

Executive Director & Board Member Statement

February 14, 2016

To our Stakeholders,

I am pleased to state that Diamond Developers continues to keep our promise towards the UN's Global Compact initiative and has sustained intent to uphold and act on the UN's Global Compact "10 Principles" in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this third annual Communication on Progress, we continue to integrate the Global Compact's principles into our policies, philosophy and daily operations.

We remain committed to incessantly share this information with all our stakeholders through different methods of communication.

Yours Sincerely,

Wassim Adlouni

Executive Director & Board Member

Human Rights

Diamond Developers believes that it is inherently important to maintain a high level of integrity towards human rights issues. We continue to enforce the policies as articulated in the United Nations Declaration of Human Rights. We regard this as common practice and standard of business to all the staff irrespective of their position. At Diamond Developers, a policy was developed to eliminate all forms of discrimination when dealing with employees or hiring new ones, as stated in the following quote: “Diamond Developers fully abides by the morals and privileges of parity and diversity and does not get involved in illegitimate actions of discrimination against anyone on the base of their race, sex, pregnancy and maternity, marriage or civil partnership status, disability, religion or belief, social status or age. All candidates are received and appraised merely on distinction, competences and prospects.” To ascertain that our business associates and potential collaborators respect and act in compliance with the human rights policies, we invite them to provide prequalification documents describing their past and present undertakings and company guidelines. Following receipt of the pre-qualification documents, they would be assessed and either be approved and added to our vendor list or be rejected, depending on the analysis.

Labor principles

Similarly to human rights issues, Diamond Developers are fully aware about the importance of applying all the labor rights principles. Adhering to these laws and principles aids us in defining the tasks of our staff as well as our employers. Moreover,

we will continue to adhere to unbiased hiring and training schemes. Equal prospects are given to all employees irrespective of their race, gender or disability. This has been explicitly stated in our employment policy as follows: “Diamond Developers fully abides by the morals and privileges of parity and diversity and does not get involved in illegitimate actions of discrimination against anyone on the base of their race, sex, pregnancy and maternity, marriage or civil partnership status, disability, religion or belief, social status or age. All candidates are received and appraised merely on distinction, competences and prospects.” At Diamond Developers, we conduct constant training sessions for department managers to raise awareness about labor issues and how to deal with them. We constantly make an effort to ensure that the companies we invite to our projects also meet the minimum qualification standards by going through a pre-qualification process by which the submitter’s policies, projects and history are compared to Diamond Developer’s required policies and standards. In addition to this, we take other means of ensuring that our standards are followed in construction sites by inspecting contractor’s/ sub-contractor’s labor documents to ascertain that no forced or child labor are employed or working at site. No labor related violations have ever taken place so far; however, if such violations ever do occur, they would be documented, filed and submitted to company management’s evaluation and action.

Environmental Principles

At Diamond Developers, we have been dedicated to an environmentally sustainable approach as we embrace and act on the UN’s Global Compact “10 Principles” and contribute to a more sustainable eco system through real estate developments (e.g. The Sustainable City in Dubai, over AED 1 Billion) that provide eco-conscious villas, material specifications, environmentally friendly construction methods, energy saving

tools & equipment; and through methods of running the day to day operations such as promoting paperless communication, electronic correspondences and e-signatures.

Diamond Developers' real estate project, The Sustainable City (TSC), is one of the first practical implementations of the UAE's vision for a green economy. The community embodies the definition of sustainability, whereby every aspect of its design takes into consideration the environmental, economic and social impact. All aspects of environmental sustainability in the built environment have been taken into consideration for the operation of this community; i.e. energy, waste, water, transportation, agriculture. Examples of some of the sustainable initiatives are the following:

- The consumption of energy will be drastically reduced at source through the installed energy efficient appliances, and the energy that is consumed is harnessed from the solar voltaic panels on the roofs of the homes and parking spaces.
- Waste will be completely separated at source and recycled or reused in some way, including organic waste and landscape waste for compost.
- Water consumption is also massively reduced through efficient appliances, and any water used will be recycled and used to irrigate non-productive land.
- Diamond Developers are dedicated to making TSC a safe and care-free community. All villa occupants will receive an electric golf cart for means of transportation in the community, which will be powered by solar energy. Bicycles are also provided at TSC as an alternative mode of transport, also as a means to promote healthier lifestyles.
- 11 biodomes are being constructed at TSC for the purpose of growing organic fruits, vegetables, and herbs for the community. Productive gardens are also available for each villa.

Our commitment is to:

- Constantly develop our environmental performance and integrate environmental management best practices into our operations;
- Decrease our depletion of resources and improve the efficient use of those resources;
- Quantify, assess and take initiatives to decrease the carbon footprint of our works to reach our goals and targets;
- Cope with waste generated from our operations according to the principles of reduction, re-use and recycling;
- Efficiently manage operations to prevent pollution;
- Give thought to environmental matters and energy efficiency during planning and design for our projects;
- Make sure that consideration is given to the environmental, including climate change while procuring goods and services;
- At least fulfill all relevant environmental legislation as well as other environmental requirements to which the practice subscribes;

To meet our commitments we will:

- Deliver management oversight and review environmental policies and performance, and allocate resources for effective direction and implementation;
- Set and monitor key objectives and targets for managing our environmental performance at least annually;

- Communicate internally and externally our environmental policy on a regular basis, and encourage feedback;
- Communicate the importance of environmental issues to staff;
- Work together with our staff, professional colleagues, and suppliers to promote improved environmental performance;
- Promote consideration of sustainability and environmental issues in the services we provide to our clients;
- Review our environmental policy regularly.

As a developer, Diamond Developers promotes the use of Eco- friendly methods of construction and materials on our projects. We have not encountered any incidents of environmental pollution or contamination; however, if such a case ever does occur, it would be documented, filed and submitted to company management for their evaluation and action.

Anti-Corruption

Diamond Developers has always adopted a zero-tolerance policy for corruption. All employees are encouraged and are advised to report any attempt of bribery, perjury or any form of corruption. Cases of corruption are taken very seriously. Employees who are found involved are susceptible to serious actions that might reach to expulsion. This policy is also followed with the companies and organizations that we deal with.

Companies that are known for previous cases of corruption are automatically blacklisted. This policy has not yet been issued as one of the firm's official policies. Therefore, Diamond Developer's future plan concerning corruption is to issue an official policy

addressing the different forms of corruption that our employees might come across in addition to defining the procedures that should be taken in case an incident of corruption was encountered.