



الأندلس العقارية
Alandalus Property

Alandalus Property Company No Conversion or Degradation Policy





Policy Approval

This policy was approved by Board Resolution No. 122 issued on 11/03/2026

Table of Contents

1. Policy Statement

2. Introduction

3. Accountability

4. Scope and Applicability

5. No Conversion or Degradation Principles

6. Integration into Development and Asset Management

7. Monitoring, Measurement, and Reporting

8. Continuous Improvement

9. Policy Review

1. Policy Statement

Alandalus Property Company recognizes the importance of protecting natural ecosystems and avoiding activities that result in the conversion or degradation of natural habitats. The Company adopts this No Conversion or Degradation Policy to guide responsible land use, minimize environmental risks, and support alignment with national environmental priorities and international sustainability expectations.

2. Introduction

Land conversion and ecosystem degradation can result in long-term environmental, social, and regulatory risks. As a real estate company operating primarily within urban and developed environments, Alandalus seeks to avoid investments that involve significant adverse impacts on natural habitats. This policy formalizes a precautionary approach to land use and site development.

3. Accountability

Oversight of this policy is assigned to the Board of Directors, with executive accountability delegated to senior management. Implementation is coordinated through Investment, Engineering Projects Department and Sustainability under review Governance, Risk, and compliance functions. Contractors and consultants involved in site selection, development, or asset management are required to comply with this policy.

4. Scope and Applicability

This policy applies to all properties and land assets owned, managed, or acquired by Alandalus Property Company. It covers investment evaluation, asset acquisition, asset management, and major decisions where land-use considerations or potential environmental sensitivities may be relevant.

5. No Conversion or Degradation Principles

The Company's approach is guided by the following principles:

- Avoidance of investments in assets or projects associated with material risks of conversion or degradation of natural habitats.
- Compliance with all land-use planning, zoning, and environmental regulations in the Kingdom of Saudi Arabia, including the requirements issued by the Ministry of Municipal and Rural Affairs

and Housing, the National Center for Environmental Compliance, and any other relevant regulatory authorities. Application of a precautionary approach where ecological sensitivities are identified.

- Engagement of qualified specialists when material environmental risks are present

6. Integration into Development and Asset Management

Considerations related to land conversion and habitat degradation are integrated into investment decision-making processes. Where applicable, site assessments and regulatory reviews inform project planning to ensure alignment with this policy. The depth of assessment is proportionate to the scale, location, and risk profile of the activity.

7. Monitoring, Measurement, and Reporting

The Company monitors land-use related risks through site reviews, regulatory compliance processes, and property-level oversight. Relevant information is reviewed periodically and disclosed through sustainability reporting where material.

8. Continuous Improvement

Alandalus adopts a continuous improvement approach by incorporating lessons learned, regulatory developments, and evolving best practices related to land use and environmental protection.

9. Policy Review

This policy is reviewed at least annually, or earlier if required due to changes in regulation, business activities, or environmental risk profile. Revisions are subject to review by the Governance, Risk, and Compliance Department and Board approval.