



ALDAR INVESTMENT PROPERTIES ISSUES USD 500 MILLION 10-YEAR INAUGURAL GREEN SUKUK

- **Issued by Aldar Investment Properties, an Aldar-owned entity, the Reg S green sukuk carries a coupon of 4.875%, with the transaction four times oversubscribed**
- **Proceeds of the sukuk will be used in accordance with Aldar’s Green Finance Framework to finance green initiatives and acquisitions**
- **First issuance under Aldar’s new USD 2 billion corporate sukuk programme**

Abu Dhabi, 18 May 2022: Aldar Investment Properties (AIP), the largest real estate management company in Abu Dhabi and subsidiary of Aldar Properties PJSC (Aldar), has successfully raised USD 500 million through an inaugural green sukuk.

The 10-year sukuk was priced with a 4.875% coupon rate and is amongst the highest price tightening of any corporate issuance in 2023. The effective funding cost for AIP will be significantly lower due to a successful pre-hedging strategy implemented in 2021 and 2022 when long term rates were materially lower. As a result, the forward starting swaps secured will reduce the issuance’s effective rate to 3.85%. Following a global investor roadshow, the issuance was four times oversubscribed, attracting a range of local, regional, and international investors that placed total orders of over USD 2.3 billion.

The issuance forms part of a USD 2 billion financing programme by AIP to support its growth agenda and sustainability commitments, in line with the goals of the Paris Agreement, the UAE Net Zero by 2050 Strategic Initiative and Aldar’s plan to be a net zero carbon business by 2050. The sukuk proceeds will be deployed in accordance with Aldar’s Green Finance Framework, which governs investment in sustainable projects such as green buildings, property upgrades to enhance energy efficiency, sustainable water management, pollution control measures, and renewable energy sources.

Faisal Falaknaz, Acting Chief Financial and Sustainability Officer at Aldar Properties, commented: “This issuance marks Aldar’s return to international capital markets for the first time since 2019 and is the first corporate benchmark sized sukuk issued from Abu Dhabi since 2020. It is also Aldar’s inaugural green issuance, and the robust investor demand reflects the confidence in Aldar’s approach to ESG and the business model that will deliver on our net zero commitments.

“As a leading integrated real estate developer, investor, and manager, Aldar has a clear responsibility and opportunity to align fully with the UAE’s net zero ambitions. We are already investing significantly in energy efficiency across our property portfolio. Our green financing initiatives will now allow us to step up our climate action agenda.”



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AIP, which houses a diversified portfolio of income-generating real estate assets valued at over AED 23 billion, benefits from a strong investment grade credit rating of Baa1 from Moody's. In addition, Aldar's progress on sustainability has driven recent improvements in its ESG ratings with an upgraded MSCI ESG rating to BBB and an enhanced score of 16.1 on Sustainalytics' ESG risk assessment scale, indicating the company's lower level of ESG risk. Lastly, Aldar achieved 60 points on the Dow Jones Sustainability Index (DJSI) which moved the company into the top 7% of the 237 global real estate companies surveyed.

Aldar has adopted a green financing framework, which aligns with the United Nations Sustainable Development Goals and is based on principles set out by the International Capital Markets Association (ICMA) and the Loan Market Association. The framework sets out criteria for use of proceeds and is governed by Aldar's Sustainability Council, which comprises senior management and is chaired by Aldar's Group Director of Sustainability and CSR. Furthermore, in accordance with industry best practice, Aldar has obtained a 'Second Party Opinion' from Sustainalytics to externally verify the sustainability quality of the Framework and its alignment with Green Finance Principles.

In January 2023, Aldar launched its Net Zero Plan, with a commitment to becoming a net zero carbon business across its Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions by 2050. The company also set science-aligned 2030 interim targets, which will see it achieve Net Zero in its Scope 1 and Scope 2 GHG emissions and deliver a 45% reduction in the intensity of its Scope 3 GHG emissions relative to the company's 2021 baseline.

Aldar's Net Zero Plan explains how it will achieve Net Zero in its direct emissions and the embodied carbon of all its developments and projects, as well as emissions associated with its supply chain and tenants.

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More detail on Aldar's Net Zero Plan is available [here](#). Further detail on the Aldar's Green Finance Framework can be found [here](#) and the Second Party Opinion from Sustainalytics can be found [here](#).

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About Aldar

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

Aldar Development is a master developer of integrated, liveable, and thriving communities across Abu Dhabi's most desirable destinations, including Yas Island, Saadiyat Island, Al Raha, and Reem Island. It is responsible for developing Aldar's c. 69 million sqm land bank and includes three businesses: Aldar Projects, which is Aldar's dedicated project delivery arm and the manager of its project management business; Aldar Ventures, which incubates and nurtures new business opportunities and innovation areas; and Aldar Egypt, the platform focused on developing mixed-use communities in Egypt.

Aldar Investment houses Aldar's core asset management business comprising over AED 32 billion portfolio of investment grade and income-generating assets diversified across retail, residential, commercial, hospitality, and logistics segments. Aldar Investment also manages three core platforms: Aldar Education, Aldar Estates, and Aldar Hospitality and Leisure. Aldar Education includes Aldar's entire educational portfolio, with almost 33,000 students across 27 operated and managed schools, and a growing network of 3,000 educators from over 100 nationalities, offering a wide range of curriculum and ancillary services such as a Teacher Training Academy. Aldar Estates consolidates Aldar's Retail Operations alongside existing Residential and Commercial real estate operations within Provis and will further include Community Management under one integrated property management platform. Aldar Hospitality and Leisure looks after Aldar's portfolio of hotel and leisure assets, which are anchored around Yas Island and Saadiyat, in addition to Ras Al Khaimah. It includes Aldar's portfolio of 13 hotels, comprising over 4,250 hotel keys and managing operations across golf courses, beach clubs, and marinas.

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

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

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

