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Develop the Developers

Created with the objective of providing its employees with industry specific skills, "Develop the Developers" program at Sama Dubai provides participants with practical knowledge on property management. It will provide employees with skills in the real estate development sector in order to shape the future profile of Sama Dubai and to lead specific projects.

Sawtee4Sama

In 2007 Sama Dubai launched the Sawtee4Sama (S4S) program, translated as 'my voice for Sama', which is an online suggestion system. It is a program which encourages employees to come up with creative ideas and suggestions. Based on the improvements suggested, the employees are recognized and rewarded and their ideas are taken forward by the management for implementation.

Certifications

As part of Sama Dubai's dedication to corporate social responsibility, the company has committed to and

been certified by ISO 9001:2000. In May 2007, Sama Dubai commenced a strategic initiative to adopt international best practice in developing its Occupational Health and Safety and Environmental (HSE) Management Systems. In late 2007, Sama Dubai achieved certification for ISO 14001:2004 and OHSAS 18001:2007. Deployment of these standards included risk assessment conducted at the Head Office and the Lagoons site office.

Memberships

Sama Dubai is a member of the United Nations Global Compact Network for the GCC states. In addition, Sama Dubai is a member of the Emirates Green Building Council (EGBC) and is committed to incorporating aspects of green buildings in its developments. To show its commitment to environmental stewardship, Sama Dubai has also become a founding member of the Emirates Environmental Group (EEG) Corporate Social Responsibility (CSR) Network.

2006 – 2007 Achievements





Chairman's Statement

"We, at Sama Dubai are pleased to present our first Corporate Social Responsibility Report for 2006 - 2007. This report is produced as a result of our commitment and continuous support for the ten guiding principles of the United Nations Global Compact (UNGC)"

"Corporate Social Responsibility is one of our primary strategic objectives to integrate economic, environmental and social concerns into our regular decision making process. In doing this, we seek to turn challenges into business opportunities. We actively implement environmental impact assessments and set targets for comprehensive audits from the early design and construction phase until the project's completion."

Farhan Faraidooni Executive Chairman Sama Dubai

What does Corporate Social Responsibility mean to Sama Dubai?

Corporate Social Responsibility is an integral part of Sama Dubai's business. Clear policies, innovative products and programs right from the grassroot level enable Sama Dubai to meet the expectations of its stakeholders. This report attempts to outline our challenges and propose solutions in contributing to sustainable development.

Can you highlight one significant achievement of Sama Dubai over the reporting period?

Sama Dubai has carried out a number of significant initiatives over 2006 – 2007. One notable achievement has been the Change Program. In October 2007 an organisation wide Change Management Program was launched to address eleven improvement projects within the following areas:

- Develop new ways of working that will enable teams to meet and exceed expectations
- Enhance transparency through improved shared behaviour and values
- Create a positive, challenging and rewarding working environment for all employees
- Effectively recruit and retain the best talent

How is Sama Dubai committed to sustainability?

As a real estate development and investment company, we are committed to creating sustainable communities, and as part of this commitment, we take into consideration the social and economic wellbeing of the communities we operate in. This is achieved through the effective

deployment of our projects' business management systems and our effort to facilitate integration of the UNGC principles', green building requirements, in addition to the applicable regulations in all aspects of Sama Dubai's operations.

How does Sama Dubai relate to its stakeholders?

At Sama Dubai we take the interests of employees, customers, clients and other interest groups into account in all aspects of our business decisions. This is the foundation for building trust. In order to establish and maintain these important relationships, Sama Dubai is teaming up with an external party to conduct biannual customer satisfaction surveys (CSS), an employee satisfaction survey (ESS) and an annual society perception survey (SPS). In addition, various partners and suppliers forums have been held to build and further Sama Dubai's relationship with its stakeholders.

What are Sama Dubai's plans for 2008?

Being a fairly new entity our track record is good, but there will always be major new challenges. During 2008, we will continue to explore these challenges in close collaboration with our stakeholders. One major initiative that we will tackle in 2008 is the development of sustainability guidelines for each of our product types. We are therefore committed to becoming more sustainable in every aspect of our business. In attaining this goal, we will work seamlessly, putting our best foot forward.

Farhan Faraidooni Executive Chairman Sama Dubai July 2008

"By 2020, we want to be globally recognized for being the makers of places where people most want to belong"

Sama Dubai's Goal

CSR Team Statement

By 2020, we want to be globally recognised for being the makers of places where people most want to belong. This goal carries with it a strong CSR message and as a CSR Team we have a paramount role to play in achieving this goal. As such, we attempt to streamline this goal with all our initiatives and strategy.

All our undertakings will take into consideration the challenge of balancing the needs of people, planet and profit, as part of our corporate social responsibility strategy. Towards this end we will strive whole heartedly to make Sama Dubai a place where employees will want to belong. We will attempt to deliver developments where our clients and customers will most want to belong, and during the

entire process we will endeavour to make sure we protect and enhance the pristine natural environment within which we work and live.

In 2006 and 2007 our focus was mainly on our corporate office in Dubai and some of our projects. It is our aim and ambition to incorporate sustainable practices throughout all our projects and site offices internationally in the near future.

CSR Team Sama Dubai



His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Vice President of UAE and Ruler of Dubai, and other VIP dignitaries examine The Lagoons project at City Scape Dubai 2007

Building the future of real estate globally

Sama Dubai: In Arabic, the word 'Sama' means 'reaching for the sky'. As our name suggests, Sama Dubai tries to reach for the skies in a figurative sense. We do this through an unrelenting focus, transcending conventional limits of quality service and design, and through our investments and partnerships, which are established to maximise value to stakeholders.



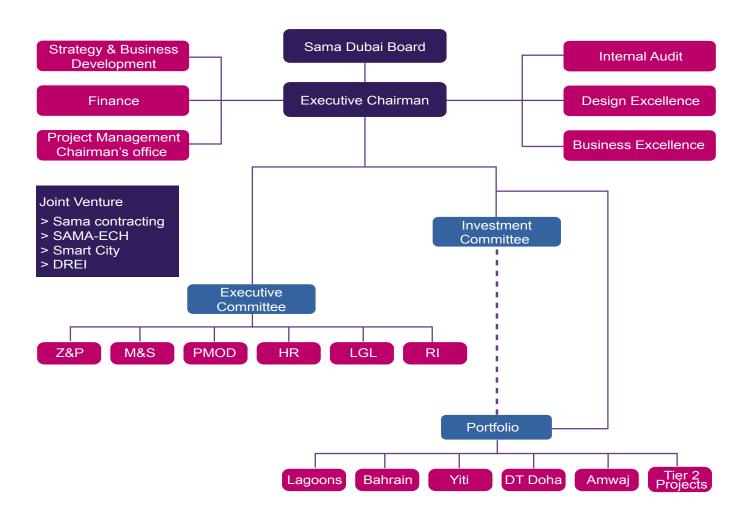
Profile

Sama Dubai is the international real-estate arm of Dubai Holding. It develops and invests in real estate around the globe and is committed to sharing Dubai's evolutionary real estate achievements with the world. It is a progressive company, with predicted investments estimated in billions of dollars and a footprint that stretches across the Middle East, North Africa and Asia.

Sama Dubai uses industry best practices, a broad network of expertise and its underlying financial strength to tackle complex and challenging real estate investments, and further to develop and manage projects in prime locations across international markets.

Sama Dubai is focused on attracting the best international and local talent to conceptualize, deliver and operate its projects. In 2007 the company consisted of 487 employees representing more than 25 nationalities.

Sama Dubai Organisational Chart 2007



Legend:

PM - Project Management

Z&P - Zoning and Master Planning

M&S - Marketing and Sales

PMOD - Property Management Operations Department

HR – Human Resources

LGL - Legal

RI - Research Intelligence

Sama-ECH - Joint venture between Sama Dubai & EC Harris

DREI - Dubai Real Estate Institute

DT - Dubai Towers



Sama Dubai Vision and Values lanched during the "Sama Sawa Big Picture" event on Sunday 16th of December, 2007.

Our Vision is ...

To make the places where people most love to belong...

We are a dynamic, highly ambitious organisation, committed to achieving our key objectives. We aim to become the largest premium real estate developer in the region, and one of the top five in the world. We want to be recognised as premier brand owners of key real estate related businesses.

Our Values are ...

Passion for Places

We build places no one else has done which needs innovation, passion and focus. Passion for unique places, where people love to belong to, are at the heart of our vision.



Creating Community

We are 'sensitive and responsible' developers and we care about the legacy we leave behind in each place where we anchor our vision. We live, breathe and feel community in everything we do.



Taking ownership

We all have a personal stake in realizing this dream together. Whatever we do, we have to stand by 'our individual part in the whole' with unflinching commitment. Each single one of us needs to take ownership of our combined vision.



Progressive Improvement

Being such an innovative culture, we need to constantly push boundaries, be open-minded and be intellectually curious. Hence we need to consistently renew, learn and seek the next progression.



Realizing Opportunities

Because we make amazing development dreams come true, we need to 'seize every opportunity' and 'realize every potential'. There will be obstacles and challenges along the way and we need resilience to see every opportunity through.



Building Exceptional Relationships

We build these "places" through "people" and their "passion". These three Ps are connected together by nurturing exceptional relationships we are proud of.



Sama Dubai considers environmental management as a high corporate priority and the integration of environmental policies, programs and practices essential element of business management.

Sama Dubai Environmental Policy

Commitment to Corporate Social Responsibility

Sama Dubai takes a genuinely responsible approach to conducting business profitably and sustainably. It places great importance on the judicious use of natural resources, intelligent stewardship of the environment and respect for the cultural values, people and communities in which it operates.

Sama Dubai uses the latest available technology to reduce water and energy needs and to minimize waste and pollution. We attempt to benchmark ourselves against best practices and endeavour to protect and enhance natural habitats. From the earliest stages of master planning and engineering, Sama Dubai's projects strictly adhere to international standards of environmental protection.

Each of Sama Dubai's developments creates employment during construction and permanent positions thereafter, thus incorporating professional training and knowledge transfer. Through leveraging its large scale projects, Sama Dubai helps create sustainable communities and enhance their social and economic well-being, as well as acting as a catalyst for further direct foreign investment into the local community.

Sama Dubai Relationships

Sama Dubai has a highly ambitious expansion program and has partnered with internationally acclaimed architects like Perkins and Arquitectonica to secure innovative and challenging designs for our projects. In order to utilize best practice, innovative management practices for project delivery and strong customer relationship the following partnerships have been formed:

- Sama Contracting was established in April 2007 to provide best practice Construction Management Services for a number of projects developed by Sama Dubai.
- Sama ECH was established in May 2007, a joint venture with EC Harris - a leading project management consultancy - to deliver project management services for Sama Dubai's Gulf Region Projects.
- MENA Business Solutions (MBS) provide contact centre services and customer relationship management for all our customers and projects worldwide.
- Sama Dubai has also formed a joint venture entity 'SmartCity' with TECOM investments (a member of Dubai Holding), to develop and manage knowledge industry townships worldwide.
- Dubai Real Estate Institute (DREI) was established in November 2006, as a partnership with Emaar Properties, Emaar India, Dubai Islamic Bank, Dubai World, Dubai Properties and Tatweer's Mizin as the regions first specialised academic institute for real estate studies.



Guided by its Corporate Values, Sama Dubai is committed to continually improve its environmental performance that shall include environmental, ecological or cultural values along with economic, social and other benefits resulting from the development process.

Sama Dubai Environmental Policy

Portfolio

The Lagoons, Dubai, U.A.E



'The Lagoons' will be a masterful combination of proximity to the necessities of city life while offering a haven of seclusion and natural splendor. It will feature seven beautifully landscaped islands, comprising of residential units, shopping centers, office buildings, and marinas.

Amwaj, Rabat, Morrocco



Built around a network of navigable canals, Amwaj will feature high quality apartments, designed to allow international and domestic residents to enjoy a luxurious lifestyle. This development will also include office buildings with state-of-the-art facilities, retail outlets, branded five-star hotels, a convention centre to host international events and conferences, a mix of entertainment facilities and marinas.

Mediterranean, Tunis, Tunisia



Mediterranean Gate will house international firms, several first class luxurious hotels in addition to a series of diverse recreational and sports facilities. The project envisages becoming a magnetic destination for African and European investors and tourists as well as a regional hub for technology, finance and business.

Dubai Towers, Dubai, U.A.E.



More than just a landmark, Dubai Towers – Dubai brings together the best in facilities, infrastructure and location. Dubai Towers- Dubai promises to unlock the future of business, leisure and living in Dubai. Centerpiece of "The Lagoons" Central Business District, the project includes four state of the art buildings ranging in height from 57 – 94 floors with the following uses; apartments, hotel, offices, retail and restaurants.

Dubai Towers, Doha, Qatar



The Dubai Towers - Doha will offer premium office space over 29 floors. Equipped with the latest IT systems and infrastructure it creates a comprehensive and innovative working environment to cater for the needs of the 21st century business.

Salam, Bahrain



The beautifully crafted hotels, villas, souks, health spas, shops and restaurants will create a luxurious leisure complex situated around a series of waterways. The exclusive resort will offer comprehensive high-quality and high-value wellness and resort entertainment facilities and services.

Salam Yiti, Oman



The Salam Yiti property structures will include exclusive 5-star hotels, magnificent villas and exclusive apartments. Accommodation will be surrounded by golf courses, marinas, a state- of-the-art spa, wellness centre and eco-marina centre. Spread over a vast premium area of 4.19 square kilometers, the Salam Yiti aims to convey the true essence of Oman

Sama Dubai Corporate Governance

To increase stakeholders' confidence and to enhance accountability, transparency, ethical work practices and independence, Sama Dubai is adopting and consistently improving the principles of Corporate Governance. In line with this, a comprehensive Corporate Governance Management Systems and documented manual was developed and issued by the Executive Chairman in early 2007. The manual explains the key structures within Sama Dubai for the effective management and leadership of the company. It also provides a descriptive overview of Corporate Governance policies of Dubai Holding and how these policies are implemented within Sama Dubai.

As part of our Business Excellence and Corporate strategy, a dedicated Corporate Governance function was established in July 2007. The desired outcome from this function is "to institutionalize best practice systems that assure our stakeholders that Sama Dubai conducts its business in an ethical and socially responsible manner".

The goal of the Corporate Governance team is to review and improve the existing Corporate Governance Management systems and to align it with the international best practice model. Sama Dubai adopts the UK Combined Code model as a reference for best practice.



Sama Dubai employees at "Sama Sawa" event

Our achievements in 2007:

- A clearly defined charter of the Audit & Compliance Committee has been finalized. The Corporate Governance team contributed to developing the "delegation of authority" matrix.
- We have defined and finalized the "independent" criterion for the Directors to serve on the Board and its sub committees, in line with international best practice to be implemented at Sama Dubai.

Anticorruption

A fraud reporting mechanism or 'Whistle-Blowing' has been introduced by Dubai Holding through an initiative known as 'Trustline'. Trustline "We're Here to Hear" has a dedicated website, phone line, fax line, email, and a short messaging service (SMS) to report any type of concern about, or observation of misconduct.

Dubai Holding has developed an Employee Code of Conduct for all its entities. Sama Dubai's Human Resources department ensures and monitors compliance to this code of conduct. This code is communicated to each employee upon joining, and is also easily accessible to all employees via the intranet.

In addition, statutory audit of Sama Dubai LLC, subsidiaries, associates and joint ventures require key management personnel and employees of the Group and close members of their families to make representations and disclosures on contracts, transactions, acceptance of gifts/ benefits, or any other relationship or transaction that might create a perception of conflict of interest. This is carried out on a yearly basis.

Scope of Report

The Sama Dubai Corporate Social Responsibility Report 2006-2007 focuses on the activities of our corporate head offices in Dubai, UAE as well some of our projects, namely Salam Yiti, Oman and The Lagoons, Dubai, UAE. Due to corporate limitations we are unable to report on our financial and economic performance. In addition, not all CSR initiatives of our projects are covered in this report, since most of these projects are still in the planning and design phase. This will be an annual report to be submitted to the United Nations Global Compact and released to all our stakeholders.

Our Approach to Corporate Social Responsibility

Sama Dubai is committed to corporate social responsibility. One of our initial endeavours in this regard was achieving the ISO 9001 certification. However, we strive to continually achieve excellence, which to us is an endless journey. In adherence to the United Nations Global Compact principles, we carry out the initiatives and activities outlined in this report.

At Sama Dubai, our corporate social responsibility endeavours are backed by strong management commitment. We place great emphasis on having our management systems in place and achieving both certifications of ISO14000:2004 for Environmental Management Systems and OHSAS 18001:2007 for Occupational Health and Safety; this was in order to enhance our environmental management systems and guarantee the safekeeping of our employees at our offices and Lagoons project operations. Parallel to these certifications, we have developed environmental and occupational health and safety policies, which are guiding principles to enhance environmental, health and safety approaches. At a project level we not only adhere to these standards, but we also mitigate risks through conducting Environmental Impact Assessments (EIA) and developing Environmental Management Plans (EMP).

"To make the places where people most love to belong..." is Sama Dubai's vision, and we are keen on adhering to this in all regards when we deal with our stakeholders. We ensure that we create sustainable communities, and on a personal level we create a bond of fellowship between employees that leads to devotion to their place of work. To translate this value on a project level, we carry out Social Impact Assessments (SIA), to ensure we mitigate any risks to society that may be created through the development of our projects. Other systems and procedures are also in place to manage our communication with our stakeholders.

In order to enhance our CSR commitment, by 2008 Sama Dubai will have a CSR strategy in place and will develop comprehensive sustainability guidelines for its brands.

Stakeholder Engagement

At Sama Dubai we are committed to ensuring that our corporate social responsibility programme captures the issues that are important to our stakeholders. Stakeholder engagement allows us to understand the impact of our business activities on the various stakeholder groups. Knowledge of our stakeholders concerns and needs help us to form productive partnerships and focus on our challenges.

Our Stakeholders

At Sama Dubai our stakeholders are defined as any interested party, group or individual who can impact or are impacted by our projects. These may be local communities, customers, employees, government agencies, NGOs, investors, partners & suppliers.

Listening to Our Stakeholders

In 2006 we developed an approach, as part of our development process, to conduct environmental and social impact assessments for our projects. The outputs from these assessments are used to develop Social Management & Environment Management Plans.

In 2008 we will further develop this approach to include a broader scope of Stakeholder Management Planning that will involve a process of stakeholder identification, communication planning and the development of Stakeholder Management Plans. This approach (currently under development) will include capturing the views and concerns of our stakeholders as an input to our overall and product strategies.



Our Priorities

Economic

Sama Dubai is guided by the principles of the United Nations Global Compact, and committed to provide economic and social benefits to the communities where it operates. During 2006 and 2007, our contribution was for humanitarian causes and education.

Community Investments:

Investments in Education

Sama Dubai invested more than AED 1.1 Million in 2007 as compared to AED 374 thousand in 2006 towards development of its staff. The following are the types of educational investments carried out at Sama Dubai:

- Develop the Developer The objective is to train and coach developers with industry-specific skills, competencies and behaviors.
- Master Degree in Real Estate (Singapore) Sama Dubai identified high potential employees to undertake a Master Degree leading to the award of real estate Master Degree at Singapore University.
- Corporate Development Trainees Program The objective is for Managers to become Senior Executives, capable of leading projects within a maximum period of 3-5 years.
- 'LeadOn' Future Leader Program A few Sama Dubai employees showing great promise have been selected in 2007 for this program to develop them as future leaders. "LeadOn" is a new initiative for future leaders, seeking to develop individuals with high potential. 'LeadOn' will seek to establish a common standard of leadership development across all Dubai Holding entities.



"Leadon" is a new initiative for future leaders, seeking to develop individuals with high potential.



Figure 1: Investments in Education

Donations

In 2007 Sama Dubai concentrated its philanthropic donations mainly to educational activities.

The close proximity of The Lagoons project to the Ras Al Khor Wildlife Sanctuary (RAKWS) has prompted Sama Dubai to donate AED 10 million to Dubai Municipality to build a new visitors centre. The centre will seek to promote awareness of the significance of environmental conservation, national bio-diversity, and serve as a great educational and recreational facility, which will raise public appreciation of wetland habitats.

Sama Dubai Contributed to "Dubai Cares" - a charitable initiative launched in late 2007 by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai with the aim of raising funds for primary education for one million children in poor countries around the world. Sama Dubai donated a plot of land (170,000 sq ft. of building area) worth AED 50 million in The Lagoons.

In addition, Sama Dubai contributed AED 16 million at a signature auction held under the patronage of Her Highness Sheikha Manal bint Mohammed Bin Rashid Al Maktoum. The auction was held to support the "Dubai Cares" initiative. Sama Dubai purchased a jersey worn by H.H. Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, when he lead the UAE national team to victory in a horse endurance world championship held in Spain in 2002.

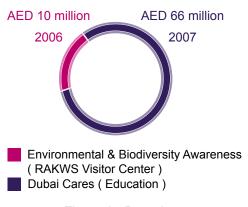


Figure 2: Donations

People

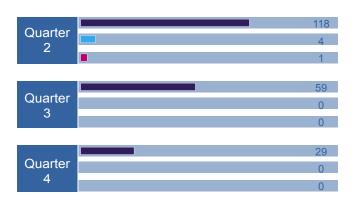
Sama Dubai complies with the UAE Labour Law (Federal Law No 8 for 1980 on Regulation of Labour Relations), which supports human rights best practices and avoidance of labour abuses. In adherence to the UAE Labour Law, in 2008 Sama Dubai will conduct a comprehensive gap analysis in its effort to integrate Social Accountability (SA) 8000 elements into its operations. This initiative is a step towards integrating a comprehensive system for managing ethical workplace conditions throughout the supply chain.

Health & Safety

The company implements the Occupation Health and Safety Assessment Series (OHSAS) 18001 practices to protect employees against hazards of occupational injuries and diseases. This system is intended to help Sama Dubai control health and safety risks.

In addition, the company ensures that employees are compensated for any occupational injuries, disabilities or fatalities.

(The table below represents 2007 data from quarter 2 onwards, since no data was collected in quarter 1).



Types of Accident

Minor AccidentsInjury to peopleMultiple Fatalities

Figure 3 : Number of accidents reported in 2007 Sama Dubai Corporate Office and Projects

In order to comply with OHSAS 18001 Sama Dubai identified and trained employees as Fire Marshals and First Aid Providers. Sama Dubai moved into their new premises at Dubai Health Care City in May 2007, and from May – December 2007 a total of 20 HSE awareness sessions were held at our head offices. In addition, two training sessions for first aiders and two training sessions for fire wardens were also held.

Female employees of Sama Dubai attended a workshop organised by the CSR Team on Breast Cancer Awareness. The aim of the workshop was to enhance women's awareness on the issues to do with breast cancer, the risks involved, preventive methods and support. The workshop was carried out in partnership with the Friends of Cancer Patients (FOCP), a local charity founded by Her Highness Sheikha Jawaher bint Mohammed Al Qasimi and under her patronage. FOCP aims at spreading awareness and providing help and support for cancer patients. Another partner to this endeavour was Welcare Hospital, Dubai.



Female employees of Sama Dubai attended a workshop organised by the CSR Team on Breast Cancer Awareness.

Training and Development

Employees' careers and self-development are important at Sama Dubai. The Human Resources department has initiated a Career Development Plan (CDP) for every employee, where each employee can design his/her own career path and also specify their requirements for self-development. By end of 2007, Sama Dubai succeeded in finalizing and approving the CDPs for every National/GCC staff and training needs have been identified to ensure the successful deployment of the plans.

One of the expected outcomes of The Change's Program and People Development Stream is to analyse and identify the training needs of all employees. The training curriculum is expected to be accomplished by January 2008

Launching "Develop the Developers"

Program in October 2007

Employee Relations

Sama Dubai employs the best and competent international talents, which offer a great advantage in transferring knowledge and expertise to the local people. The management ensures proper distribution of nationalities in all departments and project operations. Sama Dubai follows national laws and regulations with regards to the employment of UAE nationals.

The management believes that providing opportunities to local talent is essential for the development of the economy as well as contributing to the local community. The management has set a minimum target of 30 % locals to be employed in each department and project operations. (For corporate

office departments, locals mean UAE nationals, and for Projects, locals mean the nationals of the project country). In 2006 we achieved an overall 19% of corporate Sama Dubai nationalization and in 2007 this figure burgeoned to 21%.

To enhance internal communication and networking among the Sama community, Sama Dubai organises 'Sama Sawa' events. The word 'sawa' in Arabic means 'together'. These unique events are organised on a regular basis where all employees gather to socialise and share information about the organisation.

Another mechanism in place for Sama Dubai employees is Sawtee4Sama (S4S) program, which is a comprehensive online suggestion and complaints system, allowing employees to express their views about the organisation in a confidential manner. The program also encourages employees to come up with innovative and creative ideas that can be implemented in the company. As per Sawtee4Sama rewards and recognition scheme, two employees have recently been awarded the 'Best Suggestion of the Month' with an award of AED 10,000 for each.

In order to encourage and motivate employees, Sama Dubai developed a Best Employee Award in 2006. The criteria and approach for the selection process was circulated to all departments and projects, to enable them to nominate their candidates meeting the criteria. After careful consideration, two employees were nominated from Sama Dubai in 2006 and three in 2007. The nominees were also rewarded by Sama Dubai.



Employee rewarded as part of the Sawtee4Sama Employee Suggestion Scheme

Employee Engagement and Involvement

In 2006 and 2007 Sama Dubai conducted an Employee Satisfaction Survey.

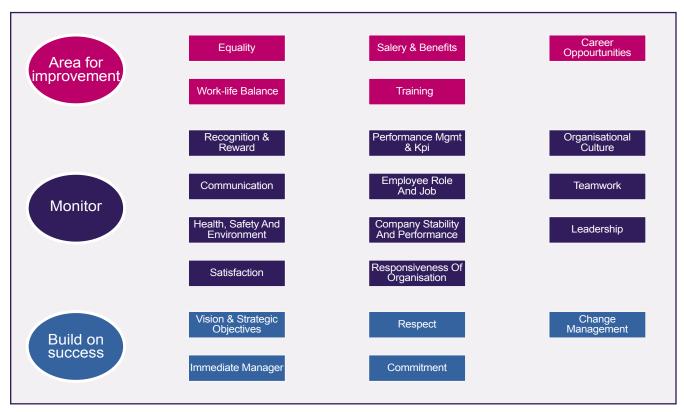


Figure 4: Employee Satisfaction Survey Results for 2007

A review of all improvement areas has been conducted to understand each one better. As a result, the following priority initiatives were identified: establishment of Employee Wellness and Talent Management divisions within HR. These divisions will take into consideration issues related to people development, reward and recognition and the recruitment process.

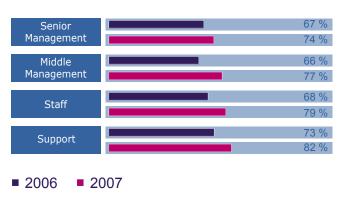


Figure 5 : Level of Employee Satisfaction at Sama Dubai

Cultural Awareness

Sama Dubai is an international entity targeting various cultural backgrounds. We therefore recognise the cultural influences of such diverse ethnicity and in turn want to create awareness about the social, historical and business infrastructure of the UAE. As such the Human Resources Department conducts quarterly Cultural Awareness seminars for Sama Dubai employees to enhance their understanding of the UAE culture and customs.



Society

Part of Sama Dubai's corporate social responsibility is its commitment to society. Throughout the year, Sama Dubai carries out many initiatives that actively encourage employees to involve themselves in the community around them, which in turn enhances the social wellbeing of the society. In this seamless exercise of exhibiting total commitment to the society, Sama Dubai is ably guided by the UNGC principles. In addition, the European Foundation for Quality Management (EFQM) principles on 'Society' serves as an apt guiding force in Sama Dubai's approach to enhance social well-being in the communities where it operates.

Health & Wellbeing

In order to build good community relations, Sama Dubai organised a one-day blood donation campaign for its employees in association with the Dubai Health Authority (DHA). More than 55 volunteers donated blood as a sign of their commitment to corporate social responsibility. By organising this campaign, Sama Dubai sought to cooperate with healthcare organisations, to help meet the continuous need for supply of blood in hospitals and blood banks, in addition to helping Thalassemia patients and others who require blood transfusions.

Youth Development

Sama Dubai works in collaboration with the Centre for Responsible Business (previously known as the Dubai



Sama Dubai Employees Participating in the Clean Up Arabia 2007 Campaign

Ethics Resource Center) to promote awareness of corporate social responsibility by tapping into vital demographics of society – the youth, who are the future leaders of the country. To this effect Sama Dubai sponsored the 2007 corporate social responsibility research internship programme, which hosted a group of students from local universities to conduct research and document the company's local CSR activities in a case study format. The case study will be used as learning material, illustrating local practices in business ethics and corporate social responsibility.

Community Support Initiatives

As part of its continuous commitment to supporting environmental initiatives, Sama Dubai has partnered with the Environmental Centre for Arab Towns (ECAT) and sponsored the launch of the centre in November 2006. In May 2007, Sama Dubai sponsored the 'Water Resources Management' workshop, organised by ECAT, which addressed various challenges to the region's water resource management, including water deficit - the biggest economic, social and environmental challenge that Arab cities will have to tackle by the year 2030.

In addition, Sama Dubai employees and their families gathered at Dibba Port in Fujairah, UAE, to participate in the 12th annual 'Clean up Arabia' 2007, an annual voluntary campaign aimed at cleaning up debris and litter from the dive sites and beaches of the eastern coast of the UAE. The clean-up campaign provided an excellent opportunity for our volunteers to learn about the UAE marine environmental issues and how to maintain a clean marine environment. This event was organised by the Emirates Diving Association and the United Nations Environment Program's (UNEP) YouthXchange West Asia.

Society Interactions

In 2007 Sama Dubai started to monitor the perception of society of targeted segments, considering key measures such as overall corporate reputation, performance as a good corporate citizen, involvement in the local community, protection of the environment and image as an employer. The target groups for this study were potential employees, customers, general public, government, NGOs and the media.

This was the first society perception study carried out by Sama Dubai, hence, the results and recommendations from the study will be used as a baseline for Sama Dubai to develop its 2008 CSR Strategy and set up targets to measure CSR performance.

Monitoring Customer Satisfaction

During 2006 and 2007, Sama Dubai started to monitor the customer's overall satisfaction using various measures. The results for both 2006 and 2007 are presented in the table below, which shows remarkable improvement from 2006.

As a strong commitment to continuous improvement, Sama Dubai takes into consideration the development of appropriate improvement action plans to enhance the overall satisfaction and perception of the company to its customers.

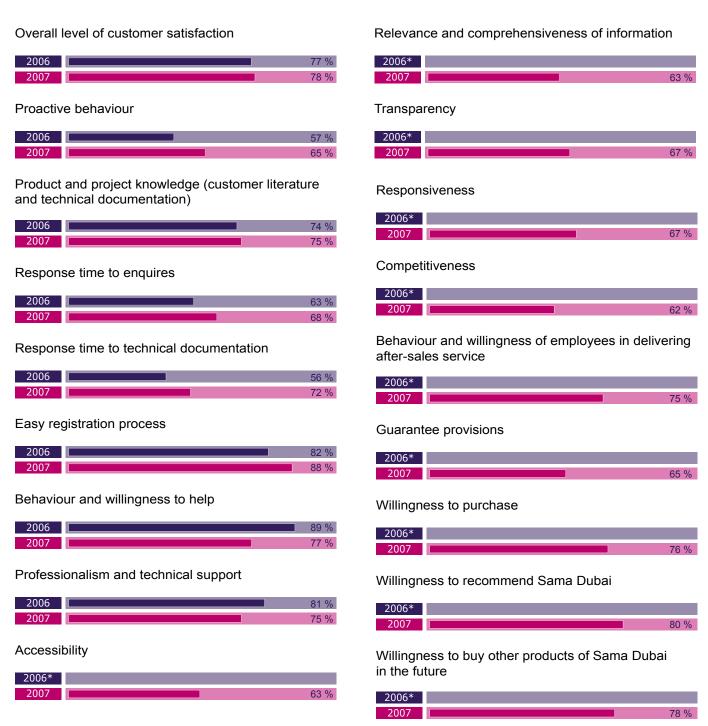


Figure 6 : Overall Customer Satisfaction results per key measure

Note: * Not Measured in 2006

Partners & Suppliers Forums

Sama Dubai hosted a total of three Partners and Suppliers Forum in 2007, titled 'Steps To Grow Together', which was a part of the company's drive for excellence and continuous improvement. Around 30 attendees participated from several local and international companies, representing the partners and suppliers of Sama Dubai. The objective was to strengthen and reinforce relationships with partners and suppliers as also to develop a clear understanding of what it is like to partner and do business with Sama Dubai. The forums provide a platform for creating innovative and creative ideas for Sama Dubai and for partners and suppliers to grow together.

Social Impact Assessments

There are many International Agreements and Declarations concerning social wellbeing. For example, Principle 1 of the 1992 Rio Declaration on Environment and Development, states that "Human beings are at the centre of concerns for sustainable development. They are entitled to a healthy and productive life in harmony with nature." In adherence to growing concerns about social issues and human welfare, Sama Dubai has ensured that Social Impact Assessments are carried out for our socially sensitive projects, such as Salam Yiti Resorts.



Salam Yiti's Social Impact Assessment (SIA) and Social Management Plan (SMP) have been developed based on World Bank standards, and include:

- 1. Archeological surveys conducted for caves on site
- a) There are two caves belonging to 2700 3200 BC which are of potential archaeological importance which include:
 - A cave along the road to Hanshift, which consists of brick and clay structures; and
 - A cave at the foothill in the vicinity of the old graveyard in Hanshift.
- b) As suggested by our external consultants, a detailed archaeological survey was conducted for the two caves. Upon completion of the survey a full archaeological report detailing the survey findings along with the suggested recommendations for both sites will be provided to the Ministry of Environment, Oman, who will then share this information with Sama Dubai.
- 2. Rebuilding Hanshift village (shifting of 27 families who have been affected by our development to a new location)
- 3. Design based on authentic Omani architecture (preserving local culture)
- 4. Employment opportunities for local villagers.
- Salam Yiti Resorts development will provide a market niche for local products (fish/ dates) ensuring that local and sustainable products are integrated into the hotels operating in the Yiti project.
- 6. Benefiting communities by creating facilities such as Sougs (shopping areas, parks, beach club)

Environment

One of the most important aims of Sama Dubai, inspired by its environmental policy is to reduce adverse environmental impacts through mitigation and to enhance the existing natural environment. Environmental initiatives cover a variety of issues within Sama Dubai's activities and operations. In the context of CSR, Sama Dubai's obligation is seen to extend beyond the statutory obligation of merely complying with legislation; for we are voluntarily taking further steps to accept responsibility for the effect our activities have on communities and the environment in all aspects of corporate operations.

Project Level Environmental Approach

Sama Dubai is currently taking significant steps in a holistic approach to sustainable design initiatives. This is in view of the drastic changes that the local and regional market is presently undergoing with respect to sustainable building design and in response to Dubai's focus on mitigating one of the highest ecological footprints globally. Sama Dubai is taking into consideration the implementation of alobal sustainability criteria, based on various international criteria such as the Leadership in Energy and Environmental Design (LEED) system for buildings. LEED recognises performance in sustainable site development, water savings, energy efficiency, materials selection and indoor environmental quality.

Sama Dubai carries out Environmental Impact Assessments (EIA) for all its projects right from the stage of master planning, strictly adhering to international standards and complying fully with both local and federal procedures and guidelines. Sama Dubai's EIAs cover all phases of its projects from planning and design to construction and finally the operation stage. The EIAs have been the foundation for developing and implementing Environmental Management Plans (EMP), enhancing environmental responsibility, mitigating possible adverse impacts on areas affected by its construction operations and ensuring that the environmental considerations are being addressed. Environmental consultants are

involved in monitoring implementation of the EMPS, and they ensure that all third party contractors at all Sama Dubai projects adhere to the EMPs. As such, weekly and monthly reports are submitted to Sama Dubai to monitor compliance.

Memberships

To show its commitment to environmental stewardship, Sama Dubai has become a founding member of the Emirates Environmental Group (EEG) Corporate Social Responsibility Network. EEG is a local environmental focal point and a member of the Board of the United Nations Global Compact. The EEG sees its CSR network as a means to promote responsible business conduct in the UAE. It also serves as a platform for sharing best practices and benchmarking local CSR initiatives in the country.

Sama Dubai has joined the Emirates Green Building Council (EGBC), which has recently been established



in the country. The Council seeks to set a range of benchmarks, to enable those who care about the environment to make informed choices about the buildings or apartments they want to purchase or occupy, and it is also a tool that developers (such as Sama Dubai) can use to measure the level of sustainability of a building. It is based on the US Green Building Council Leadership in Energy and Environmental Design (LEED) system, and adapted to suit UAE's climatic conditions.



"The Lagoons Dubai -A World like no other along the Dubai Creek"

The Lagoons

The Lagoons is located in Dubai, United Arab Emirates. The site borders the head of the Dubai Creek and spreads over an area of 620 hectares, moving inland to the intersection of the Nad Al Hammar and Ras Al Khor roads. The Project site is flanked on its East boundary by the Nad Al Hammar Road and on the South boundary by the Ras Al Khor Road. Dubai Creek borders the North-west boundary of the development and the site overlooks the surrounding Ras Al Khor Wildlife Sanctuary. The project site itself covers 65.8 million sq ft at the time of breaking ground.

Preserving Biodiversity

As per Sama Dubai's commitment to environmental protection and preservation of the natural habitat, The Lagoons EMPs cover special considerations for the preservation of such natural habitats. For example, the buildings close to the Sanctuary do not use as much glass as other buildings so as to reduce reflection; further building heights and densities were also reduced in the master-plan as a way to ensure a clear flight path for the birds at all times. In the future, Sama Dubai is planning to coordinate with Dubai Municipality to develop enhancement plans for the wildlife habitat in the Sanctuary. (Refer to Appendix II for characteristics of RAKWS)

Among the plants of Ras Al Khor, one species of particular regional importance has been identified, namely the 'Ghaf' tree (Prosopis Cineraria). Three species (Avicennia Marina, Calligonum Comosum and Prosopis Cineraria) are considered to be keystone species, of outstanding ecological importance.

Initiatives to Mitigate Environmental Impacts

Various environmental initiatives are being implemented in Sama Dubai's The Lagoons project. Water quality management is considered as a priority during all phases of The Lagoons project. Therefore, during all construction phases, the creek water quality shall be maintained through the implementation of certain control measures such as silt curtains to avoid the occurrence of any significant impact on the Creek and/or the Ras Al Khor Wildlife Sanctuary (RAKWS), which is located in close proximity to the project.

In addition, regular site inspections of all dewatering channels are performed to guarantee that the ground water being released into the Creek is free of pollutants. A monthly water analysis is also carried out from both the Creek water and ground water discharged, to ensure that this is in line with the Water Quality EMP and Dubai Municipality guidelines, and to assess the overall impact of construction activities to adjacent water bodies.

To improve water quality at the Creek, practical and feasible long-term solutions for water quality is being carried out. In coordination with Dubai Municipality, Sama Dubai is conducting an in-depth feasibility study for constructed wetlands in the Sanctuary area. This is integrated with Dubai Municipality's overall long-term management plans for the Sanctuary. Together, this aims at enriching the ecological value of the area.

Sama Dubai applies water management and recycling measures through various means, such as the utilisation of dewatered ground water for access roads sprinkling and dust suppression onsite. The Reed Beds is another innovative eco-friendly wastewater treatment system that is currently used for sewage water treatment at the site office. This is a method whereby wastewater is treated naturally to an extent that it can be utilised for irrigation and other purposes.

Flamingo Birds at Ras Al Khor Wild Life Sanctuary



Yiti, Oman

Salam Yiti Resort and Spa is bordered by the Gulf of Oman on the north while the other three sides are cordoned by the mountains, barring access to the site through the Yiti village. The Yiti site, located about 10 km east of Muscat in the Gulf of Oman, includes rocky shore, sandy beach and a lagoon. There are four rocky outcrops separated by sandy beaches. The western side of the beach is connected to an intertidal mudflat. The project site itself covers 6,319,260 sq ft.

Preserving Biodiversity

At the Sama Dubai site in Yiti, translocation of species was carried out to ensure that biodiversity is protected. As per the environmental permit given to Dubai from the Oman Ministry Sama Environmental Affairs, a condition is included that IUCN-listed plants should be removed from the site under the direction of Sultan Qaboos University and relocated for their conservation. In 2006 it was decided that Limonium Sarcophyllum was the only plant species that required translocation and a total of 250 plants of this species were translocated, in addition seeds were also collected and relocated. These plants were moved to the Sultan Qaboos University nursery for conservation. In 2007, the same species were targeted and the seed collection was once again carried out.

Preserving Marine Life at Yiti

To enhance the marine life at Salam Yiti, special attention was given to the corals that were affected by the June 2007 Gonu cyclone. In 2007 Sama Dubai enforced its commitment to deploying artificial coral reefs, as directed by the environmental permit provided by the Ministry of Environment, Oman.

These artificial corals will be added to the present coral community along the shore line, to enhance and preserve the corals.

As a further sign of commitment to the environment, Sama Dubai is deploying an online marine monitoring system. This is an initiative that will also support the Ministry of Environment, Oman, with data on water quality.

Initiatives to Mitigate Environmental Impacts

As part of the development of the resort, Sama Dubai has retained an external contractor to dredge up to 6 M m3 of suitable material for the land reclamation and levelling activities at the site. The project's environmental impact assessment highlighted the potential impact of dredging on both coastal water quality and on marine ecology. In this regard, Sama Dubai commissioned an external consultant to develop and undertake a monitoring program to evaluate and characterise conditions during the dredging operations. The monitoring program consisted of:

- Daily sampling and testing of water quality for total suspended solids (TSS) and turbidity at three impact sites
- Daily quality analysis of composite dredging sediment for the first two weeks of dredging, to characterise the range of heavy metals and organic contaminants contained in the dredged material; and
- A weekly sampling of water quality to characterise the concentration of various dissolved organic contaminants.

Upon completion of the dredging, it was reported that the immediate environmental impacts to Yiti were not significant and it was encouraged that all future dredging should also be accompanied by close monitoring.



Preserving Biodiversity

Awards & Recognitions

Sama Dubai was awarded by the Emirates Marine Environmental Group, for its efforts to preserve the natural fauna at Dubai Industrial City (DIC), a Dubai Holding project, and drive sustainable development practices in the construction and real estate sectors. As a consultant on the project, Sama Dubai relocated critically endangered 'animals of special conservation interest' to other locations. Sama Dubai's environmental experts directed and supervised all aspects of the translocation execution and planning at DIC, including the initial research, capturing, handling, releasing, and continuous post-release monitoring of the species.

The transfer involved three spectacular species, some of which are unique to the UAE and found nowhere else in the Arabian Peninsula. Reptile and environmental specialists were consulted on ideal sites for the relocation of the Skink Gecko, Leptien's Dhab, and the Mountain Gazelle. The rare species were then shifted to the Dubai Desert Conservation Reserve, Jebel Ali Wildlife sanctuary, Sharjah Wildlife and Breeding Center, as well as His Highness Sheikh Mohammed bin Rashid Al Maktoum's Conservation Reserve.



Waste Management

A waste management and recycling programme has been implemented in Sama Dubai's offices at Dubai Healthcare City, in cooperation with TADWEER Waste Treatment Company. The programme was initiated in the middle of June 2007.

The graph below represents our waste management program results for the period from July – December, 2007. A monitoring and reporting mechanism for this initiative will be developed in the near future in order to improve our results. Based on the baseline data collected over the past six months, existing benchmark targets for 2008 will be set.

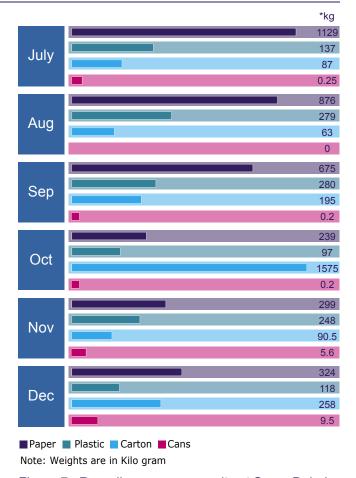


Figure 7 : Recycling program results at Sama Dubai Corporate office

Environmental Awareness Programs

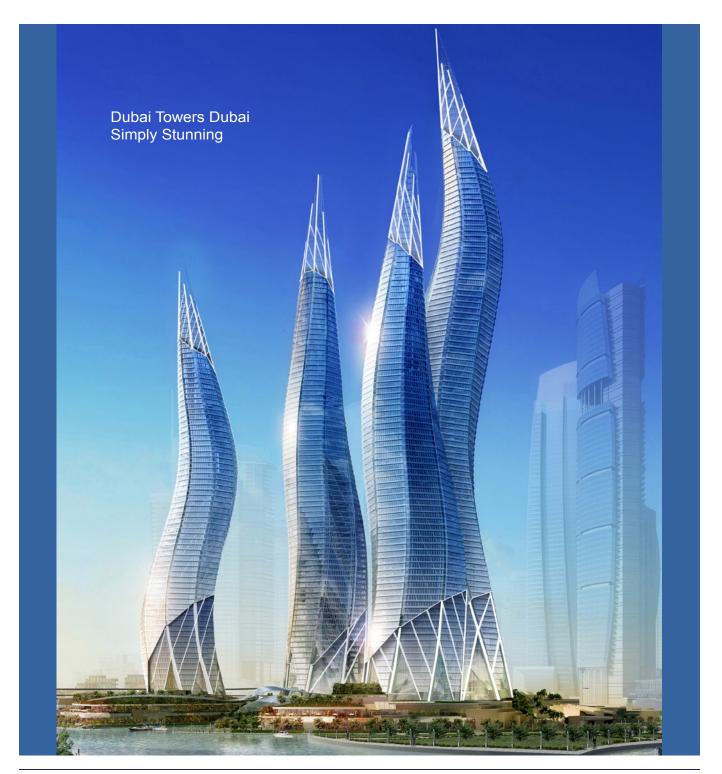
In order to enhance employees awareness on issues related to environment, an electronic book containing information on waste management, water conservation and energy conservation was created by the CSR team. In addition to helpful tips on how to protect the environment, the e-book also contains a list of recycling centres in the UAE. This publication was circulated electronically to all staff at Sama Dubai. This document is also available for employees to go through on the intranet.

In 2008, the CSR action plan includes various environmental awareness programs, which incorporate organising events to highlight hot topics related to energy, water conservation and waste management. An Environmental Awareness Campaign is planned to be organised in March 2008, inviting different NGOs and private sector entities pioneering in this field, to help Sama Dubai promote awareness among its people as well as encourage environmental friendly best practices at work place.

Further plans will also include conducting Environmental Audits on existing air conditioning and power supply systems.

The Way Forward

This report is the first to be published and released by Sama Dubai to all stakeholders and interested parties. It is a step towards promoting and ensuring our commitment to Corporate Social Responsibility. It is essential to keep the momentum going, which has been generated by the creation of this report and further thought will be given to all aspects of the report. We are confident that our initiatives and activities will allow us to improve our existing techniques and practices. Our goal is to better ourselves with every passing day and we strongly believe our next Corporate Sustainability Report will reflect this. At Sama Dubai, we are more than willing to meet the challenges in our path to attain continuing success.



Appendix I

GRI G3 cross-reference index

We have used the reporting guidelines of the Global Reporting Initiative (GRI) in the preparation of this report.

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2.4	Location of organisation's headquarters	Scope of Report	11
2.5	Names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	Profile Portfolio Scope of Report	06 10 11
2.7	Markets served	Profile Portfolio Scope of Report	06 10 11
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4.14	List of stakeholder groups engaged by the organisation Sama Dubai Relationships Our Stakeholders		09 12
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EN13	Habitats protected or restored	Preserving Biodiversity (The Lagoons) Preserving Biodiversity (Yiti, Oman) Awards and Recognitions	21 22 23

EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, be level of extinction risk	Preserving Biodiversity (The Lagoons) Preserving Biodiversity (Yiti, Oman)	21 22
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Appendix II

Characteristics of Ras Al Khor Wildlife Sanctuary (RAKWS)

	Biodiversity	 Mangroves, Lagoons, Mudflats, Sabkhas, Reeds, Shrubs Highest concentration of birds of prey in the UAE Rich fish, fauna and marine mollusc Spoonbill, Black-headed Ibis, Crab Plover, Oystercatchers, Socotra Cormorants, Lesser Crested Tern, Herons, Avocets, Eurasian Curlews, Pied Avocet 25000 – 30000 water birds winters in RAKWS
	Habitat of Endangered Species	Greater Flamingo Ferruginous Duck Spotted Redshank
<u></u>	Critical Staging Ground of Species Life Cycle	Critical staging ground/ stepping stones of 65 species of migratory birds of East Africa – West Asia and Central Asia flyways



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Feedback

We welcome your feedback and comments on our CSR report and initiatives.

We recognize the importance of the views and needs of our stakeholders. Our commitment starts with listening to your suggestions, especially in the areas where we can improve on our initiatives and reporting system.

Please send us your comments and suggestions via e-mail to:

Antoaneta Popova Senior CSR Manager antoaneta.popova@sama-dubai.com

or by post to the following sdress:

Sama Dubai Corporate Social Responsibility Team P.O.Box 72527 Dubai, United Arab Emirates

We look forward to your feedback.

Sama Dubai CSR team



