developing individual Councils within Aldar Development and Aldar Investment to implement strategy, monitor targets and strengthen governance across each business unit. (For more about accountability and our wider corporate governance, please see pages 83-88).



Despite the extraordinary nature of 2020, it remained a landmark year for sustainability at Aldar as we strengthened our commitment to the global agenda. We have made good progress to date and will maintain our momentum into 2021 as we ensure we develop business focused sustainability implementation plans that are aligned to the Carbon Neutral Action Plan we will also be developing in 2021.

Salwa Al Maflahi

Sustainability Council Chair and Director, Sustainability & CSR

Our vision

Become a leading regional real estate developer and manager that creates memorable experiences and value for our customers and shareholders.

Our mission

Place our customers first by embedding sustainability, quality, technology and innovation in everything we do.

Sustainability purpose

Shaping a Better Future

We aim to create a business culture where sustainability is at the heart of everything we do, and where the concept of sustainability informs the way we operate, collaborate, innovate and grow.

Core sustainability pillars

Economy



Community



People



Environment



Stakeholders

Our People, Shareholders & Investors, Local Communities, Partners, Rating Agencies & Media, Government & Regulators, Customers, Subsidiaries, Suppliers & Contractors, Banks & Lenders

Governance

Board of Directors, Executive Management, Sustainability Department, Sustainability Council, Sustainability Champions

Global Goals (SDGs)



Shared value

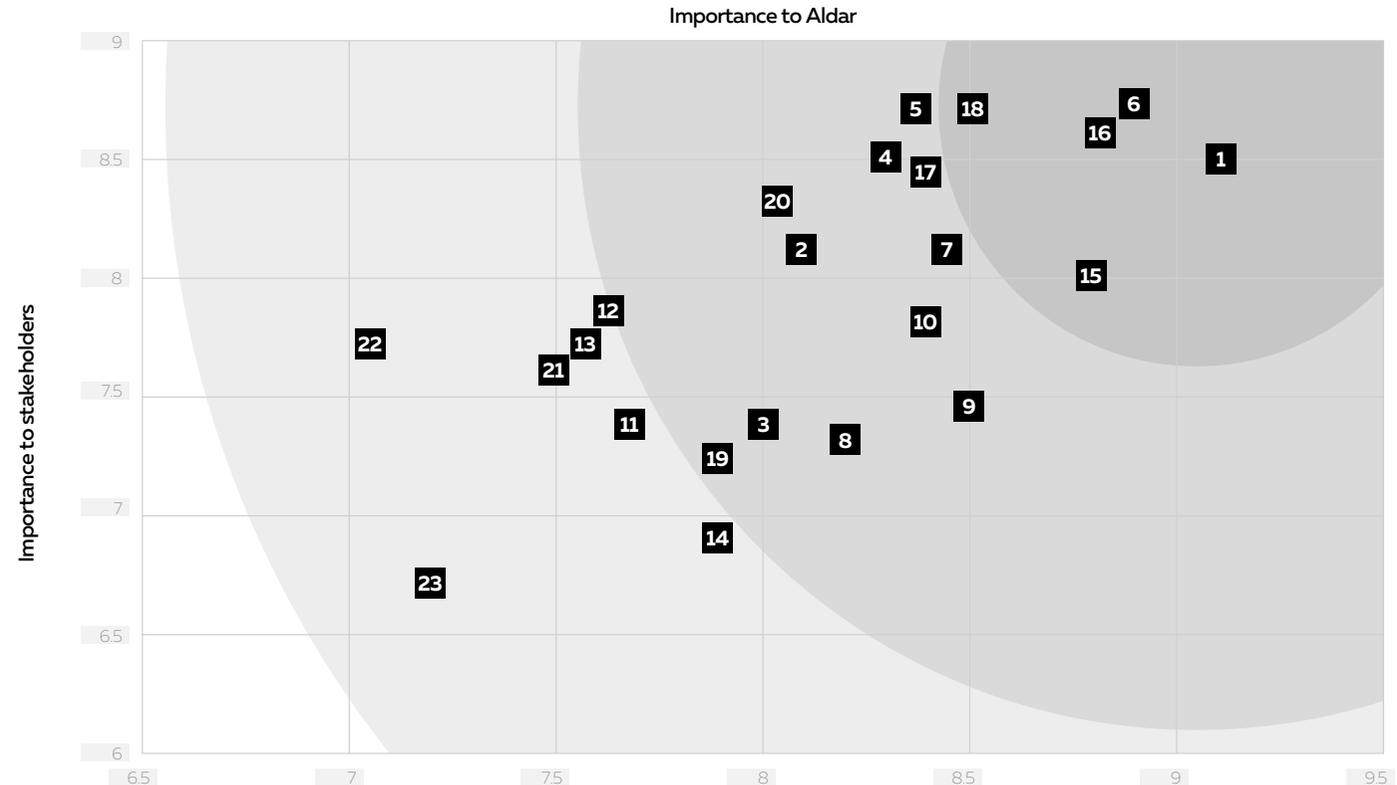
Vision 2021 | Ghadan 21 | National Climate Change Plan of the United Arab Emirates | The UAE Green Agenda

Driven by our purpose

Addressing our most material issues

To keep our strategies and programmes focused, relevant and targeted, we need to identify the issues that are most material to our stakeholders and our business operations. To that end, in 2020, we reviewed our materiality matrix, taking into consideration internal stakeholder input, current emerging trends and external stakeholder priorities.

As you can see in the following diagram, 'energy management and emissions' has emerged as one of our "very important issues", reflecting the results of our business-level climate risk assessment, our priorities in developing a Carbon Neutral Action Plan, and our commitments towards the UNGC and TCFD.



Important issues

- 11 Strategic Community Investment
- 12 Community Wellbeing and Inclusion
- 13 Community Engagement and Awareness
- 14 Diversity and Inclusion
- 19 Sustainable and Healthy Buildings
- 21 Water Conservation
- 22 Waste Management and Recycling
- 23 Biodiversity Protection

Very important issues

- 2 Local Economic Development
- 3 Responsible Supply Chain
- 4 Exceptional Experience and Loyalty / Customer Experience
- 5 Operational Excellence
- 7 Operational Resilience
- 8 IT Infrastructure and Cyber Security
- 9 Digital Transformation
- 10 Innovation
- 17 Employee Wellbeing and Decent Employment
- 20 Energy Management and Emissions

Most important issues

- 1 Stable, Responsible and Diversified Growth
- 6 Governance, Ethics and Transparency
- 15 Developing and Recognising our People
- 16 Health and Safety
- 18 Human Rights

Driven by our purpose

The United Nations Sustainable Development Goals

The UN SDGs represent a global strategy for achieving economic growth that respects the environment, society's basic needs and priorities, and the capabilities and stability of the economy.

The SDGs address the global challenges that humanity faces, including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.

Honouring the legacy of the UAE's founding father, the late Sheikh Zayed bin Sultan Al Nahyan, the UAE is committed to the UN's 2030 Agenda for Sustainable Development. Its commitment to the SDGs has been encapsulated in a number of national strategies and goals, including UAE Vision 2021, Ghadan 21, the National Climate Change Plan, the UAE Green Agenda, and the UAE Water Security Strategy 2036.

Aldar actively supports the UAE's commitment to the Agenda. We have mapped our sustainability strategy against the SDGs, identifying and prioritising eight goals where we can make the most significant contribution:

8

We have identified and prioritised 8 SDGs where we can make the most significant contribution



Driven by our purpose

The United Nations Sustainable Development Goals

How we are contributing to the SDGs



Our commitment

We foster positive, healthy workplaces and communities through employee wellbeing initiatives and cutting-edge designs in our developments that promote the wellbeing of people visiting, living, and working in our buildings.

Relevant initiatives

- Prioritising wellbeing **(p51 and p71)**
- 1 million steps **(p51)**
- Green communities **(p70)**



Our commitment

We create inclusive and innovative learning opportunities for our people and our communities, including mandatory sustainability training. Aldar Education has become a regional case study for its holistic approach, informing the UAE's 2020 Education Strategy.

Relevant initiatives

- Empowering the leaders of tomorrow **(p44)**
- Aldar and Sandoq Al Watan provide 10,000 laptops **(p44)**
- 2,500 employees trained in Khidmah's training centre **(p54)**

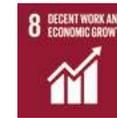


Our commitment

Diversity and inclusivity are embedded within our culture and we are dedicated to increasing the percentage of women across all levels of the business. Both our resilience and leadership programmes focus on female empowerment and supporting women into senior positions.

Relevant initiatives

- Aldar's Diversity and Inclusion Strategy **(p56)**
- Women in leadership **(p57)**



Our commitment

We safeguard labour and human rights across our operations and supply chain to ensure the health, safety, security, and dignity of all those working for the company.

Relevant initiatives

- Scale Up programme **(p36)**
- Worker Welfare programme **(p59)**

Driven by our purpose

The United Nations Sustainable Development Goals

How we are contributing to the SDGs



Our commitment

Our deep-rooted innovation culture delivers benefits for our industry, customers, and communities. Through partnerships we are funding proptech start-ups committed to sustainability, and our adoption of the Estidama building design methodology binds us to best-practice sustainable construction.

Relevant initiatives

- Sustainable Procurement Policy **(p27)**
- Fostering a culture of innovation **(p34)**
- Embedding sustainability in our designs **(p69)**
- Yas Mall redevelopment plans **(p77)**



Our commitment

We design, create, and manage communities that enrich the lives of residents and promote sustainable living.

Relevant initiatives

- Supporting the wider community **(p41)**
- Green communities **(p70)**



Our commitment

We view taking climate action as both our responsibility and a necessity for the future success of our business. We launched our aim to develop a Carbon Neutral Action Plan and for the first time, are reporting in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Relevant initiatives

- Sustainable Procurement Policy **(p27)**
- Committed to climate action **(p72)**
- Provis' commitment to eliminate single-use plastics **(p81)**
- Addressing climate risk and responding to the TCFD **(p89)**



Our commitment

Nature is crucial for our survival. We conduct rigorous environmental assessments throughout the project lifecycle and put in place plans to protect and restore ecosystems and enhance Abu Dhabi's biodiversity.

Relevant initiatives

- Protection of coastal areas in Saadiyat **(p82)**
- Protecting the ecosystems at Al Gurm Community **(p82)**

A tailored approach

Aldar Group's new operating model (see page 7) allows us to take a sustainability-orientated approach that is uniquely tailored to each of our two core businesses – Aldar Development and Aldar Investment – helping us to build, develop and manage real estate in a more sustainable way across the entire Group.



Aldar Development

Aldar Development is responsible for developing Aldar's expansive land bank of approximately 65 million square metres in prime locations across Abu Dhabi. It also houses Aldar's fee-based development management business. Its main strategic objective is to grow by diversifying its product offering, expanding into different areas and broadening its geographic reach into new markets.

Sustainability is embedded into the design and master planning phase of each Aldar Development project – by thinking about it at this early stage, we have a real opportunity for positive influence in areas such as social impact, wellbeing, energy and emissions, water, waste and biodiversity.

We're currently undertaking a review of sustainability across all our projects, to show clearly where we are and how we can improve and redefine development value. This will then be cascaded through the business, helping to prioritise sustainability throughout the lifespan of our projects.

Completed over

29,000

residential units and 6,000
under development



With so many projects in the pipeline, we have a real opportunity to lead by example. Our focus is to deliver to the highest standards, measure the impact our developments have from the earliest stages, and assess the added value they bring to the local communities.

Jonathan Emery
Chief Executive Officer,
Aldar Development

Looking to the future, Aldar Development has identified three strategic priority areas, which reflect the unique opportunities we have as a master developer:

- **Transform** Aldar Development as efficiently as possible and take the necessary strategic steps to mitigate risks
- **Generate** more diversified products through the real estate cycle to reflect the maturity of Abu Dhabi's market and the evolving needs and expectations of our stakeholders
- **Invest** heavily in sustainability, along with digital transformation, and modernisation



A tailored approach

Aldar Investment

Aldar Investment owns and manages a diverse real estate and hospitality portfolio of approximately AED 18 billion worth of prime income-generating property assets: residential, comprising around 6,200 units across Abu Dhabi including The Bridges; retail, with around 487,000 square metres of gross leasable area across regional malls such as Yas Mall and community-focused retail outlets; and commercial, with a portfolio of approximately 319,000 square metres attracting top-tier local and international tenants. It also has a portfolio of operating businesses: Aldar Education, with a portfolio of 20 schools and over 25,000 students; a real

estate services platform managing over 35,700 units; and a large hospitality and leisure business with 2,930 keys across 11 hotels predominantly on Yas Island, the flagship entertainment and leisure hub of Abu Dhabi.

To be truly sustainable, we need to consider the whole lifecycle of a building. Aldar Investment therefore has a crucial role to play in achieving our group sustainability strategy by addressing critical issues such as energy efficient buildings, wellbeing and community engagement.

The main strategic priority for Aldar Investment is to drive resource efficiency across our portfolio. We will achieve this by:

- Scaling our energy efficiency efforts through a 5–6 year energy management project that will be rolled out across 87 assets in 2021, focusing on energy audits in year one (2020), retrofits in year two (2021) and monitoring and verification in the following years
- Continuing to explore water efficiency and re-use systems, including treating sewage to offset potable water usage over our assets' life
- Enhancing waste segregation across the portfolio, reducing waste diverted to landfill and increasing recycling rates

We are also developing a number of long-term sustainability targets, which will align with Aldar's Carbon Neutral Action Plan, launching by the end of 2021.



The launch of the portfolio wide energy management project across 87 of our assets is a critical milestone in our sustainability journey, as it allows us to measure, monitor and improve the performance of our portfolio, and most importantly understand where the biggest impacts can come from, so initiatives can be rolled out.

Jassem Saleh Busaibe
Chief Executive Officer,
Aldar Investment



Aldar Investment owns and manages

AED 18.2B

worth of prime assets in Abu Dhabi¹

¹ This figure does not include third party assets.

Looking to the future, the priorities identified by Aldar Investment are:

- **Grow** sector exposure
- **Build** scale, enhance asset class diversification and acquire new business lines
- **Invest** in key sustainability measures across our portfolio that will ultimately deliver a positive impact on local communities, including energy efficiency initiatives, water and waste management, and wellbeing initiatives



ECONOMY

Providing unique value to our stakeholders through diversified and responsible growth, an innovative mindset and strong corporate governance

Our sustainability pillars: Economy	22
Growing responsibly	23
Supporting local economic growth	25
Sustainable supply chains	27
Lean & agile	29
A customer-centric approach	30
Fostering a culture of innovation	34

Demonstrated strong resilience with a **17%** increase in revenue and an 8% increase in gross profit



Announced **AED 40B** partnership with Abu Dhabi Government to continue shaping Abu Dhabi's landscape



Launched **Scale Up** programme to boost innovation in sustainable real estate



+38,000 customers engaged, with an average customer satisfaction rate of 81.7% across the Aldar Group



Our sustainability pillars: Economy

Overview

Aldar's diversified and responsible growth, innovative mindset and solid corporate governance model not only provide unique value to our stakeholders, but help to shape the landscape of the UAE and build its economy, which is key to a sustainable future.

There are two main ways in which we support Abu Dhabi's economy. Firstly, by operating as a leading business in the real estate sector and providing secure employment, with responsible growth achieved through a diversified business model, a portfolio of mature, income-generating assets and carefully planned developments that create additional value. Secondly, by developing the critical infrastructure and buildings that are used by industry, healthcare, finance, education and more. In these ways, we drive local employment and make a significant contribution to the national GDP.

Our strong financial performance in 2020 is a clear testament to the resilience of our business.



Our commitments

- Diversify revenue while growing responsibly
- Strive for unique customer experiences to drive loyalty
- Support local economic development and growth, including infrastructure development, job creation and Emiratisation
- Manage our supply chains responsibly and engage suppliers who deliver in a sustainable way
- Foster a culture of innovation, ensure the diversity of innovation-enabling tools, pursue our digital transformation plan, and continuously optimise operations towards excellence

Our wider contribution

By helping to enable a thriving economy, Aldar is contributing to SDGs:



Our path forward

- Update our sustainability governance structure and create distinct Sustainability Councils to empower Aldar Development and Aldar Investment to implement sustainability strategies and action specific sustainability initiatives and targets, as well as for Khidmah, Provis, Hospitality and Leisure and Education
- Enhance our sustainability reporting processes and strengthen data collection through the implementation of a Group-wide sustainability data management system
- Improve risk management by developing ESG risk registers
- Manage climate-related risks and opportunities by expanding our sustainability disclosures aligned with the Task Force on Climate-related Financial Disclosures (TCFD)

Growing responsibly

Supporting the Abu Dhabi Economy Vision 2030

Aldar has successfully delivered a range of major residential, commercial and infrastructure projects on behalf of the Government of Abu Dhabi, advancing the Emirate's attraction as a destination and improving the standard of living here.

In 2020, Aldar Properties was again appointed by the Abu Dhabi Government as its strategic delivery partner for a range of key capital projects, with an initial budget of AED 40 billion. These projects include public housing and associated community infrastructure, which will transform the landscape of Abu Dhabi and radically enhance the living experience of its residents.

We will ensure that the delivery of these development projects is aligned to our sustainability objectives, especially with regards to environmental standards, materials procurement and worker welfare. Furthermore, through our In-Country Value (ICV) programme, we will prioritise engaging with local contractors, consultants, and suppliers - including SMEs - to reinvest into the local economy.



Exclusive strategic delivery partner for AED 40 billion of crucial capital projects

In November 2020, Aldar Development was appointed by the Abu Dhabi Government on an exclusive basis as the strategic delivery partner for key capital projects, with an initial budget of AED 40 billion.

The partnership will see Aldar creating essential public housing and community infrastructure projects.

Together, we are uplifting the landscape of Abu Dhabi and meeting the Government's vision of promoting liveability and quality of life in local communities.



Sustainability will play an intrinsic role in our next phase of growth. Through the AED 40 billion framework of Emirate capital projects agreed with the Abu Dhabi Government, we will be directly contributing to creating sustainable infrastructure for future generations.

Aly Sabry
Sustainability Council Member and
Chief Financial Officer, Aldar Projects

Growing responsibly

Our highlights



Aldar Investment

Aldar signs agreement with Tabreed to sell Abu Dhabi district cooling assets for

AED 963M

88%

occupancy across investment property portfolio

53%

of residential units leased on a bulk

63%

of our commercial leases were to the Government of Abu Dhabi and Government-related entities

AED 38M

gross profit margin for Hospitality and Leisure despite the significant impacts of global travel restrictions

20% increase in student numbers at Aldar Education in the last two academic years, to around

25,000²

² Growth reflects ADNOC schools Aldar started managing.



Aldar Development

AED 3.63B

development sales

Launched Noya on Yas Island, selling out

510

units in four hours

International expansion driven through

Aldar Egypt

60%

increase in revenue

31%

increase in gross profit



ESG will continue to be a focus for Aldar not only because it is the right thing to do, but because it has proven to be a compelling factor to attract capital in the future.

Faisal Falaknaz

Sustainability Council Member and Chief Financial Officer, Aldar Investment



Sustainability has become a crucial factor in investment decisions in recent years and at Aldar we will always consider the added value sustainability can bring to our developments. By pioneering an ambitious sustainability agenda, we will position Aldar as a stand-out investment opportunity in the Middle East – a region in which sustainable business is a significant growth area.

Damir Mesic

Sustainability Council Member and Chief Financial Officer, Aldar Development

+ You can read more about Aldar Investment's 2020 operational and financial performance in our 2020 Annual Report on page 64.

+ You can read more about Aldar Development's 2020 operational and financial performance in our 2020 Annual Report on page 50.

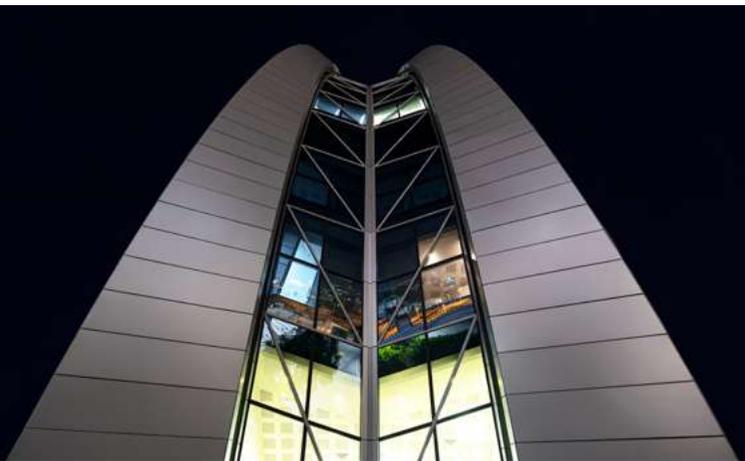
Supporting local economic growth

We are proud of the contribution we have made to the economy of Abu Dhabi over the last 17 years.

Our work has both shaped the physical landscape of the city and supported the capital to become a top destination for international investment. As our business will shape and benefit Abu Dhabi into the future, we recognise the imperative for integrating sustainability into everything we do.

Maximising local investment, creating local value

In line with the leadership vision and economic goals of the Government Accelerator Program (Ghadan 21), we have partnered with Abu Dhabi National Oil Company (ADNOC), Abu Dhabi Department of Economic Development and Abu Dhabi Ports to create a unified In-Country Value (ICV) programme. This boosts local opportunities, while achieving two key goals: local economic growth, and diversification of the UAE economy. In 2020, we built on these partnerships, rolled out our ICV programme at the corporate level, and continue to roll it out across our academies, hospitality business, and all Aldar subsidiaries.



98.5%

of procurement contracts were awarded to local suppliers³

³ Local suppliers are defined as suppliers that are based in the same geographic market as Aldar.

Supporting local economic growth

Boosting our Emiratisation ambition

Aldar is among the first private sector companies to support the UAE's Emiratisation initiatives, which are a key component of the UAE's Vision 2021. Empowering the professional development of our local talent is essential for the sustainable growth of our business and fosters the development of a skilled workforce in the UAE.

Aldar's long-standing commitment to empowering local Emirati talent goes far beyond compliance with Government initiatives, with Emiratis now representing approximately 30% of our professional workforce across the entire company. We also actively support local initiatives for empowering local talent through strategic partnerships. Our partnership with Sandooq Al Watan promotes research, fosters innovation and supports and upskills UAE national talent. We also provided internship opportunities throughout 2020, to offer valuable work experience and foster business skills for students from Abu Dhabi University, Khalifa University and the Higher College of Technology.



First intake graduates from Aldar/ Mohammed V University teacher training partnership

More than 80 trainees graduated in 2020 from an inaugural Introductory Teacher Training course - a bilingual programme created by Aldar in collaboration with Mohammed V University Abu Dhabi. Aldar Education's involvement in this initiative reflects our commitment to shaping the future of education, by empowering and inspiring the next generation of Emirati and GCC teaching professionals.

With the aim of training more than 300 young graduates, this high-quality teacher training programme gives them an important practical foundation from which they can continue their professional journey, including a range of academic, technical, language and social skills required to become teachers who will go on to innovate, inspire and positively impact the UAE's education sector.

Ongoing support is provided to graduates on completion of the introductory programme, as they are invited to enrol in Aldar Education's Initial Training Course, and thereafter a Newly Qualified Teacher Training Programme.



[+](#) Find out more about Emiratisation within our Diversity and Inclusion agenda on page 58.

Sustainable supply chains

Aldar deals with thousands of suppliers, contractors, and subcontractors, in areas ranging from construction to operation, asset management, procurement and more, giving us a great opportunity to promote sustainability at all levels.

We support our suppliers through upskilling, training and encouraging the adoption of sustainable practices, in addition to advising on sustainable guidelines and solutions, and monitoring environmental performance post-award. By enabling resilient supply chains, we not only achieve operational excellence and reduce our exposure to risk, but we also accelerate the sustainability agenda across the whole sector.

In 2020, we launched our new Sustainable Procurement Strategy, which focuses on three key areas: sustainability performance, ICV (see page 25) and worker welfare (see page 59). The ultimate goal is to enable us to build responsibly, which means sourcing responsibly, using more sustainable materials, and following appropriate labour practices, as well as being able to trace everything Aldar buys, reducing the negative environmental impact and delivering projects with an improved selection and utilisation of products and services. To achieve this, our Sustainable Procurement team oversees the implementation of our sustainable procurement strategy at Corporate, Aldar Development and Aldar Investment levels.

Supplier screening is a critical component of ensuring a competitive, sustainable supply chain, managing risk, aligning with best practice sustainability standards, integrating our own sustainability requirements at an early stage, and ensuring critical safety practices are in place.

Our screening mechanism begins at the pre-qualification stage and continues through our review of proposals, tendering and vendor assessment stages.

On the sustainability pillar, we score service providers' sustainability reports, policies and procedures, and compliance with Aldar's Sustainable Materials Guidance, provision of Eco-Label and Environmental Product Declarations, appointment of sustainability point of contact in projects, compliance with local sustainability guidelines and requirements as well as recommended project specific requirements set by the sustainability procurement team.

Through active dialogue between Aldar and suppliers, we are able to clarify and address any issues and achieve continuous improvement during our supplier relationships. Aldar assesses each supplier at the social and environmental level, with the aim of managing risk, aligning with best practice sustainability standards, and integrating our sustainability requirements at an early stage.



Embedding sustainable procurement across the business will deepen Aldar's ESG approach and play a critical role in driving our commitments. At the same time, it will also strengthen our approach in supporting our suppliers to improve their own sustainability performance, which will in turn have a wider impact across our value chain.

Mohamed Aljneibi

Sustainability Council Member and Chief Procurement Officer, Aldar Projects



Sustainable supply chains

All contractors who are invited to participate in Aldar's tenders (including existing and new contractors) are screened on environmental and social sustainability criteria. In 2020, this included compliance with our sustainability, ICV and worker welfare requirements. Our screening process also provided an opportunity to check for any negative social, economic and environmental impacts resulting from our suppliers' activities. Where we identified these, we worked with the supplier to improve their performance and guide our suppliers on rectifying issues of concern.

We continue to work with our suppliers throughout our relationship with them, addressing any issues so that we can achieve continuous improvement. As well as regular performance assessments, we encourage and implement knowledge transfer between suppliers and Aldar relevant teams on matters related to sustainability, technology, innovation, and digital transformation.

We have developed a performance matrix to monitor projects across their lifecycle, as well as protocols for dealing with grievances, disputes and claims, noting which external authorities are required to be involved in these procedures.

We take a practical, hands-on approach to supporting our suppliers, providing continuous guidance, conducting training sessions and encouraging a 360-degree feedback approach. Having a transparent relationship with our partners improves the sustainability performance across our supply chain.



Managing supply chain risk during a pandemic

One of the greatest challenges of COVID-19 was its effect on the workforce. In a labour-intensive sector like real estate, reduced mobility, social distancing and limits on the number of people allowed to gather can delay construction and handover.

Recognising early on that proactive management would be critical, we formed a Supply Chain Committee to ensure uninterrupted operations, timely project delivery and a safe environment for our suppliers and workers. Steps taken included:

- Maintaining close and continuous communications with contractors
- Screening at sites
- Sanitisation of worker accommodation and buses
- Using digital platforms to manage sites and enable clients to go on virtual tours
- Making sure payments continued on time



Contractor engagement gains traction

Following the success of our first Supplier Forum in 2019, in 2020 Aldar hosted two further Forums, at the beginning and end of the year. Attended by over 150 participants, these focused on the significant update to Aldar's sustainable procurement strategy, and the new sustainability requirements and expectations set for all contractors.

Furthermore, to help us share best practice and learn from others, we actively participate in other local forums and invite our suppliers to join us. These include forums led by the American Chamber of Commerce (AMCHAM) and the Indian Business & Professional Group.

Lean & agile

The path to operational excellence

Continuously improving our operational efficiency and embedding responsible ESG practices makes us leaner, reduces risk and gives us the agility we need to deliver on our key strategic themes: customer centricity, digital transformation, operational efficiency, and sustainability. In 2020, we managed to maintain our focus on operational excellence whilst still taking the actions needed to respond to the pandemic.

Aldar Development ensured the timely delivery of 91.3% of its development projects, according to our weighted Schedule Performance Index (SPI), by supporting our suppliers in maintaining uninterrupted supplies of resources throughout the COVID-19 period. We also brought forward digital platforms that enabled remote site management and gave access to customers so that they too could monitor, and be reassured by, our construction progress.

Aldar Investment also excelled in 2020, achieving 88% occupancy across our investment property portfolio. Initiatives such as payment plans and rent relief programmes enabled our customers and tenants to remain in occupancy despite the pandemic-related financial challenges they faced. We were

pleased to share our expertise in this area as a member of the Emirate-wide malls reopening committee, providing critical advice about how to protect shoppers prior to any re-opening.

Aldar also launched its Centre of Excellence, a new function that will provide a clear and tangible view of 'excellence' and facilitate the journey to achieve it. Its strategy is focused on three aims:

- **To translate** strategic objectives and innovations into business process changes that drive digital transformation and people decisions
- **To contribute** to effective decision-making across Aldar by embedding transparent, agile and rigorous governance
- **To enhance** quality management, embed world class business process management, and be a key driver for a culture of innovation, agility and continuous improvement

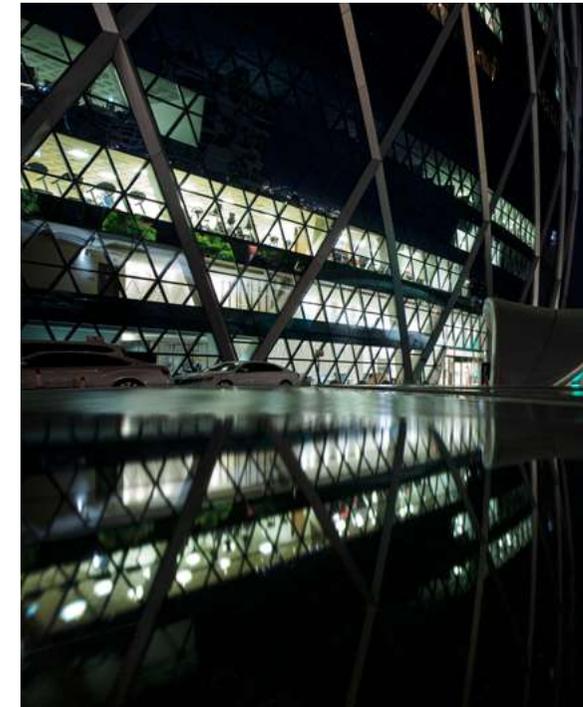
The project is being rolled out across the business throughout 2021 and will be supported by Centre of Excellence Champions.

First company in Abu Dhabi to have its entire portfolio of hotels endorsed as compliant with the Department of Culture and Tourism's 'Go Safe' certification programme



In one of the most challenging years for the hospitality sector we remained positive and focused our efforts on providing the highest health and safety standards for our employees and guests, implementing around 400 new policies and changes.

Giuliano Gasparini
Sustainability Council Member
and Associate Director,
Hospitality and Leisure



A customer-centric approach



We make it a priority to engage with our customers throughout their journey with Aldar, from design and development, to purchase and handover.

In 2020, we launched our Customer Experience Vision, driven by leadership, agility and innovation, so we could better understand, meet and exceed our customers' expectations. During the year, we established Customer Experience as a business function and cascaded the Vision across the company, supported by Customer Experience Champions.



We leverage our extensive market knowledge and customer insights to develop products that are aligned with our customers' needs and expectations. Noya's instant sell-out is a great reflection of this.

Rashed Al Omaira

Sustainability Council Member and Chief Commercial Officer, Aldar Development

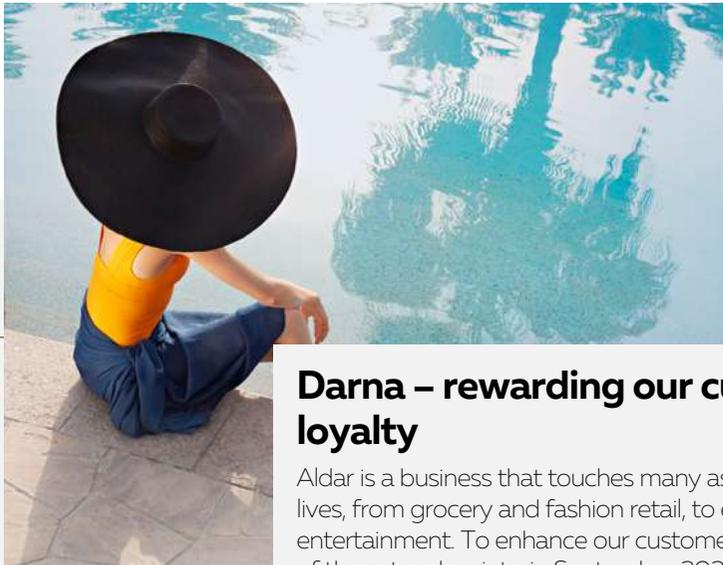


Noya on Yas Island – a sell out within four hours

In November 2020, we successfully launched our residential project, Noya in the heart of Yas Island.

Predominantly focused on offering well-located, mid-market townhouses and villa developments, Noya was extremely well received by the market. The instant sell-out of the 510-unit mid-market villa and townhouse community, generating AED 1 billion in sales, demonstrates Aldar's deep understanding of the local market and customer base. This unprecedented success contributed significantly to Aldar achieving overall development sales of AED 3.6 billion in 2020.

A customer-centric approach



Darna – rewarding our customers' loyalty

Aldar is a business that touches many aspects of our customers' lives, from grocery and fashion retail, to education and entertainment. To enhance our customers' experience across all of these touchpoints, in September 2020, we launched Darna – a free loyalty programme available as a mobile app. Darna lets members earn and redeem points on almost any spend at over 850 Aldar assets, including residential communities, malls, hotels, and retail stores.

With over 40,000 members already subscribed, this first-of-its-kind loyalty programme for Abu Dhabi and Al Ain both reinforces Aldar's commitment to a customer-centricity approach, and complements our innovation programme.



Our loyalty programmes are part of our tailored approach

We also make sure we actively listen to our customers. Our real-time Voice of Customer programme allows us to gather feedback and understand how our customers experience Aldar services. Giving our customers a voice was more important than ever in the face of the uncertainties created by the pandemic. In 2020, more than 38,000 customers shared their experiences with us, a 72% increase from 2019, with our Retail and Hospitality and Leisure business achieving customer satisfaction scores of 94% and 91% respectively.

72%

more customers shared their experience with us in 2020

81.7%

customer satisfaction score across Aldar⁴

+ Find out more about Customer Centricity in our Annual Report (pages 36-37).

⁴ CSAT Index

A customer-centric approach

Putting our customers first throughout COVID-19

In 2020, Aldar launched various programmes to support tenants, homebuyers and the wider community through the global pandemic.

We revisited our Business Continuity Strategy to ensure safe social distancing across our operations, encouraged volunteering and set vaccination targets, with Khidmah aiming to vaccinate 90% of their workforce. This played a significant role in minimising business disruptions.

AED 190M

committed in March 2020 to assist tenants, homebuyers, students and business partners in weathering the immediate crisis.

AED 20M

allocated to various other initiatives, including national sanitisation efforts and waiving all administrative fees associated with transacting with the Company, including transfer fees and late payment fees applicable during 2020.



A customer-centric approach

Putting our customers first throughout COVID-19

Shopping safely in the pandemic

Aldar's Yas Mall launched a new 'We Shop for You' service for Abu Dhabi residents when the pandemic prevented people doing their shopping in person. Originally covering essential items from Carrefour and pharmacies, the service was expanded to cover the entire retail offering. Customers simply photographed what they wanted to buy and shared it on WhatsApp. Goods were sanitised and safely delivered to customers' homes for free. This innovative, cashless retail solution was a UAE first.

With the easing of local restrictions, Yas Mall was the first shopping mall in the UAE to offer contactless customer services. Guests could visit the mall and shop safely from information desks where they were linked directly with customer service representatives in a virtual face-to-face meeting. The representatives could do their shopping in real time, guided by the customer, providing a safe and enjoyable experience.



Adding value, virtually, to our customers' lives during pandemic restrictions

Aldar's property management company, Provis, leveraged its digital transformation programme to support our residents while travel and social restrictions were in place due to the global pandemic. Our cutting-edge solutions allowed customers to manage their properties remotely, as well as keeping them engaged, connected and healthy. Our innovations included 360-degree virtual tours and virtual fitness and entertainment classes. In March 2020, Provis was the first community management entity to offer free virtual classes for residents and the wider community, before safely reintroducing physical classes in August.

We also launched a new Provis portal and a Provis app. These initiatives have laid the foundations for business in the post-COVID-19 digital economy.



Fostering a culture of innovation

Our corporate mission is to put our customers first by embedding sustainability, quality, technology and innovation into everything we do. Internally, this means promoting a culture that embraces uncertainty, takes action, and continuously learns; externally, we do this by delivering innovative, customer-focused products and unique experiences.

Our innovation management approach is overseen by the Innovation Board and Innovation Committee, supported by Innovation Champions. It's based on four pillars:

- Internal acceleration of Aldar innovation projects
- Internal innovation consulting activities
- Oversight and alignment through a Board
- External innovation and start-up ecosystem

In 2020, our capacity for innovation was pushed to its limits as we faced an urgent need, fuelled by the pandemic, to reach and serve our customers and the communities in which we operate, secure reliable supply chains, and advance the sustainable productivity of our employees.

Innovation Strategy - Fields-of-Play

Sustainability

Solutions that have a direct impact on the environment, society, and economy:

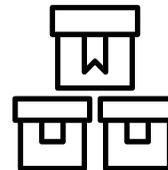
- Energy Savers
- Recyclable Material
- Composting
- Co-housing



Space Utilisation

How to leverage our space in the best possible way:

- Repurposing of space
- Flexible space
- Sharing economies
- Attracting new business



Smart Development

Build faster, with higher quality, and more efficiently

- Leveraging data analytics
- Flexible & modular design
- Stream-lining authority approvals
- Consolidating supply chain



Innovation time

We encourage our staff to use 10% of their allocated weekly working hours for innovative purposes – we call this Innovation Time. By using this time on research, project management, start-up meetings, market updates, learning about new trends, and following through on managing innovation projects, we cement the importance of innovation within Aldar.

Fostering a culture of innovation

Crowd-sourcing innovation

Ibtikar is Aldar's internal idea crowd-sourcing programme, which aims to incubate ideas and run pilots for validation and, ultimately, for venture building.

In 2020, we launched two cycles of Ibtikar, resulting in 10 ideas being selected for validation, eight of which moved forward to proof of concept, and four of which have been launched.

One of the initiatives to come out of the Ibtikar challenge is the Manassah entrepreneurship competition. Developed in partnership with startAD, the UAE accelerator that helps seed-stage technology start-ups, Manassah gives early-stage retail and food and beverage start-ups the opportunity to pitch their ideas, test them out and refine them, before taking them to market. This is just one of the ways in which we are building a community of entrepreneurs who are bringing innovative concepts to our local communities, enabling us to meet evolving customer needs and enhance Abu Dhabi's retail landscape.



First cycle of Manassah entrepreneurship programme ends with three winners

In 2020, the Manassah entrepreneurship programme received over 150 submissions. Three winners were selected to bring their concepts to life at Aldar's Mamsha Al Saadiyat beachfront community, where they are receiving equity-free incentives worth up to AED 1 million, and free rent for one year. The winners were:

- **Coffee Architecture:** a specialty coffee house built by the first female Emirati certified Q grader, trained and licensed by the Coffee Quality Institute (CQI). Coffee Architecture is designed around minimalism, passion, art, and love in Abu Dhabi.
- **Alkalime:** a feel-good café concept that offers customers healthy, nutritious and tasty food and drink, in a relaxing, eco-friendly space.
- **Wake n' Bake:** a home-grown bakery by a female Emirati chef, specialising in hand-crafted breads, custard doughnuts and other handmade fresh baked goods.

Due to the outstanding success of the programme, in 2021 we will launch the second round of Manassah, in partnership with the Ministry of Culture & Youth, the Khalifa Fund, the Department of Community Development, and the Brinc accelerator.

Fostering a culture of innovation

Driving a culture of innovation in Abu Dhabi

As part of our commitment to foster a culture of innovation at every level of the business, in 2020 we laid the groundwork for Scale Up.

This accelerator programme will work with global proptech startups, providing a gateway to tangible growth opportunities, mentoring and the opportunity to build strong networks. Developed in partnership with startAD, Scale Up will be rolled out in 2021, with three start-ups having the opportunity to partner with Aldar on pilot projects at the end of the programme. We believe these game changing start-ups will provide the real estate sector with innovative and sustainable solutions such as effective energy management, the development of smart cities, and the protection of biodiverse ecosystems.

Also joining Scale Up is Hub71, a flagship initiative within the Economic Accelerator Program Ghadan 21. Its mission is to provide Abu Dhabi with a new global tech ecosystem, giving the start-ups better access to market capital, talent, and the business and regulatory environment.

Aligned with Aldar's sustainability and innovation commitments, the Scale Up Programme will also upskill our own business units to collaborate with global start-ups and implement innovative, sustainable real estate technologies through pilot projects.



Investing in proptech

Partnering with leading global venture capital funds, our planned investment of €10 million (approximately AED 44.5 million) in a number of proptech funds will support us in harnessing the power of the digital transformation in real estate, while it is still in its infancy in our region. This will help us become even closer to our customers, identify more sustainable approaches to how we do business, and ultimately drive growth for us, and our partners.



2020 provided Aldar with an opportunity to demonstrate our resilience, agility and innovative mindset. Innovation can help us to adapt to an ever-evolving operating context, with partnerships like Hub-71 and programmes like Scale Up having a significant impact in the future of Aldar as a business but also across the sector.

Maan Al Awlaqi

Sustainability Council Member and Executive Director, Strategy and Transformation

Fostering a culture of innovation

Digital Transformation: innovation in action

Through our far-reaching digital transformation strategy, we aim to streamline and optimise corporate functions such as procurement sourcing, enhanced data visualisation and self-service business analytic solutions.

In 2020, COVID-19 was the catalyst for the rollout of a suite of digital solutions that ensured our operations were able to continue in the face of lockdowns and social restrictions, whilst also representing long-term changes to the way we can operate. Our FM Connect and Provis Connect applications, for example, were designed to optimise service delivery and streamline maintenance management, ultimately enhancing customer experience.

Additionally, Provis partnered with First Abu Dhabi Bank, one of the leading banks in the UAE, to provide consumer card payments for customers, helping to reduce use of cash and give customers the convenience of digital payments.



Digital transformation at Aldar Development

At Aldar, we thrive on being proactive in the face of challenges. It was this approach that pushed us to view the COVID-19 pandemic as an opportunity to scale-up our digital transformation, and in doing so we enabled our operations to continue uninterrupted.

Two key initiatives within the transformation are our Virtual Design & Construction (VDC) and Building Information Modelling (BIM) programmes. These focus on digitally-enabled design and delivery and are aligned with Aldar Projects' virtual platform for design and risk management. The project is still in its early stages, but already the team is able to assess a building's frameworks and components before going to site. In the longer term, we expect this programme to have a significant impact on our sustainable building approach.

With our Open Space platform, project managers can monitor construction sites remotely, thereby reducing the number of physical site visits required. This tool has been used to improve health and safety, as well as stakeholder approval. By introducing virtual sales tours for available units and comprehensive remote tours at handover via our digital platform, Matter Port, we further cut down the need for physical visits, helping us to adhere to the Government's social-distancing and curfew measures.

Fostering a culture of innovation

Digital Transformation: innovation in action



Learn anywhere

2020 was a pivotal year for Aldar Education as we transitioned towards distance learning. When COVID-19 restrictions prevented students from attending school in person, Aldar Education took immediate, decisive action. We invested AED 10 million in technology and infrastructure to facilitate distance learning programmes across our network of 20 schools, which serve over 25,000 students across the Emirate.

The investment covered the cost of devices that were distributed to families who otherwise would not have been able to facilitate distance learning for their children, ensuring continuity of education until the end of the 2020 academic year.





COMMUNITY

Revolutionising the quality of life for our communities by creating sustainable spaces and fostering sustainable living practices

Our sustainability pillars: Community	40
Shaping communities for the future	41
Creating value	45
Supporting the wider community	47

AED 190M

invested in our communities aimed at supporting residential communities, schools, retail partners, and homebuyers



AED 2M

invested in the ground-breaking ATMAH programme, the GCC's first Social Impact Bond



+460

Hosted virtual fitness and wellness classes, with more than 3,800 residents attending



AED 1M

contributed by Aldar employees to the 'Together We Are Good' programme, launched by the Authority of Social Contribution – Ma'an.



Our sustainability pillars: Community

Overview

Thriving, inclusive communities are at the heart of our business.

As the Government's trusted partner and a responsible community member, we are helping to transform the landscape of the UAE and revolutionise the quality of life for its people - not only by creating sustainable spaces, but by fostering sustainable living practices in our communities.



Our commitments

- Develop and manage communities ensuring inclusiveness and prosperity
- Engage our neighbours towards sustainable living
- Strategically invest in the community to deliver greater and long-lasting impact

Our wider contribution

By investing in thriving, inclusive communities, Aldar is contributing to SDGs:



Our path forward

- Promote inclusion, sustainable lifestyles and cultural heritage through the launch and implementation of community engagement programmes
- Accelerate the integration of more impactful CSR practices and deliver a positive and measurable impact across our communities
- Maximise Aldar's social impact by developing our social impact measurement framework
- Increase and promote volunteering initiatives

Shaping communities for the future

Supporting the wider community

The strength of our communities and the strength of Aldar are inextricably linked.

We are always looking for ways to promote inclusion, sustainable lifestyles and overall quality of life within our communities. In this way, we play a vital role in supporting Government initiatives, including Abu Dhabi's 2030 Vision, the UAE's Vision 2021 and 2030, Ghadan 21, the national Climate Change Plan and the UAE Green Agenda.

We have recently announced a partnership to deliver an AED 40 billion project framework, including public housing and associated community infrastructure. In 2020, we invested AED 190 million in several industry-leading responses to the COVID-19 pandemic, which will also bolster communities in the long-term future. Our programmes, for residential communities, schools, retail partners and home buyers, included payment plans, rent relief and educational scholarships. We also introduced Frontline Heroes, a discount programme at our culture, entertainment and hospitality facilities, to support and say a well-deserved 'thank you' to the UAE's essential workers and their families.

Encouraging employee contributions to the community

Aldar is driven by a strong, ongoing commitment to volunteerism and philanthropy.

Our Group Volunteering Policy encourages all directly employed staff to spend five days every year volunteering, on full pay. In 2020, although our corporate volunteering activities had to be temporarily suspended in light of the Government's social distancing restrictions and travel restrictions within the Emirates, we maintained our progress by contributing in other ways.

We are particularly proud of our employees' commitment, dedication and full support of the 'Together We Are Good' programme. Launched by Ma'an's 'Social Fund', it is the vehicle through which the Government receives contributions from the community to tackle pressing social challenges. A total of AED 1 million was contributed by Aldar employees, in the form of financial and in-kind donations.

As social restrictions eased throughout 2020, our employees helped to support the safe reopening of our shopping malls and retail outlets. Some of our teams were actively involved in supporting the Abu Dhabi Government through the Emirate-wide malls reopening committee and others volunteered at the health screening and vaccination centres, reaching over 2,000 volunteering hours per day between April and November.

As we look to the future, we will further raise awareness of the opportunities available to our employees and make it even easier for our people to support our communities as part of their working life with Aldar.

1M

Aldar employees contribute AED 1 million to the 'Together We Are Good' programme launched by Ma'an

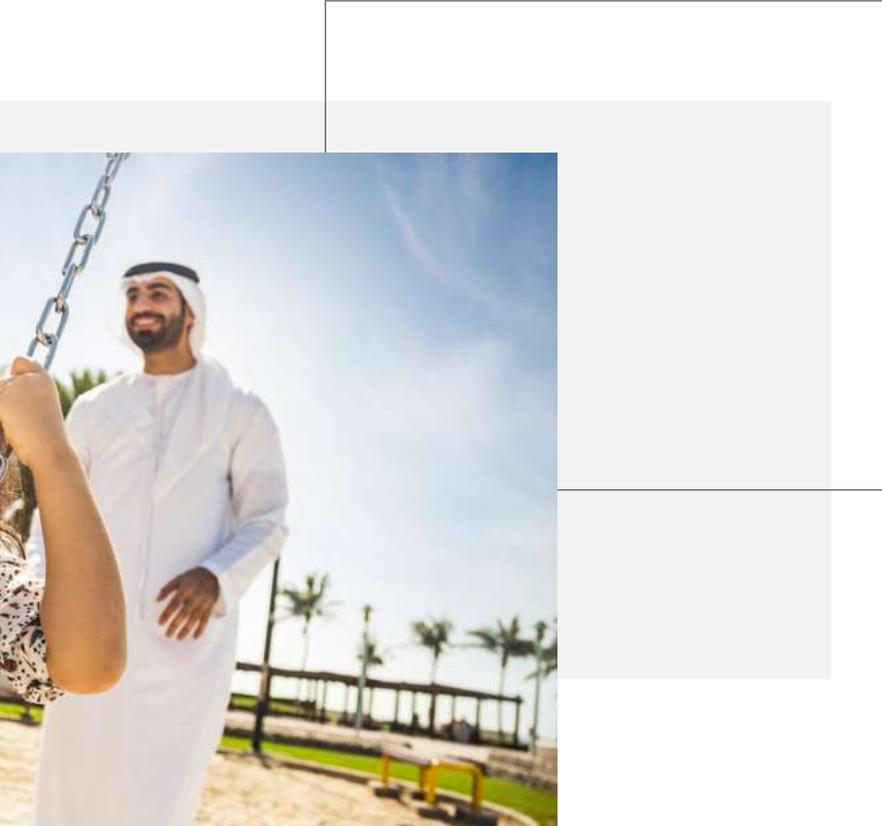
AED 190M

invested in our communities through support programmes aimed at supporting residential communities, schools, retail partners, homebuyers and the wider community



Shaping communities for the future

Keeping communities healthy and safe



In 2020 we set up the Aldar COVID-19 Taskforce to coordinate our response, engaging with Government entities and providing critical advice on how to protect shoppers prior to the re-opening of our shopping malls.

We also consulted with the Government on long to medium-term plans for a return to normality. At our own buildings and those we manage, we provided sanitisers and thermal cameras at all entrances, asked retailers to follow specific guidelines, and posted instructions for social distancing inside elevators. Within our communities, we implemented booking systems at some of the communal facilities, including gyms, to ensure that the limitations on numbers of people congregating were upheld.

We were also part of the public/private sector steering committee overseeing the successful delivery of two UFC Fight Islands on Yas Island, as a world class 'safe zone' for approximately 2,500 people between June and October. Across our hotels, we made over 2,000 rooms available for people needing to quarantine. We also provided more than 100 rooms for use by medical professionals and invested in sanitation efforts at the national level.



Throughout what has been a challenging time for the retail sector, I have been inspired by our people's sense of stewardship and their genuine desire to contribute to the significant efforts led by Abu Dhabi's Government to safely reopen Abu Dhabi. Setting up the COVID-19 Taskforce was paramount to ensuring the safe reopening of our malls. The safety of our customers and our people is our top priority.

Saoud Khoory

Sustainability Council Member and Chief Retail Officer, Aldar Investment

Looking forward, we are continuing to nurture and restore the health of local communities. We are providing important amenities at our assets that promote wellbeing and healthy lifestyles. By including spaces for physical activities, pedestrian and bicycle paths, green recreational spaces, and playground canopies for children in our designs, we are realising the tremendous positive impact we can have on the health of many thousands of people with whom we engage.

Shaping communities for the future

Promoting sustainable living in our communities

The spaces we create play a vital role in supporting our residents' long-term wellbeing. With COVID-19 blurring the lines between living and working spaces, local communities became more important than ever, as was the need to evolve our community engagement programmes.

These programmes kept residents of all ages educated and entertained, whilst staying safely at home. They included sustainability awareness community events, social groups, and various classes such as fitness, lifestyle, and art. We actively promoted these through our social media channels. Through our 460-plus virtual fitness and wellness classes, which were particularly well received (more than 3,800 residents attended), we were able to support our residents and deliver system-wide health benefits.

In August 2020, Provis became the first community management entity to start community classes again. With COVID-19 regulations and protocols in place, and agility and a customer-centric approach at heart, we were able to make headway and design our programmes based on a deep understanding of community demographics and their specific needs. To achieve this, we engaged not only our residents, but also Owner and Resident Boards and Advisory Communities, and conducted community surveys.

In partnership with industry professionals, our Provis Talks sessions provided informative and engaging events covering various topics, from sustainability awareness to lifestyle trends. We also hosted 'meet your neighbours' events, and, keeping our youngest residents in mind, we ran virtual story-telling sessions, and provided activity boxes and DIY baking kits to keep little hands and minds busy.

It was imperative to us – and to our communities – that we continued with our ongoing community commitments safely, despite COVID-19 restrictions. We therefore organised various events during Ramadan and Eid, hosted Breast Cancer Awareness sessions, and held gatherings for specific celebratory days, including Mother's Day and UAE National Day.

Looking ahead, our community efforts will provide residents with an enhanced and more accessible programme of community activities. We will blend the best of the digital and physical options we have available, finding traditional and new opportunities to engage with our residents and encourage them to adopt more sustainable behaviours, from efficiency in the home to wellbeing.

460+

virtual fitness and wellness classes were hosted, with more than 3,800 residents attending



We believe our impact extends beyond our operating responsibility. At Provis, we see it as our duty to embed sustainable living throughout our community engagement programmes, so that we can help residents safeguard their wellbeing and instil positive behaviours for a thriving future.

HP Aengaar

Sustainability Council Member and Chief Executive Officer, Provis



Shaping communities for the future

Creating inclusive, connected spaces

Aldar has earned a reputation for well-designed developments. By creating spaces that are inclusive, accessible, and also affordable, we embed diversity and inclusion principles across our assets.

Many of our buildings exceed the Estidama standards for sustainable buildings and are designed to enable comfortable and safe lifestyles for everyone, including People of Determination. Paying particular attention to inclusive design, we provide wheelchair access, ramps and parking, incorporate accessibility features in communal facilities including bathrooms, gyms and pools, and keep the visually impaired in mind in our designs. We consider those with non-visible disorders as well – at Yas Mall, for example, in 2021 we will implement ‘quiet hours’ in partnership with Zayed Higher Organization and a sensory-controlled environment to allow people with sensory disorders and their families to shop comfortably.

Empowering the leaders of tomorrow

We firmly believe that investment in education is an investment not only into an individual's future, but into that of an entire community.

Education reaps life-altering dividends in the form of improved career prospects, engaged members of society and shared prosperity.

Aldar Education invests in creating and delivering inclusive and innovative learning opportunities that empower our communities today, whilst inspiring the next generation. Our schools have become a regional case study for their holistic approach, informing the UAE's Education 2020 Strategy. Together with the Government, Aldar Education promotes national values of citizenship and responsibility, equality, and justice, supporting excellence in science, technology, and innovation.

In 2020, Aldar Education committed to a long-term investment of AED 1 billion to fund a range of initiatives in the medium to long-term, including procuring the most advanced teaching technology to support distance learning, developing leading-edge creative and sports facilities, as well as trusted partnerships with other industry leaders, such as Microsoft.



Throughout the pandemic, we have continued to stand by our students, their families, and their communities. Looking forward, we will continue to support our students and their families in order to ensure we provide the best education to our future leaders.

Sahar Cooper

Sustainability Council Member and Chief Executive Officer, Aldar Education

In response to COVID-19, we also invested a total of AED 10 million in technology and infrastructure to enable distance learning programmes. These included purchasing and distributing devices to families who would not otherwise have had the tools to facilitate home learning for their children. This ensured that no one was left behind on their life-long educational journey, and that equal access to education was maintained for all.



Aldar Properties and Sandoq Al Watan provide 10,000 laptops

At Aldar Properties, we believe that we have a moral and social imperative to support community initiatives that create a better life for future generations. In line with this commitment, we donated AED 5 million (out of a total AED 18.5 million raised) to the Sandoq Al Watan Fund, towards the provision of 10,000 laptops for school and university students.

This initiative supports the Ministry of Education's distance-learning programme, which ensured the continuity of high-quality education throughout the pandemic.

Creating value

Fostering UAE innovation and talent with Sandooq Al Watan

Throughout the year, Aldar supports numerous impactful initiatives and charities to benefit the wider community.

Our 2020 funding to Sandooq Al Watan has included:

AED 3M

for UAE Coder programme

AED 3M

for Mawhibatna

AED 2.5M

for the Rethink Brine Challenge

Fostering UAE innovation and talent with Sandooq Al Watan

We have recently pledged AED 30 million to our long-term CSR partner, Sandooq Al Watan (the UAE National Fund) taking our total investment to AED 150 million. One of the world's largest social initiatives, Sandooq Al Watan aims to champion social entrepreneurship and cohesion, in line with the national vision for sustainable development. Through our partnership, we have funded local research projects that focus on solving environmental and social challenges, support local entrepreneurs, and upskill and develop young local talent through customised programmes.

AED 1M

for funding startups through UAE innovator programmes

AED 0.5M

to fund research grants into developing contact lenses for colour blind patients

AED 0.5M

to fund research grants into water management



Creating value

First Social Impact Bond for People of Determination

In February 2020, Aldar signed a strategic agreement with Ma'an, the Authority of Social Contribution, to build the Gulf Co-operation Council's first Social Impact Bond.

We invested AED 2 million in the ground-breaking ATMAH programme, which aims to increase employment opportunities for People of Determination in Abu Dhabi, by equipping them with employability skills and helping them secure permanent employment. Through this collaboration, we are proud to be harnessing the untapped potential of people of determination and promoting a more diverse and inclusive workforce in Abu Dhabi.

GCC's first Social Impact Bond: ATMAH Project

Social Impact Bonds (SIB) have been gaining momentum globally, and we are proud to have partnered with Ma'an, the Authority of Social Contribution to create the first social impact bond in the Gulf region.

Launched in April 2020 in partnership with the Department of Community Development, Aldar Properties, Aldar Education and Zayed Higher Organization for People of Determination, the Bond funds a 12-month programme to provide education and vocational skills to 25 People of Determination students before moving them into work placements and eventually permanent employment.

By November 2020, all 25 students had passed the theoretical learning stage and successfully completed a second interview with potential employers in preparation for the final stage of the programme, a 6-month internship. The internships provide a critical opportunity for students to apply their theoretical knowledge and gain real-life, practical skills and experience in a business environment.



Supporting the wider community

In another significant partnership, we are collaborating with Special Olympics UAE on the development and implementation of enrichment programmes that will empower People of Determination. Aldar is also providing office space and support services valued at AED 500,000.

AED 110M

allocated to support residential buyers, tenants and students

Rent suspension

from 1 April until 1 June across our retail portfolio

100+

employees joined 2020's pink run in honour of Breast Cancer Awareness Month

Frontline Heroes

campaign launched to support UAE's frontline professionals and their families enjoying Abu Dhabi's culture and entertainment, offering discounts across hotels, golf resorts and food and beverage outlets



AED 30M

to Sandoq Al Watan which supports fund initiatives such as the UAE Coder and Mawhibatna Programs and the Centurium Prize, supporting innovation and local research talent

12

local artists showcased their work at Art Space events at Yas Mall, Al Jimi Mall and WTC



PEOPLE

Committed to attract and retain the best talent by empowering our people and nurturing their talent through a culture of inclusion and growth

Our sustainability pillars: People	49
A values-driven approach	50
Leading a diverse and inclusive culture	56
Upholding worker welfare	59
Creating safe, healthy workplaces	61

12% increase in Great Place to Work annual audit, placing Aldar in the UAE's top 10 Great Places to Work



Emiratis represent almost **30%** of our workforce, up from 27% in 2019



New mandatory sustainability training modules delivered to **300 employees**



60% reduction in the number of Serious Reportable Incidents, and a **57%** reduction in the Lost Time Injury Frequency Rate compared with 2019



Our sustainability pillars: People

Overview

The success of our business is inextricably tied to our people, whose commitment, talent, innovation and experience enable us to drive operational excellence in everything we do.

As well as attracting and retaining the best people, we nurture their talent through a culture of inclusion and growth and provide a workplace in which they can thrive, as evidenced by Aldar being recognised as a Great Place to Work.



Our commitments

- Invest in developing our people
- Monitor and improve employee wellbeing
- Ensure our workplace is flexible, driving productivity, innovation and employee satisfaction
- Ensure a diverse and inclusive workplace
- Always prioritise and improve the safety and health of the work environment

Our wider contribution

By supporting healthy workplaces and enabling our people to grow, Aldar is contributing to SDGs:

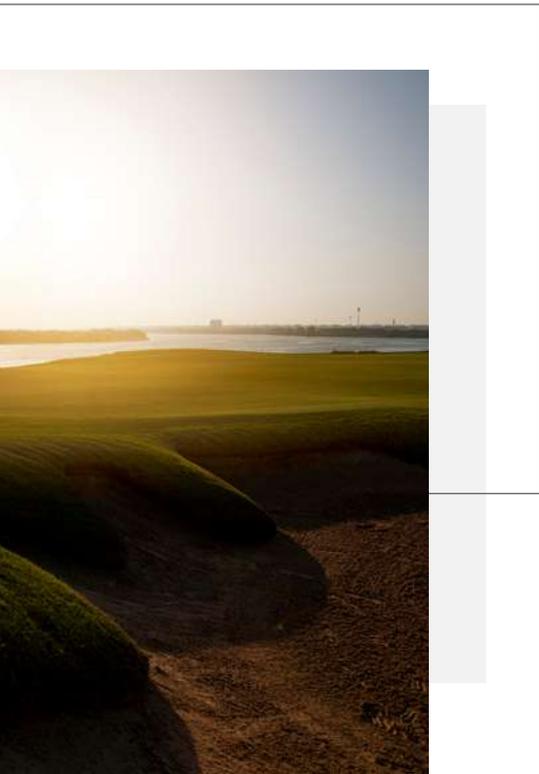


Our path forward

- Continue to be an employer of choice, attracting and retaining the best international, local and internal talent
- Lead the region in diversity and inclusion by embedding our Diversity and Inclusion Strategy further across the business
- Promote worker welfare by ensuring compliance with our Worker Welfare Policy across our supply chain
- Ensure that health and safety is a top priority throughout the business, by providing relevant training for all employees

A values-driven approach

Aldar consistently attracts and retains high-performing individuals who want to play a role in shaping the future of Abu Dhabi.



We are guided by four ethically and socially responsible values:

Team spirit

we trust in each other and are passionate about delivering great results together.

Ambition

we continuously strive to better serve ourselves, our people, our customers and our stakeholders.

Commitment

we are accountable and take responsibility for our actions and seeing the job through.

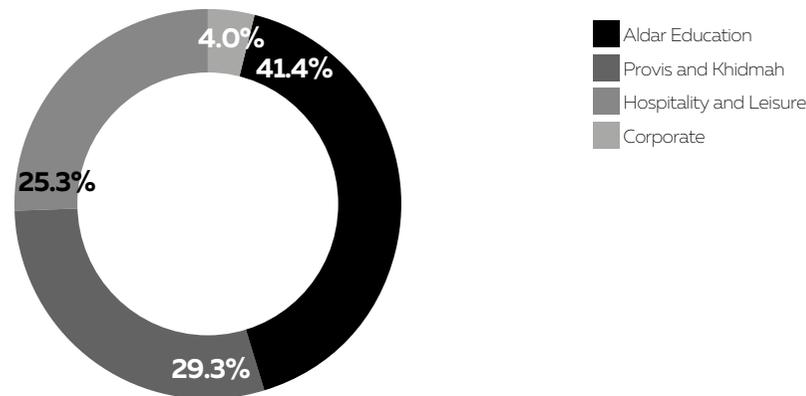
Diversity

we respect different opinions, people and cultures.

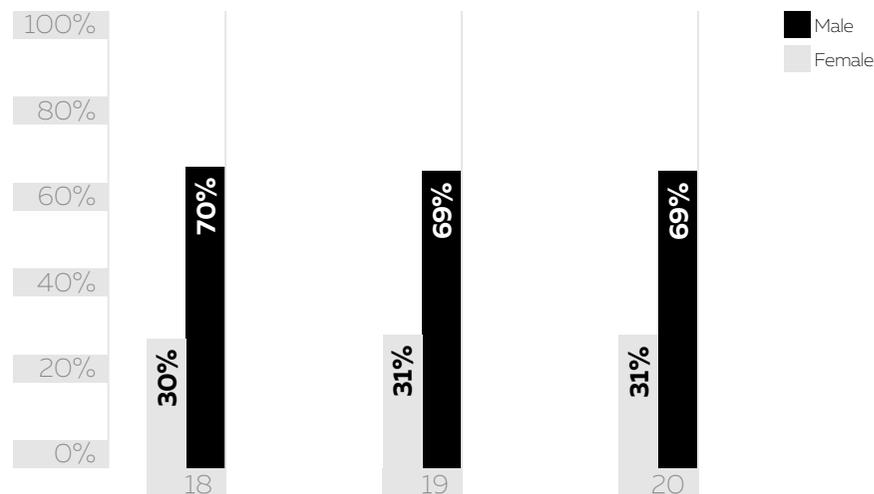
Aldar has 357 employees across its Corporate, Development and Investment teams. We have an additional 9,372 people working in our subsidiaries and adjacent businesses (please refer to page 97 for the detailed breakdown of our workforce). On average across our different businesses, the Aldar family was made up of more than 61 nationalities.

⁵ Data excludes adjacent businesses

Total employee distribution



Gender balance⁵



A values-driven approach

Prioritising wellbeing

At Aldar, we know that workplaces that actively and transparently promote wellbeing are places where creativity, innovation and performance thrive.

As one of the founding members of the Business for Wellbeing Council, part of the UAE's National Programme for Happiness and Wellbeing, we, the Government and our peers are leading the development of new initiatives that enhance employee wellbeing.

In 2020, the immediate focus of our employee wellbeing efforts was to support our people throughout the pandemic. Facilitating a smooth transition to remote working was critical. Thanks to our proactive approach to digital transformation we were able to supply the necessary technologies and equipment to offer secure online access to all necessary resources. For those of our employees for whom home working was particularly challenging, we provided the necessary additional support, including flexible working arrangements for parents.

Through informative online sessions with mental health professionals about stress management and other related topics, sessions focused on COVID-19, and fitness challenges, we remained engaged with colleagues. We are particularly proud of our most successful initiative: a weekly virtual session with our CEO, in which he personally checked in with Aldar employees and ensured that they were safe, happy, and engaged with the business.

We continue to be inspired by the enormous resilience of our people in the past year, which enabled us to thrive as a business. As we look forward to a successful transition back into the workplace in 2021, our focus on health and wellbeing is even stronger. We are already looking at implementing many of 2020's successful procedures as standard practice, including flexible working practices.



1 million steps

Keeping our people healthy, happy and active remained a priority for Aldar throughout 2020, and we supported and encouraged numerous initiatives. Our inspiring 'Chance to Change' programme empowered individuals to get fit and lose weight. Over the year, our employees collectively walked an incredible 1 million steps to honour family and friends who had passed away from breast cancer.

A values-driven approach

Nurturing our human capital

Our Talent and Culture Strategy is a strong contributor to our success as a business. Throughout the year, we recognise and show appreciation for the dedication and hard work of our people, linking performance and participation in training to rewards, promotions, expanded responsibilities, and pay adjustments, on an annual basis.



At Aldar, fostering a diverse and inclusive culture drives innovation and creativity, and informs how we recruit, train, and develop our talent. Recent successes such as the implementation of a new business operating model, being recognised as a Great Place to Work and the significant support provided to Aldar employees during COVID-19, demonstrate the impact we can have in making our workplace a better place.

Bayan Al Hosani
Sustainability Council Member
and Executive Director, People,
Culture and Performance

Aldar's employees benefits include:

**Medical insurance
for employees and
dependents**

**Discretionary annual
performance bonus**

**Disability and
invalidity coverage**

**End of Service Benefits
for expatriates**

**Parental
leave**



**Retirement provision
for nationals**

**Educational
allowance for staff**

**Life
insurance**

**30 working
days annual leave**

A values-driven approach

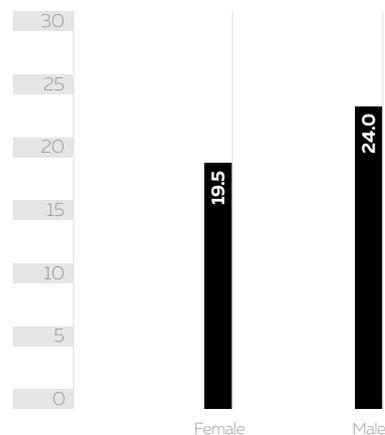
Encouraging continuous learning

We define talent in terms of not only knowledge and experience, but of skills and personality.

Our ongoing training programmes offer employees the opportunity to build 'soft' skills, such as creativity, innovation, agile thinking, communication and collaboration, alongside technical and job-specific skills.

From the start, our induction programme sets new joiners up for a successful journey. Covering the required protocols, processes and role-specific training, it also aims to immerse our new employees in our culture and values. To this end, in 2020 we added mandatory modules covering sustainability, and diversity and inclusion.

Average training hours, by gender⁶



The changes in our working patterns through 2020 prompted us to rethink our learning and development programme, transitioning to a suite of engaging online training and tools. We also took the opportunity to provide additional training, linked to individual technical competencies for each job role, supporting our programme of individual development plans and career development plans.

In 2020, remote working made the completion of training an individual's choice. We're delighted that, in addition to our mandatory training, our employees undertook numerous courses and modules provided by LinkedIn Learning. Given the extreme challenges that remote working raised in blurring the lines between their professional and private lives, this was a great reflection of how Aldar's learning and development ethos permeates our business.

Our people's learning and development journey is strengthened by additional systems and platforms, including Talent Analytics and a Talent Management platform, driven by our Digital Transformation Strategy. These cutting-edge platforms enable us to deliver tailored training recommendations to support personal development and performance, along with the ability to identify any areas for improvement.



⁶ Data excludes adjacent businesses

A values-driven approach

Encouraging continuous learning

Embedding sustainability training

Sustainability is integral to our business and it is crucial that our people have the necessary thinking, knowledge, skills and tools to contribute to the delivery of Aldar's sustainability goals.

In 2020, around 300 employees undertook sustainability training, which included a mandatory session introduced to increase awareness of our Sustainability Framework. As well as adding sustainability into our employee induction programme, we hosted a sustainability webinar for all employees, to introduce our sustainability strategy, governance structure, achievements and future ambitions.

An externally run three-day training course for our Sustainability Champions empowered them with knowledge around topics such as Aldar's sustainability governance, framework and strategy, our alignment to SDGs, ESG issues and their reporting role. You can read more about our Sustainability Champions on page 85.

Learning and development highlights

2,766

training courses undertaken

1,716

instructor-led training sessions

774

behavioural training sessions

1,050

LinkedIn learning courses

1,992

technical training sessions

20 hours

of training on average, per employee



2,500 employees trained in Khidmah's first year of operation

In the 12 months to September 2020, our facilities management company, Khidmah, delivered an outstanding 15,000 training hours to upskill more than 2,500 new and existing employees. The training, which took place at the state-of-the-art Khidmah Training Centre in Abu Dhabi, is designed to give staff the necessary knowledge and skills to ensure service excellence, while protecting the health and safety of residents in Khidmah's managed communities.

Khidmah Training Centre takes a dynamic approach to training, both by incorporating real-life work scenarios and by adjusting the courses it offers to meet evolving market demand. For example, in 2020 staff were trained in the proper use of disinfection and sanitisation materials.



In today's dynamic work environment, it's crucial that our employees are equipped with the knowledge, skills, and tools to excel in their roles, reach their ambitions and, additionally, drive our business performance. Such personal development helps our employees provide increasingly innovative and sustainable solutions while creating value for our stakeholders.

Abdellatif Sfaxi

Sustainability Council Member and Chief Executive Officer, Khidmah

Sustainability training is now fully embedded in our induction and development programmes



A values-driven approach

A great place to work

A collaborative approach to career development

Our career development assessment programme helps keep individuals on track with their personalised plan, enabling them to identify where they are doing well, along with areas for improvement that may be holding them back from achieving their goals.

As a regular check-in between employees and their line manager, and by way of ongoing performance assessment, scorecards are set for all levels of employees on a quarterly basis, in accordance with our People Strategy. Individuals' scores are aligned to their team or department, taking into account a combination of strategic metrics, organisational initiatives and behavioural indicators. Most importantly, sustainability indicators have been embedded in our competency framework, for line managers to assess at three levels: basic, intermediate and advanced. At a leadership level, sustainability indicators are set on an annual basis and translated into specific objectives.

In addition to our standard career development practices, in 2020 we launched Aldar Stars, a company-wide programme which gives line managers the authority to recognise people who are doing an amazing job.

A great place to work

We are extremely proud that in 2020, our efforts to create an impactful workplace culture were recognised once again, with a Great Place to Work award. We achieved a remarkable score of 82, a 12% improvement on the previous year, an outstanding performance that also earned us a place in the top 10 companies as a "Great Place to Work" in the UAE 2021.

Significantly, this accreditation is a reflection of our people's subjective opinion of the company as their employer. It is about more than the tools we provide and the policies we develop; it is about our managers and the contribution they make across their teams.

90% of our people reported being happy and satisfied in our annual employee survey, even in the most challenging of times. Several initiatives contributed to this success. In particular, employees noted the high levels of support provided during the COVID-19 pandemic, with Aldar going the extra mile to ensure their health, safety and wellbeing, maintain excellent lines of communication, and preserve a good work/life balance.

95%

of our employees are proud to work at Aldar, a 7% increase from 2019



Leading a diverse and inclusive culture

Our commitment to inclusion and diversity is embedded in our culture. We believe it's critical to our future as a company - inclusivity in leadership, structure and culture facilitates rich diversity of thought, and ensures our workforce is representative of our customer base and wider society.

Our commitment to equal opportunities is set out in Aldar's Code of Business Conduct, our People Policies, and our Diversity and Inclusion Strategy, which we completed in 2020. Furthermore, a dedicated Diversity & Inclusion Board is responsible for championing diversity and inclusion across all Aldar assets.

In 2020, we formalised these commitments by launching our Diversity and Inclusion Strategy, which provides a roadmap for achieving greater diversity and inclusion, facilitates governance, and sets metrics and accountability for leaders at all levels. It covers training on respectful workplaces, and broader training for our leaders and employees at all levels. It also provides for an audit of our talent management processes and practices, so that we can assess and enhance our practices wherever possible. Finally, the strategy guides the development and implementation of retention strategies for under-represented talent, including career planning, mentoring, sponsoring and our career development programme.

Our achievements include a steady increase in our gender balance and Emiratisation rates. Additionally, in 2020, Aldar was one of only ten companies in the UAE to become a Parent Friendly Label Company, in recognition of the benefits we offer to employees who are parents. These include increased parental leave, flexible working and the option for male employees to stay home to support their families. We also made great strides in embedding diversity and inclusion into training, which is now mandatory for all employees.

At Aldar, we are leading a call for change beyond our own business. We make sure our marketing advertisements are inclusive and representative of different types of people, for example, and lead the conversation in our sector on building more inclusive communities.

Our diversity and inclusion ambitions

- **To become** an employer of choice that attracts and retains the best international, local and internal talent, and creates opportunities for all talent to progress
- **To create** an inclusive, people-centric and high-performance climate, where everyone feels safe to speak up and take risks, and where different perspectives are actively encouraged and valued
- **To challenge** the status quo and drive growth and innovation through surfacing the best ideas and leveraging the collective intelligence of the diverse and inclusive teams, customers and communities we are serving

Aldar's Diversity and Inclusion Board oversees our strategy and overall diversity and inclusion agenda. The Board currently has five members who work together with Aldar's People and Performance Department, as well as external experts, to achieve its mandate of acting as diversity and inclusion champions, proposing goals and initiatives, reporting on progress and ultimately fostering an open and inclusive culture across the business.



Promoting inclusivity for people with autism at Yas Mall

As diversity and inclusion champions, our Diversity and Inclusion Board members are invited to suggest initiatives through which we can extend our inclusive thinking beyond our workplaces, into the spaces visited by our customers.

Diversity and Inclusion Board champion, Yara Al Jundi, suggested the creation of a Quiet Room at Yas Mall. This will be a safe space where a parent can bring their child with autism if they become over-stimulated by the mall environment. We are also implementing a 'quiet hour' in 2021, whereby for one hour each month, all mall activities related to music, trollies and perfumes will be stopped, to ensure a calm environment for adults and children with autism.

Leading a diverse and inclusive culture

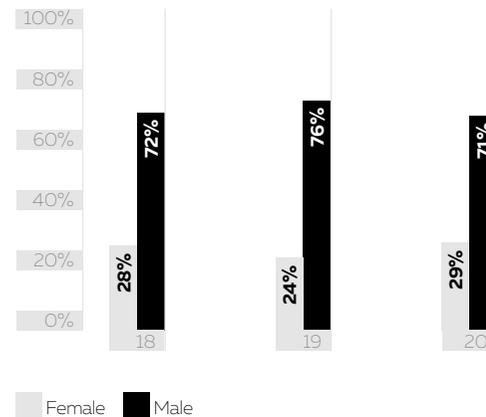
Women in leadership

Aldar is dedicated to increasing the percentage of women across all levels of the business, and specifically in critical positions, including on the Board of Directors. Our commitment to women in leadership was exemplified by the appointment in 2020 of Mariam Saeed Ghobash – who had been the first woman on the Aldar Board – as vice-chairperson. Across our adjacent businesses, at Khidmah 43% of Board members are female and at Provis, 34% are women in management level roles.

It is not just at the leadership level that we work to advance women. In 2020, we launched a resilience programme, focusing on female empowerment, supporting our female employees to become the leaders of tomorrow. We kickstarted a leadership programme for International Women's Day and launched She is Aldar, a campaign designed to showcase the outstanding female leaders across all levels of the business.

As part of our commitment to transparent reporting, in 2019 we assessed the gap for the first time. While remuneration at Aldar is based on role and position, not gender, we did identify room for improvement. As well as strategically focusing on rebalancing our gender distribution at Aldar, we continue to monitor and assess our gender pay gap and implement measures that address discrepancies.

Gender balance at leadership level⁷



⁷ Data excludes adjacent businesses



Empowering People of Determination

At Aldar, we have always been committed to providing jobs and skills training to enable our People of Determination to reach their full potential and to be active members in our community. We have aligned all our initiatives with the Abu Dhabi Comprehensive Strategy for People of Determination 2020-2024, which was launched in September 2020. We actively encourage greater recruitment of People of Determination into various roles and levels across Aldar and we are taking steps to increase this figure further.

Making the workplace inclusive is crucial – we have installed physical aids and technical support for People of Determination at all our assets. In a further, unique initiative, we identify a buddy to guide our new People of Determination through their first few months, helping them understand their role and integrate into the company. We also provide frontline training to our employees in relevant issues, and several have already learned sign language to improve communication with, and integration of, People of Determination into our teams.

Where any experience or skills gap exists, there is a clear training structure in place, designed to bring new People of Determination joiners up to the level required for their role within six months. We also allocate a mentor from our training department to meet with the new employee on a weekly basis for the first month, in order to take and process trainee feedback, and liaise with the relevant

supervisor and hiring manager to get their input on the training required. Our investment in the ATMAH programme is a testament to our commitment to increase employment opportunities for People of Determination in Abu Dhabi (see page 46).



Leading a diverse and inclusive culture

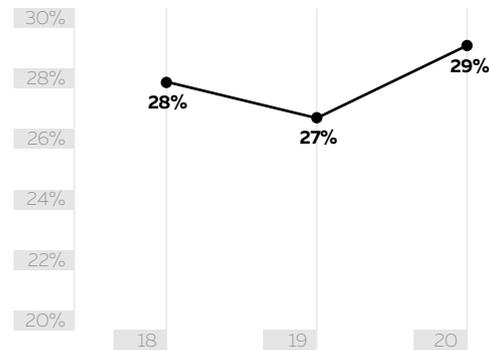
Driving emiratization in the workplace

Emiratization is a significant element in Aldar's support of the local economy (see page 26 for more details).

It also plays a key role in our social value impact. Our Staffing Policy prioritises promotion of UAE nationals throughout the company, with eligibility for Aldar-supported scholarships and study leave under our updated Learning and Development Policy limited exclusively to UAE nationals. This supports the UAE's National Program for Advanced Skills and Advanced Skills Strategy. We also offer Emiratis bespoke career development planning sessions and prioritise UAE national undergraduate students in awarding work placement and internship opportunities. This facilitative approach has earned us recognition as a leader in Emiratization, and we are regularly invited by government and industry bodies to share our experiences and encourage others to take similar strides.

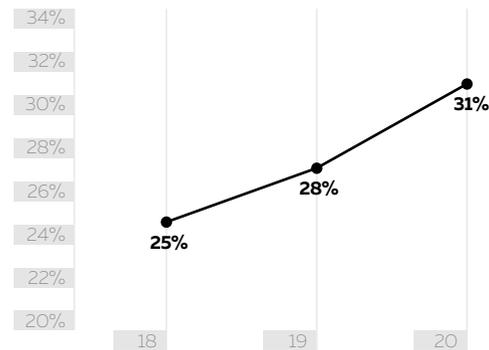
Emiratis currently represent approximately 30% of Aldar's workforce, a 2.4% increase from 2019. This talent is distributed across the entire company including 31% at managerial level and above, a 3% increase from 2019, working in fields as diverse as sustainability, development, operations, investment, retail, sales and hospitality.

Emiratization ratio⁸



⁸ Data excludes adjacent businesses

Senior management hired from the local community⁹



⁹ Data excludes adjacent businesses



Emiratis represent approximately 30% of Aldar's workforce, up from 27% in 2019



Upholding worker welfare



Aldar is committed to all applicable International Labour Organisation standards and UAE regulatory requirements – and support our supply chain to do the same – whether in terms of working hours, payment for overtime, access to personal documents, including passports, safe accommodation and transportation, access to grievance mechanisms, or paid annual leave.

Aldar's industry-leading worker welfare programme underpins our approach to ensuring the health, safety, security and dignity of all those working for the company, whether directly or indirectly. Our Worker Welfare Policy is applicable to all workers in our supply chain who are wage earning, and therefore eligible for overtime, and/or those in employer-provided accommodation.

Implementing our principles

Aldar upholds 10 principles of Worker Welfare, which are based on ILO Fundamental Conventions and other recognised international frameworks, including the SDGs and the Dhaka Principles of the Institute of Human Rights and Business. They also reflect Aldar's Code of Business Conduct and Occupational Safety and Health Management System.

Prior to the onset of the global pandemic, we had embarked on steps to achieve our target of auditing all primary contractors against our Worker Welfare Principles by 2021. This included successfully completing audits of service providers within our Group, such as Khidmah and Provis, as well as a pilot assessment of a general contractor engaged on a large construction project on Yas Island. Issues of concern identified in the audits were relayed back to the service providers, along with notes on actions required to rectify the non-compliance.

Enabling a safe working environment



We are taking steps to roll out a hotline across Aldar Development construction sites which will enable any employee to easily and confidentially report any concerns, including those relating to employment practices, transportation and accommodation, misconduct, irregularities and/or violations of Company policies, specifically Aldar's Code of Business Conduct, or other feedback.

Upholding worker welfare

Responding to the pandemic

Our teams reacted quickly to the onset of the pandemic and determined that, to optimise use of available resources, our focus would be on creating and rolling out a COVID-19 awareness and preparedness assessment programme.

Having held stakeholder discussions with our Operations, Legal and Management teams to identify our most high-risk projects and assets, we carried out 11 limited scope audits, focused on readiness to tackle the threats to worker welfare due to COVID-19. These audits were conducted against key Aldar Worker Welfare principles that overlapped with related Government advice on COVID-19. These included honouring wage and benefit agreements, ensuring that living conditions are safe, clean, and habitable, keeping working conditions safe and healthy, and ensuring safe and roadworthy transportation.

Following the audit, any issues of concern identified were reported back to the prime contractors on projects and asset operators, ahead of a follow-up audit in which we assessed what remedial measures had been taken and to what effect. As a result of this thorough collaborative process, we achieved an improvement in overall compliance on nine follow-up audits.

Cascading worker welfare through our supply chain

As well as monitoring our existing supply chain, we are highly selective in choosing new partners and suppliers. By embedding our requirements at the earliest stages of interaction, we future proof our supply chain's compliance with our worker welfare requirements.

At both Aldar Development and Aldar Investment, we have successfully embedded worker welfare into the prequalification and tendering stages of procurement. The most critical worker welfare requirements are assessed on a pass/fail metric at prequalification, while all remaining requirements are assessed and scored as part of our technical evaluation of bidders.

Worker accommodation

In line with the Emirate's vision of maintaining sustainable communities for skilled workers, and our own Worker Welfare Principles, Aldar is committed to providing safe and healthy living conditions in our worker accommodation villages. We actively engage with contractors and carry out audits to monitor worker accommodation conditions.



Focusing on worker welfare

Khidmah is leading by example in terms of its genuine commitment to worker welfare. This is reflected in a number of initiatives, including the provision of excellent transportation, free living essentials and quality workforce uniforms. Workers also benefit from a health and safety training scheme, alongside other courses run through Khidmah's dedicated training centre.

To inform new initiatives and make sure they address relevant matters, Khidmah conducts regular surveys, inviting workers to report on their experiences. One outcome of this engagement was a recommendation to the Board to reward worker performance with bonuses and pay rises, which we have implemented.

With the support of a third-party consultancy we completed welfare audits on:

33%

of projects under development

100%

of accommodation facilities owned by Aldar

4

key Aldar managed assets

9

prime contractors

35

subcontractors

Creating safe, healthy workplaces

Our Occupational Safety & Health (OSH) Policy and wider Environmental Health & Safety Management System (EHSMS) are designed to protect our people at Aldar Development and Aldar Investment and support their wellbeing, with both being continually updated to align with international Health and Safety Management standards, including ISO 45001 (related to occupational health and safety) and ISO standards 9001, 19011 and 31000 (related to quality, auditing and risk respectively).



At Aldar Development

Safety on site is paramount for Aldar Development, as evidenced by our proactive response to the COVID-19 outbreak, throughout which our operations did not cease. From February 2020, we implemented strict protocols based on 16 separate guidelines issued by the World Health Organization, the Abu Dhabi Municipality and the UAE Federal Government. These were clearly communicated to all workers and visitors and included robust audits and risk assessments to ensure full compliance with legal requirements and best practices; thermal camera screening and testing of visitors at sites, on-site medical facility control measures and quarantine rooms; physical distancing between workers on sites and in offices, with additional transport measures put in place to reduce numbers of passengers per vehicle; daily cleaning and disinfection; and sanitisation of sites and a UV light steriliser for documents.

In the normal course of events, too, Aldar Development has in place a detailed risk management procedure and policy, supported by a comprehensive hazard identification process, reporting tools and mechanisms.

As a responsible employer upholding the highest standards, Aldar emphasises that the safety of our employees and contractors takes precedence over any work, however urgent. All personnel are advised and encouraged to immediately stop any activity that could potentially result in injury or ill health, and to report the danger to their direct supervisor and Health Safety & Environment (HSE) department for further investigation. This advice is communicated to new joiners during their induction, together with an assurance that they will not face any type of reprisal for doing so.

We have also developed a feedback and evaluation procedure, whereby our employees are encouraged to provide their feedback at various opportunities, including OSH Committee meetings, annual OSH reviews, our second party audit and during OSH training/workshop programmes.



At Aldar Projects, we provide a healthy and safe environment to protect our workforce and ensure they feel safe on a daily basis. This was never more important than throughout the coronavirus pandemic, and the fact that we delivered all of our projects on time with zero LTI proved our readiness and agility to deal with unprecedented challenges.

Nader Al Awlaqi

Sustainability Council Member
and Executive Director QHSE,
Aldar Projects

Creating safe, healthy workplaces

Health and safety awareness and training

We provide regular OSH training, campaigns, alerts and management walks to give our personnel the skills and knowledge they need to enhance their awareness and perception of risk and educate them about safety control measures that can reduce the occurrence of incidents.

Aldar Development's QHSE (Quality, Health, Safety & Environment) department ensures that each individual on a project receives a specified minimum number of training hours, a key OSH objective. Furthermore, all personnel, employees and visitors are required to undergo OSH/EHS induction prior to entering a project site (over 47,000 personnel during 2020). In all, during 2020, 954,377 personnel were trained (representing around 518,543 training hours) across all Aldar projects.

In addition, our subsidiary, Aldar Projects, has conducted several OSH/EHS awareness programmes, such as the 'Safety in Heat' campaign initiated by the Abu Dhabi Occupational Safety and Health Center (OSHAD) and the Abu Dhabi Municipality. We also developed and implemented an effective summer management plan and periodic monitoring for full compliance.

In December 2020 Aldar Development was commended by Abu Dhabi Municipality's Health & Safety Division, in recognition of our QHSE department's proactive involvement in enhancing health and safety standards across Abu Dhabi's building and construction sector.

Aldar's QHSE Digital Platform



Developed by a partnership of Aldar's QHSE department and Digital Transformation teams, our QHSE digital platform incorporates all project-related QHSE data in one centralised platform. This enables us to meet legal requirements, facilitate the auditing process, ensure easy accessibility by different parties, and carry out effective monitoring of how QHSE department objectives are implemented.

Automating our QHSE processes accelerates digitisation, putting into practice Aldar's long-term approach to digital transformation and transparency. Ultimately, this ensures effective implementation and compliance by all parties involved in construction sites with both OSHAD's legal requirements and Aldar's OSH management system.



Monitoring health and safety performance

The implementation of the OSH management system, proactive OSH monitoring and increased awareness and training have strongly supported our performance in 2020. We achieved a 60% reduction in the number of Serious Reportable Incidents compared to 2019. Our Lost Time Injury Frequency Rate (LTIFR) also remained well below our target of 0.35 – standing at a rate of 0.03 per million man-hours worked, down from 0.07 in 2019.

+100 Management walks/inspections, in addition to 97 Fire and Quarterly OSH/EHS audits

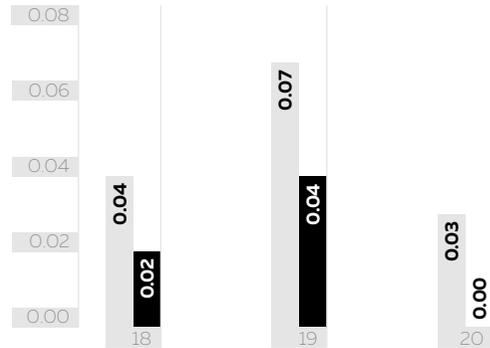


60M

manhours worked without lost time injury
across all projects, by October 2020

Creating safe, healthy workplaces

Safety performance, employees and contractors¹⁰



LTIFR* Fatality Frequency Rate

Strategic safety targets

	2020 progress ¹¹	2109
LTIFR below 0.35	0.03	0.07
Fatalities as a result of work-related ill health	0	3
Cases of recordable work-related ill health	0	0
Reduce dangerous occurrences	60%	40%
Zero OSH non-compliance	Achieved	Achieved
10% of staff are first aiders/fire marshals	Achieved	Ongoing

¹¹ Data includes Aldar Development

Serious OSH "Reportable Incidents"

Falling From Height	1
Trip and Fall at Same Level	1
Traffic - Vehicle/Equipment Overturned	1

Note:

¹⁰ Data includes Aldar Development. LTIFR is defined as the number of Lost Time Injuries x 1,000,000/Number of Hours Worked. Total Man Hours Worked in 2020 was 68m (68.6m in 2019).

21M

safe hours on the Mamsha Al Saadiyat project



Creating safe, healthy workplaces



At Aldar Investment

We believe that each individual in the workplace has a role to play in the success of our Occupational Safety & Health (OSH) management system. Aldar Investment's Environmental Health & Safety Management System (EHSMS) is aligned with Abu Dhabi's Occupational Safety and Health Centre (OSHAD) guidelines, with Khidmah and Provis also being aligned with ISO 14001:2015 (Environmental Management Systems). Our policy encourages all employees and other stakeholders to report unsafe acts and conditions, as well as to stop any work that endangers their life, or someone else's.

In 2020, we launched the Provis Connect app to report and investigate work-related incidents, through a 'don't walk by' initiative and individual inspections. At Khidmah, staff collaborated to mitigate 5,701 hazards through this programme. Led by the technical services and service providers in each project, incidents are reviewed and analysed by our Health, Safety & Environment (HSE) department, which investigates as necessary and creates an action plan with recommendations and timelines.

All Aldar Investment employees are insured for work-related occupational health and injuries, as well as non-occupational illnesses.

As a responsible organisation, we not only prevent and mitigate our own negative occupational health and safety impacts, but all those that are directly linked to our operations. Anyone conducting business with Aldar Investment must provide a safe and healthy workplace for their staff, workers and visitors. We ask them to sign a Health & Safety undertaking, whereby they must establish, implement and maintain procedures to identify, have access to, and assess the applicable legal and regulatory requirements related to Aldar Investment's EHSMS. Additionally, they are required to document environmental, health and safety-related information and keep it up to date.

We also conduct monthly inspections by trained safety officers to ensure the health and safety of the residents and wider stakeholders across our managed communities. In 2020, Khidmah conducted 1,649 inspections including Fire and Life safety systems and 414 toolbox sessions.

Khidmah's Consultation and Participation platform engaged contractors' employees and clients through 51 HSE committee meetings across different projects. Each property has Health and Safety committees on which various stakeholders are representatives.

Beat the heat



Throughout June and September, we implemented additional safety measures across our portfolio to ensure the health and safety of our staff and prevent heat related illness during the hottest months of the year. In line with Government guidelines, we implemented additional intermittent breaks throughout the day and provided hydration stations to keep all staff hydrated and healthy.

Creating safe, healthy workplaces

Health and safety awareness and training

Aldar Investment's training matrix sets out our systematic approach for identifying, delivering, and monitoring HSE training, with all employees receiving safety training appropriate to their role.

Health and safety training is also available to our facilities management service providers during prequalification, and to our visitors.

Throughout 2020, Khidmah provided:

- 265 Sessions for contractors
- 185 Induction training sessions
- 163 Specialist training sessions



2020 progress¹²

0

Number of fatalities as a result of work-related ill health

4

Number of recordable work-related injuries

0.23

LTIFR

0

Number of cases of recordable work-related ill health

Monitoring health and safety performance

We deal with incident investigations through our 24/7/365 call-out service, Speak Up, which offers those working for Aldar Investments and its adjacent businesses a direct way to report an incident, via phone or email, to the Head of Audit for the relevant subsidiary. As well as clearly advertising Speak Up on bulletin board posters, a box is placed in each staff camp so that concerns can be reported anonymously. Results from all Speak Up audits are collated on a central OSH system, which is monitored daily.

¹² Data only includes Provis performance



ENVIRONMENT

Growing our environmental stewardship by reducing our emissions, driving efficiencies in the use of natural resources and supporting precious ecosystems

Our sustainability pillars: Environment	67
Responsible environmental stewardship	68
Sustainable & healthy buildings	69
Committed to climate action	72
Environmental performance	73
Enhancing biodiversity	82

Became one of the

first companies in the Gulf region to support the Task Force on Climate-related Financial Disclosures (TCFD)



Launched a portfolio-wide energy management project, covering

87 assets



13%

like-for-like reduction in Aldar Investment's carbon footprint



Significant strides made in disclosing

Scope 3 emissions



Our sustainability pillars: Environment

Overview

Our ongoing commitment to environmental stewardship is the greatest legacy we can leave for the generations to come.

Recognising the impact that decisions we make today have on the future, Aldar is already making progress in reducing its carbon emissions, improving efficiency in the use of natural resources, and supporting its ecosystems.

Our long-term ambition is for Aldar to operate sustainably, and that is why we are developing our Carbon Neutral Action Plan, to be launched by the end of 2021.



Our commitments

- Ensure environmental stewardship through robust environmental management systems and practices
- Develop sustainable and healthy buildings that deliver positive impact on communities and on the environment
- Always aim to minimise our environmental footprint
- Protect biodiversity and ecosystems

Our wider contribution

By protecting and enhancing the environment, Aldar is contributing to SDGs:



Our path forward

- Promote our carbon neutral agenda by publishing and rolling out Aldar's Carbon Neutral Action Plan across Aldar Development and Aldar Investment
- Drive the delivery of Aldar's 2025 energy and emissions reduction targets through the implementation of the second phase of our Energy Management Project – Investment Grade Audit and kick off the retrofit stage
- Improve waste management and recycling by developing a waste management plan across our business

Responsible environmental stewardship

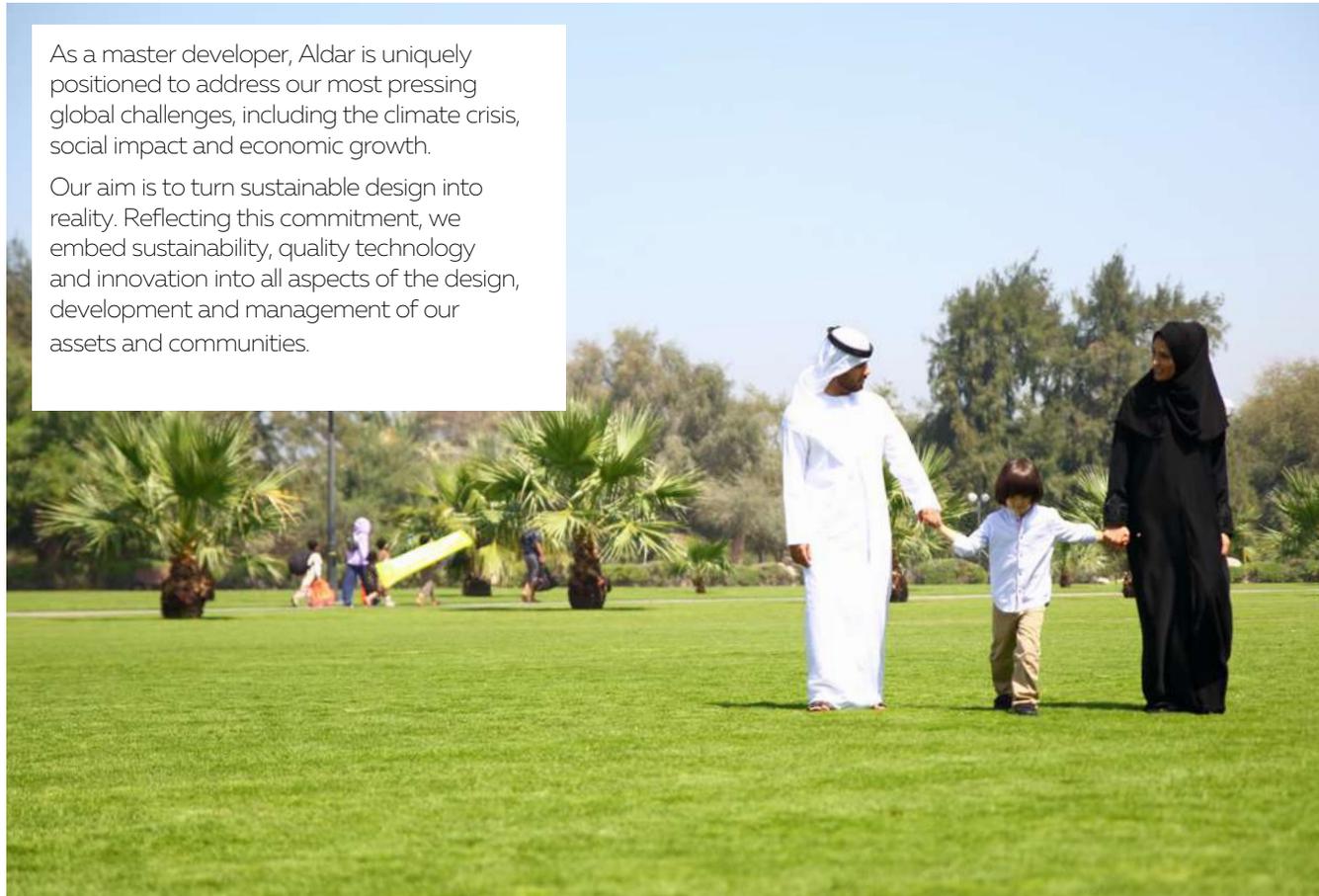
We champion the efficient use and protection of natural resources, ensuring responsible environmental stewardship through robust environmental management systems and practices.

Through the development and implementation of our sustainability strategy, we support national initiatives including the UAE's Vision 2021 and 2030, Green Economy for Sustainable Development, Abu Dhabi's 2030 Vision, Ghadan 21, the national Climate Change Plan, and the UAE Green Agenda.

As our business continues to grow, we are taking steps to reduce our impact by adapting the way we do business. We have incorporated international standard ISO 14001:2015 and ISO 50001:2018 for environmental and energy management into our Environmental, Health & Safety Management System (EHSMS). This pushes us even further to improve resource efficiency, reduce waste, drive down costs and enhance our overall environmental impact.

As a master developer, Aldar is uniquely positioned to address our most pressing global challenges, including the climate crisis, social impact and economic growth.

Our aim is to turn sustainable design into reality. Reflecting this commitment, we embed sustainability, quality technology and innovation into all aspects of the design, development and management of our assets and communities.



Sustainable & healthy buildings

Embedding sustainability in our designs

Through Aldar Development, we are responsible for building quality, liveable places.

This allows us to design sustainability directly into the fabric of our buildings, by:

- Innovating in the selection and use of construction materials, products and technology
- Working closely with our suppliers to encourage an increasingly sustainability-focused offering
- Respecting the environmental character and climate of the region
- Adapting to natural climatic and man-made stressors in buildings, cities and their communities
- Coordinating with suppliers to establish net zero energy strategies, water and carbon reduction goals
- Enhancing social interaction and promoting wellbeing through acoustics, thermal comfort, lighting and improved outdoor links
- Adopting the highest required criteria and best practices of green building certification standards, such as Estidama or equivalent to LEED and BREEAM

Abu Dhabi's Plan 2030 establishes a clear vision for sustainability, requiring any new development in the city to adopt the Estidama building design methodology. Acknowledged as the best-practice

benchmark for sustainable construction and operation of buildings and communities in the Middle East, the Estidama framework aims to improve quality of life by supporting urban developments that create positive environmental, economic, social and cultural impact.

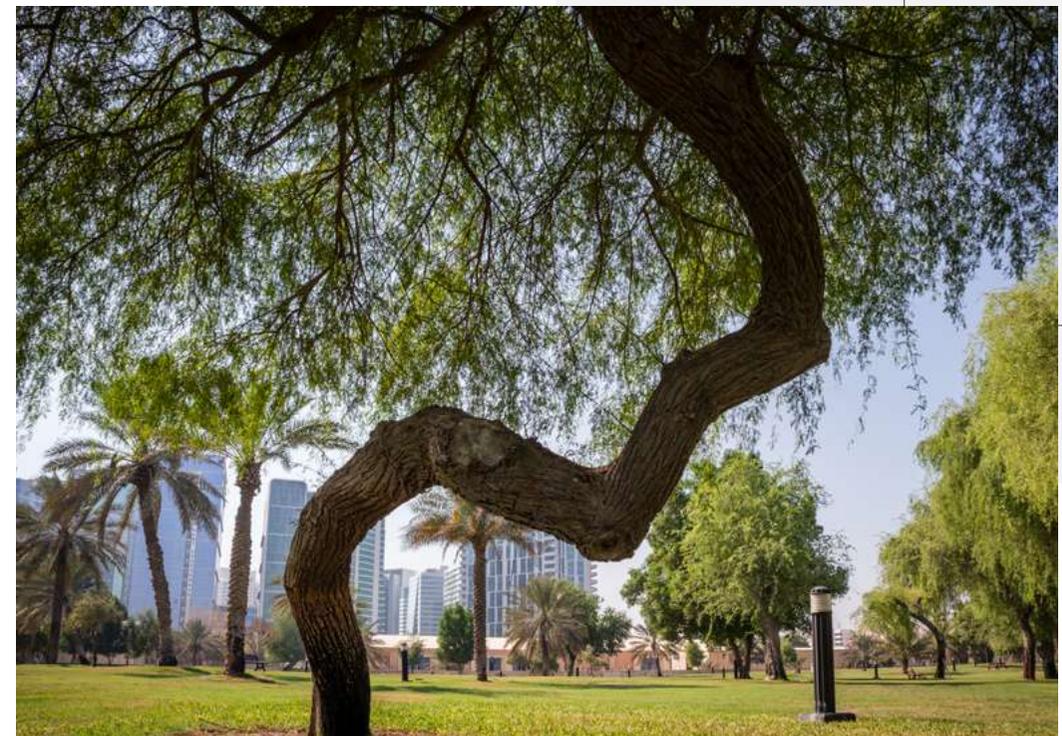
At Aldar, in 2020, 87% of projects under development achieved Pearl 1 rating and the remaining 13% Pearl 2, meeting standards for sustainable and healthy buildings. We're now setting a target of a 70% Estidama score for all our developments, which will deliver efficiencies beyond Pearl 1 rating. Furthermore, we aim to go beyond the standard Estidama requirements and deliver even more impactful sustainability outcomes. To this end, we are actively working towards expanding our green building portfolio and have developed our own green building ratings and environmental impact targets¹³:

- Aldar Gold/Platinum (equivalent to Pearl 2): minimum 22% energy reduction; 35% interior water usage reduction; and interior reductions of 15% energy and 15% water
- Aldar Bronze/Silver (equivalent to 1 Pearl): minimum 12% overall energy reduction; 14% interior water use reduction; and interior reductions of 5% energy and 3% water.

¹³ All percentages relate to an increase in the reduction prescribed by the Estidama baseline.

87%

of projects under development in 2020
are Pearl 1 rated



Sustainable & healthy buildings

Green communities

We are consistently implementing high-impact sustainability initiatives that preserve natural resources and reduce our carbon footprint, whilst also driving down operating costs.

In 2020, our estate management company Provis adopted sustainable practices across 12 of its managed communities, from design all the way through to implementation, saving AED 6.5 million worth of energy. We also doubled utility savings and decreased carbon emissions by 50% compared to last year. Having achieved a 16% reduction in electricity and chilled water consumption during the last two years, we aim to increase the energy savings in our communities by more than 15% in the next two years.

The sustainable projects include water and electricity optimisation initiatives, data analytics of assets, cooling optimisation, and installation of energy-efficient LED lights. We also implemented water conservation techniques employing weather-based irrigation systems and began to use Treated Sewage Effluent (TSE) for irrigation purposes, leading to water savings worth AED 1.3 million.

These sustainability measures were rolled out across Gate & Arc Towers, Sun & Sky Towers, Al Muneera, Al Zeina, Al Bandar, Al Raha Gardens, Golf Gardens, Alghadeer, Al Bateen Park, Al Gurm, Ansam, Golf Gardens and Al Hadeel.

AED 6.5m saved in 2020 across 12 communities managed by Provis through the roll-out of impactful sustainable projects and initiatives.



Sustainable & healthy buildings

Prioritising wellbeing

At Aldar, we have long been aware of the social, as well as ecological, benefits of including open and green spaces in our developments.

On average, 21% of our developed land is dedicated to beautiful open spaces for recreation and physical activity, including public parks, playground canopies and running tracks. These are all carefully designed to meet community needs, promote mental and physical wellbeing and safe community interaction.

At a masterplan level, our designs make use of best practice green building design to promote the wellbeing of the people visiting, living and working in our buildings. We evaluate the orientation of the buildings to provide the highest possible levels of natural light, while minimising direct sunlight which increases indoor temperatures. By adhering to green building standards like Estidama, we can also promote the use of energy efficient systems, including solar hot water tanks, natural ventilation and more sustainable materials.

Our 2020 highlights included:



1,674

palm trees being planted



6,525

additional trees planted



93,412m²

of green spaces



22,250m²

of parks and play areas



5.3km

cycle tracks



5,524m²

of shade structures



Committed to climate action

Operating in a region that is highly exposed to the effects of climate change means that carbon reduction has to be a key priority for Aldar.

We are exploring the changes that we can make internally, as well as involving our external stakeholders. Over the past year, we have been assessing the impact of the Group and have already invested in robust energy and data management systems that allow us to measure carbon emissions across our portfolio. Our next goal is to set specific targets within a Carbon Neutral Action Plan and develop roadmaps for Aldar Development and Aldar Investment that align with regional and global best practice.

A key step in any climate action plan is to maximise efficiencies, and this has been a priority for us over the past year. For example, across our communities we are actively investing in replacing all non-LED lights with LED lights, and installing new eco-friendly air conditioning units. So far, these two initiatives alone have saved 4,773 tonnes of CO₂ and 1,590 tonnes of CO₂ respectively.

Our environmental impact is directly related to that of the trusted suppliers, contractors and partners with whom we work. We therefore need to look not only at our own internal practices, but at theirs. All our development appraisals and investment proposals already include a sustainability strategy and brief. At Aldar Development, we are also engaging with our contractors and looking at how we can support them in reducing their impact, for example at an embodied carbon level. In turn, we can tackle the carbon emissions from the manufacturing, transportation, and installation of building materials. Across Aldar Investment, we are working with business leads and asset managers to identify top performing assets, as well as low performers, so that we can prioritise areas for improvement.

Engaging with our tenants and residents plays a significant role in our progress as well, and it will be through impactful community engagement activities and initiatives such as the Green Tenant Awards that we can maximise our impact (see page 81).

We expect to announce details of our Carbon Neutral Action Plan in 2021 and look forward to sharing our progress with you in our future sustainability reports.



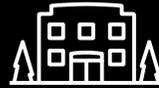
Environmental performance

Today, there is widespread recognition of the significant emissions generated by the building and construction sectors.

An increase in environmental legislation and stakeholder pressure add to the need to take action in areas including carbon emissions, water, waste and biodiversity. Measuring and monitoring our environmental footprint is critical to enable us to do this.

We have already taken significant steps to improve our data collection processes, ensuring greater data accuracy and completeness across Aldar and our adjacent businesses, and we have made critical improvements in 2020. We are also looking at setting a representative baseline and continuing to improve the quality of our data, to help us adapt our strategic approach and focus on the areas where we can have the largest impact.

A total of 90 assets and 14 developments included in our 2020 environmental performance, in comparison to 51 and 7 in 2019



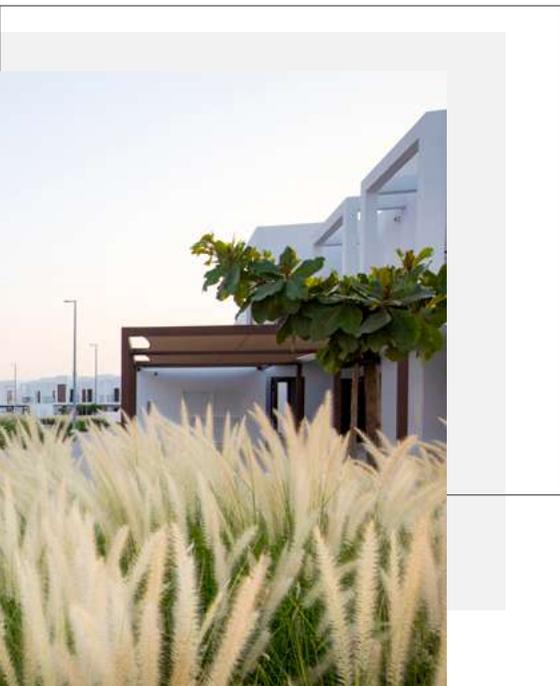
We have a huge opportunity to evaluate how we develop buildings and create spaces, not only through technology but also through new modern methods of construction and new materials. We know that our biggest impact comes from materials like concrete and steel and so we must consider other options. To that end, we are currently looking to introduce recycled content targets that can significantly reduce our embodied carbon emissions.

Ibrahim Al Maghribi

Sustainability Council Member
and Chief Operations Officer,
Aldar Projects

Environmental performance

Energy and emissions



Energy use is the largest contributor to global greenhouse gas (GHG) emissions, which is why driving efficiencies across our portfolio and establishing a renewable energy supply is of the utmost importance.

Our support of the UAE's GHG and Clean Energy Goals, together with the development of our Carbon Neutral Action Plan, will be vital in helping us achieve our ambitious 2025 energy intensity reduction targets.

In 2020, the total absolute energy consumption of Aldar was 950,091 MWh¹⁴, with our Residential and Retail portfolio responsible for approximately 70%. Electricity and cooling represent the largest proportion.

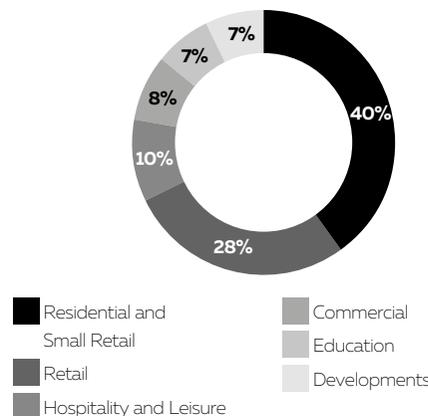
By 2025, we will achieve 20% reductions in our asset portfolio energy intensity and associated greenhouse gas emissions intensity, against our 2019 baseline



Scope 3 emissions calculated for the first time, representing 84% of Aldar's footprint



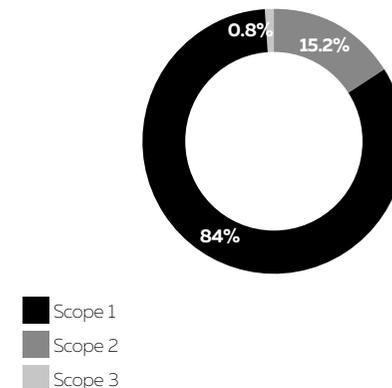
Total absolute energy consumption¹⁴



2020 saw another sustainability milestone for Aldar, as for the first time we measured certain Scope 3 GHG emissions. These arise from activities that we do not manage directly, including emissions from employee commuting (where data was available), transmissions and distribution of electricity, the manufacture of construction materials for developments (known as embodied emissions, see page 100) and waste.

Aldar's total carbon footprint in 2020, including Scope 1, 2 and partially Scope 3, was 2,008,254 tCO₂e¹⁴. 66% of our total Scope 1 and Scope 2 emissions come from electricity and 29% from cooling. Although we have considerably less influence over Scope 3 emissions, at a group level, these represent around 84% of Aldar's carbon footprint. A key challenge for us over the next year will be to monitor our Scope 3 emissions so we can better understand their relevance and our level of influence on them.

Aldar carbon footprint (Scope 1, Scope 2 and Scope 3)¹⁴



Residential and Small Retail	8%
Commercial	2%
Retail	4%
Hospitality and Leisure	3%
Education	2%
Developments	81%

2M tCO₂e

Aldar Group carbon footprint

¹⁴ Includes 88 assets out of 103 of our asset management portfolio and 12 development projects out of 16.

Environmental performance

Energy and emissions



Addressing the impact of embodied carbon in developments

From a development perspective, embodied carbon refers to the greenhouse gases (GHG) emitted before a building becomes operational, including emissions produced from extraction of materials, manufacture, transportation, and construction.

Aldar Development's activities are responsible for 1,626,912 tCO₂e of Aldar's total carbon footprint, equivalent to around 81%.

Embodied emissions from construction stages through 2018, 2019 and 2020 were measured and offset at the completion of projects. For Aldar, around 98% of emissions from our development activities are embodied carbon emissions, deriving from only two major projects completed in 2020.

Embodied carbon emissions mostly come from the creation and installation of large volumes of carbon intensive materials, including concrete, glass and steel. As such, our Sustainable Procurement and Building Design teams will play a vital role in progressing our Carbon Neutral Action Plan, due to be launched by the end of 2021. By reviewing materials used currently and seeking out alternatives that have lower embodied emissions – cross laminated timber instead of concrete, for example – we can progress in reducing emissions. Other steps include finding opportunities to embed circular economy principles within the development process, for instance by finding local material sources or using recycled concrete.



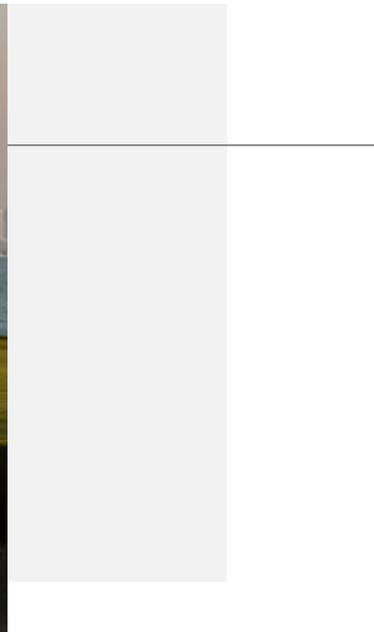
As a master developer, we must get it right from the early stages and create spaces that are fit for now and for the future. Green and sustainable buildings and infrastructure are firmly embedded in our approach at Aldar Development and will be an essential element in the development of Aldar's Carbon Neutral Action Plan.

Ramy Zaghloul

Sustainability Council Member and Chief Development Officer, Aldar Development

Environmental performance

Energy and emissions



We are measuring “like-for-like” performance for energy, emissions and water for the first time. A like-for-like comparison allows us to identify environmental progress through the years at a portfolio level, despite our business growth. Comparing the performance of the same assets year on year helps assess the effectiveness of our efficiency measures and influence of external factors.



Energy and carbon emissions at Aldar Investment

Aldar Investment saw a 17% reduction in energy consumption against 2019 on a like-for-like basis, equivalent to 162,630 MWh⁶ across 68 assets, where data was available for 2019 and 2020.

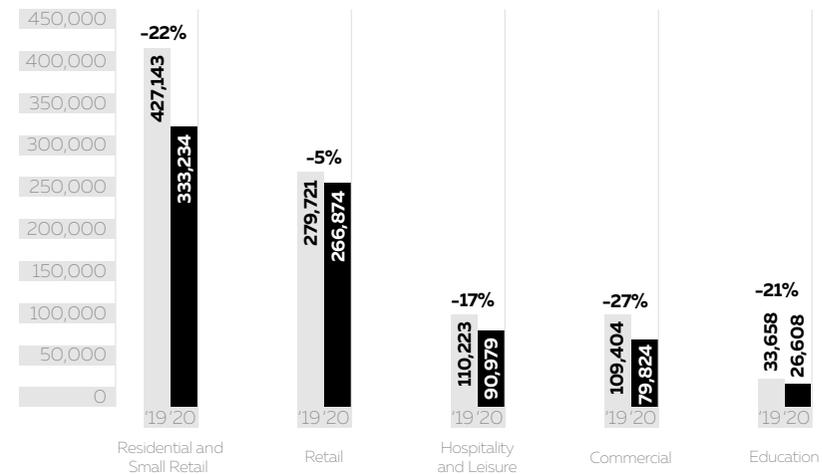
The reduction observed in 2020 demonstrates the impact of the significant energy saving measures implemented across Aldar Investment, which were critical as the maintenance of common spaces and amenities in our assets was not impacted by variances in occupancy rates. For instance, we replaced existing lights with LED lights, introduced highly

efficient AC systems, optimised cooling systems and smart irrigation technology across our portfolio (read more about the energy efficiency measures being implemented by Provis on page 70).

Aligned with our energy and carbon reduction commitments, we are also measuring the energy intensity of our operational portfolio which in 2020 was 400 MWh/mAED¹⁶.

Aldar Investment’s absolute carbon footprint was 381,342 tCO₂e¹⁷ and a like-for-like reduction of 13% (45,660 tCO₂e) was achieved across the portfolio, with Education and Hospitality and Leisure significantly achieving a 19% and 18% like-for-like reduction respectively (see page 77).

Energy reduction (MWh)¹⁵



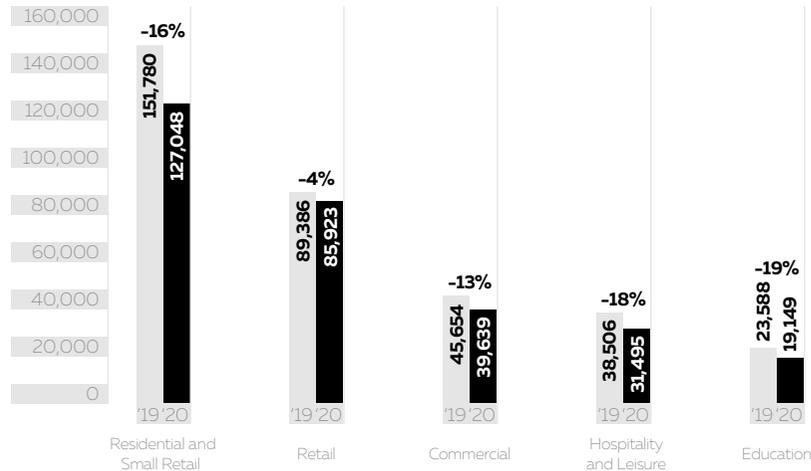
¹⁵ Like-for-like comparison of energy consumption for 68 assets where data available for 2019 and 2020 out of 85 operational assets during 24 months.

¹⁶ Includes 88 assets of Aldar Investment portfolio.

Environmental performance

Energy and emissions

GHG reduction – Scope 1, 2 & 3 (tCO₂e)¹⁷



As the world recovers from the impacts of the global pandemic, we have a challenging path ahead to set ourselves ambitious targets and implement impactful initiatives across our portfolio. One of these initiatives is our six-year energy management programme which is expected to reduce CO₂ emissions across 87 assets by approximately 70,000 metric tons per year. We are also exploring retrofitting opportunities across our portfolio, such as the redevelopment plan at Yas Mall, that can drive further energy efficiencies.



Throughout a challenging year for the industry, our forward-thinking attitude towards risk-averse investment and customer satisfaction has resulted in successes such as maintaining a high occupancy level of 88% and securing big contracts. While our strategy of divesting and diversifying has proved to be effective, responsible investment is likely to play a significant role in our future successes.

Meqdad Al Mubarak
Sustainability Council Member
and Chief Portfolio Officer,
Aldar Investment

13%

like-for-like reduction in Aldar Investment's carbon footprint



AED 500 million redevelopment plan unveiled to redefine retail experience at Yas Mall

In 2020, we developed a transformational AED 500 million plan for the redesign and refurbishment of key areas of Yas Mall. The new, diversified offering will include over 100 new stores, a 40% larger food and beverage offering and 15,000 m² of additional office space.

With environmental concerns firmly at the forefront of the plans, this state-of-the-art redevelopment will enable a 59-ton reduction in the mall's annual emissions of carbon dioxide equivalent (CO₂e), and an improvement of up to 40% in the mall's recycling rate.

The plan features a range of innovative eco-efficient initiatives, including the replacement of 60,000 lamps with LED lighting and a customised composter to turn food waste into bio-soil, which will then be repurposed for 115,000 m² of the mall's landscape.

The mall also supports our commitment to the community, with the installation of features that provide full accessibility to People of Determination.

Work on key areas of the mall will begin in 2021 and will be completed in phases over 12-18 months.

¹⁷ Like-for-like comparison of GHG Emissions where data was available for both years. Includes 68 assets out of 85 assets which were operational during last 24 months. Reduction based on Scope 1, Scope 2 and Scope 3 emissions.

Environmental performance

Water

Water is one of the most material risks associated with climate change in the UAE. Given that construction uses large amounts of water, Aldar firmly supports the Government's commitments to water security and conservation as outlined in the UAE Water Security Strategy 2036.

Through Aldar Development and Aldar Investment, we have significant opportunities to drive the adoption of innovative water management as well as water reuse and conservation initiatives across the lifecycle of the spaces we create and manage.

Across all Aldar Development projects and sites, we use monthly KPIs to measure and manage water consumption. In Aldar Investment, we use water conservation innovations suitable for each site, so that our existing buildings can continue to provide users

with the essential water needed for drinking, washing, cleaning and maintenance and irrigation of green spaces.

We carry out regular water risk assessments and quality testing at our residential properties. In our hospitality business, we also carry out swimming pool water tests daily. The Abu Dhabi Sewerage Services Company (ADSSC), which holds three ISO certifications (ISO 9001, ISO 14001 and OHSAS 45001), manages all effluents and converts 98% into recycled water that can be used in irrigation and biosolids, at its state-of-the-art wastewater treatment plant.

By 2025, we will achieve a 10% reduction in asset portfolio water intensity against our 2019 baseline



Environmental performance

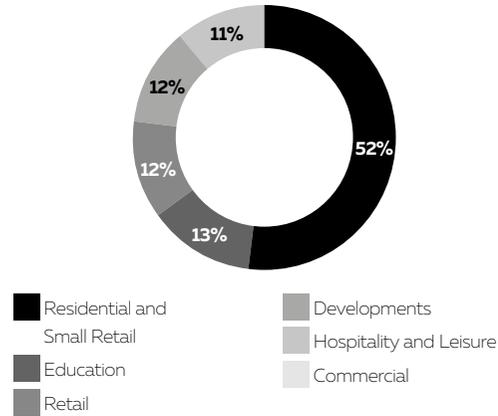
Water

Water consumption

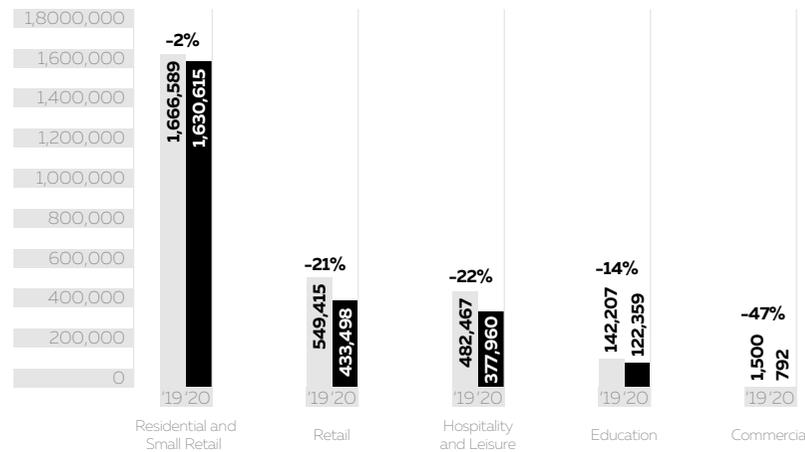
In 2020, Aldar's total water consumption was 3,582,271 m³¹⁸. Of our total water footprint, 88% was consumed across Aldar Investment's portfolio with the majority being attributed to the irrigation requirements in our assets, including communities and golf courses. We have continued investing in innovative systems and technology to reduce and reuse irrigation water, such as those favouring Treated Sewage Effluent (TSE), automation of irrigation pumps and weather-based irrigation systems. For instance, some of our communities are already using over 80% TSE for irrigation and we are currently exploring opportunities to implement TSE systems across our irrigation networks in Raha Garden, Golf Garden and Al Gurm.

We are already witnessing the impact of some of our initiatives. In 2020, Aldar Investment achieved a like-for-like 9.7%¹⁹ (276,955 m³) reduction in water consumption.

Total absolute water consumption¹⁸



Water reduction (m³)¹⁹



¹⁸ Includes 82 assets out of 103 of our asset management portfolio and 12 developments out of 16 projects

¹⁹ Like-for-like comparison where data is available for both years. Includes 62 assets out of 85 assets which were operational during the last 24 months.

Environmental performance

Waste and recycling



The development and operation of buildings creates some of the highest usage of natural resources and generation of waste, therefore waste and recycling play a critical role in our efforts to mitigate climate change. At Aldar, we are committed to championing the use of sustainable resources by reducing the consumption of natural resources and waste sent to landfills, while supporting the transition to a circular economy.

Our approach is focused on reducing, reusing, and recycling waste - both in the assets we manage and also in their construction, which is set out in the Aldar Waste Management Policy, part of our Group EHSMS. The policy extends beyond our own operations to our contractors and supply chain.

In 2020, a total of 107,950 tonnes²⁰ of solid waste was generated across Aldar Group's operations, with 60% generated at Aldar Development and 40% at Aldar Investment. The largest sources of waste were concrete and general waste, respectively. We are seeing improvements on recycling rates across the business, with our commercial portfolio achieving 25% in 2020. However, there are still areas where recycling rates remain low. To tackle these, we are engaging with our suppliers, tenants and residents to take meaningful action that will improve our performance.

²⁰ Includes 88 assets and 10 developments.



Our Sustainable Procurement Policy will play a significant role in embedding sustainable thinking and in particular circularity principles into our everyday roles. From the materials we use and their carbon footprint to using less, recycling more and repurposing, the opportunities are immense.

Adel Albreiki
Chief Executive Officer,
Aldar Projects

Construction waste

Our development activities have a significant impact on our waste footprint. At Aldar Development, we are looking to embed green building standards across our developments, adopt waste management systems and recycle high levels of waste.

To this end, a Waste Management Plan is drawn up for each Aldar Development project. This is assessed against a construction phase checklist to meet Occupational Safety and Health System Framework (OSHAD-SF) standards, and in compliance with waste management provisions contained in Abu Dhabi Law No.21, Federal Law No. 24 and the Abu Dhabi OSHAD Code of Practice 54. We also comply with Estidama requirements for the minimum diversion rates set for construction and operation.

25%

recycling rate across our commercial portfolio

Achieve an 80% average waste diversion from landfill for Aldar Development.



Environmental performance

Waste and recycling

Community and retail waste

Our residential communities and retail have the largest impact on our waste footprint and currently the lowest recycling rate. It's therefore critical that we prioritise initiatives that will encourage a reduce, reuse, recycle approach in our tenants and residents.

One such initiative is our 2019 Ibtikar challenge, which resulted in the installation of a composting machine at Yas Mall to transform food waste into fertiliser and consequently reduce CO₂ emissions and landfill waste. Within our communities, awareness-raising campaigns are designed to help achieve our goal of eliminating single-use plastics, while our retail portfolio has seen the establishment of our successful Green Tenant Awards.



Provis commits to eliminating single-use plastics across its managed communities

Tackling single-use plastics across our managed portfolio is embedded in Aldar's commitment to making a difference to the environment. On UAE's Environment Day, Provis pledged to eliminate single-use plastics from its offices and common areas within the communities it manages. This includes plastic bottles, packaging plastics, polythene bags, cups, straws, spoons and more. As part of the initiative, Provis will install plastic recycling vending machines enabling residents living across Provis managed communities to insert plastic materials into the machines in exchange for incentives. This is expected to increase recycling from households by 10%. The company is also conducting community awareness campaigns to reduce plastic consumption.

Green Tenant Awards

The Environment Team at Yas Mall has been running Green Tenant Awards since 2017. These awards recognise tenants that are going the extra mile to reduce, reuse and recycle their waste, whilst inspiring other tenants and mall visitors to adopt more sustainable practices.

In 2020, despite the challenges of COVID-19, our team and our tenants were more committed than ever to proceed with the much-anticipated Tenant Awards, in categories such as waste, recycling and pest control. We were pleased to recognise five tenants for their outstanding approach to waste management and recycling, and five tenants who went the extra mile to embed robust pest management control systems.



Enhancing biodiversity

Actively protecting biodiversity and ecosystems from the impacts of our activities is an essential element of our sustainability agenda.

We want to support not only the natural ecosystems in which we live but, through biodiversity, improve life for the people and communities that we serve: through social enhancements such as increased wellbeing; economic benefits including higher property value; and ecological improvements through the increase in habitats.

Defined as areas of high biodiversity value, our developments on Saadiyat Island, Yas Island, Al Reem Island and Al Raha Beach all fall within Environment Agency – Abu Dhabi (EAD) Environmentally Protected Areas. We therefore prioritise monitoring and protection programmes at these locations, focusing particularly on addressing how we can avoid or minimise our impacts whilst also considering restoration initiatives. One of our programmes, a bird monitoring and nesting initiative at Saadiyat Beach Golf Club, now provides a sanctuary for over 160 bird species. We were particularly delighted with the rare bird sighting of a Steppe Whimbrel, once declared extinct in Abu Dhabi, confirming that the migration route of the sub-species passes through the Arabian Peninsula region.

Once a site is under our management, we carry out regular monitoring, in partnership with expert organisations, such as the Hawksbill Turtles protection project at Saadiyat beach with the EAD and the Dubai Turtle Rehabilitation Project. We also run various outward-facing initiatives, such as competitions for our youngest residents encouraging them to identify and photograph wildlife, to promote the conservation of local flora and fauna and drought tolerant species. These help to raise awareness of biodiversity issues among our customers and communities.

We conduct rigorous environmental assessments that include biodiversity criteria across all our projects, from the scoping stage all the way to construction.



Protecting the ecosystems at Al Gurm community

Nestled on the shores of Abu Dhabi's mangrove forest, Al Gurm is home to many indigenous species including the Indo-Pacific Humpback Dolphin and the Hawksbill sea turtle. Due to its unique ecosystems, Aldar has implemented a "nature-first" policy supported by "Community Rules" and heavily embraced by our residents and partners. One example is our partnership with Environment Agency – Abu Dhabi and Al Korn, where we have committed to replanting and maintaining mangroves in order to restore the potential impacts from construction. We have also banned chemical fertilisers and pesticides, prohibited water sports and actively encourage our residents to use biological cleaning products. In addition, we have developed a comprehensive awareness programme encouraging our residents to appreciate and safely engage with nature and wildlife that inhabits Al Gurm.

GOVERNANCE & RISK



Governance

Our commitment to operational excellence is underpinned by the highest standards of ethical business conduct, supported by robust governance structures and a comprehensive risk management framework.

Shareholders represent the highest levels of governance and the Company's Articles of Association define the framework through which it operates as a public joint stock company. The company's governance framework takes into consideration the application of the principles and standards set by both the Securities and Commodities Authority and Abu Dhabi Securities Exchange, as well as the Federal Law No. (20) of 2015 on commercial companies, as amended, in order to develop the company's policy, requirements and aspirations.

Aldar further adheres to the decision of the Chairman of the Securities and Commodities Authority No. (03/RM) of 2020 on the standards of the Corporate Governance Manual of Public Joint Stock Companies. The company annually issues a Corporate Governance Report, which reflects Aldar's commitment to the effective and efficient application of governance rules, and clearly demonstrates joint efforts and synergy between the company's Board of Directors, Executive Management and employees.

Aldar's Board of Directors, which constitutes the company's highest decision-making body, considers a strong governance system to be one of the cornerstones of Aldar's sustainable and long-term growth. The Board, which is accountable to the shareholders for ensuring that the company's objectives are in line with their expectations and aspirations, is responsible for ensuring the effectiveness of the company's management in managing the company's businesses. The Board's focus is that the company's objectives are consistent with legislative requirements and codes of professional conduct defined by both the Securities and Commodities Authority and Abu Dhabi Securities Exchange.

The seven-member Board, all of whom are independent and non-executive, regularly evaluate the effective fulfilment of their remit and compliance with corporate governance rules to ensure consistency with the regulatory controls and changing business environment. Three committees provide comprehensive oversight: the Audit Committee; the Nomination and Remuneration Committee; and the Executive Committee.

The Board is supported by Aldar's Executive Management Committee, which is responsible for managing day-to-day operations and key business issues in line with the strategic framework of the company. Its members include the Chief Executive Officer (CEO), Aldar Development and Aldar Investment CEOs and the Executive Officers of its departments and divisions.

The Board is committed to continuously enhancing the value of the company for its shareholders, taking into account the interests of all stakeholders, including its employees, suppliers, customers and business partners, as well as the communities in which the company operates.

For further information about our Board of Directors and Governance Committees, please see our latest Annual Report, pages 92 to 130.



Our business performance is guided by an unwavering governance framework which demands the highest standards of business conduct and ethics. The incorporation of sustainability into our governance model demonstrates our commitment to continual evolution within an ever-changing external context.

Emma O'Brien

Sustainability Council Member
and General Counsel

Governance

Sustainability governance

Ultimate responsibility for Aldar's sustainability performance rests with the CEO. The CEO is supported by the Chief Financial and Sustainability Officer and the Aldar Sustainability Council, which reports directly into the Executive Management Committee (EMC), a sub-committee of the Board. The Sustainability Council is responsible for informing the EMC about material environmental risks and opportunities. The Council, chaired by Salwa Al Maflahi, Director of Sustainability and CSR, is tasked with accelerating the integration of ESG topics across Aldar Development and Aldar Investment.

Our Sustainability Council consists of 23 senior executives from across each business unit, adjacent businesses and all core group functions including Risk Management, Procurement and Human Resources. This ensures representation from key stakeholders who are responsible for implementing our corporate sustainability strategy.

The Sustainability Council is responsible for driving the sustainability agenda across all the different businesses within the Aldar Group and supporting the Sustainability & CSR department in implementing the sustainability strategy, carrying out initiatives to increase awareness, improve collaboration and promote sustainability across the business.

The Council is also responsible for the development of sustainability policies and oversees Aldar's overall sustainability performance, providing guidance and recommendations to ensure alignment with stakeholders' expectations.

Cascading sustainability

The Sustainability Council has appointed a network of Champions from across Aldar to ensure that sustainability permeates throughout our diverse businesses. Supported by the Sustainability & CSR Department, the Champions promote a wider awareness of sustainability among colleagues and departments, lead the rollout of sustainability initiatives, and report back to the Council on each department's progress.

The Champions are actively encouraged to collaborate on projects and learn more about sustainability issues through workshops and three full days of training in 2020. We have incorporated sustainability into our onboarding process for new employees and deliver awareness events throughout the year so every employee is aware of the role they can play in supporting our sustainability objectives.

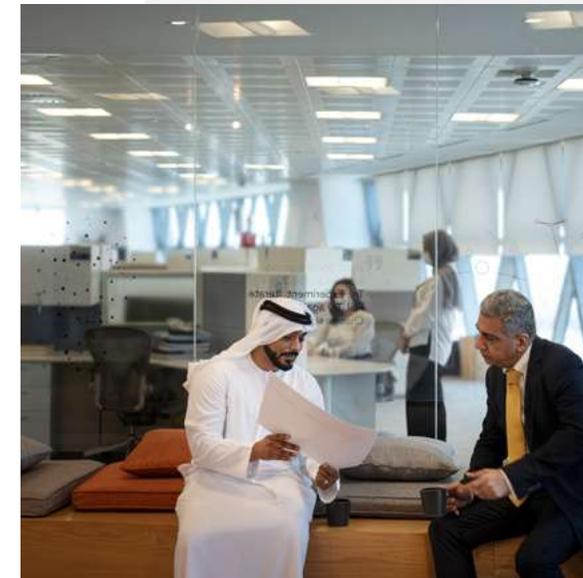
We have been progressing our sustainability governance practices, with additional resources being brought on board in 2021 to support the Aldar Sustainability Council in leading sustainability implementation at both Aldar Development and Aldar Investment.

Business ethics

As one of Abu Dhabi's largest companies, and a leader in the region, we lead by example in upholding high standards of ethical business practice. Compliance with all applicable laws and regulations is a matter of course, and we have developed a comprehensive compliance framework that enables us to navigate increasingly complex legal frameworks, safeguard our business against unethical behaviour, and uphold our reputation.

Our Code of Business Conduct is the foundation of our business and culture. It sets out the behaviours and norms employees are expected to follow in their day-to-day activities, to nurture a culture of honesty and accountability, and the standards we hold ourselves accountable to in our dealings with our stakeholders.

The Code mandates compliance with relevant legislation and regulations as a minimum standard, and deals with matters such as conflicts of interest, integrity and insider trading, gifts, business entertainment and anti-money laundering. Embedded in the Code is guidance regarding the handling of ethical issues, including internal reporting mechanisms in the event of unethical conduct. It applies to all Aldar operations, and extends to Aldar suppliers, contractors, and consultants.



Governance

Strict compliance with the Code is enforced by the Legal Department in cooperation with the People, Culture & Performance Department and the Internal Control Department, who support with staff training and communications. The Code is accessible to all Aldar employees, at any time, setting out their rights and answers to any concerns they might have. If an employee suspects someone of being in violation of the Code, they can anonymously contact their colleagues in the Legal or People & Performance departments through a dedicated email address (see Whistleblower Policy below).

All new joiners to the company undergo mandatory training on the Code as part of their induction, and employees must sign an annual Interest Declaration Form, confirming their understanding of their responsibilities in relation to the Code.

Whistleblower Policy

Aldar's Whistleblower Policy establishes the processes by which employees and business partners can report any suspected breaches of our Code of Conduct without fear of repercussions. Managed by the Head of the Internal Audit Department, it applies to any irregularity, or suspected irregularity, involving employees, officers and directors, as well as shareholders, consultants, contractors, suppliers and/or any other parties with a business relationship with Aldar.

Employees and other partners can submit their concerns anonymously via a secure web portal or confidential 24/7 hotline that is administered by an independent third party. To ensure the effective and fair resolution of any potential breaches of the Code, the relevant parties and departments are required to gather supporting data. All reported allegations are thoroughly investigated, either by the Internal Audit Department in coordination with Legal, if needed, or through a qualified third party appointed by the Audit Committee. If anomalous activities have occurred, the Audit Committee and/or the CEO receives a report and decides on appropriate disciplinary action in consultation with the concerned CEO, Head of People and Performance and Head of Legal. The Audit Committee decides whether prosecution or referral to law enforcement is necessary.

Fraud Policy

Aldar's Fraud Policy applies to any irregularity or suspected irregularity involving employees, executive management, directors, shareholders, consultants, contractors, suppliers and/or any other party with any business relationship with Aldar. Managed by the Head of Legal in coordination with the Internal Control Department (ICD), the policy sets out our framework and internal controls for managing anti-fraud activities, detailing investigation responsibilities and reporting procedures, as well as consequences that follow fraud investigations.



Governance



Data security

Our advanced data and IT security policies and procedures protect us, and our stakeholders, against the risk that personal or company data may be stolen, corrupted or otherwise compromised. A comprehensive management framework, supported by standard operating procedures, ensures that data security is fully embedded throughout the company, including a rigorous ongoing testing regime to ensure that our controls are resilient to potential cyber-attacks.

All policies and the company's IT Risk Management Framework are aligned with COBIT, ISO27001 and NIST management standards and frameworks. Aldar's IT services have been awarded ISO/IEC 27001:2013 certification in recognition of our best-in-class approach, and an annual ISO 27001 surveillance audit is conducted by Aldar's Lead Auditors.

We have implemented a robust security architecture, coupled with the deployment of up-to-date security technologies to prevent cyber threats and detect security incidents.

These include a system-vulnerability management programme, security enhancements as part of our standard assessments, need-to-know and need-to-have principles for data access, Domain Name System security controls, an Advanced Threat Protection layer deployed on user endpoints and perimeters, a Disaster Recovery Strategy, and an organisation-wide end-user security awareness training programme.

Our investments in this area mean that Aldar was strongly positioned to adapt to the COVID-19 pandemic, with our systems ready to support a rapid transition to home working. We took immediate steps to create a safe firewall, as well as implementing phishing controls, end-user authentication frameworks, protecting userbase multi factor identification, and ETP protection of Aldar laptops.



Risk management

We use a comprehensive risk management framework to protect shareholders' investments, stakeholder rights and the company's assets, and prevent violations of the applicable laws and regulations.

Aldar's Enterprise Risk Management (ERM) function ensures effective management of all risks that could negatively impact the company's ability to achieve its strategic objectives. A dedicated ERM team is responsible for helping the company's business units to identify, assess and put in place control plans for existing and emerging risks. This team conducts regular, comprehensive reviews of best practice, benchmarking Aldar against other companies in the market that are recognised for robust ERM activities.

Following research, stakeholder input and an understanding of government plans (including Abu Dhabi's recent Sustainable Urban Planning Vision), Aldar has committed to incorporating sustainability into its risk registers for both Aldar Investment and Aldar Development. From 2021, each subsidiary will operate a risk register under the guidance of separate Risk Management Committees. The two registers will largely operate independently of each other as part of the new Aldar operating model, with reporting to the Board on sustainability risks to be carried out by the ERM team. Once a risk is identified in the ERM framework, it will be reviewed like any other risk.

Internal controls

Our internal control system reduces risks related to our operations, finances, and compliance. The Internal Audit Department manages our annual review and assessment of internal controls, reporting to the Audit Committee. The internal control system includes policies that regulate Aldar's activities and contribute to reducing ESG risks. These include the Social Responsibility Policy, the Code of Business Conduct, the Whistleblower and Fraud Policies. The effectiveness of the internal control system is overseen by the External Auditor, the Internal Audit Department and management. We continuously share market disclosure with analysts, investors, and shareholders. Further details on our internal control system are provided on page 86 of the Annual Report.

Principal risks

Aldar conducts an annual assessment of principal risks (see page 88 of our Annual Report). In 2020, the five most significant risks were identified as market cyclicality, geographical concentration in the Emirate, talent retention, health and safety, and information systems and cyber threat. The latter three risks are also material sustainability issues and are covered in detail in this report on pages 50-55, 61-65 and 87 respectively.

In 2021, we will develop a dedicated register to track sustainability risks across the business. Acting under the direction of the Sustainability & CSR Department, the register will mobilise the network of Sustainability Champions and newly appointed Risk Champions to identify material sustainability risks and mitigation plans.

For details of Aldar's wider risk management approach, please see page 86 of our 2020 Annual Report.



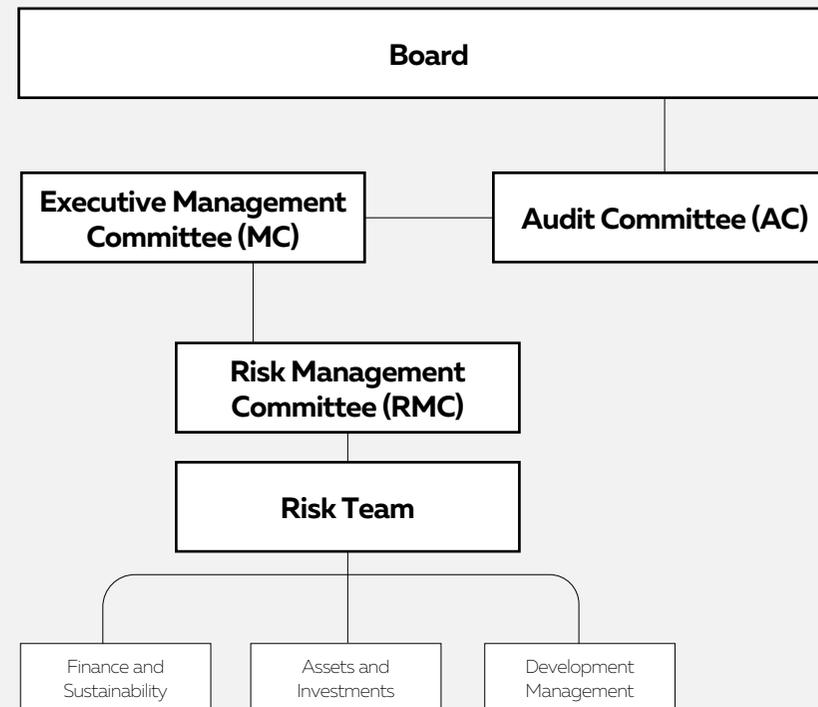
Risk management

Responding to the Task Force on Climate-related Financial Disclosures

Planning for the future

The scale of the challenge posed by climate change requires ambitious action. To succeed in our vision of 'becoming a leading regional real estate developer and manager that creates memorable experiences and values for our customers and shareholders', and our mission to 'place our customers first by embedding sustainability, quality, technology and innovation in everything we do' we need to demonstrate leadership and future-proof our portfolio against climate change.

We have begun to take action by committing to develop our Carbon Neutral Action Plan and through undertaking a detailed assessment to identify climate risks and opportunities for our business, which are the first steps on this journey. We support the Task Force on Climate-Related Financial Disclosures (TCFD), and this report includes our first submission in line with TCFD's climate risk disclosure framework. Our risk assessment process has identified climate risks and opportunities for our business, and we have now started the journey to robust climate risk management. We look forward to sharing our progress in our future TCFD reports.



Governance

We have several governance structures in place to ensure that risks relevant to sustainability are regularly identified, assessed, and prioritised. Our Board has visibility of sustainability through a quarterly sustainability update. The update includes progress reports on sustainability initiatives and KPIs and we will be further focusing on engaging with the board on climate-related in Board approvals in accordance with the assessment we carried out. For full details on our structures and the Sustainability Council, please see the 'Sustainability Governance' section on page 85.

Our robust corporate risk management framework is described in detail in the 'Risk management' section on page 88. We will review our framework in the context of the results of our climate risk assessment and will enhance it to align with best practices in climate risk management. We are developing ESG risk registers for each of our core businesses; Aldar Development and Aldar Investment, in which we will include the climate risks we have identified. Our most material climate risks will be included as part of our process to embed sustainability into our overall risk registers. Based on materiality, ESG and climate risks will be raised to appropriate levels of our business through our defined corporate risk management framework.

Risk management

Responding to the Task Force on Climate-related Financial Disclosures

Strategy

1. Scenario analysis

As recommended by TCFD, we have undertaken detailed analyses of two distinct and plausible climate scenarios to understand the risks we face and consider the resilience of our business strategy. We chose two of the Representative Concentration Pathways (RCP 4.5 and RCP 8.5) used by the Intergovernmental Panel on Climate Change (IPCC), to align our approach with best practice and leading climate science. These model a defined pathway of increased greenhouse gas concentrations in the atmosphere, which correspond with associated levels of average global temperature rise by the end of the century.

- The RCP 4.5 scenario considers major mitigation efforts by governments to keep global temperature rise less than 2°C above pre-industrial levels, in line with the 2016 Paris Agreement. Risks in this scenario are associated with decarbonisation activities, although there is still at least 1.5°C of warming and, as a result, physical risks are present.
- The RCP 8.5 scenario considers a high emissions scenario where governments take no further action to decarbonise and global warming

likely exceeds 4°C, resulting in severe and more frequent physical climate impacts on a global scale. Extreme physical risks have implications including supply chain disruption, litigation risk and difficulty securing insurance.

2. Risk assessment process

To inform our scenario analysis, we reviewed extensive climate science data and literature from leading credible sources, including the IPCC, whose models and reports consolidate the foremost peer-reviewed climate literature and are used as a central resource by global climate policy decision-makers. We selected time horizons aligning with climate policy and available data and assessed our business strategy against climate risks over the short term (up to 2030), medium term (up to 2050) and long term (2050 onwards). Our methodology assessed climate risk impacts and likelihoods, considering these in the context of our time horizons and current business strategy, while also holding internal stakeholder discussions to understand our business resilience to these risks. Impact was assessed per risk to our business operations, revenue, expenditure, assets and liabilities, and capital financing. Likelihood was determined by the likeliness and frequency by which

a risk materialises, and the speed and duration with which major impacts are felt once the risk materialises. This allowed us to capture the nuance of how risks materialise and are experienced over time.

The risks that we identified as most material and that we are prioritising for action include:

- Shareholder pressure, fines, void periods or declines in asset values if we do not comply with enhanced policy and building requirements, with capital expenditures needed to comply with new standards for energy and resource efficiency and climate defence measures.
- Significant financial market implications in both scenarios, firstly resulting in market disruption as investor and consumer demands shift in favour of more sustainable alternatives. Conversely, if serious climate action is not taken, physical climate risks may lead to severe economic downturn, disrupted supply chains, and reduced consumer confidence.
- In the medium term, water scarcity, given that we operate in a water stressed region. This will impact our cost to operate and construction of our buildings, and we will likely need to invest in additional water efficiency measures.

- More frequent, severe and unpredictable extreme weather events. In our region, these extreme weather events are likely to include storms, sandstorms, severe rainfall, drought, and flooding. We will develop our approach to ensure that assets have robust plans in place to address these risks when they materialise and that our new developments are built with resilience in mind.
- Sea-level rise, which is a significant risk for our region, as the majority of Abu Dhabi's development is in coastal areas. The coastline of Abu Dhabi may retreat by as much as 3.8km, and our assets could face flooding risk in the long term. We plan to consider investment in flood defence measures as we develop our responsible investing approach and tools.

As a business operating in the real estate sector, our top risks are increased costs associated with meeting policy and legislative requirements, and the costs and impacts associated with mitigating or recovering from physical climate events. As the physical impacts of climate change will be felt over the medium and long term, the preparatory action we take now will embed long term resilience-planning into each stage of our assets' lifecycles.

Risk management

Responding to the Task Force on Climate-related Financial Disclosures

Risk Management

Using the insights from our scenario analysis, we have created a three-year climate risk management plan.

We are developing business level ESG risk registers that will monitor ESG and climate risks and track the associated risk mitigation actions we are taking. These registers will be integrated into our overall risk management processes, which require us to consider options to transfer, avoid, reduce risk likelihood, reduce risk impact or retain a risk. We will assign overall responsibility for overseeing the chosen risk treatment option to process owners. Through our scenario analysis we have identified a number of key climate risks and opportunities, as outlined in the Strategy section, that we plan to actively embed into our ESG risk registers and business plans.

In Aldar Development, we conduct cost and feasibility analyses so that we can include sustainability features in the earliest stages of design. As our design checklist evolves, we will include design for climate resilience into our guidance to help mitigate future risk. In Aldar Investment, we are working to integrate sustainability into our investment criteria and due diligence processes, and we will include climate risks as part of these considerations. Finally, we periodically review and monitor legislation, which includes all legislation on climate and sustainability issues. This ongoing oversight enables us to manage risks associated with non-compliance and falling behind climate-related legislative requirements.

Metrics and Targets

This year, as part of our commitment to enhanced, transparent environmental reporting, we have reported certain Scope 3 GHG emissions for the first time (see page 74 for more detail). We report intensity metrics for energy, GHG emissions (using the GHG protocol methodology) and water consumption as intensity per million AED in revenue. For all our environmental reporting, please see pages 99-103.

Our environmental performance monitoring helps us to develop, activate and achieve our Carbon Neutral Action Plan. We have set ambitious public environmental targets in support of this, including achieving a 20% reduction in asset portfolio energy intensity and associated GHG emissions, and a 10% reduction in water intensity by 2025, against our 2019 baseline.

For Aldar Development, our developments target a 70% Estidama score, with a Pearl 1 or Pearl 2 building certification for all our assets. Since 2010, 87% of Aldar developments have attained a Pearl 1 and 13% a Pearl 2 rating. We are now exploring more ambitious, internationally recognised building certifications. We have also set ourselves a target of 80% of waste diverted from landfill on all our new development projects.

Stakeholder engagement

Our stakeholders



Our People

Customers

Subsidiaries

Banks & Lenders

Partners

Rating Agencies & Media

Shareholders & Investors

Suppliers & Contractors

Local Communities

Government & Regulators

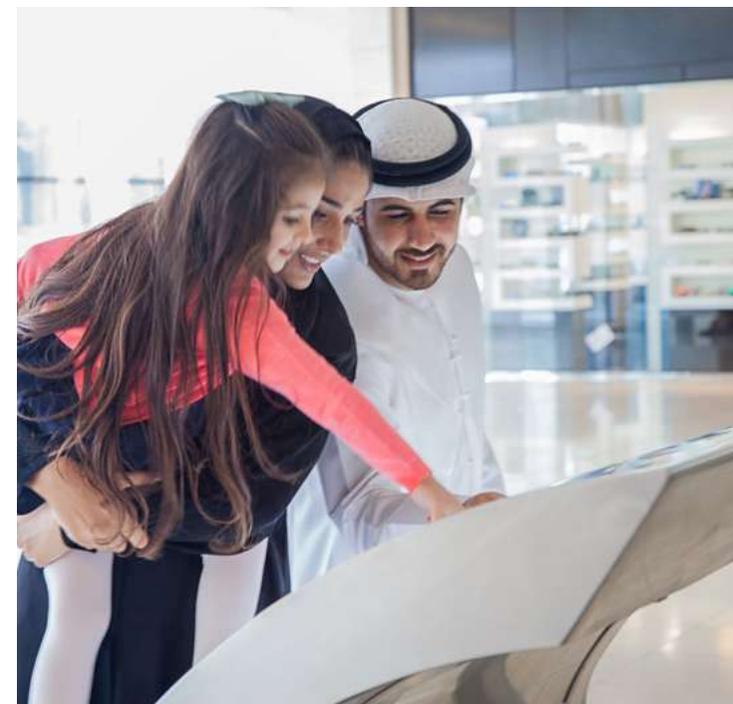
We recognise that regular, constructive dialogue with our stakeholders enables us to constantly improve our performance and give them the maximum level of satisfaction.

These interactions take place through numerous initiatives and channels including satisfaction surveys, workshops, joint ventures and collaboration with government authorities, as described throughout this report. Our stakeholders are also involved in the materiality analysis process as per the GRI Standards, and their feedback plays a vital role in shaping Aldar's strategic direction on the sustainability agenda.

Our stakeholders have been identified through a stakeholder prioritisation exercise, ranking them in terms of 'dependence' (importance of the relationship for the stakeholder), and 'influence' (importance of the relationship for Aldar).

Stakeholder engagement

Stakeholders	Engagement	Needs & Expectations
Customers	<ul style="list-style-type: none"> Customer portal and call centre Social media and WhatsApp groups Connect Community portal Circulars Quarterly newsletter Community surveys and events Site tours 	<ul style="list-style-type: none"> Quality of service, responsive and informative Compliance to contractual requirements Safe and healthy products Enhancing local amenities and communal areas Ethical business
Our People	<ul style="list-style-type: none"> Town hall meetings Surveys Focus groups Innovation challenges Youth Council Awards Whistleblower Policy 	<ul style="list-style-type: none"> Professional development Job security Safe work environment Recognition and reward Welfare facilities Ethical behaviour Non-discrimination and equal opportunities
Shareholders & Investors	<ul style="list-style-type: none"> Market disclosures Quarterly and yearly investor presentations Annual General Meeting Annual Governance and Sustainability Reports Roadshows One-to-one meetings 	<ul style="list-style-type: none"> Sustained profitability Responsible business growth Reputation Governance and risk management Compliance to regulatory requirements
Government Authorities	<ul style="list-style-type: none"> Site tours Annual General Meeting Representation on committees and boards of various authorities and industry bodies Annual Governance and Sustainability reports Conferences/forums Market disclosures= 	<ul style="list-style-type: none"> Aligning with national development plans and programmes Commitment to good citizenship Regulatory compliance Reputation
Communities	<ul style="list-style-type: none"> CSR activities Partnerships Sustainability Report Community surveys and events= 	<ul style="list-style-type: none"> Transparency and effective communication Raising awareness on sustainability issues Supporting social and cultural initiatives Sustainable communities



Stakeholder engagement

Stakeholders	Engagement	Needs & Expectations
Suppliers & Contractors	<ul style="list-style-type: none"> Tender and pre-award interviews and questionnaires Daily, weekly and monthly onsite meetings Environmental, safety, health and sustainability training sessions Annual forum 	<ul style="list-style-type: none"> Business continuity HSE /Legal compliances Safe work environment Supplier qualification Transparent procurement processes Timely payments
Partner organisations	<ul style="list-style-type: none"> Regular meetings on local topics Attendance/participation at workshops and events 	<ul style="list-style-type: none"> Sharing best practices Continuous and systematic dialogue and engagement
Aldar subsidiaries	<ul style="list-style-type: none"> Committee meetings Working groups Board meetings Sustainability Champion engagements 	<ul style="list-style-type: none"> Strategic clarity Efficient processes and communications Support growth and learning curve
Rating agencies & media	<ul style="list-style-type: none"> Frequent ranking reviews and addressing enquiries on ESG Frequent spokesperson interviews Market disclosures Sustainability, Annual and Governance reports 	<ul style="list-style-type: none"> Improved disclosures and transparency
Banks & lenders	<ul style="list-style-type: none"> Market disclosures Annual General Meeting Annual, Governance and Sustainability Reports One-to-one meetings 	<ul style="list-style-type: none"> On time payments Support responsible financings



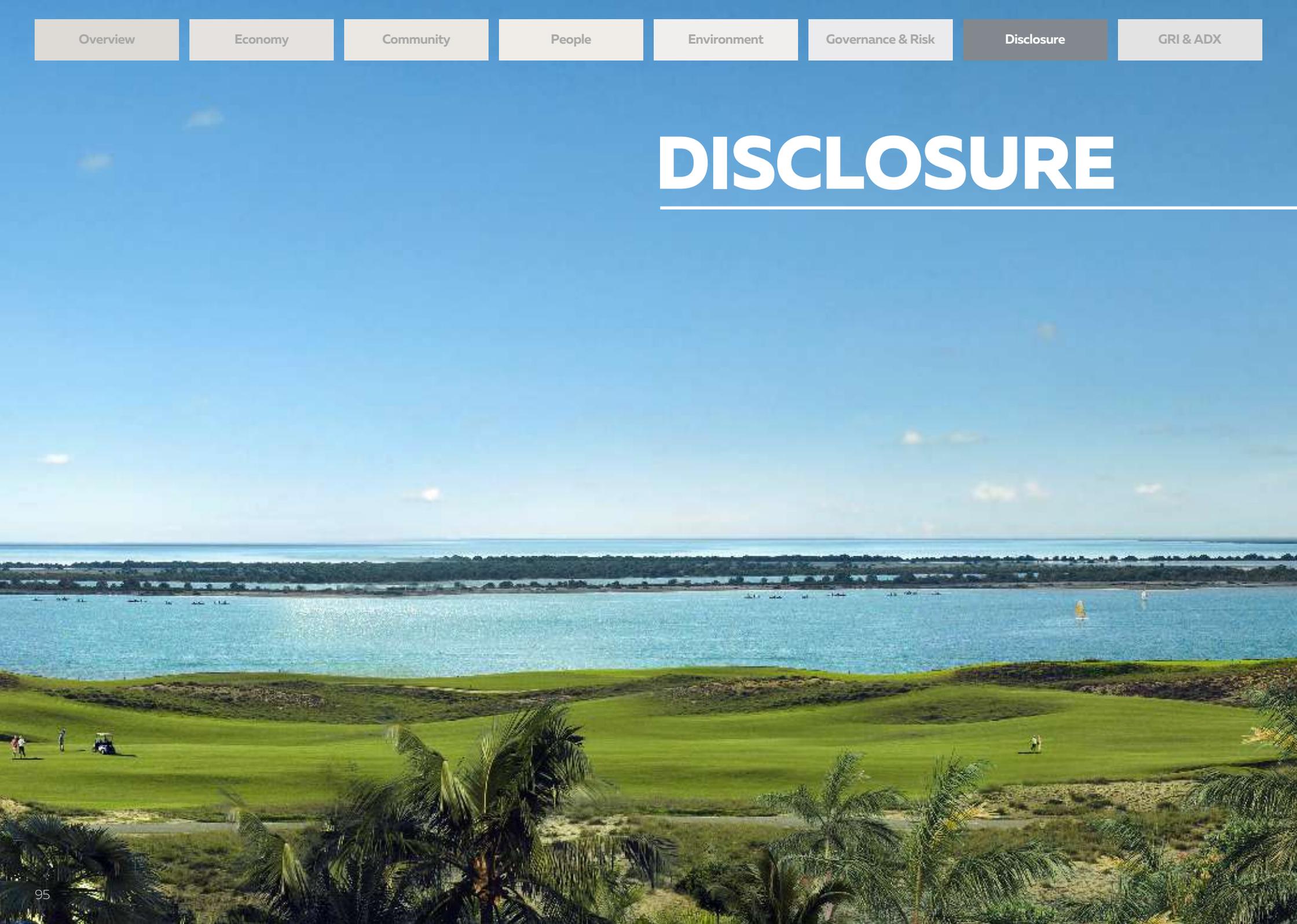
Understanding the regulatory requirements of all the countries where we operate is crucial for achieving the utmost compliance and exceeding the expectations of our stakeholders. As sustainability is increasingly integrated throughout our operations, it is our responsibility to be aware of our projects' potential impact on a social, environmental, and economic scale.

Fahad Al Mahmood

Sustainability Council Chair and Chief Ventures Officer, Aldar Development



DISCLOSURE



Assurance statement



Independent Limited Assurance Report

To the Management of Aldar Group

Conclusion

Based on the procedures performed, and evidence obtained, we are not aware of any material misstatements in the Assured Sustainability Information, as described below, which is prepared in accordance with GRI Standards and supplemented by the information in the reporting criteria on pages 119-121, as disclosed in the Aldar Group's ("Aldar") Sustainability Report 2020 for the year ending 31 December 2020.

Assured Sustainability Information

The Assured Sustainability Information comprised of the following selected performance areas:

Selected performance area	Pages
Energy consumption	74, 76, 99, 101
Scope 1, 2 and 3 greenhouse gas emissions	74, 77, 100
Lost time injury frequency rate (employees)	62, 63
Lost time injury frequency rate (contractors)	62, 63
Employee turnover rates	97, 98, 117
Average hours of training per employee	53
Percentage spending on local suppliers	25
Percentage customer satisfaction score	9, 21, 31

Criteria Used as the Basis of Reporting

The criteria used as the basis of reporting are the GRI Standards (Core level of disclosures) as published by the Global Reporting Initiative, supplemented with the information in the reporting criteria on pages 119 to 121 of Aldar's Sustainability Report 2020.

Basis of Conclusion

We conducted our work in accordance with *International Standard on Assurance Engagements ("ISAE") 3000 and 3410 Assurance Engagements other than Audits or Reviews of Historical Financial Information*. In gathering evidence for our conclusions our limited assurance procedures comprised:

- enquiries with relevant Aldar management and staff to understand Aldar's process for determining material issues;
- the process for developing the Selected Performance Areas within the Aldar Sustainability Report 2020;
- enquiries with relevant Aldar management and staff to understand the internal controls, governance structures and reporting processes for the Selected Performance Areas;
- analytical procedures over the Selected Performance Areas;
- walkthroughs of the Selected Performance Areas to source documentation;

- evaluating the appropriateness of the criteria with respect to the Selected Performance Areas;
- considering that the Selected Performance Areas have been reported in accordance with the GRI Standards and with the information in the reporting criteria on pages 119 to 121 of Aldar's Sustainability Report 2020.

In accordance with the ISAE 3000 and ISAE 3410 standard we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that the Assured Sustainability Information is free from material misstatements, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness;
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

How we Define Limited Assurance

Limited assurance consists primarily of enquiries and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent than for reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had reasonable assurance procedures been performed.

Use of this Assurance Report

This report has been prepared for the Management of Aldar. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Management of Aldar, or for any other purpose than that for which it has been prepared.

Management's Responsibility

Management are responsible for:

- determining that the criteria is appropriate to meet their needs;
- preparing and presenting the Selected Performance Areas in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the Selected Performance Areas that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a limited assurance engagement of the Assured Sustainability Information, and to issue an assurance report that includes our conclusion.

Our Independence and Quality Control

Our work was performed in compliance with the requirements of the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. We have complied with the applicable independence and other ethical requirements of the IESBA code.

KPMG Lower Gulf Limited
Dubai
8 July 2021

2020 performance

Workforce data

Workforce data

Headcount

	2018	2019	2020
Corporate			
Total Employees (Permanent)	376	389	357
% Female (Total Employees)	29.66%	31.07%	31.37%
Aldar Education			
Total Employees²¹	1,490	2,515	2,780
% Female (Total Employees)	78.26%	79.17%	77.41%
Provis and Khidmah			
Total Employees	3,042	3,338	3,918
% Female (Total Employees)²¹	16.90%	16.99%	18.71%
Hospitality and Leisure			
Total Employees	2,648	2,674	2,674
% Female (Total Employees)	20.28%	20.76%	20.76%

21 For Aldar Education, Provis and Khidmah the 2018 and 2019 figures were calculated using "Direct Hire" figures.

Gender balance

Status	Aldar Corporate			Aldar Education			Khidmah/Provis			Health and Leisure			All Staff Total
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Permanent	245	112	357	620	2,152	2,772	3,185	733	3,918	1,934	527	2,461	9,508
Temporary	0	0	0	0	8	8	0	0	0	185	28	213	221
Total	245	112	357	620	2,160	2,780	3,185	733	3,918	2,119	555	2,674	9,729

22 Data excludes adjacent business

Employee turnover and new hires

Year	Total number and rate of employee turnover, by gender		Total number and rate of employee turnover, by age			Total number and rate of new employee hires, by gender				Total number of new employee hires, by age group		
	Male	Female	Below 30	30 - 50	Above 50	Female		Male		Below 30	30 - 50	Above 50
						Total Number	Rate	Total Number	Rate			
2018	10.2%	3.7%	0.8%	9.9%	3.1%	36	39%	56	61%	8	75	9
2019	11.0%	8.6%	0.3%	11.0%	3.7%	21	30%	49	70%	8	59	3
2020	18.2%	7.0%	1.1%	20.4%	3.8%	21	34%	41	66%	5	53	4

23 Data excludes adjacent business

2020 performance

Workforce data

Parental leave

	Total number of employees that were entitled to parental leave, by gender		Total number of employees that took parental leave, by gender		Total number of employees that returned to work in the reporting period after parental leave ended, by gender		Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender		Return to work and retention rates of employees that took parental leave, by gender			
	Female	Male	Female	Male	Female	Male	Female	Male	Female		Male	
	Total Number	Total Number	Total Number	Total Number	Total Number	Total Number	Total Number	Total Number	Return to Work Retention Rate	Retention Rate	Return to Work Retention Rate	Retention Rate
2018	113	268	7	12	7	12	7	12	100%	100%	92%	100%
2019	128	284	6	14	6	14	6	14	100%	100%	100%	100%
2020	123	257	3	12	3	12	3	12	100%	100%	100%	100%

24 Data excludes adjacent business

Training

Year	Average hours of training that the organization's employees have undertaken during the reporting period, by gender		Average hours of training that the organization's employees have undertaken during the reporting period, by employee category			
	Female	Male	Senior management	Middle management	Junior management	Non-managerial Associates
2020	19.50	24.00	8.60	29.80	24.80	18.30

25 Data excludes adjacent business

2020 performance

Environmental performance

Environmental performance

Total absolute energy consumption²⁶

Business Units	Total energy consumption 2020 (MWh)
Residential and Small Retail	379,858.08
Commercial	79,824.20
Retail	266,980.01
Hospitality and Leisure	90,978.61
Education	63,474.51
Total Asset Management	881,115.41
Developments	68,975.87
Total	950,091.28

²⁶ Includes 88 assets out of 103 of our asset management portfolio and 12 development projects out of 16 for this reporting period. We have included 24 residential communities and 19 small retail stores within these communities, 6 Commercial assets, 9 Retail assets including malls, 12 Hospitality and Leisure assets and 18 Education assets. This indicator excludes tenant consumption and also 7 of our assets which are under tenant control. We also excluded 6 of our assets and 4 developments where we were not able to obtain consistent information for the reporting period.

Total energy reduction (Aldar Investment)²⁷

Business Units	Total energy consumption 2019 (MWh)	Total energy consumption 2020 (MWh)
Residential and Small Retail	427,143.31	333,233.63
Commercial	109,403.65	79,824.20
Retail	279,721.47	266,874.09
Hospitality and Leisure	110,222.85	90,978.61
Education	33,657.55	26,608.35
Total	960,148.83	797,518.88

²⁷ Like-for-like comparison of energy consumption for 68 assets where data is available for 2019 and 2020 out of 85 operational assets during 24 months.

2020 performance

Environmental performance

Total absolute GHG emissions²⁸

Business Units	Scope 1 2020 (tCO ₂ e)	Scope 2 2020 (tCO ₂ e)	Scope 3 2020 (tCO ₂ e)	Total
Residential and Small Retail	0.00	142,799.02	17,238.83	160,037.85
Commercial	5,818.27	24,848.33	9,244.27	39,910.87
Retail	6,930.03	77,408.28	5,826.81	90,165.12
Hospitality and Leisure	3,247.19	27,508.18	21,068.60	51,823.97
Education	0.00	33,019.44	6,385.02	39,404.46
Total Aldar Investment	15,995.48	305,583.25	59,763.54	381,342.27
Developments (construction process)	0	0	27,770.59	27,770.59
Developments (embodied emissions)	0	0	1,599,140.92	1,599,140.92
Total	15,995.48	305,583.25	1,686,675.05	2,008,254.78

²⁸ We report for Scope 1 and Scope 2 emissions on assets where Aldar has operational control. The GHG Emissions calculation of Scope 1 and Scope 2 includes 88 assets out of 103 of our asset management portfolio and 12 development projects out of 16 for this reporting period. Scope 1 calculation includes direct emissions from fuel consumptions and from refrigerant gasses as HCFC -22, HFC-134a, R404a, R407C, R410a where available. Scope 2 calculation includes emissions from electricity and cooling consumption where available. This year for the first time we calculated our Scope 3 emissions from certain categories, including: emissions from employee commuting (where data was available), materials used for our completed projects in the reporting period, emissions from transmissions and distribution of electricity supply, emissions from waste of our developments and assets under operational control and from 4 Hotels not under direct operational control. A comprehensive Scope 3 calculation is being considered for the future, at the moment there may be underestimation due to low data provision. Our main emissions within Scope 3 are from embodied emissions for two large projects completed in phases within the reporting year which represent 99% of all Scope 3 emissions from developments. For the calculation of GHG emissions, the IEA emission factors library was used as the main source and DEFRA Guidance was used as the secondary source for calculation of some emissions (such as from cooling), for calculation of emissions from refrigerants IPCC GWPs from DEFRA Guidance were used. For calculation of embodied emissions ICE factors (<https://ghgprotocol.org/Third-Party-Databases/Bath-ICE>) were used and for calculation of emissions from waste, DEFRA guidance was used.

Reduction in GHG emissions (Aldar Investment)²⁹

Business Units	Total emissions 2019 - Scope 1, 2 & 3 (tCO ₂ e)	Total emissions 2020 - Scope 1, 2 & 3 (tCO ₂ e)
Residential and Small Retail	151,779.85	127,048.24
Commercial	45,654.09	39,639.34
Retail	89,386.43	85,922.68
Hospitality and Leisure	38,506.13	31,495.47
Education	23,588.30	19,149.16
Total	375,983.79	340,447.84

²⁹ Like-for-like comparison of GHG Emissions where data available is for both years. We included 68 assets out of 85 assets which were operational during last 24 months. Reduction based on Scope 1, Scope 2 and Scope 3 emissions.

2020 performance

Environmental performance

Energy types

Energy type	MWh
Diesel	67,819.51
LPG	672.98
Petrol	535.25
NG	3,839.72
Electricity	411,427.31
Cooling	465,796.52
Total	950,091.29

2020 performance

Environmental performance

Total absolute water consumption³⁰

Business Units	Total water consumption 2020 (m ³)
Residential and Small Retail	1,858,704.53
Commercial	792.00
Retail	436,572.30
Hospitality and Leisure	377,960.00
Education	483,080.93
Total Aldar Investment	3,157,109.76
Developments	425,161.00
Total	3,582,270.76

³⁰ Includes 82 assets out of 103 of our asset management portfolio and 12 development out of 16 projects for this reporting period. We have included 23 residential communities and 19 small retail stores within these communities, 1 Commercial asset, 9 Retail assets including malls, 12 Hospitality and Leisure assets and 18 Education assets. This indicator excludes tenant consumption. We also excluded 6 of our assets and 4 developments where we were not able to obtain consistent information for the reporting period. We estimated data based on average consumption or based on historical data in few instances.

Reduction in water consumption (Aldar Investment)³¹

Business Units	Total Consumption 2019 (m ³)	Total Consumption 2020 (m ³)
Residential and Small Retail	1,666,589.47	1,630,614.99
Commercial	1,500.00	792
Retail	549,415.41	433,498.24
Hospitality and Leisure	482,467.36	377,960.00
Education	142,207.14	122,358.85
Total	2,842,179.38	2,565,224.08

³¹ Like-for-like comparison of GHG Emissions where data is available for both years. We included 62 assets out of 85 assets which were operational during last 24 months.

2020 performance

Environmental performance

Waste³²

Waste Category Business Units	Total Weight (tonnes)
General Waste	39,377.93
Paper	7,980.04
Plastics	798.73
Wood/Timber	8,129.16
Metals	2,207.53
Glass	19.03
Food Waste	2,512.73
Cardboard	1,869.61
Organic Matter	1,029.67
Oils	21.91
Concrete	42,856.71
Green Waste	829.79
Plasterboard	74.70
Insulation	242.12
Total	107,949.64

³² Includes 88 assets and 10 developments.

Materials³³

Materials	Total weight (tonnes)
Steel	97,349.29
Concrete	698,012,040.00
Glass	441,851.23
Mortar	29,827.23
Timber	11,389.12
Total	698,592,456.87

³³ We disclose 5 main materials used in our two development projects which were completed in phases during reporting period.



United Nations Global Compact Communication on Progress

Aldar has become a participant of the UN Global Compact (UNGC), the world's largest corporate sustainability initiative with more than 13,000 corporate participants in over 170 countries.

The UNGC is based on ten fundamental principles relating to human rights, labour, environment and anti-corruption. We are committed to these principles, which are integrated in the policies and processes of the organisation. This report serves as Aldar's Communication on Progress for the UNGC. The following table lists our compliance with the Ten Global Compact Principles, by making reference to the relevant chapters and GRI disclosures of the Sustainability Report.

The Ten Principles of the UN Global Compact	Reference on the Sustainability Report or Organization's Documents	GRI Standards disclosures
Human Rights		
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Chapter: People (already mentioned in the worker welfare part. Docs: Human Rights Policy, Sustainable Procurement Policy, Code of Conduct.	412-1 412-2
Principle 2: Businesses should make sure that they are not complicit in human rights abuses	Chapter: People Docs: Human Rights Policy, Sustainable Procurement Policy, Code of Conduct, Worker Welfare Policy	412-1 412-2
Labour		
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Full compliance with relevant federal and local legislation.	102-41
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour	Aldar prohibits the use of all forms of forced labour. Docs: Human Rights Policy, Sustainable Procurement Policy, Code of Conduct, Worker Welfare Policy	409-1
Principle 5: Businesses should uphold the effective abolition of child labour	Aldar does not engage in or condone the unlawful employment or exploitation of children. Docs: Human Rights Policy, Sustainable Procurement Policy, Code of Conduct, Worker Welfare Policy	408-1
Principle 6: Businesses should uphold the elimination of discrimination in respect to employment and occupation	Chapter: People Docs: Human Rights Policy, Code of Conduct, Whistleblower Policy, Worker Welfare Policy	406-1

United Nations Global Compact Communication on Progress

The Ten Principles of the UN Global Compact

Reference on the Sustainability Report or Organization's Documents

GRI Standards disclosures

Environment

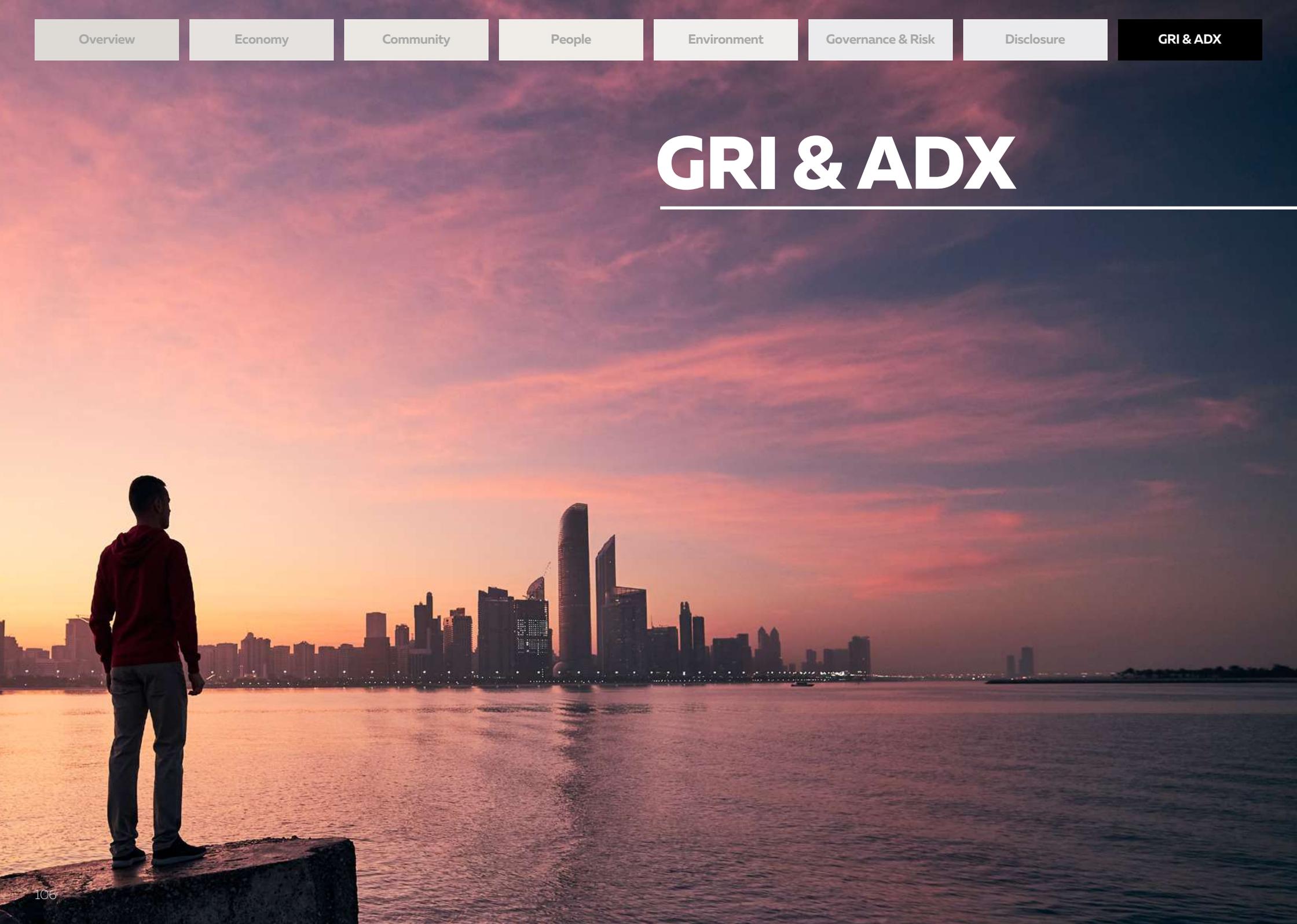
<p>Principle 7: Businesses should support a precautionary approach to environmental challenges</p>	<p>Chapter: Environment, Governance Docs: Environmental Policy, Sustainability Policy, Sustainable Procurement Policy</p>	102-11
<p>Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility</p>	<p>Chapter: Environment Docs: Environmental Policy, Sustainability Policy, Sustainable Procurement Policy</p>	All relevant environmental GRI disclosures
<p>Principle 9: Businesses should encourage the development and diffusion of environmentally</p>	<p>Chapter: Environment/Economy (Innovation) Docs: Environmental Policy, Sustainability Policy, Sustainable Procurement Policy</p>	Innovation

Anti-corruption

<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery</p>	<p>Chapter: Governance Docs: Fraud Policy, Governance Framework, Code of Conduct, Anti-money Laundering Policy</p>	205-3
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GRI & ADX



Global Reporting Initiative



For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.

The document has been prepared in accordance with GRI Standards: Core option. The GRI Standards is an internationally recognised sustainability reporting framework used widely for reporting on sustainability performance including economic, environmental and social impacts. The GRI Standards emphasise the importance of materiality in sustainability performance evaluation and reporting. An index of GRI disclosures is included on the following pages.



GRI Content Index

	Description	Page number(s) and/or direct answers	ADX
GRI 101: Foundation 2016			
General Disclosures			
GRI 102: General Disclosures 2016	Organisational Profile		
	102-1 Name of the organization	P122	
	102-2 Activities, brands, products, and services	P5-8	
	102-3 Location of headquarters	P122	
	102-4 Location of operations	P6	
	102-5 Ownership and legal form	AR P143	
	102-6 Markets served	P6-7	
	102-7 Scale of the organization	P97, AR 56, AR P84-85 Total Equity ³⁵ (2020): AED 25,701,685,000 Total Debt ³⁵ (2020): AED 8,005,161,000 35 Figures exclude payables and other non-interest bearing related liabilities.	
	102-8 Information on employees and other workers	P50, P97-98 Total number of employees is available only by gender. 357 people worked at Aldar Corporate. A further 9,372 people worked in our subsidiaries and adjacent businesses, 19% of whom were employed indirectly as contractors or consultants. On average across our different businesses, the Aldar family was made up of more than 61 nationalities.	S11. Nationalisation S5. Temporary Worker Ratio S4. Gender Diversity
	102-9 Supply chain	P27-28, P60 Aldar's supply chain is predominantly focused on real estate development including areas of corporate and asset management procurement.	G4. Supplier Code of Conduct
	102-10 Significant changes to the organization and its supply chain	P7, P27-28, AR 183-199	
	102-11 Precautionary Principle or approach	P88, P90, AR P86	
	102-12 External initiatives	UN SDGS Green Vision UAE 2021 Estidama Ghadan 2021 National Climate Change Plan of the United Arab Emirates 2017-2050 UAE Green Agenda	
	102-13 Membership of associations	TCFD, UNGC and Emirates Green Buildings Council.	

GRI Content Index

	Description	Page number(s) and/or direct answers	ADX
GRI 102: General Disclosures 2016 continued	Strategy		
	102-14 Statement from senior decision-maker	P3-4	
	102-15 Key impacts, risks, and opportunities	P88-91	
	Ethics and integrity		
	102-16 Values, principles, standards, and norms of behavior	P5, P44, P50, P58 P82-89	
	102-17 Mechanisms for advice and concerns about ethics	P85-87, AR P119	
	Governance		
	102-18 Governance structure	P85-87, AR P106-116	
	102-19 Delegating authority	P85-87, AR P98	
	102-20 Executive-level responsibility for economic, environmental, and social topics	Aldar has appointed a CFSO, who reports directly to the highest governance body.	E8 & E9. Environmental Oversight
	102-22 Composition of the highest governance body and its committees	AR P92-103	G2. Board Independence.
	102-23 Chair of the highest governance body	AR P92	G2. Board Independence.
	102-24 Nominating and selecting the highest governance body	AR P112	
	102-25 Conflicts of interest	AR P119	
	102-26 Role of highest governance body in setting purpose, values, and strategy	AR P98-100, AR P114, AR P80	E8 & E9. Environmental Oversight
	102-28 Evaluating the highest governance body's performance	P84-87, AR P110-112	
	102-29 Identifying and managing economic, environmental, and social impacts	P88-91	
	102-30 Effectiveness of risk management processes	Economic, environmental, and social topics are covered by the ERM framework and as such, effectiveness is reviewed by the Audit Committee.	
	102-35 Remuneration policies	AR P104-105, AR P107, AR P112	
	102-36 Process for determining remuneration	AR P104-105, AR P112-113	
	Stakeholder engagement		
	102-40 List of stakeholder groups	P92-94	
	102-41 Collective bargaining agreements	Aldar is committed to upholding all local laws and legislation. While the UAE is a signatory of 6 of the 8 ILO fundamental conventions, the country has not yet ratified ones relating to collective bargaining and freedom of association. Aldar has in place a robust grievances reporting mechanism for its employees and has begun to expand this mechanism to its supply chain. Grievances can be reported by one staff member or employee in the supply chain on behalf of others whom the issue also affects.	

GRI Content Index

	Description	Page number(s) and/or direct answers	ADX
GRI 102: General Disclosures 2016 continued	102-42 Identifying and selecting stakeholders	P92-94	
	102-43 Approach to stakeholder engagement	P92-94	
	102-44 Key topics and concerns raised	P92-94	
	Reporting practice		
	102-45 Entities included in the consolidated financial statements	AR P8	
	102-46 Defining report content and topic boundaries	P119-121	G8. Disclosure Practices
	102-47 List of material topics	P15	
	102-48 Restatements of information	No restatements.	
	102-49 Changes in reporting	No changes in reporting.	
	102-50 Reporting period	P121	G7. Sustainability Reporting
	102-51 Date of most recent report	2019	
	102-52 Reporting cycle	Annual	
	102-53 Contact point for questions regarding the report	P122	
	102-54 Claims of reporting in accordance with the GRI Standards	P2	
	102-55 GRI content index	P108-116	
	102-56 External assurance	P96	G.9 External Assurance.

Material Topics

Economic

GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	P15, P21-27 (Material Topic), P119-121 (Boundaries & Limitations)	
	103-2 The management approach and its components	P21-38, AR P42-47	
	103-3 Evaluation of the management approach	P27-37	

Economic Performance

GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	AR P137-142	
	201-2 Financial implications and other risks and opportunities due to climate change	P89-91	E10. Climate Risk Mitigation
	201-4 Financial assistance received from government	AR P122, AR P163	
		No financial assistance was received from the government.	

GRI Content Index

	Description	Page number(s) and/or direct answers	ADX
Market Presence			
GRI 202	202-2 Proportion of senior management hired from the local community	P58	S11. Nationalisation
Indirect Economic Impacts			
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	a) P9, P21-38 b) P9, P16-18, P21-38	
Procurement Practices			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	During 2020, we have awarded 98.5% of contracts to certified ICV suppliers, out of which 39% reinvested in the country through the ICV programme. P25.	
Anti-Corruption			
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	No cases of corruption-related incidents were detected in 2020.	G5. Ethics & Prevention of Corruption.
Operational Excellence & Resilience			
Non GRI disclosure	Average occupancy of assets	88%	
	Weighted Schedule Performance Index	91.3%	
Innovation			
Non GRI disclosure	Employee innovation ideas submitted	50 (2018), 100 (2019), 170 (2020)	
	Ideas implemented	4 (2019), 4 (2020)	
	New partnerships related to disruptive technologies	4 (2019), 5 (2020)	
Digital Transformation			
Non GRI disclosure	Number of transformational initiatives delivered to enhance customer centricity	7	
	Number of transformational initiatives delivered to improve operational excellence	7	
	Number of transformational initiatives delivered to improve Growth and Expansion	8	

GRI Content Index

	Description	Page number(s) and/or direct answers	ADX
Environmental			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	P15, P67-82 (Material Topic) P99-102, P119-121 (Boundaries and Limitations)	E7. Environmental Operations.
	103-2 The management approach and its components	P66-88, P99-102, AR P42-47	
	103-3 Evaluation of the management approach	P88-91	
Materials			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	P103	
Energy			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	P74-76, P99-100	E3. Energy Usage
	302-2 Energy consumption outside of the organization	P74-76, P99-100	E5. Energy Mix
	302-3 Energy intensity	P76 400 MWh/mAED. Energy consumption outside of organisation was not included for calculation of this indicator. This indicator includes consumption of fuels (diesel, natural gas, lpg, petrol), electricity and cooling wherever available.	E4. Energy Intensity
	302-4 Reduction of energy consumption	P76	E3. Energy Usage
Water and Effluents			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	P78-79, P91, P119-121	E6. Water Usage
	303-2 Management of water discharge-related impacts	P78-79	
	303-5 Water consumption	P78-79, P91, P102	
Biodiversity			
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	P82	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	P82	

GRI Content Index

	Description	Page number(s) and/or direct answers	ADX
Emissions			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	P74-77, P91, P100, P119-121	E1. GHG emissions
	305-2 Energy indirect (Scope 2) GHG emissions	P74-77, P91, P100, P119-121	
	305-3 Other indirect (Scope 3) GHG emissions	P72, P74-77, P100, P119-121	
	305-4 GHG emissions intensity	P74-77, P91, P100, P119-121	E2. Emissions Intensity
		Emissions intensity of operational portfolio: 146 tCo ₂ e/mAED. The indicator includes Scope 1 and Scope 2 emissions for Asset Management Portfolio. To the calculation of emissions was also included emissions from refrigerant gasses.	
	305-5 Reduction of GHG emissions	P74-77, P91, P100, P119-121	
Waste			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	P80-81, P103, P119-121	
	306-2 Management of significant waste-related impacts	P80-81	
	306-3 Waste generated	P80, P103, P121	
Environmental Compliance			
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	Aldar did not receive any penalties for non-compliance with respect to environmental laws and regulations in 2020.	
Supplier Environmental Assessment			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	100% of suppliers are screened on sustainability criteria, including environmental and social criteria.	
Sustainable and Healthy Buildings			
Non GRI disclosure	Percentage of 1 Pearl-rated developments	87%	
Social			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	P15, P49 (Material Topic) P50, P62-64, P119-121 (Boundaries and Limitations)	
	103-2 The management approach and its components	P48-65	
	103-3 Evaluation of the management approach	P48-65	

GRI Content Index

	Description	Page number(s) and/or direct answers	ADX
Employment			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover*	P97	S3. Employee Turnover
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	P52 (benefits provided to full-time employees)	
	401-3 Parental leave	P98	
Labor/Management Relations			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Min of 4 weeks, up to 8 weeks.	
Occupational health & safety			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	P61-65	S8. Global Health & Safety
	403-2 Hazard identification, risk assessment, & incident investigation	P61-65	
	403-3 Occupational health services	P61-64	
	403-4 Worker participation, consultation, and communication on occupational health and safety	P62	
	403-5 Worker training on occupational health and safety	P62 (Development Management Only)	
	403-6 Promotion of worker health	P61-65	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P61-65	
	403-8 Workers covered by an occupational health and safety management system	P61-65	
	403-9 Work-related injuries	Corporate Fatalities: 3 (2019), 0 (2020) Work Related Injuries: 0 (2020).	S7. Injury Rate
	403-10 Work-related ill health	No recorded work-related ill health incidents.	
Training and Education			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	P53, P98	
	404-2 Programs for upgrading employee skills and transition assistance programs	a) P53-54 b) P52	
	404-3 Percentage of employees receiving regular performance and career development reviews	100% (Data excludes adjacent businesses)	

GRI Content Index

	Description	Page number(s) and/or direct answers	ADX
Diversity and Equal Opportunity			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	P56-57	
	405-2 Ratio of basic salary and remuneration of women to men	Senior Management: 4:3 Middle Management: 1:1 Support: 1:1	S2. Gender Pay Ratio
Non-discrimination			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Aldar did not face any legal action or any recorded incident in relation to discrimination within the organisation in 2020	S6. Non- Discrimination
Child Labor			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	By virtue of operating in the UAE, and our suppliers relying on migrant workers or employees this is not a significant concern for Aldar. This is primarily due to the stringent controls imposed by the government on the issuance of employment visas to anyone below the age of 18. Nonetheless child labour is included as part of our Worker Welfare Policy principles.	S9. Child & Forced Labor
Forced or Compulsory Labor			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Aldar's worker welfare policies specify that we do not accept any form of forced labour. It is classified as a critical requirement. We have yet to receive any report of forced labour from our supply chain, nor have we identified it through any of our monitoring activities	S9. Child & Forced Labor
Human Rights Assessment			
GRI 412: Human Rights Assessment 2016	412-2 Employee training on human rights policies or procedures	We currently do not have trainings on human rights explicitly, but we do provide trainings to ALL employees for diversity and inclusion, and code of conduct which include some elements of human rights such as discrimination and harassment	S10. Human Rights
Local Communities			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	P23, P25-26, P33, P35, P38	S12. Community Investment.

GRI Content Index

	Description	Page number(s) and/or direct answers	ADX
Supplier Social Assessment			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	100% of suppliers are screened on sustainability criteria, including environmental and social criteria.	
	414-2 Negative social impacts in the supply chain and actions taken	During these exercises, the negative social impacts identified in the supply chain included a lack of policies detailing the prohibition of forced and child labour, lack of evidence demonstrating the provision of medical insurance and policies that do not respect workers' rights to retain their own passports.	
Customer Health and Safety			
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services.	
Marketing and Labeling			
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	No incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labelling.	
	417-3 Incidents of non-compliance concerning marketing communications	No incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship.	
Socioeconomic Compliance			
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Aldar did not suffer any legal action or fine for non-compliance with social and economic laws or regulations in 2020.	
Community Wellbeing & Inclusion			
Non GRI disclosure	Community events	12 major events conducted in 2020.	

Abu Dhabi Securities Exchange

Abu Dhabi Securities Exchange (ADX)

Category	Metric	Reference																													
Environmental	E1. GHG Emissions	P74-77, P100																													
	E2. Emissions Intensity	P74-77, P91, P100 Emissions intensity of operational portfolio: 146 tCO ₂ e/mAED. The indicator includes Scope 1 and Scope 2 emissions for Asset Management Portfolio. To the calculation of emissions was also included emissions from refrigerant gases.																													
	E3. Energy Usage	P74-76, P99-100																													
	E4. Energy Intensity	P76 400 MWh/mAED. Energy consumption outside of organisation was not included for calculation of this indicator. This indicator includes consumption of fuels (diesel, natural gas, lpg, petrol), electricity and cooling wherever available.																													
	E5. Energy Mix	P101																													
	E6. Water Usage	P78-79, P102																													
	E7. Environmental Operations	P68, P84-85																													
	E8. Environmental Oversight	P68-72, P84-85																													
	E9. Environmental Oversight	P68-72																													
	E10. Climate Risk Mitigation	P89-92																													
Social	S1. CEO Pay Ratio	Data collection in progress																													
	S2. Gender Pay Ratio	Senior Management: 4:3 Middle Management: 1:1 Support: 1:1																													
	S3. Employee Turnover	<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Rate of employee turnover during the reporting period, by gender</th> <th colspan="3">Rate of employee turnover during the reporting period, by Age</th> </tr> <tr> <th>Male</th> <th>Female</th> <th>Below 30</th> <th>30 -50</th> <th>Above 50</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>10.2%</td> <td>3.7%</td> <td>0.8%</td> <td>9.9%</td> <td>3.1%</td> </tr> <tr> <td>2019</td> <td>11.0%</td> <td>8.6%</td> <td>0.3%</td> <td>11.0%</td> <td>3.7%</td> </tr> <tr> <td>2020</td> <td>18.2%</td> <td>7.0%</td> <td>11%</td> <td>20.4%</td> <td>3.8%</td> </tr> </tbody> </table>		Rate of employee turnover during the reporting period, by gender		Rate of employee turnover during the reporting period, by Age			Male	Female	Below 30	30 -50	Above 50	2018	10.2%	3.7%	0.8%	9.9%	3.1%	2019	11.0%	8.6%	0.3%	11.0%	3.7%	2020	18.2%	7.0%	11%	20.4%	3.8%
		Rate of employee turnover during the reporting period, by gender		Rate of employee turnover during the reporting period, by Age																											
		Male	Female	Below 30	30 -50	Above 50																									
	2018	10.2%	3.7%	0.8%	9.9%	3.1%																									
	2019	11.0%	8.6%	0.3%	11.0%	3.7%																									
	2020	18.2%	7.0%	11%	20.4%	3.8%																									
S4. Gender Diversity	P50, P57, P97-98																														
S5. Temporary Worker Ratio	0% (Excludes adjacent businesses)																														
S6. Non-Discrimination	Aldar did not face any legal action or any recorded incident in relation to discrimination within the organisation in 2020																														
S7. Injury Rate	P63, P65																														
S8. Global Health & Safety	P60-65																														

* Data excludes adjacent businesses

Abu Dhabi Securities Exchange

Category	Metric	Reference
Social continued	S9. Child & Forced Labor	By virtue of operating in the UAE, and our suppliers relying on migrant workers or employees this is not a significant concern for Aldar. This is primarily due to the stringent controls imposed by the government on the issuance of employment visas to anyone below the age of 18. Nonetheless child labour is included as part of our worker welfare policy principles. Aldar's worker welfare policies specify that we do not accept any form of forced labour. It is classified as a critical requirement. We have yet to receive any report of forced labour from our supply chain, nor have we identified it through any of our monitoring activities.
	S10. Human Rights	P59-60, P104
	S11. Nationalisation	P26, P58
	S12. Community Investment	P39-47
Governance	G1. Board Diversity	P57
	G2. Board Independence	P84-85
	G3. Incentivized Pay	Data collection in progress
	G4. Supplier Code of Conduct	P27-28, P59-60
	G5. Ethics & Prevention of Corruption	No cases of corruption-related incidents were detected in 2020.
	G6. Data Privacy	See: https://www.aldar.com/en/Privacy-Policy
	G7. Sustainability Reporting	Aldar publishes an annual sustainability report
	G8. Disclosure Practices	P2, P16-18
	G9. External Assurance	P96

Reporting criteria

Stakeholder inclusiveness

This report draws upon the outcomes of regular, constructive dialogue with key stakeholder groups. This dialogue informed the selection of topics in our materiality exercise. More information on engagement with stakeholders is available on page 92.

Sustainability context

Sustainability is an intrinsic part of our business strategy and it is important we demonstrate our approach and performance is aligned with local needs and international trends. Aldar is aligned with the national Vision 2021 and 2030 plans by supporting initiatives such as Ghadan 21, the national Climate Change Plan and the UAE Green Agenda. At a global level we have aligned our approach with eight of the Sustainable Development Goals that are most relevant for our business. For more information on the integration of our sustainability and business strategy, including how economic, environmental and social topics relate to our long-term strategy see page 14.

Materiality

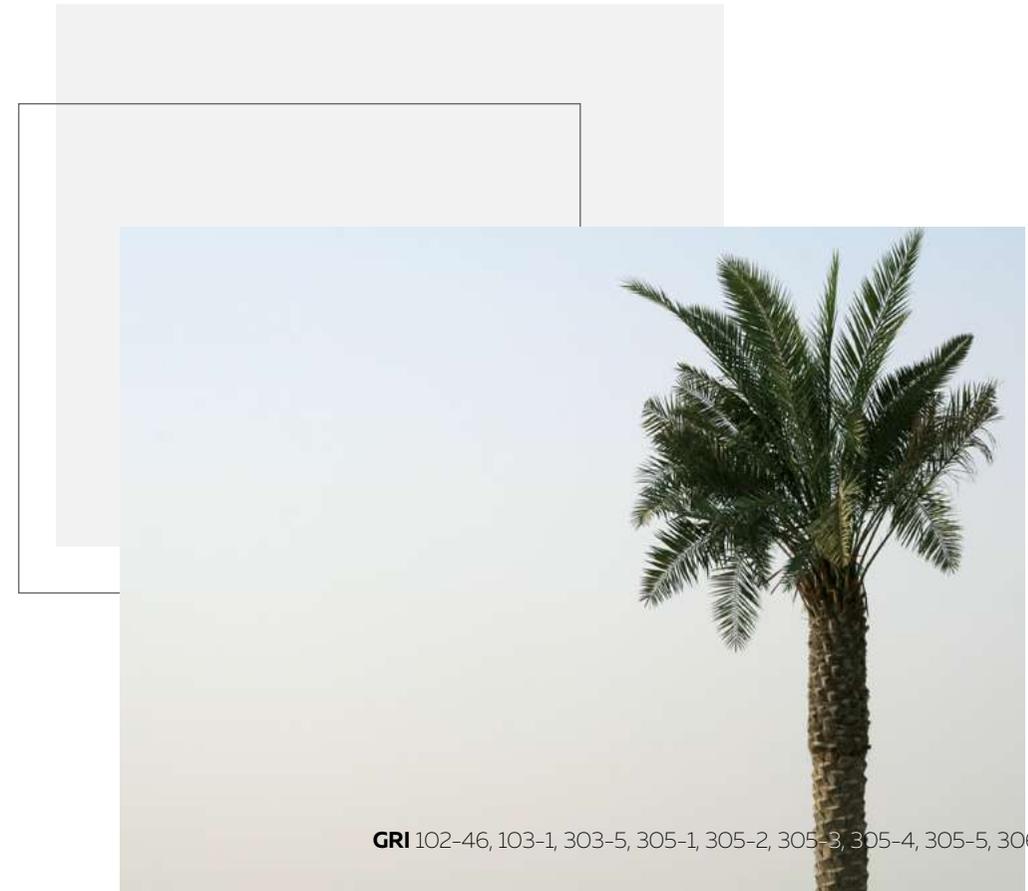
In line with GRI Standards we have undertaken in 2019 a materiality assessment across our business to understand the key issues that are important to our stakeholders and which could impact business performance. In 2020 we have undertaken a materiality review based on internal stakeholders input and new business priorities, the results of which have been validated by Aldar's CEO, our Executive

Management Committee and Sustainability Council. For more information on materiality see page 15.

Completeness and boundaries

This report includes quantitative and qualitative data that we have collated across Aldar using relevant regulatory guidelines. Assurance over the metrics below has been completed: GHG Emissions, Energy Usage, Work related injuries (LTIFR), Employee turnover, Average hours of training per employee, % spent on local suppliers and customer satisfaction. Final findings are presented in the published Aldar Sustainability Report 2020. The boundaries of our reporting cover, unless otherwise stated, Aldar's operational scope, which comprises of: 14 active development projects (materially in construction) and a maximum total scope of 90 assets (out of 103) across Retail, Residential, Commercial and Hospitality, Education and Leisure portfolios. The scope of each individual indicator varies depending on data availability and the exact scope for each indicator is noted in foot notes in the main body of the report. Going forward, we aim to expand our data coverage to include additional assets that are mainly fully tenanted. This report covers Aldar's corporate sustainability activities during 2020 and, due to its materiality some activities in the early part of 2021. All data relates to the calendar year 2020, unless stated otherwise. Prior period errors are omissions or misstatements to one or more prior periods arising from a failure to use (or misuse of) information that

was available when the information was being compiled and that could reasonably have been expected to have been taken into account. Prior period errors are considered material if they exceed 5% for the specific scope. Material prior-period errors are corrected retrospectively by correcting the comparative amounts and are clearly disclosed in the relevant area for transparency.



Reporting criteria



Energy and Emissions

• Absolute Energy Consumption

This indicator includes 88 assets out of 103 of our asset management portfolio and 12 development projects out of 16 for this reporting period. We have included 24 residential communities and 19 small retail stores within these communities, 6 Commercial assets, 9 Retail assets including malls, 12 Hospitality and Leisure assets and 18 Education assets. This indicator excludes tenant consumption and also 7 of our assets which are under tenant control. We also excluded 6 of our assets and 4 developments where we were not able to obtain consistent information for the reporting period. The calculation of this indicator includes Scope 1 and 2 fuel consumption, consumption of electricity, consumption of cooling energy, consumption of LPG and consumption of Natural Gas for the asset management portfolio, along with energy associated with Scope 3 for the development projects. Where data was not available, we considered it as not applicable. All calculations were based on site-specific activity data collected by Aldar. The majority of our environmental data

comes from third party sources and we have made every effort to capture the activity data as accurately as possible. However, in some cases, it was neither possible nor practical to do so, and we have therefore estimated the consumption data based on our previous consumption, the financial cost of the energy consumed. In order to ensure a consistent approach in estimating data, we implemented a hierarchy of data sources. Where estimates are updated or improved to reflect new, more reliable, or more accurate information or assumptions, this may be reflected in the previous reporting years to ensure accuracy of comparative reporting.

• Like-for-Like Energy Consumption

Like-for-like comparison of energy consumption for 68 assets where data is available for 2019 and 2020, out of 85 operational assets during the last 24 months.

• GHG Emissions

We report for Scope 1 and Scope 2 emissions on assets where Aldar has operational control. The GHG Emissions calculation of Scope 1 and Scope 2 includes 88 assets out of 103 of our asset management portfolio and 12 development projects out of 16 for this reporting period. Scope 1 calculation

includes direct emissions from fuel consumptions and from refrigerant gasses as HCFC -22, HFC-134a, R404a, R407C, R410a where available. Scope 2 calculation includes emissions from electricity and cooling consumption where available. This year for the first time we calculated our Scope 3 emissions from certain categories, including: emissions from employee commuting (where data was available), materials used for our completed projects in the reporting period, emissions from transmissions and distribution of electricity supply, emissions from energy consumption of our developments and from 4 Hotels not under direct operational control and emissions from waste. A comprehensive Scope 3 calculation is being considered for the future, at the moment there may be underestimation due to low data provision. Our main emissions within Scope 3 are from embodied emissions for two large projects completed in phases within the reporting year which represent 99% of all Scope 3 emissions from developments. For the calculation of GHG emissions, the IEA emission factors library was used as the main source and DEFRA Guidance was used as the secondary source for calculation of some emissions (such as from cooling), for calculation of emissions from refrigerants

IPCC GWPs from DEFRA Guidance were used.

For calculation of embodied emissions ICE factors (<https://ghgprotocol.org/Third-Party-Databases/Bath-ICE>) were used and for calculation of emissions from waste, DEFRA guidance was used.

• Like-for-like GHG Emissions

Like-for-like comparison of GHG emissions is based on data available for both years. We included 68 assets out of 85 assets which were operational during the last 24 months. Reduction based on Scope 1, Scope 2 and Scope 3 emissions.

• Energy Intensity

Energy intensity is calculated as the ratio of energy consumption (MWh) divided by Revenue (mAED). The indicator includes 88 assets of the Aldar Investment portfolio. We have included 24 residential communities and 19 small retail stores within these communities, 6 commercial assets, 9 retail assets including malls, 12 hospitality and leisure assets and 18 education assets. Energy consumption outside the organisation was not included. This indicator includes consumption of fuels (diesel, natural gas, lpg, petrol), electricity and cooling wherever available.

Reporting criteria



Water

• Absolute Water Consumption

Includes 82 assets out of 103 of our asset management portfolio and 12 development out of 16 projects for this reporting period. We have included 23 residential communities and 19 small retail stores within these communities, 1 commercial asset, 9 retail assets including malls, 12 hospitality and leisure assets and 18 education assets. This indicator excludes tenant consumption. We also excluded 14 of our assets and 4 developments where we were not able to obtain consistent information for the reporting period. We estimated data based on average consumption or based on historical data in a few instances where data was not covered for the whole period.

• Like-for-Like Water Consumption

Like-for-like comparison of GHG emissions where data is available for both years. We included 62 assets out of 85 assets which were operational during the last 24 months.



Waste

• Waste Generated

Includes 88 assets and 10 developments.

Accuracy & reliability

Data assumptions are set out in footnotes and on relevant pages. The data in this report is in the process of being externally assured (at a limited level of assurance) by an independent third party and the results of this process will be published separately.

Balance & comparability

Previous years' trend data is presented alongside current year data for comparison where available. Emphasis on reporting topics has been informed by the group-wide materiality exercise.

This report has been prepared in accordance with the GRI Standards: Core option, the world's most widely used standards on sustainability reporting and disclosure and the content index is in the process of being checked by GRI for alignment with their standards.

Our report is also aligned with the GRI Standards, ADX, United Nations Global Compact, United Nations Sustainable Development Goals and the Task Force on Climate-Related Financial Disclosures.

Clarity

The report is designed to be easy to use and navigate with hyperlinked navigation and cross-references. The report can be downloaded at www.aldar.com.

Timeliness

The information presented in this Sustainability Report was developed to reflect our performance from 1 January to 31 December 2020 in line with our Annual Report and Consolidated Financial Statements covering the same period. Aldar is committed to report on its sustainability performance annually.



Join the conversation
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www.aldar.com conversation

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including Aldar Academies Provis & Khidmah
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