

ESG Strategy

Our environmental strategy aims to address key areas of concern and leverage opportunities.

Sobha Realty is committed to integrating sustainable practices into its operations and promoting environmental stewardship and wellbeing of our people through responsible, ethical and robust governance structure. The three main pillars of our ESG strategy are Environment, Society and Governance. Our strategy has been developed in alignment with multiple local and global frameworks including the Sustainable Development Goals, UNGC's principles for responsible business, TCFD recommendations, ILO's international labour standards, Paris climate agreement and the Montreal pledge.

Our environmental strategy aims to address key areas of concern and leverage opportunities to reduce our environmental footprint, optimise energy and water consumption, contributing to circularity, climate action and biodiversity conservation. The Social pillar ensures wellbeing of our employees, enhances safety our operations, and supports welfare activities for communities. While the Governance pillar ensures commitment to sustainability, stakeholder inclusiveness, risk management and availability of resources to execute our ESG/Sustainability Strategy.

Sobha's goal is to create and develop its real estate assets with quality and sustainability as corner stones and in the process demonstrate its leadership in sustainability by having a positive impact on the environment and society.

Environmental Strategy:



Climate Action

- Conduct a comprehensive GHG emissions inventory to understand the organization's carbon footprint and identify key emission sources.
- Incorporate energy-efficient systems, actively explore the possibility of renewable energy generation in its premises, and real time energy monitoring solutions to manage its energy streams and to progress towards achieve carbon neutrality.
- Incorporate climate considerations into the design and construction of new infrastructure and properties.
- Set ambitious greenhouse gas (GHG) reduction targets in alignment with science-based targets or international agreements such as the Paris Agreement.

- Implement energy efficiency measures, promote renewable energy use, and explore opportunities for carbon offsetting to reduce emissions.
- Encourage sustainable transportation options for employees, customers, and supply chains.
- Assess and understand the potential risks and vulnerabilities of our properties to climate change impacts.
- Implement measures to manage and mitigate climate-related risks, such as extreme weather events and sea-level rise.
- Explore and adopt net-zero energy or carbon-neutral design principles for new developments.
- Disclose climate-related information in accordance with relevant reporting frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD).



Pollution Prevention

- Implement pollution prevention measures to minimize air, water, and soil pollution throughout our operations.
- Properly manage and dispose of hazardous materials and waste in accordance with relevant regulations.
- Regularly monitor and report on our emissions performance to track progress towards reduction of green-house-gas goals.

Energy Efficiency

- Conduct energy audits and implement energy-saving measures to reduce overall energy consumption.
- Implement energy-efficient technologies and practices across properties, including LED lighting, smart thermostats, and energy management systems, to reduce energy consumption.
- Explore operational improvements to drive efficiency and implement them.
- Augment the current monitoring infrastructure with more advanced sub metering to facilitate real time monitoring and management.
- Maintain ISO 50001 Energy Management System

Renewable Energy

- Explore opportunities to incorporate renewable energy sources, such as solar pv, to reduce reliance on fossil fuels.



Green Building Design

- Prioritize sustainable building design and construction practices, including the use of sustainable materials, energy efficient design, efficient insulation, natural ventilation, and low flow water fixtures, with native/adapted landscape to minimize environmental impact.
- Achieve third party certifications wherever possible.
- Ensure that the buildings are truly performing and stand testimony to their design claims.
- We are committed to continually improving our sustainable building strategy to maintain our position as an innovator in real estate.

Water Conservation

- Consider water as a precious commodity and incorporate robust water efficiency measures in all its developments right from design stage.
- Implement water-saving measures in operations like low-flow fixtures, rainwater harvesting systems, condensate water reuse and other innovative measures to minimize water usage and promote responsible water management.

Waste Management

- Establish comprehensive waste management programs that prioritize recycling, , and waste reduction to minimize landfill waste.
- Implement recycling programs and promote waste diversion efforts within our properties.
- Explore the possibility of composting food waste.
- We at Sobha aim to increase our waste-to-landfill diversion rate through our partnerships with haulers, third-party vendors and property management teams.



Sustainable Procurement

- Develop guidelines / checklist for sustainable procurement.
- Implement sustainable procurement practices by giving preference to suppliers and contractors that demonstrate a commitment to environmental responsibility.
- Prioritize products and materials with environmentally friendly certifications, environmental and health product disclosures and reduced ecological footprints.
- Encourage suppliers and contractors to adhere to sustainable and ethical practices, including responsible sourcing, fair labor conditions, and environmental stewardship.
- Explore the possibility of undertaking life cycle assessment of product use and assess impact of embodies carbon, low VoC, recyclable and rapidly renewable materials.

Location and Transportation

Emphasize site selection criteria that prioritize proximity to public transportation such as buses and metro, amenities, and services to reduce reliance on private vehicles. Encourage sustainable transportation options for employees and tenants, such as biking facilities, carpooling programs, or electric vehicle charging stations.

Social Strategy:

Community Engagement

Actively engage with local communities through partnerships, sponsorships, and initiatives that support education, health, and social well-being.

Resident Well-being

Foster healthy and inclusive living environments by providing amenities like green spaces, fitness facilities, access to community services and organising knowledge sharing as well as entertainment events for the residents. Maintain indoor environment quality in accordance with prescribed guidelines and regulations

Building Safety

Prioritize the safety and well-being of occupants by adhering to building codes, standards, and best practices. Implement robust emergency response plans and procedures to ensure the preparedness and resilience of our properties in the face of disasters or catastrophes. Maintain the ISO 45001 third party safety certifications. Ensure properties meet high safety standards, including robust security measures, and emergency preparedness plans.

Employee Engagement

Foster a culture of sustainability by providing training and awareness programs to employees, encouraging their active participation, and recognizing their contributions to ESG goals.



Diversity and Inclusion

Promote diversity and inclusion to foster a more equitable and enriched workplace where every individual's unique perspectives and contributions are valued and embraced.

Employee Training and Skill Development

Provide training and skill development opportunities to empower individuals to continually enhance their knowledge and abilities, leading to increased productivity, job satisfaction, and organizational success.

Stakeholder Collaboration

Engage with stakeholders, including tenants, employees, investors, and local communities, to understand their needs, address concerns, and foster mutually beneficial relationships.

Governance Strategy:

Ethical Business Practices

Uphold a strong code of ethics, transparency, and integrity throughout all business operations, including financial reporting, compliance with laws and regulations, and responsible governance practices.

Board Diversity and Expertise

Strive for diverse representation on the board of directors, including individuals with ESG/sustainability knowledge and expertise, to ensure well-informed decision-making and accountability at the top.

Risk Management

Identify and manage ESG risks, such as fraud, corruption, climate-related risks, regulatory non-compliance, to protect the long-term value of assets and mitigate potential liabilities that may arise.

Performance Measurement and Reporting

Establish clear ESG metrics and reporting mechanisms to track progress, measure performance, and communicate outcomes to stakeholders

Stakeholder Inclusiveness

Foster a culture of stakeholder inclusiveness by providing opportunities for engagement, feedback, and transparency in decision-making processes.

Regular Assessment

Conduct periodic evaluations of the ESG strategy's effectiveness, identify areas for improvement, and incorporate feedback from stakeholders.

