



ALDAR SIGNS AGREEMENT WITH HSBC TO BECOME THE FIRST MENA REAL ESTATE COMPANY TO SECURE SUSTAINABILITY-LINKED LOAN

- **AED 300 million five-year loan linked to sustainability performance targets**
- **Interest margin will be adjusted annually in line with targets on energy and water intensity, waste recycling and worker welfare**

Abu Dhabi, UAE – 4 July 2021: Aldar Properties has signed a AED300 million facility with HSBC that links the interest margin payable under the facility to achievement of sustainability targets. The agreement sees Aldar become the first real estate company in the Middle East and North Africa (MENA) region to enter into this type of financing.

The innovative five-year term sustainability-linked loan includes a mechanism to adjust Aldar's interest margin annually in line with achievement of targets on energy and water intensity, waste recycling and worker welfare. These targets, which are aligned with Aldar's sustainability strategy, were identified to be material to both Aldar and the wider real estate sector. As part of the agreement, Aldar has also committed to investing a fixed amount in one or more qualifying environmental, social and governance (ESG) projects if it does not reach agreed annual targets.

The transaction is structured in alignment with the Sustainability-Linked Loan Principles (SLLP) published by the Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA), and Loan Syndications & Trading Association (LSTA). The loan will be used for general corporate purposes, including the roll-out of ESG initiatives across the group.

Greg Fewer, Group Chief Financial and Sustainability Officer at Aldar, said: "Aldar is deeply committed to its sustainability strategy. Adopting and embedding sustainability into everything we do ensures that our business is future-proof and best positioned for long term sustainable value creation. We're proud to be issuing our first sustainability linked loan that reflects how integrated sustainability is within our operations and in particular our best in class treasury function.

"Our financial stakeholders are increasingly factoring sustainability assessments into their portfolio strategies. At Aldar, we believe this shift in capital allocation is a positive force that creates a powerful incentive for companies to up their sustainability game to benefit from these capital flows. As a leader in our market Aldar is ideally positioned to benefit from this trend."

Mohammed Al Marzouqi, Head of Global Banking, HSBC UAE, said: "The real estate sector plays an important role in helping the world tackle climate change, considering up to 70% of emissions in a large city are related to its buildings. By securing the first LMA Sustainability Linked Loan Principles compliant



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facility in the real estate sector in the MENA region, Aldar not only demonstrates its commitment to addressing these relevant ESG issues in the sector, but also sets an important precedent in the region. This transaction also highlights the strength of our partnership with Aldar as we work together towards building a more sustainable and prosperous future for the UAE.”

Last year, Aldar launched a sustainability strategy that focuses on improving the way it does business and ensures that the company has a positive impact on the economy, environment, people and the communities in which it operates. The strategy is aligned to both national and international sustainability frameworks, including Vision 2021, Ghadan 21, the National Climate Change Plan, UAE Green Agenda and UN Sustainable Development Goals.

Aldar’s key sustainability commitments for 2021 include the introduction of a Sustainability Data Management System (SDMS) to enhance the availability and quality of sustainability data across the business. The company is also a supporter of the Task Force on Climate-related Financial Disclosures (TCFD). In its 2020 sustainability report, Aldar will publish its first response in line with TCFD’s recommendations for best practice climate risk disclosures. In addition, Aldar is prioritizing the development of an Energy Efficiency Plan to significantly reduce energy consumption across 87 assets as well as a new Waste Management Plan.

For further information on Aldar’s ESG strategy and its sustainability report, please visit: aldar.com/en/sustainability

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About Aldar

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

Aldar Development is a master developer of integrated, liveable, and thriving communities across Abu Dhabi’s most desirable destinations, including Yas Island, Saadiyat Island, Al Raha, and Reem Island. It is responsible for developing Aldar’s c. 65 million sqm land bank and includes three businesses: Aldar Projects, which manages Aldar’s fee-based development management business, including AED 45 billion of government housing and infrastructure projects; Aldar Ventures, which incubates and nurtures new



business opportunities and innovation areas; and Aldar Egypt, the platform focused on developing mixed-use communities in Egypt.

Aldar Investment houses Aldar's core asset management business comprising an AED 16 billion portfolio of investment grade and income-generating real estate assets diversified across retail, residential and commercial segments. It also manages three core platforms: Aldar Education, Aldar Estates and Aldar Hospitality and Leisure. Aldar Education includes Aldar's entire educational portfolio, including Aldar Academies, the leading education group in Abu Dhabi, with 20 schools, over 24,000 students and a growing network of 3,000 educators from over 100 nationalities, offering a wide range of curriculum and ancillary services such as a Teacher Training Academy.

Aldar Estates consolidates Aldar's Retail Operations alongside existing Residential and Commercial real estate operations within Provis and will further include Community Management under one integrated property management platform. Aldar Hospitality and Leisure looks after Aldar's portfolio of hotel and leisure assets, which are anchored around Yas Island and Saadiyat. It includes Aldar's portfolio of 10 hotels, comprising over 2,900 hotel keys and managing operations across golf courses, beach clubs and marinas.

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

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

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

