

The background image shows a modern residential development at dusk. Two multi-story houses with large glass windows and balconies are visible, their interiors and balconies lit up. A winding stone path leads through a landscaped area with various plants, trees, and a large log. The overall atmosphere is serene and modern.

ALLOCATION AND IMPACT REPORT

September - 2026

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A photograph of a modern, multi-story building with large glass windows and balconies, illuminated from within. A winding stone path leads towards the building, flanked by lush greenery, including tall grasses and purple flowers. Several modern, rectangular light fixtures are embedded in the path and garden beds, casting a warm glow. Two people are walking on the path in the distance. The sky is a soft blue, suggesting dusk.

COMPANY OVERVIEW

ART *of* THE DETAIL



Sobha Realty is the leading Real Estate Developer in Dubai. The Group has an established Track-Record of Development of Luxury and Ultra-luxury Residential Communities & Projects in UAE

⁽¹⁾ Including Sobha Siniya and Downtown UAQ sales
Notes: The business metrics are as on 30th June 2026

64 Mn+

Saleable area (sq. ft.) of projects launched

49,000+

Number of units launched since inception

15 Mn+

Saleable area (sq. ft.) delivered

8,000+

Number of units delivered since inception

AED 8.1 Bn

Property Sales (H1 FY 2026) ⁽¹⁾

AED 90 Bn+

Property Sales since inception

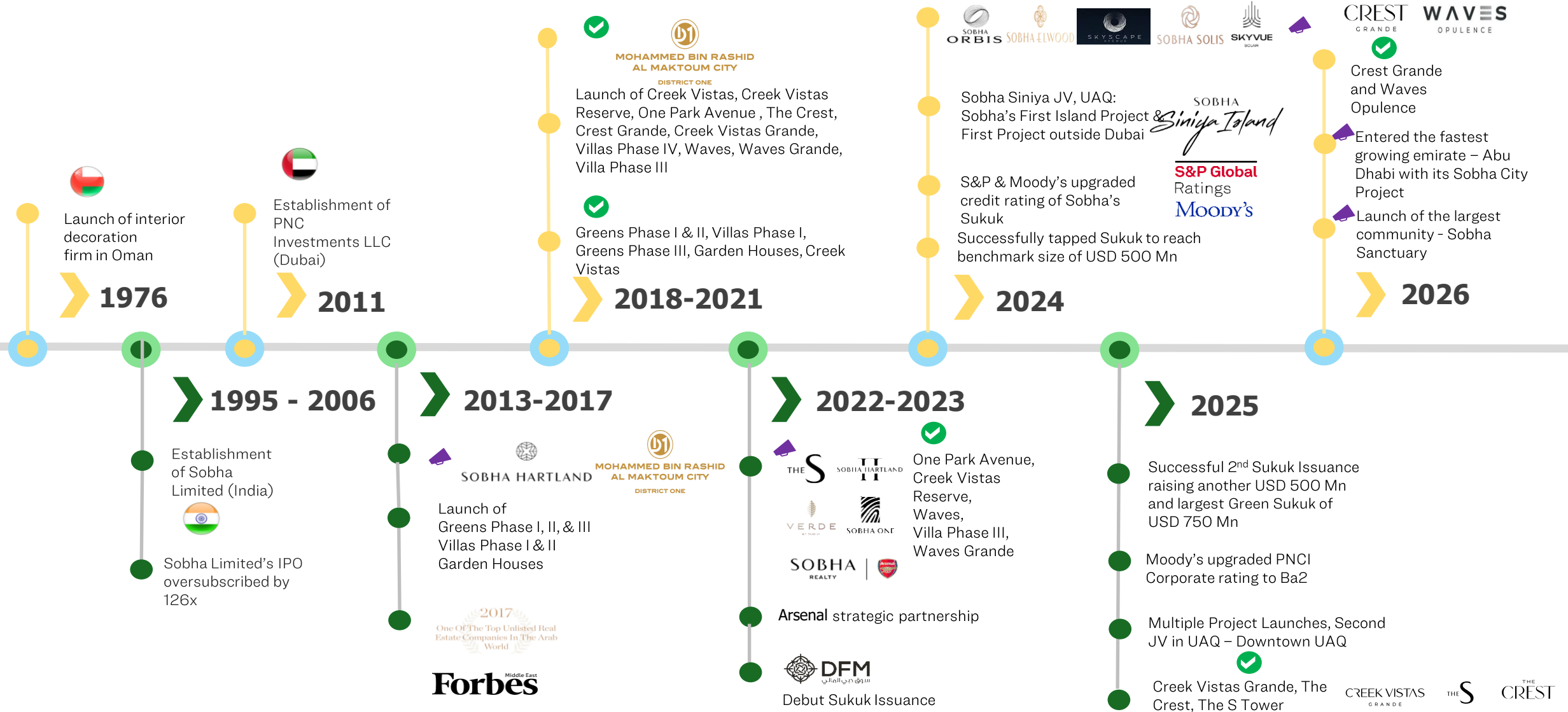
AED 6.6 Bn

Revenue (H1 FY 2026)

AED 2.2 Bn

EBITDA (H1 FY 2026)

Sobha's Journey – Key Milestones





ESG REPORTING

Achieving Green Building Certifications & Recognition in ESG through Key Climate Initiatives

Achieving Global Green Building Certifications

- All new developments of Sobha are aiming for globally acclaimed green building certifications such as LEED USA, Green Mark Singapore, Edge and Fitwel
- Recent green building certificates achieved by Sobha projects



Sobha One achieved the prestigious BCA Green Mark Platinum Super Low Energy (SLE) Certification

The first SLE Platinum outside Singapore



Sobha Waves Opulence has achieved the Preliminary EDGE certificate

The first EDGE project in Dubai & the first EDGE design approved building for Residential in the UAE

Awards and Recognitions

Sustainable Project of the year – Sobha One



Exemplary Circular Economy Program 2024 Award



Chief Sustainability Officer of the Year – Sustainability Innovation Awards 2025



Key Climate Initiative

Solar Energy Project

- Implementation of 5.7 MW rooftop Solar PV project at the new state-of-the-art Sobha Furniture manufacturing facility in Dubai Industrial City (DIC) generating 9.35 million kWh/year units of renewable electricity.

Low-Carbon Cement

- Switching to Vertua low-carbon cement across selected projects, reducing CO₂ emissions from one of the most carbon-intensive construction materials

Biodiesel Usage

- Adopted B5 biodiesel across construction activities, with 24.5 million litres used as on date since March 2024, reducing significant carbon emissions

Energy Optimization Initiatives

- Introduced energy-saving measures at manufacturing and construction sites, such as LED lighting upgrades, better control of HVAC and equipment usage, automated HVLS fans, and optimized generator sizing — all aimed at reducing energy use and emissions

Waste Circularity

- Nearly 200,000 m³ of concrete debris and about 7,000 tons of steel waste were redirected back into the circular economy through reuse and recycling at Sobha Central

Water recycling and reuse

- Commissioning of the organic, nature-based wastewater treatment plant at Sobha Hartland II recycling 14,000 m³ of water per day for landscape use

Seeking Excellence in ESG Reporting & Benchmarking Against Global Standards

Sound Sustainability Reporting

2025 CLIMATE REPORTING



ESG REPORT



TCFD REPORT

- Voluntarily initiated ESG reporting in 2021 and has since published reports at regular intervals, with the most recent ESG Report for 2025 to be released by Aug 2026
- Voluntarily supported TCFD reporting. 2025 TCFD report was released in Aug 2026
- Completed our comprehensive GHG assessment (2025) for the 3rd consecutive year comprising all scopes i.e. Scope-1, Scope-2 and Scope-3
- Established an internal Net Zero roadmap strategy to align with overall UAE's national Net Zero agenda
- Launched Green Financing Framework to support and drive sustainability

Note: Sobha's Environmental, Social and Governance Report can be found at this link: [Sustainability & Green Building Initiatives | Sobha Realty](#)

Adherence to Global Standards



GRESB Development Benchmark

- Sobha Realty was awarded a 4-Star Rating and a stellar score of 97 in the 2025 GRESB Development Benchmark (2026 assessment under way)
- This achievement crowns a remarkable three-year ascent, with scores rising from 72 in 2023 to 91 in 2024 and now to 97, reflecting a deep, corporate-wide commitment to exponential improvement in sustainability
- The 4-Star Rating, a distinction, underscores Sobha Realty's transition from a regional leader to a recognized global force in environmental, social, and governance (ESG) excellence
- In this competitive cohort, which included entities from India, China, the UAE, Vietnam, and Taiwan, Sobha Realty secured the #1 rank, solidifying its position as the ESG leader in the region
- The company's performance was exceptional across the board. Its overall score of 97 outstripped the global average of 88, while a perfect Management score of 30/30 highlighted superior leadership and risk management. An exceptional Development score further reaffirmed its success in embedding sustainability into its design and construction processes



Alignment to Global Sustainability Standards

- Intend to align the company's strategy with 14 United Nation's Sustainable Development Goals, a voluntary initiative based on company's commitments to implement relevant universal sustainability principles and take steps to support UN goals
- Adopted the Global Reporting Initiative ("GRI") Standards for ESG benchmarking with annual performance review against each benchmark to ensure progress is being made on each key initiative

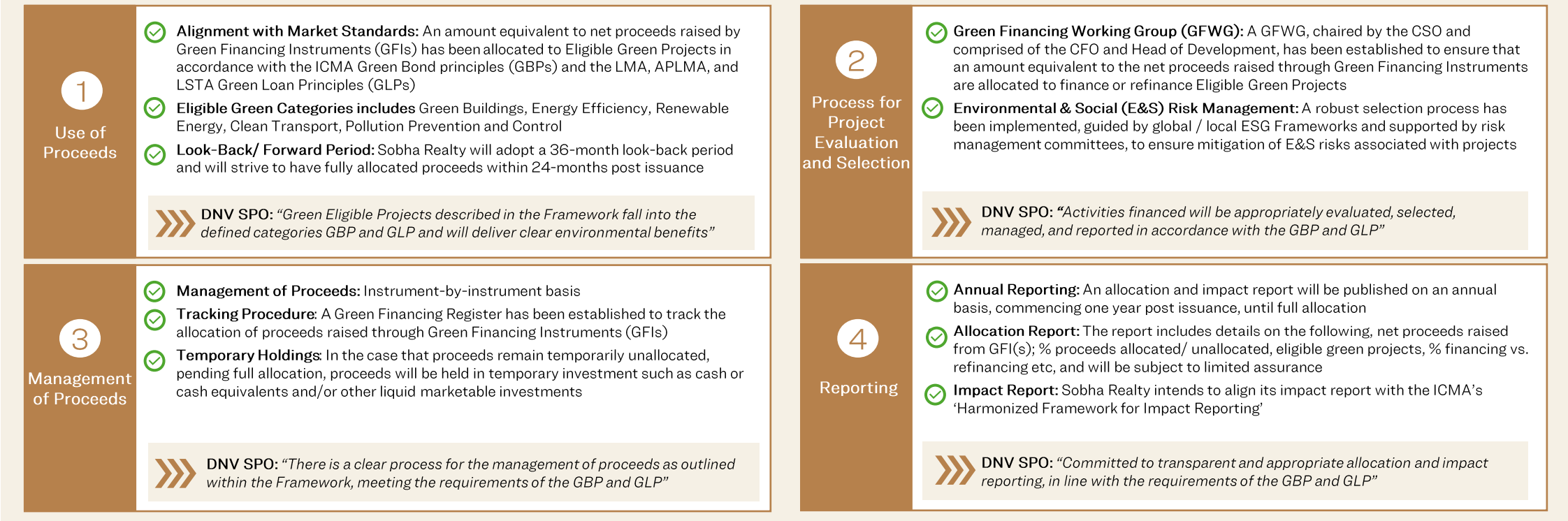


A photograph of a modern garden at dusk. A winding wooden deck made of dark planks curves through the landscape. To the left, a path of light-colored rectangular stones leads towards a modern house with large windows and a balcony. The garden is filled with various plants, including tall grasses and white flowers. Several small, modern light fixtures are placed along the paths and around the plants, casting a warm glow. The background is filled with dense trees and foliage.

GREEN FINANCING FRAMEWORK

Green Financing Framework: Alignment with the ICMA Principles and Second Party Opinion

Sobha Realty's Green Financing Framework is Structured in Accordance with the Four Key Pillars of the ICMA's GBPs



Second Party Opinion (SPO)



DNV Business
Assurance Services UK
Limited



August 2025



Four Assessment Principles:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting



Positive assessment and confirmation that the Framework aligns with market practice:

- International Capital Markets Association **Green Bond Principles (June 2025)**
- LMA, APLMA, LSTA **Green Loan Principles (March 2025)**



Note: Sobha's Green Financing Framework and Second Party Opinion can be found at this link:

<https://sobharealty.com/sustainability/>

A detailed architectural rendering of a modern residential courtyard. The scene features a central garden area with a variety of plants, including purple flowers and green foliage, interspersed with large, flat stones and logs. A paved walkway made of grey rectangular tiles winds through the courtyard. On the left, a person sits on a low stone bench. In the center, two children play with toys on a wooden platform. On the right, a couple sits on another stone bench. The background shows several modern, multi-story houses with large windows and balconies. The sky is filled with soft, white clouds, and a few birds are visible in flight. The overall atmosphere is peaceful and inviting.

ALLOCATION AND IMPACT OVERVIEW

Allocation & Impact Report Overview

Background

- Sobha Realty issued a USD 750 Mn Green Sukuk, the largest green sukuk ever by a real estate company globally. The landmark transaction reflects strong investor confidence and reinforces Sobha's commitment to sustainable development and responsible growth.
- An amount equivalent to 100% of the proceeds raised through green financing instrument has been allocated to Sobha One, the company's flagship mixed-use development in Dubai. Designed with sustainability at its core, Sobha One integrates energy-efficient design, green building practices, and premium residential living, reflecting Sobha's commitment to creating environmentally responsible and future-ready communities.
- The Green Financing Working Group, comprising the Chief Sustainability Officer (CSO), Chief Financial Officer and the Head of Development, convened to evaluate and identify eligible projects in accordance with the Green Financing Framework. The project evaluation and selection process included a review of project maturity, readiness for allocation, alignment with the Framework's eligibility criteria, and environmental credentials. The allocation and tracking of proceeds are maintained through the Green Financing Register as part of the Group's ongoing monitoring process.
- Following this assessment, Sobha One was selected as the initial allocation project as it was the most advanced eligible green project within the portfolio and met the relevant green building criteria under the Framework. The project had also obtained a Green Mark Pre-Certification, providing additional assurance of its alignment with the environmental objectives and requirements set out in the Framework.





Case Study – Sobha One

Five interconnected towers set within a vibrant, master-planned environment, featuring extensive landscaped areas and green amenities, including courtyards, parks, rooftop terraces, and an 18-hole pitch-and-putt golf course.

Certification:
LEED Gold, Green Mark
Platinum Super Low
Energy (pre-certified)

Expected Completion:
December 2026

- First project outside Singapore to achieve the **Green Mark Platinum SLE pre-certification**
- Awarded **Whole Life Carbon Badge**, recognizing the project's focus on low-impact development and environmentally responsible design
- Designed to achieve approximately **60% energy savings** compared to the applicable 2005 baseline standards
- Advanced digital infrastructure, including **Computer-Aided Facility Management** system, **Common Data Environment** platforms, **digital twins**, and **predictive maintenance dashboards**
- Technology-enabled approach designed to support energy efficiency, resource optimization, and long-term operational performance
- Alignment with **climate risk assessments** and the TCFD framework to support the identification and management of climate-related risks



ALLOCATION REPORT

Green Sukuk Proceeds - Allocation Summary

This allocation report outlines the use of proceeds from the Green Sukuk and demonstrates alignment with the eligibility criteria defined in Sobha Realty’s Green Financing Framework. The proceeds have been fully allocated to Sobha One, a Green Mark SLE-certified development that advances the Company’s sustainability objectives through responsible design, construction, and operational practices.

 Project Name: Sobha One	 Location: Ras Al Khor, Dubai, UAE	 Eligible Green Category: Green Buildings	 Green Certification: Green Mark SLE	 Amount Spent: USD 750 Mn
 Refinancing (Till August 2025): USD 489.73 Mn	 Financing (from September 2025): USD 260.27 Mn	 % allocation of Green Sukuk proceeds: 100%	 % Completed: 87%	 Expected Completion: December 2026

Note: Allocation is based on incurred project costs recorded in the accounts, including retention as part of eligible expenditure.



IMPACT REPORT

Sustainability Impact at a Glance



Annual energy savings (MWh/year) and Net emission reduction:

- Annual energy savings (MWh/year): Estimated at 7,147.29 MWh/yr
- Lifetime net emissions reduction (tCO₂eq): 428,557 tCO₂e



Amount of water recycled/ reused (litres):

- Condensate water being reused for irrigation - 365.4 m³ or 365,400 litres /day



Annual reduction in water consumption:

- 100% of indoor fixtures comply with WELS 3-Tick standards, resulting in an estimated 15-20% reduction in water use.



Annual GHG emissions reduced/avoided in tonnes of CO₂ equivalent (tCO₂eq):

- Embodied carbon- 136,719 tCO₂ e - Awarded Whole Life Carbon (Cn) badge
- Associated CO₂ emissions reduction achieved through annual energy savings- 7,852.30 tCO₂ e



Energy efficiency gains in MWh or %:

Energy Saving Measures:

- Dwelling Units A/C = 146.08 MWh
- Energy Efficiency Labels for white goods- 5-Star ESMA.
- Lighting for common areas (Improved LPD-30% reduction) - 116.9 MWh/year
- 44% of buildings common areas energy consumption offset by Solar PV - 170 MWh.
- Car Park MV System - 1771.77 MWh



METHODOLOGY

Methodology

Sobha One is pursuing BCA Green Mark Certification – SLE Platinum, which adopts a prescriptive approach to evaluating building energy performance and is considered the most practical pathway for high-rise residential developments under the Green Mark framework.

The project evaluates the estimated energy savings against BCA-approved compliance standards (Singapore Standards) and applicable local code requirements for key building components during the design stage. Continuous monitoring and verification of technical compliance are undertaken throughout the implementation and verification phases.

The projected energy savings are translated into avoided GHG emissions using the applicable Singapore Grid Emission Factor (GEF), enabling quantification of the project's carbon reduction benefits.



A detailed architectural rendering of a modern residential development. The scene features two-story houses with large glass windows and balconies, set against a backdrop of lush greenery and mature trees. In the foreground, a winding stone path leads through a garden filled with various plants, rocks, and tree stumps. Three children are playing in the garden: one is jumping over a log, another is standing on a tree stump, and a third is sitting on the grass. The overall atmosphere is bright and sunny, suggesting a high-quality, family-friendly living environment.

EXTERNAL REVIEW

External Review : DNV Limited Assurance Report



WHEN TRUST MATTERS

Independent Limited Assurance Report

to the Management of PNC Investments LLC

DNV Business Assurance Services UK Limited ("DNV", "us" or "we") were commissioned by PNC Investments LLC to provide limited assurance to Sobha Realty ("Sobha Realty") over Selected Information presented in the Impact and Allocation Report - September 2026 (the "Report") for the reporting year ended 31 August 2026.



Our Conclusion: On the basis of the work undertaken, nothing came to our attention to suggest that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria.

This conclusion relates only to the Selected Information, and is to be read in the context of this Independent Limited Assurance Report, in particular the inherent limitations explained below.

Selected Information

The scope and boundary of our work are restricted to the claims and assertions relating to the allocation of proceeds from the Green Sukuk included on pages 11 to 15 of the Report in respect of the reporting period 1 September 2025 to 31 August 2026, and covering a 36-month look-back period (the "Selected Information"), listed below.

Selected information	Sukuk issue date (ISIN)	Nominal value	2025/26 Allocations*
Claims and assertions relating to the allocation of proceeds to eligible Green Projects Category: Green Buildings for the reporting period 2025/2026	11 September 2025 (XS3168203019)	USD 750 million	USD 750 million

* We did not subject financial disclosures and data to a financial audit process as this is not within the scope of our assurance engagement.

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used Sobha Realty's [Green Financing Framework](#) and page 10 of the Report (together the "Criteria").

We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on Sobha Realty's website for the current reporting period or for previous periods. We did not subject financial disclosures and data to a financial audit process as this is not within the scope of our assurance engagement.

Standard and level of assurance

We performed a **limited** assurance engagement of specified data and information using the international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised) issued by the International Auditing and Assurance Standards Board. To ensure consistency in our assurance process, we conducted our work in accordance with DNV's assurance methodology, Verisustain™, applying only the pertinent sections of the protocol relevant to the specific purpose of the activity. This methodology ensures compliance with ethical requirements and mandates planning and execution of the assurance engagement to obtain the desired level of assurance.

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - Conformity Assessment - General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and are shorter in extent than for a 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 if a reasonable assurance engagement had been performed.

Inherent limitations

DNV's assurance engagements are based on the assumption that the data and information provided by Sobha Realty to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitations of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. The engagement excludes the sustainability management, performance, and reporting practices of Sobha Realty's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement. We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.



WHEN TRUST MATTERS

Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information. Our work included, but was not restricted to:

- Conducting interviews with Sobha Realty management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported;
- Reviewing that the evidence, measurements and their scope provided to us by Sobha Realty for the Selected Information is prepared in line with the Criteria;
- Reviewing supporting evidence for key claims and assertions relating to the allocation of proceeds under the Green Financing Framework; and
- Reading the Report and narrative accompanying the Selected Information within it with regard to the Criteria.

In performing these activities, we did not come across limitations to the scope of the agreed assurance engagement.

We found a limited number of non-material errors and these were corrected prior to inclusion in the Report.

Disclaimers

The assurance provided by DNV is limited to the selected indicators and information specified in the scope of the engagement. DNV has not conducted an assessment of the reporting organisation's overall adherence to reporting principles or the preparation of the Report. Therefore, no conclusions should be drawn regarding the reporting organisation's compliance with reporting principles or the quality of the overall Report. The assurance provided by DNV is based on the selected indicators and information made available to us at the time of the engagement. DNV assumes no responsibility for any changes or updates made to the indicators or information after the completion of the assurance engagement.

Our competence, independence and quality control

DNV established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

Responsibilities of the Directors of Sobha Realty and DNV

The Directors of Sobha Realty have sole responsibility for:

- Preparing and presenting the Selected Information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Report and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to Sobha Realty in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. Our Independent Limited Assurance Report represents our independent conclusion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Limited Assurance Report.

For and on behalf of DNV Business Assurance Services UK Limited
London, UK
30 September 2026

Digitally signed
by Max Brooke

Max Brooke
Lead Verifier
DNV Business Assurance Services UK
Limited



Digitally signed
by Paul O'Hanlon

Paul O'Hanlon
Technical Reviewer
DNV Business Assurance Services UK
Limited

DNV Business Assurance Services UK Limited

DNV Business Assurance Services UK Limited is part of DNV Group AS. DNV is an independent assurance and risk management provider, operating in more than 100 countries. Through its broad experience and deep expertise, DNV advances safety and sustainable performance, sets industry standards, and inspires and invents solutions.

Disclaimer

The information and opinions contained in this Impact and Allocation Report (the “Report”) are provided by Sobha Realty as at the date of this document and are subject to change without notice. After the date of this report, Sobha Realty does not assume any responsibility or obligation to update or revise any such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. This Report is provided for information purposes only and does not constitute, or form part of, any offer or invitation to purchase, underwrite, subscribe for or otherwise acquire or dispose of, or any solicitation of any offer to purchase, underwrite, subscribe for or otherwise acquire or dispose of, any debt or other securities (“securities”) of Sobha Realty and is not intended to provide the basis for any credit or any other third-party evaluation of securities. If any such offer or invitation is made, it will be done so pursuant to separate and distinct documentation. This material is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation. This Report may contain projections and forward-looking statements. Generally, forward-looking statements are not based on historical facts but instead represent only Sobha Realty’s and its management’s beliefs regarding future events. Such statements may be identified by words such as believe, expect, anticipate, intend, estimate, may increase, may fluctuate, target, illustrate, and similar expressions, or future or conditional verbs such as will, should, would and could. Such statements are based on management’s current expectations and are subject to risks, uncertainties, and changes in circumstances. Actual results and capital and other financial conditions may differ materially from those included in these statements. Any such forward-looking statements in these materials speak only as at the date of these materials and Sobha Realty does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made.

