

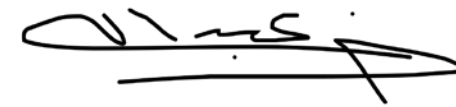


Corporate Governance Report 2020

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This Corporate Governance Report is approved by:



KHALED ABDULLA AL QUBAISI
Chairman of the Board



BADER SAEED AL LAMKI
Chief Executive Officer



MOHAMED JAMEEL AL RAMAHI
Chairman of the Audit Committee



**H.E. DR AHMAD BIN ABDULLAH
HUMAIID BELHOUL AL FALASI**
Chairman of the Nomination and
Remuneration Committee



MOUSA SAJWANI
Acting VP, Internal Control & Risk

Preface

The following report is governed by the Securities and Commodities Authority ("SCA") Chairman's Board of Directors' Decision No. 3/Chairman of 2020 as amended from time to time on the Joint Stock Companies Governance Guide ("Decision 3/2020") and the format of this report is prescribed by SCA. This report outlines the compliance of National Central Cooling Company PJSC (the "Company" or "Tabreed") with Decision 3/2020, and the Company's overall integral governance structure in the period from 1 January 2020 to 31 December 2020.

Tabreed has 23 years of industry leading experience in the district cooling sector, and throughout its journey Tabreed has enhanced its commitment to implementing the highest standards of corporate governance within the Company to enhance value for its shareholders and stakeholders.

1. Compliance with Regulations

Tabreed's corporate governance system is well developed, adopts local and international best practice and meets all relevant requirements of UAE legislation on corporate governance, including the Commercial Companies Law No. 2 of 2015 (as amended) and Decision 3/2020. Decision 3/2020 applies to Tabreed's listing on the Dubai Financial Market ("DFM"). SCA supervises, controls and verifies Tabreed's compliance with Decision 3/2020.

2.

Corporate Governance Structure

The General Assembly Meeting is the highest decision-making body in the Company and is the forum in which shareholders exercise their right to decide on **the Company's direction**. The Annual General Assembly Meeting "AGA" is convened once a year to carry out tasks such as adopting the Board of Directors' report and the annual and consolidated accounts, discharging the members of the Board of Directors and the auditors from liability and deciding how **the profit** of the past financial year is to be allocated.

The shareholders are the ultimate decision-makers in respect of the direction of the Company as the shareholders are responsible for appointing the Board of Directors at the AGA of the Company, each such appointment being for a term of three years. The shareholders present at the

AGA also elect the auditors who in turn report on their scrutiny to the AGA.

The following sections summarize how the Company has applied the principles of Decision 3/2020 and its compliance with these principles.

Board of Directors (Art. 6, Decision 3/2020)

The appointment, roles and responsibilities of the Board of Directors of Tabreed (the "Board" or "Board of Directors") are outlined in Tabreed's Articles of Association ("AoA").

Upon implementation of the membership balance criteria set down by Decision 3/2020 in relation to executive, non-executive and independent members of the Board, we confirm that compliance was maintained by Tabreed in relation to all criteria except in relation to the requirement for a majority of the members of the Board to be independent due to the Chairman no longer being considered under Decision 3/2020 as independent by virtue of being re-elected on more than four occasions by the shareholders of Tabreed. The current Board of Tabreed comprises four independent directors, and the Board is implementing steps to increase the number of independent directors from four directors to five directors out of the total of nine Board members. The Board has at all times maintained an appropriate level of skills, experience and capabilities across the membership.

Chairman of the Board (Art. 7 and 15, Decision 3/2020)

In 2020, Khaled Abdulla Al Qubaisi presided as the Chairman of the Board (the "Chairman").

The Chairman of Tabreed's Board is a non-executive director with extensive and prominent experience in the finance and energy sectors both regionally and internationally. Throughout the year, the Chairman ensured that the Board participated effectively at Board meetings and that each member of the Board acted in the best interests of Tabreed and its shareholders. The Chairman developed the structure of, and agenda for, meetings of the Board, overseeing communication between Board members and shareholders, and encouraged constructive relations between the Board members.

Members of the Board

(Art. 9, 10, 13 - 19, Decision 3/2020)

The members of the Board have a diverse set of skills and experience. Each member's duty is to act in the best interests of Tabreed and its shareholders. Each member of the Board ensures that Tabreed's management maintains systems and processes to ensure adherence to laws, regulations and Tabreed's operational requirements.

The Board ensures that Tabreed's management provides them with sufficient information, in a timely manner, to make informed decisions that affect the direction of the Company. The Board members participate in Board meetings, giving independent opinions on strategic issues, policy, accounting, resources and principles of required behaviour. The Board tracks the Company's performance against strategic objectives.

Each year, all Board members disclose to Tabreed an assessment of their independence, confirmation of confidentiality, details of any share trading and details of their significant positions in public companies or other institutions.

Remuneration of the Chairman and the Board Members

(Art. 29, Decision 3/2020)

The Chairman and the Board members are entitled to be remunerated by a percentage of up to a maximum of 10% of the net profits of the Company in respect of each fiscal year, subject to approval by the shareholders at the Company's AGA and subject to setting aside a statutory reserve of 10% of the net profits of the Company.

Board Committees

(Art. 53 and 58 Decision 3/2020)

The Board is empowered to establish Board committees and to delegate powers to such committees as necessary or appropriate. The Board delegates certain functions to well-structured committees but without abdicating its own responsibilities.

Board committees are an effective way to distribute work between Board members and allow for more detailed consideration of specific matters. All the Board committees are functioning on behalf of the Board and the Board will be responsible for constituting, assigning, co-opting and fixing terms of service for Board committee members.

Tabreed's Board has constituted four committees and implemented charters that define the obligations, duration and authority of each committee and these committees are regularly monitored by the Board regarding their performance and commitment. These committees are:

1. [Audit Committee](#)
2. [Nomination and Remuneration Committee](#)
3. [Finance Committee](#); and
4. [Projects Committee](#)

The Audit Committee and the Nomination and Remuneration Committee are mandated by Decision 3/2020. The Finance Committee and the Projects Committee have been established by the Board of Directors to facilitate the business requirements of the Company.

Nomination and Remuneration Committee

(Art. 59, Decision 3/2020)

The Nomination and Remuneration Committee assists the Board in discharging its responsibilities in relation to qualifications, compensation, appointment and succession of the Company's directors and key management personnel.

The Committee oversees the Company's nomination process for the Board of Directors and continuously monitors the independence of the independent members of the Board (see Section 7 for further detail on the Nomination and Remuneration Committee).

Audit Committee

(Art. 60, 61 and 62, Decision 3/2020)

The Board maintains an Audit Committee that monitors financial statements, reviews and recommends changes to Tabreed's financial and control systems, and appoints and maintains an appropriate relationship with the Company's external auditors.

The Audit Committee also oversees the Internal Control function and is responsible for approving recommendations for internal control improvements (see Section 6 for further detail on the Audit Committee).

Finance Committee:

The role of the Finance Committee is to assist the Board in monitoring and reviewing:

- a) the economics and financial returns of investments and commitments,
- b) debt and equity financing transactions; and
- c) financial risk management programs of the Company.

Projects Committee:

The role of the Projects Committee is to assist the Board and management in the successful tendering and execution of projects, management of project related contracts, procurement processes, health/safety and the environment, or any other matter that may be critical for the efficient, safe and reliable operation of the Company's projects and existing assets.

Internal Control

(Art. 66 and 67, Decision 3/2020)

Tabreed's Internal Control function is maintained by the Board with certain responsibilities delegated to the Audit Committee. The Board provides independent, objective and authoritative advice as well as assurance over the Internal Control environment to the Board, Audit Committee and management, to assist them in discharging their functions and duties conferred and imposed on them.

The Board ensures that the internal controls are effective by reviewing the work of the Audit Committee, effectively dealing with risk and control issues at Board meetings and requiring that risk and internal control issues are discussed at each Board meeting. The Board also ensures that an internal control review is conducted by the Internal Control function each year. (See Section 10 for further detail on the Internal Control function).

External Auditor

(Art. 70, Decision 3/2020)

On the recommendation of the Audit Committee, the Board appointed PricewaterhouseCoopers ("PwC") as Tabreed's external auditor at the 2020 AGA held on 15 March 2020.

The Board ensures that the external auditor remains independent from the Company. The external auditor has broad powers to provide reports to the General Assembly Meeting and to regulatory bodies (see Section 5 for further detail on the External Auditor).

Delegation to Management (Art.14, Decision 3/2020)

The Board provides guidance and direction to Tabreed's management towards achieving the strategic objectives of Tabreed.

The Board is responsible for the direction and oversight of the Company on behalf of the shareholders. The day to day activities of Tabreed are delegated to management through the Board approved Delegation of Authority as amended and approved by the Board on 11 November 2020. The Delegation of Authority will be valid for a duration of 3 years and subject to regular review and amendment (if required) by the Board and the Audit Committee.

The Delegation of Authority delegates authority from the Board to executive management to execute certain:

1. Contractual or other commitments
2. Expenditure, purchases; and
3. Investments

in each case below a specified maximum limit amount (in AED), beyond which approval of the Board is required. To give effect to the Delegation of Authority, the Board has granted a general Power of Attorney to the Chief Executive Officer, subject to the abovementioned maximum limit amount and which shall remain in force for the same duration of the Delegation of Authority. Other than the above Delegation of Authority there are no other standing delegations of authority from the Board of Directors to the management of the Company. All other powers, authorities and responsibilities in respect of the management of the Company are vested in the Board in accordance with the AoA, subject to those matters reserved under such AoA and/or applicable laws and regulations for the exclusive decision by the shareholders of the Company at the General Assembly of the Company.

The Board also provides guidance and direction to management through the following mandates that are regularly reviewed by the Board:

1. The five-year strategic plan
2. Tabreed's policies
3. The annual budget
4. Key performance indicators; and
5. Regular reporting against performance targets

Shareholders' Rights (Art. 48, 49, 50 and 51, Decision 3/2020)

The Board is committed to maintaining the highest standards in relation to recognition of shareholders' rights. This commitment is outlined in the Charter of the Board of Directors. To that end, Tabreed maintains an appropriately resourced shareholder communications function and has engaged the DFM and First Abu Dhabi Bank ("FAB") to assist with engagement of shareholders.

The purpose of each of the investor relations and shareholder communications functions as well as FAB's and the DFM's role is to ensure that shareholders receive all required financial reports and relevant information, that shareholders are notified of and attend General Assembly meetings, and that dividend payments, when approved, are provided to each shareholder on a timely basis.

The AoA sets out the shareholders' rights to information, voting, participation at meetings and information on candidates for Board positions.

Code of Conduct (Art. 52, Decision 3/2020)

The manner in which the Company expects the Board, its employees, the auditors and the persons to whom specific duties are assigned to behave with respect to each other, the law, customers, suppliers, stakeholders and the community is articulated in the Tabreed Code of Conduct.

3.

Board Member Transactions

The Company’s Market Conduct and Trading Policy has rules governing the dealings by the Board members and their close family in Tabreed’s securities. A fundamental restriction in place is that no Board member or Tabreed employee is allowed to trade in Tabreed securities during a blackout period. Blackouts occur over the periods when sensitive information is being developed or considered.

The table below outlines the Board members’ (and their immediate relatives’) shareholdings and share transactions during 2020:

Name	Position	Total shares held as of 31/12/2020	Total shares bought	Total shares sold
Khaled Abdulla Al Qubaisi	Chairman	645,000	0	0
Saeed Ali Khalfan Al Dhaheri	Board Member	5,547,771	4,173,771	0
Paulo Almirante	Board Member	0	0	0
H.E. Dr Ahmad Belhoul Al Falasi	Board Member	0	0	0
Mohammed Al Huraimel Alshamsi	Board Member	0	0	0
Mohamed Jameel Al Ramahi	Board Member	0	0	0
Sébastien Arbola	Board Member	0	0	0
Frédéric Claux	Board Member	0	0	0
Frédérique Dufresnoy	Board Member	0	0	0



4.

Formation of the Board

4(a) Board Composition

The following table outlines details of each Board member holding office during 2020 in terms of independence, executive position and term of office.

Name	Position	Year of Appointment	Executive	Independent
Khaled Abdulla Al Qubaisi	Chairman	2009	x	x
Paulo Almirante	Vice Chairman	2017	x	x
H.E. Dr Ahmad Belhoul Al Falasi	Member	2017	x	✓
Mohammed Al Huraimel Alshamsi	Member	2014	x	✓
Mohamed Jameel Al Ramahi	Member	2017	x	✓
Sébastien Arbola	Member	2017	x	x
Frédéric Claux	Member	2017	x	x
Frédérique Dufresnoy	Member	2017	x	x
Saeed Ali Khalfan Al Dhaheri	Member	2017	x	✓

Tabreed has one female member on its Board of Directors, Frédérique Dufresnoy, who was elected by the General Assembly on 11 September 2017. Although other nominations were received from female candidates during the last Board election process in 2020, which publicly invited candidates to nominate themselves for election, no female candidates were elected by the shareholders pursuant to the secret, cumulative ballot of the General Assembly.

4(b) Elections and terms of office

The General Meeting has the competence to elect and remove the members of the Board. In accordance with the AoA, the term of each Board member is three years. The Board members are elected by secret ballot. The Board of Directors elects the members of each of the Board committees and designates its Chairman.

4(c) CVs and other PJSC Board Memberships

We confirm that no delegations or authorizations to any Board member or member of executive management were granted by the Board in respect of duties and functions of the Board of Directors during the year 2020.





Khaled Abdulla Al Qubaisi

Chairman

Khaled Al Qubaisi is the Chief Executive Officer of Real Estate and Infrastructure Investments at Mubadala, overseeing a portfolio of both physical and digital assets around the globe, which includes properties, real estate, and the consolidation of our international infrastructure that offer long-term stable returns across business cycles.

Before joining Mubadala, Mr Al Qubaisi was the Chief Investment Officer at International Capital and was the Head of Corporate Finance and Business Development at the National Bank of Abu Dhabi, where he focused on developing the bank's investment banking capabilities.

He is the Chairman of Injazat Data Systems, the Director and Vice Chairman of Abu Dhabi Motor Sports Management. He is also a board

member of Abu Dhabi Future Energy Company (Masdar), Emirates Global Aluminium, Emirates Integrated Telecommunications Company (du), GLOBALFOUNDRIES, Mubadala Petroleum, Finance House and Insurance House.

He holds a Master's degree in Project Management (MSPM) from George Washington University, and a Bachelor's degree in finance and operations management from Boston University.

Paulo Almirante

Vice Chairman

Paulo Almirante is currently Senior Executive Vice President of Renewables, Global Energy Management and Nuclear Activities and is a member of ENGIE's Executive Committee. He is a board member of several the ENGIE group companies. He holds a Master of Science degree in Mechanical Engineering Production Management and a Master's degree in Mechanical Engineering Thermodynamics from the Instituto Superior Técnico in Lisbon, Portugal.

He is a board member of numerous ENGIE group companies. He holds a Master of Science degree in Mechanical Engineering Production

Management and a Master's degree in Mechanical Engineering Thermodynamics from the Instituto Superior Técnico in Lisbon, Portugal.





Mohamed Jameel Al Ramahi

Board Member

Mohamed Jameel Al Ramahi is the CEO of Abu Dhabi Future Energy Company (Masdar), where he spearheads the company's **development and strategic direction in the renewable energy and clean technology sector.**

Mr Al Ramahi also the Chairman of the Masdar Investment Committee, and a director of Shua'a Energy 2 PSC, the project vehicle developing Phase 3 of the MBR Solar Park, Emirates Waste to Energy Company and Medical Holding Company. He is also a director of the Catalyst, a joint venture between Masdar and BP specialising

in the acceleration of clean-tech start-ups. Previously, Mr Ramahi ran the internal audit and risks management function of GASCO. He holds a Bachelor's degree in business administration & finance from the University of Evansville in the United States.

H.E. Dr. Ahmad Bin Abdullah Humaid Belhouli Al Falasi

Board Member

His Excellency Dr. Ahmad Belhouli Al Falasi is the Minister of State for Entrepreneurship and SMEs. Under this role, H.E. Dr. Al Falasi is at the fore of designing national initiatives to strengthen the **UAE's small and medium enterprise (SME) sector, one of the engines of the national economy, and promote entrepreneurship in various industries.**

H.E. is also tasked to set a strategic direction and develop a general national policy for the country's tourism sector. His Excellency previously held positions as CEO of Masdar, Executive Director of Strategy and Tourism Sector Development at Dubai's Department of Tourism and Commerce Marketing, VP at Mubadala and an executive

at McKinsey & Company. His Excellency holds a Ph.D. from Sir John Monash University in Australia, a Master of Science from the University of Melbourne and a Bachelor's degree in Telecommunications Engineering from Khalifa University, UAE.





Sébastien Arbola

Board Member

Sébastien Arbola is the Executive Vice President in charge of Thermal Generation and Energy Supply activities at ENGIE. He is also **CEO of the Middle East, North Africa, South and Central Asia and Turkey region** for global energy leader ENGIE.

Prior to that, he was the CFO and Senior Vice President of the company's Asian environmental operations as M&A Group Director. He has held roles of increasing seniority in Finance and Management over his 11-year tenure with ENGIE.

He is a graduate of the École Supérieure de Commerce de Paris.

Mohammed Al Huraimel Alshamsi

Board Member

Mohammed Al Huraimel Alshamsi is Director of Utilities Investments in Mubadala, where he is **responsible for the asset management function of Mubadala's Utilities portfolio**, which includes thermal power, water, and district cooling assets.

Prior to Mubadala, he was the director of Strategy and Policy at the UAE Prime Minister's Office. He has also held roles at McKinsey & Company, Dubai International Capital, and General Motors. He has

an MBA from the HEC School of Management – Paris and a Bachelor's degree in Finance from the American University of Sharjah, UAE.





Frédérique Dufresnoy

Board Member

Frédérique is Deputy Director of **Decentralized Solutions for Cities** at global energy leader ENGIE.

Frédérique is Deputy Director of Decentralized Solutions for Cities at global energy leader ENGIE. Prior to that, she was the Director of Finance, Risks and International Development at ENGIE, CEO

of Flexco and CFO of the company's European operations. Ms. Dufresnoy holds a Master's degree in Business from Emlyon Business School and an MBA degree from the University of Texas at Austin.

Saeed Ali Khalfan Al Dhaheri

Board Member

Saeed Ali Khalfan Al Dhaheri, is the **Managing Director of the Investments Division** at Ali & Sons Holding LLC.

His current role at Ali & Sons Holding includes committee board membership to the audit committee and the executive committee, whilst overseeing the company's real estate and hospitality division, as well as risk management of

Ali & Sons and its subsidiaries. Previously, he was an Analyst at Abu Dhabi Investments Authority. He holds a Bachelor of Finance degree from the American University in Dubai, UAE.





Frédéric Claux

Board Member

Frédéric Claux is currently the **Head of Acquisitions, Investments and Financial Advisory** for global energy leader **ENGIE**, with approximately 20 years of experience at the company.

Frédéric Claux is currently the Head of Acquisitions, Investments and Financial Advisory for global energy leader ENGIE, with approximately 20 years of experience at the company. Mr Claux also serves as a non-executive Board member

of Les Eoliennes en Mer (offshore wind). He graduated from French civil engineering school École Nationale des Ponts et Chaussées and holds an MBA from HEC business school in Paris.

4(d) Board Remuneration

The AGA may after setting aside 10% for the statutory reserve from the net profit of the Company, and the shareholder dividend of a maximum of 10% of the capital, approve a percentage of up to 10% of the net profits to remunerate the Board of Directors.

Remuneration paid to the Board members, in aggregate, in 2020 and recommended to be paid in 2021, are as follows:

Sitting Fees and Remuneration	AED
Remuneration for 2019 paid in 2020 after approval at last AGA	7,125,000
Board and Committees sitting fees for 2020 recommended for payment in 2021	0
Remuneration recommended for 2020 to be paid in 2021 after approval at next AGA	7,125,000

Other than the remuneration recommended for 2020 and referred to above, no other allowances, salaries or additional fees are to be paid to any Board member by Tabreed for 2020.

4(e) Board Meetings in 2020

The Board held 6 meetings in 2020 on the dates set out below:

- 27 January
- 26 February
- 6 May
- 23 July
- 8 September; and
- 11 November

The following table shows the attendance of each member, or proxy, for the period in which they were elected to the Board:

Meeting Number	Number of Attendees	Date (2020)	Absence or proxy attendance
Board meeting 1	7	27 January	Frédérique Dufresnoy was absent, and Proxy attendance: Paulo Almirante to Sébastien Arbola.
Board meeting 2	7	26 February	Frédérique Dufresnoy was absent, and Proxy attendance: Paulo Almirante to Sébastien Arbola.
Board meeting 3	8	6 May	Proxy attendance: Paulo Almirante to Sébastien Arbola
Board meeting 4	8	23 July	Proxy attendance: Paulo Almirante to Sébastien Arbola
Board meeting 5	8	8 September	Proxy attendance: Paulo Almirante to Sébastien Arbola
Board meeting 6	9	11 November	Full attendance of all Board members.

Each absence and proxy referred to above was acknowledged and accepted by the Chairman and the Board at the relevant meetings.

4(f) Board Terms of Reference

In line with good practice and governance, the Board provides strategic direction to the management team.

The Board provides this direction by working with management to establish:

1. The appointment of the Chief Executive Officer and key executives

2. Tabreed policies - which outline the principles that the Board expect Tabreed to operate within

3. Board approved Delegation of Authority setting out the levels of approvals required by the Board

4. Board approved strategic plans – with the growth, revenue and profit targets required by the Board and a reporting mechanism to feedback results

5. A strong risk management and internal control environment

6. The integrity of financial reporting

7. Proper disclosure and communication with shareholders; and

8. A highly qualified and experienced senior management team

Each element noted above contributes towards a balanced and effective internal control mechanism over Tabreed’s activities which are, in turn, capable of being effectively monitored by the Board.

4(g) Executive Management

The Tabreed Corporate Governance Procedures Manual and the Board approved Delegation of Authority clearly outline the role that the Board requires from Tabreed’s management. Management’s primary responsibilities cover the oversight of the day-to-day operations of Tabreed’s business, strategic planning, budgeting, financial reporting and risk management.

Executive management consists of five Chief Officers. These positions together with other management positions, the incumbents, dates of appointment and

remuneration received (or accrued) in 2020 (in AED) are outlined below and an organisational chart is attached at Annex 2 of this Report:

Position	Fulfilled By	Appointment	Salary & Allowances 2020 (AED)	2020 Bonus (AED)	Other /Future Remuneration
Chief Executive Officer	Bader Saeed Al Lamki	2019	2,522,764	1,500,000	-
Chief Financial Officer	Adel Salem Al Wahedi	March 2020	1,684,077	-	-
Chief Legal Counsel	Hamish Jooste	2011	1,334,164	641,660	-
Chief Operating Officer	Jean-François Chartrain	2017	1,428,752	635,733	-
Chief Development Officer	François-Xavier Boul	2017	1,420,008	668,901	-

Position	Fulfilled By	Appointment	Salary & Allowances 2020 (AED)	2020 Bonus (AED)	Other /Future Remuneration
SVP, Human Capital	Ahmed Al Marzooqi	2015 - April 2020	1,074,492	402,244	-
Acting Vice President, Human Capital	Sarah Mohamed Ahmed Al Bakeri	May 2020	739,815	105,528	-
Acting VP, Internal Control & Risk	Mousa Sajwani	2015	1,009,938	99,392	-
Managing Director - DDCP	Dr. Yousif Al Hammadi	2014	1,658,928	383,182	-
VP, Technical Development	Julien Olivier Borredon	2019	1,081,521	-	-
Country Manager India	Sudheer Perla	2017	839,186	103,022	-
VP, Strategic Communications	Souad Al Serkal	2018	993,830	210,085	-
VP, Supply Chain Management	Mohamed Ali Habib	2019	1,062,297	100,371	-
SVP, Operations & Maintenance	Atef Al Breiki	2018	1,454,307	420,921	-
VP, HSEQ	Sabooh Asghar	2014	819,648	101,000	-
Managing Director, Tabreed Energy Services	Alastair Mulligan	2009	1,245,240	289,679	-
VP, Regional Asset Management & Value Chain Business	Colin Stuart Sangster	2015	1,078,920	162,084	-
VP, Projects	Irshad Hussain	2004	793,260	151,031	-
Senior Vice President Finance	Richard Rose	2014	1,214,448	477,116	-
VP – IT	Saeed Al Maeeni	June 2020	642,000	-	-
Acting VP- Commercial & Regulatory Affairs	Hannah Khalid Ali Al Bustani	April 2020	1,033,911	104,775	-
Acting VP- Regional Business Development	Faisal Tahir Bhatti	April 2020	722,700	226,793	-

4(h) Related party transactions

Tabreed was not a party to any related party transactions during 2020 based on the definition of “Related Parties” set out in Decision 3/2020.

Tabreed entered into three transactions in 2020 which exceeded the value of 5% of the capital of the Company (however, no transactions were related party transactions) :

- 6 April: the acquisition of an 80% stake in Emaar Properties PJSC’s Downtown Dubai district cooling business at a cost of AED 2.48 billion (USD 675 million)
- 21 October: the Company successfully raised USD 500 million (AED 1.8 billion) with a 7-year, 2.5% coupon bond issuance
- 23 December: the acquisition of Saadiyat Cooling LLC (SCL), which is currently majority owned by Aldar Properties PJSC, and Saadiyat District Cooling Sole Proprietorship LLC (SDCL), which is wholly owned by Aldar Investment Properties PJSC, at a total cost of AED 963 million

4(i) Organisational Chart

The Organisational Chart of Tabreed is attached as Annex 2 of this Report.

5. External Auditor

PwC were appointed as External Auditors for Tabreed at the Annual General Assembly on 15 March 2020 for a one-year term. **Tabreed selected PwC as the successful applicant** pursuant to a competitive tender process issued by Tabreed in 2018 in respect of the auditing services mandate. Three major audit firms participated in the competitive process.

PwC is one of the Big Four accounting and professional services firms. PwC is a global network of firms operating in 155 countries with approximately 800 offices and more than 284,000 employees. The company offers business advisory services such as auditing, accounting, taxation, strategy management, and human resource consulting services. In 2020, PwC firms provided services to 84% of the Global Fortune 500 companies and more than 100,000 entrepreneurial and private businesses.

The scope of the audit for the 2020 financial year, as outlined in their engagement plan, was to:

- 1. Provide an audit opinion on the annual consolidated financial statements in accordance with International Financial Reporting Standards
- 2. Provide an audit opinion on the financial statements of all subsidiaries and associates of Tabreed in accordance with International Financial Reporting Standards; and
- 3. Provide a review of quarterly interim condensed consolidated financial statements in accordance with International Accounting Standard (IAS) 34

The following table outlines the audit annual and quarterly related fees for Tabreed group companies for 2020:

External Auditor	PwC
Number of Years as External Auditor	2
Total audit fees for 2020	AED 882,609
Number of years the Partner of the External Auditor audited the Company	2
Fees for additional work in 2020	Nil
Nature of additional work	Issuance of bonds and consultancy work on digital transformation
Audit fees for additional work done in 2020 by auditors other than those appointed by Tabreed	AED 2.6 million
Name of partner auditor	Rami Sarhan (registered auditor number 1152)

Tabreed's external auditors did not make any qualified opinion for the interim and annual financial statements for 2020.

6.

Audit

Committee

The role of the Audit Committee is outlined in the Board approved Charter of the Audit Committee and includes:

- Providing advice to the Board on the contracting of an External Auditor and ensuring that the External Auditor fulfils its contractual and professional obligations
- Reviewing and endorsing the quarterly and annual accounts after consideration of accounting policies and standards, assumptions and judgements, compliance with laws and any significant or unusual matters
- Continually assessing the systems for internal control and risk management
- Considering the findings of the Internal Auditor and making recommendations on those findings
- Developing procedures which allow employees to raise matters of concern regarding internal control or financial reports; and
- Reporting to the Board on activities of the Audit Committee

The following table outlines the membership of the Audit Committee during 2020:

Member	2020 Term	Role	Status
Mohamed Jameel Al Ramahi	From 1 Jan to 31 Dec	Chair	Independent, Non-Executive
Frédérique Dufresnoy	From 1 Jan to 31 Dec	Member	Non-Independent, Non-Executive
Saeed Ali Khalfan	From 1 Jan to 31 Dec	Member	Independent, Non-Executive

Mohamed Jameel Al Ramahi, Chairman of the Audit Committee, acknowledges his responsibility for the Audit Committee system in Tabreed, review of its working mechanisms and ensuring its effectiveness.

The Audit Committee met 4 times, on the following dates, during 2020:

- 27 January
- 5 May
- 22 July; and
- 5 November

The following table shows the attendance of each member for 2020:

Member	Meetings invited to attend in 2020	Attendance in person	Absence
Mohamed Jameel Al Ramahi	4	4	-
Frédérique Dufresnoy	4	3	1
Saeed Ali Khalfan Al Dhaheri	4	4	-

Note: Committee members did not receive any fees for attending the meetings that serve the committee of which they are members.

7.

Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee (“NRC”) is to assist the Board in the efficient management of compensation and general human resources management. The key responsibilities of the NRC are outlined in the Board-approved Charter of the NRC and include:

- Verifying the ongoing independence of the independent members of the Board
- Regulating and overseeing nomination to the membership of the Board
- Setting and reviewing Tabreed’s human resources policies and procedures
- Formulating and reviewing, on an annual basis, the framework and broad policy for granting remuneration, terms of employment and any changes, benefits, bonuses, pensions, allowances, gratuities, early retirement and redundancy made to or given to Tabreed’s employees, senior management, as well as compensation for Tabreed’s Chairman and Board of Directors
- Ensuring that suitable succession plans are in place at senior executive levels; and
- Reviewing and approving the hiring and termination of senior management staff

The following table outlines the membership of the NRC during 2020:

Member	2020 Term	Role	Status
H.E. Dr Ahmad bin Abdullah Humaid Belhoul Al Falasi	From 1 Jan to 31 Dec	Chairman	Independent, Non-Executive
Mohammed Al Huraimel Alshamsi	From 1 Jan to 31 Dec	Member	Non-Independent, Non-Executive
Sébastien Arbola	From 1 Jan to 31 Dec	Member	Non-Independent, Non-Executive

H.E. Dr Ahmad bin Abdullah Humaid Belhoul Al Falasi, Chairman of the NRC Committee, acknowledges his responsibility for the NRC Committee system in Tabreed, review of its working mechanisms and ensuring its effectiveness.

The NRC met 3 times, on the following dates, during 2020:

- 24 February
- 9 March; and
- 17 November

The following table shows the attendance of each member for the period in which they were elected to the NRC:

Member	Meetings invited to attend in 2020	Attendance in person	Proxy attendance
H.E. Dr Ahmad bin Abdullah Humaid Belhoul Al Falasi	3	3	-
Mohammed Al Huraimel Alshamsi	3	3	-
Sébastien Arbola	3	3	-

Note: Committee members did not receive any fees for attending the meetings that serve the committee of which they are members.

8. Other Committees approved by the Board

a) Finance Committee:

The duties of the Finance Committee are outlined below:

- Review and endorse the Company’s five year business plans, annual budgets and capital plans, including providing input into performance targets for management
- Review and endorse all investments and commitments in excess of the authority delegated to the Chief Executive Officer
- Track and monitor company financial performance and financial health including providing input into performance reviews for the Company
- Review the financial funding plan of the Company to ensure its adequacy and soundness in providing for the Company’s operational and capital requirements, and recommend to the Board, changes in capital structure as need be, including review of the Company’s debt and equity structure
- Review and make recommendations concerning the Company’s dividend policy;
- Review proposed major financing activities
- Review the investment strategies for the Company’s cash balances; and
- Review, monitor and recommend action on financial risk management including hedging of currency, commodity price and interest rate risk

The following table outlines the membership of the Finance Committee during 2020:

Member	2020 Term	Role	Status
Mohammed Al Huraimel Alshamsi	From 1 Jan to 31 Dec	Chairman	Independent, Non-Executive
Frédéric Claux	From 1 Jan to 31 Dec	Member	Non-Independent, Non-Executive
Saeed Ali Khalfan Al Dhaheri	From 1 Jan to 31 Dec	Member	Independent, Non-Executive

Mohammed Al Huraimel Alshamsi, Chairman of the Finance Committee, acknowledges his responsibility for the Finance Committee system in Tabreed, review of its working mechanisms and ensuring its effectiveness.

The Finance Committee met 6 times, on the following dates, during 2020:

- 26 January
- 29 April
- 15 July
- 11 October (bond issuance update call)
- 14 October (bond issuance update call); and
- 4 November

The following table shows the attendance of each member for the period in which they were elected to the Finance Committee:

Member	Meetings invited to attend in 2020	Attendance in person	Proxy attendance
Mohammed Al Huraimel Alshamsi	6	6	-
Frédéric Claux	6	6	-
Saeed Ali Khalfan Al Dhaheri	6	6	-

Note: Committee members did not receive any fees for attending the meetings that serve the committee of which they are members.

b) The Projects Committee:

The duties of the Projects Committee are outlined below:

- Review Tabreed's HSE performance and make recommendations as appropriate
- Review policies and procedures related to projects and procurement
- Review project ideas and conceptual studies
- Review new cooling technologies and related feasibility studies scope, conclusion and recommendations; and
- Review the major delivery aspects of all new projects, including scope of work, execution strategies, selection of bidders, key project management items, material contractual activities, changes in regulations or new regulations, policies, guidelines and other developments legal framework which could have a material impact on the Company's performance

The following table outlines the membership of the Projects Committee during 2020:

Member	2020 Term	Role	Status
Frédéric Claux	From 1 Jan to 31 Dec	Chairman	Non-Independent, Non-Executive
Mohammed Al Huraimel Alshamsi	From 1 Jan to 31 Dec	Member	Independent, Non-Executive
Sébastien Arbola	From 1 Jan to 31 Dec	Member	Non-Independent, Non-Executive

Frederic Claux, Chairman of the Projects Committee, acknowledges his responsibility for the Projects Committee system in Tabreed, review of its working mechanisms and ensuring its effectiveness.

The Projects Committee met 2 times on the following dates, during 2020:

- 15 June; and
- 14 September

The following table shows the attendance of each member for the period in which they were elected to the Finance Committee:

Member	Meetings invited to attend in 2020	Attendance in person	Proxy attendance
Frédéric Claux	2	2	-
Mohammed Al Huraimel Alshamsi	2	2	-
Sébastien Arbola	2	2	-

Note: Committee members did not receive any fees for attending the meetings that serve the committee of which they are members.

9.

Insider Information and Dealings Committee

Pursuant to the requirements laid down in Decision 3/2020, Tabreed formed the Insider Information and Dealings Committee that regulates transactions and holdings of Tabreed shares by Board members and employees of Tabreed. The Insider Information and Dealings Policy was approved by the Board on 22 February 2017.

Following approval by the Board of the policy, the Insider Information and Dealings Committee operated in accordance with the approved policy. The following table shows the Committee members during 2020:

Member	Date of appointment	Role
Hamish Jooste	February 2017	Chairman
Mousa Sajwani	February 2020	Member
Richard Rose	February 2017	Member

During 2020 the committee maintained insider lists for various price sensitive matters and operated in accordance with the Market Conduct and Securities Trading Policy and the Insider Information and Dealings Policy.

Hamish Jooste, Chairman of the Insider Information and Dealings Committee, acknowledges his responsibility for the Insider Information and Dealings Committee system in Tabreed, review of its working mechanisms and ensuring its effectiveness.

Note: Committee members did not receive any fees for attending the meetings that serve the committee of which they are members.

10.

Internal Control System

Pursuant to Article 50 of Decision 3/2020, Tabreed's Internal Control function has been established by the Board to provide independent, objective and authoritative advice as well as assurance over the internal control environment to the Board, Audit Committee and management, to assist them in discharging their functions and duties. The Board of Directors acknowledges responsibility for regularly reviewing the effectiveness of the Internal Control function of the Company.

The Internal Control function reports to the Board and operates under the stewardship of the Audit Committee. This enables the Internal Control function to operate in an independent and objective manner. The role of the Internal Control function is to assist management in meeting their responsibility to:

- Adopt a good practice governance model
- Develop a strong internal control environment
- Recognise and manage risks; and
- Comply with laws, regulations and policies

The designated Internal Control Officer for 2020 was Mousa Sajwani who was appointed on 23 February 2020. Mousa has over 12 years of experience starting with Ernst & Young in which organizational skills and ethical standards were gained to ensure that audits are performed with the highest level of compliance and confidentiality. Mousa's industry journey also spans across multiple industries such as Oil & Gas, Regulatory and Utilities with all part of Finance division in addition to Asset Management experience. The Internal Control Officer reports directly to the Audit Committee.

Hamish Jooste is the duly appointed Compliance Officer of the Company in April 2020 and acknowledges his responsibility for the Internal Control function systems in Tabreed, review of its working mechanisms and ensuring its effectiveness.

The annual review of Internal Controls, as is required under Article 50 of Decision 3/2020, was completed by the Internal Control function and reported to the Audit Committee and to the Board for 2020. In addition, the Internal Control function issued 8 other reports to the Board covering IT, operations (building maintenance), VAT, billing and collection, procurement to pay processes for non-projects functions, HSE, business development, NOC processes and an annual internal controls review for 2020. The Board met its internal control responsibilities in 2020 by reviewing presentations on risk management, discussing control issues at Board meetings and reviewing the detailed reports from Board Committees, and found that the internal control environment was satisfactory for 2020. During 2020, the Company did not face any major issue requiring disclosure in any report or to the market.

11. Irregularities in 2020

Except as otherwise specifically stated elsewhere in this report, Tabreed confirms that it is compliant with Decision 3/2020 on Corporate Discipline and Governance Standards and that no irregularity occurred during the course of 2020.

12.

Corporate Social Responsibility and Sustainability: Code of Conduct, Health, Safety and Environment, Local Community Development

Tabreed's approach to corporate social responsibility involves adopting business practices that, in addition to being compliant with applicable legal and regulatory requirements, are based on ethical values and respect for the immediate community and stakeholders of the Company (being employees, customers, partners, investors, suppliers, vendors, government and the environment).

Beyond providing sustainable and environmentally friendly cooling services, Tabreed is also conscious about its overall social impact and understands the increasing expectations of its stakeholders in relation to how Tabreed conducts its business. Consequently, Tabreed chooses to be socially responsible and to contribute as a sustainable business to positively impact the wider community.

In light of the above, Tabreed has developed a Code of Conduct which sets out internal rules and requirements for:

- Improper payments
- Market misconduct
- Prevention of fraud, and money laundering;
- Entertainment and gifts
- Working with stakeholders, suppliers and government
- Serving the community; and
- Sustainability and corporate social responsibility

Tabreed's Code of Conduct sets out the framework, values, principles and standards by which we expect all our employees to abide when dealing with vendors, customers, contractors and other external stakeholders, as well as when dealing with colleagues, affiliates, subsidiaries and internal departments.

Tabreed Cares

The "Tabreed Cares" campaign was introduced in 2020 as a continuous, long-term CSR campaign, broadcasting the Company's efforts across its operations. The "Tabreed Cares" slogan is intended to be used in our online broadcasting of the initiatives undertaken by the Company, to showcase Tabreed's role as a socially conscious and active company.

The current initiatives being undertaken revolve around the impact of the Covid-19 pandemic, and these include:

- A partnership with the SAAED association, the Emirates Red Crescent, and the Ministry of Interior in an initiative titled "Your families are ours" which sees Tabreed offer a substantial donation to provide support for families across the UAE that have been impacted by the Covid-19 pandemic
- A partnership with Opal (Oman Society for Petroleum Services), a non-profit member association in the Sultanate of Oman, in addition to the Oman Ministry of Health, to support in funding the testing of Covid-19 in the country
- A strategic collaboration with Bahrain's Royal Humanitarian Foundation (RHF) and taking part in the national "Feena Khair" initiative by providing financial support in Bahrain to help combat the effects of the coronavirus pandemic

Ideas@Tabreed

During 2020, the Company launched the "Ideas@Tabreed" initiative, where employees were encouraged to share their ideas for the betterment of the Company's performance as a team and the working environment and relationships both internally and externally. The purpose of this initiative was to encourage a greater level of engagement from all employees and to foster a culture of team, innovation and a drive for continuous improvement. To implement this, a committee from different departments was formed to evaluate feasibility and impact of the proposed ideas and accordingly to recommend and develop the implementation plan. The initiative was overseen directly by the CEO and resulted in a very high level of employee engagement where more than 50 submissions were received and 15 ideas were assessed and implemented during 2020.

United Nations Sustainable Development

In addition, we are working to align our business strategy with the United Nations (UN) Sustainable Development Goals (SDGs). As a member of the “Cool Coalition” steering committee - a United Nations initiative - we have supported the UN SDGs since their inception. So far, we have set aggressive goals that align to the targets of several SDG targets.

Sustainability is at the core of Tabreed’s operations. It reflects the company’s commitment to energy efficiency and to the environment, to its customers and to the sustainable socio-economic development of the region. They guide our day-to-day work, environmental and governance practices as well as our social initiatives.

Environment and Sustainability

I. Go Green Initiative

Go Green is an initiative to support Tabreed’s efforts on sustainability with a keen focus on reduction of environmental impact. A core element of this initiative is reduction in the amounts of resources consumed which will consequently reduce the generated waste. In the primary phase, this initiative focused on Tabreed Head Office with requirements, such as energy efficiency and reduction in generated waste (e.g., reducing paper and plastic usage). In subsequent phases, the focus will also include Tabreed plants. The following were the accomplishments:

1. **Secure printing initiative:** Decrease no. of printers (group and standalones), and card-operated printers for increased security and usage efficiency.
2. **Digital signature initiative:** Adopted paper-free, fast and secure process to send, sign, and approve documents.
3. **Paperless project site initiative:** Projects department identified 3 sites for paperless transactions; action plan was set and achieved to reduce paper usage by certain percentage at these sites.
4. **Plastic bottles initiative:** Usage of plastic water bottles stopped, dispensers along with biodegradable paper cups placed, and refillable, sanitized metal water bottles provided.

II. Environmental Management

The Company complies with all applicable UAE environmental laws and regulations and has received specific permits from the UAE Environment Agencies in each applicable Emirate. In relation to effluent water release and emissions into the air:

- Environmental reporting on continuous basis to Dubai Municipality for all Tabreed’s plants located in Dubai; and
- Tabreed continues to obtain permits for effluent water release from Environmental Agency Abu Dhabi (EAD) after undertaking to control certain parameter requirements such as acidity, turbidity and conductivity of the effluent

III. Waste Management

Tabreed continued to comply with relevant UAE federal / local authorities by enforcing its Waste Management Reduction Plan that applies to all its plants, project sites and offices, with the key objectives to protect the environment and minimize / reduce waste materials through prudent waste management program.

Nurturing Future Leaders

At Tabreed, we are committed to developing the next generation of leaders through encouraging UAE and GCC nationals to pursuing Science, Technology, Engineering and Math (STEM) studies leading to careers that help them realize their potential while positively impacting the growth of knowledge economies and socio-economic development.

University Talks and Career Fairs

Tabreed executives regularly visit local universities and engage with engineering students, sharing technology advances and best practices in district cooling as well as discussing potential career opportunities. Some of these universities include Khalifa University, Higher Colleges of Technology, UAE University, Zayed University and Tawdheef Career Fair.

Student Internships

The company also offers internships to students in their third or final year of university studies. Areas that students intern at range from Human Resources, Finance and Accounting, Legal, Information Technology, Operations, Asset Management, Projects, Customer Relations, Health and Safety Executive, Corporate Communications, Business Development and Audit and Risk.

Plant tours and education

Students interested in gaining first-hand experience on the operations of district cooling plants are invited to tour our plants. Tabreed has partnered with five universities to provide guided tours to their engineering students to deepen their knowledge of district cooling technology.

HSE Initiatives:

Tabreed is committed to promoting a positive health, safety and environment (“HSE”) culture in the Company. In 2020, and despite the pandemic, the Company continued to build on strong initiatives from previous years to sustain continual improvement in HSE systems and processes, and further reinforce management’s commitment to all stakeholders. Some of the highlights include:

Integrated Management System (“IMS”) and ISO Certification

IMS refers to Tabreed’s certification in and compliance to quality, environment, occupational health and safety and energy management system.

- Corporate **HSE Management System** that was adopted in 2015 was thoroughly implemented across all Tabreed plants and project sites in 2020
- Tabreed’s certifications for **ISO14001:2015** (Environment Management System), **ISO9001:2015** (Quality Management System) and **ISO50001:2018** (Energy Management System) standards were renewed without any minor/major non-conformities following respective surveillance audits
- The surveillance audits also confirmed Tabreed’s commitment to quality management by overseeing full transition of **ISO9001** certification to the revised (2015) version

- In 2020, Tabreed strengthened its compliance to international standards by successfully transitioning to **ISO45001:2018** certification for **Occupational Health and Safety**. Thus, becoming the first district cooling company in the region to have done so. ISO45001:2018 standard is based upon ISO's High-Level Structure (HLS) philosophy that enables organizations to follow a systematic approach to achieving continual improvement in occupational health and safety, its predecessor (OHSAS18001) has now become obsolete
- Furthermore, the renewed **ISO50001** certification manifests Tabreed's commitment to stakeholders regarding the optimized performance of its facilities. Tabreed's dedication to energy management also proves that we are committed to supplying reliable and sustainable energy and offering cost savings by continuously improving efficiency and limiting the impact on the environment

Note: Tabreed secured its first-ever Clean Energy Ministerial (CEM) Insight Award for which ISO50001 was a prerequisite.

Incident Reporting and Investigation

- Improved Tabreed **Automated Incident Reporting System (AIRS)** by introducing options to identify High Potential (HiPo) near misses as well as incident investigation requirements using Tabreed's Risk Management tools (such as RAM). Also, increased the closure rate on reported incident and recommended corrective actions through the **AIRS**
- Conducted number of investigations for incidents as well as high potential (HiPo) near misses, and prepared both detailed investigation reports

Core Focus on Risk Management:

- Developed 10 additional Generic Task Risk Assessment (GTRAs) to support operations and maintenance personnel during high and medium risk activities
- Conducted and/or proposed number of risk management studies, such as Fire Risk Assessments (FRA), Project HSE Review (PHSER), and Occupied Building Risk Assessment (OBRA) etc.

Strengthening HSE Culture:

- Training and Awareness: Conducted in-house detailed or slot and external training sessions on various HSE topics, including: HSE Management System/Risk Management; Chemical Safety, PTW, NEBOSH, IOSH SS/WS, Scaffolding, and Electrical Safety
- HSE awareness campaigns: monthly HSE themes, tips and HSE performance dashboards, using EDS to relay information on 12 top hazards via Tabreed's Life Saving Rules
- Employee Behavioral Observation (eBO): The program is at the core of Tabreed's efforts on Behavioral-based Safety (BBS) to develop the culture of working safely with the goal of achieving and sustaining low rate of near misses and incidents. In 2020, Tabreed's Executive Management participated in the program by visiting the plants and recognizing safe or at-risk behaviors using the eBO checklist
- Electronic Display Screens (EDS): Additional screens were installed at 8 Tabreed plants bringing the total to 48 screens. Besides relaying vital HSE messages, these screens were successfully used to display messages related to the ongoing pandemics

Occupational Health and Hygiene

- COVID-19 Efforts: The efforts included both producing essential documentation (procedures, guidelines, emergency response, and safety talks) to fulfill regulatory requirements and ensuring implementation of COVID-related control measures at Tabreed Head Office, plants, facilities and project sites
- Pre-Existing Health Conditions: In coordination with Human Capital and Tabreed's Insurance Service Provider, arrangements were made to check medical conditions of Tabreed personnel working in medium to high-risk activities. The core objective was to ensure their fitness to continue working in such activities. The medical records of such personnel will be retained and monitored on a periodic basis

13.

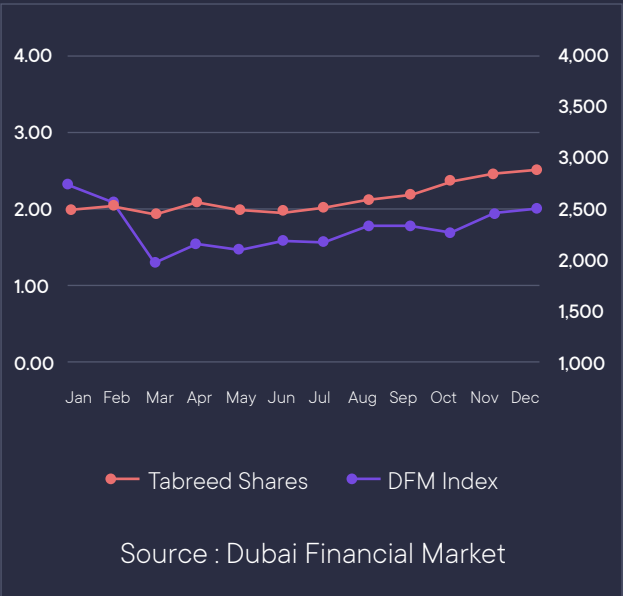
General Information

13(a) Share Price

The following table presents the highest and lowest share price for each month during 2020 showing the market index and sector index as of 31 December 2020:

	Share Price (AED)		Market Index	Sector Index	Closing Price	Share Performance	
	Highest	Lowest				VS Market	VS sector
January	2.070	1.800	2790.42	527.01	1.960	5.60%	7.94%
February	2.140	1.950	2590	544.39	2.040	11.26%	0.78%
March	2.050	1.670	1771.31	476.89	1.900	24.75%	5.54%
April	2.180	1.900	2026.61	530.19	2.100	-3.89%	-0.65%
May	2.220	1.920	1945.09	523.24	1.970	-2.17%	-4.88%
June	2.000	1.830	2065.28	547.69	1.930	-8.21%	-6.70%
July	2.000	1.870	2.000	2050.77	556.55	4.33%	2.01%
August	2.160	1.960	2245.29	576.21	2.140	-2.49%	3.47%
September	2.340	2.060	2273.48	567.51	2.230	2.95%	5.72%
October	2.550	2.130	2187.86	593.56	2.450	13.63%	5.28%
November	2.750	2.400	2419.6	633.05	2.600	-4.47%	-0.53%
December	2.700	2.510	2491.97	637.16	2.650	-1.07%	1.27%

Source: Dubai Financial Market



13(b) Shareholder Ownership

Shareholder Ownership (%) as at 31 December 2020 is as follows:

	Individuals	Companies	Government	Total
Arab	0.6367	1.1060	0.00	0.0009
Local	5.7367	46.7011	0.0262	1.7427
Foreign	0.2607	45.5235	0.00	45.7842
Total	6.6341	93.3397	0.0262	100.000

Source: Dubai Financial Market

13(c) Ownership - 5% or More

Shareholders who own 5% or more of the share capital as at 31 December 2020 are:

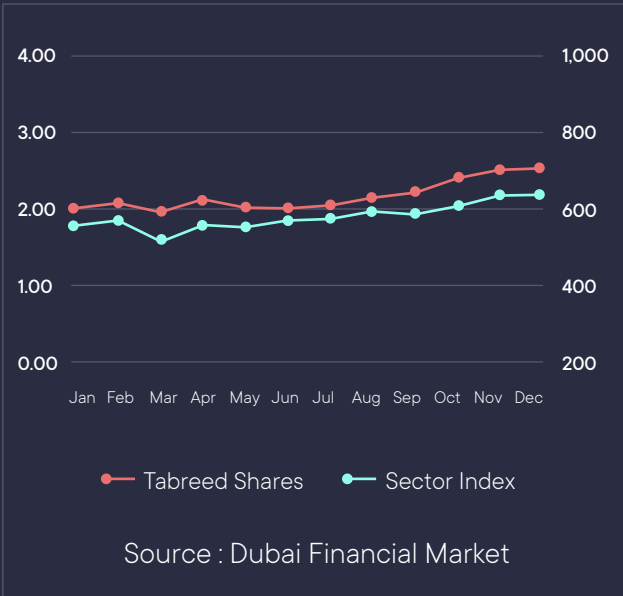
Name	% Ownership
GDF International	40.00
General Investments FZE	38.2114

Source: Dubai Financial Market

13(d) Shareholders Ownership Distribution

	Shares owned	No. of Shareholders	No. of shares held	Total
1	Less than 50,000	18,264	35,530,185	1.308
2	From 50,000 to less than 500,000	307	49,084,977	1.808
3	From 500,00 to less than 5,000,000	86	115,456,777	4.252
4	More than 5,000,000	20	2,515,457,185	92.632
Total:		18,677	18,479	2,715,529,124

Source: Dubai Financial Market



13(e) Investor Relations

For the purposes of Article 35 of Decision 3/2020, the officer in charge of investors’ relations and shareholder communications for the Company is Souad Al Serkal (available at email address: salserkal@tabreed.ae, or IR@tabreed.ae; telephone: +971 2 2020400/+971 4 3132432; mobile: +971 50 446 5191; fax: +9712 6455 008). Further information in relation to investor relations is available in the “Investor Relations” section of Tabreed’s website: www.tabreed.ae.

13(f) General Assemblies; Special Resolutions

Tabreed conducted two general assemblies in 2020, namely its Annual General Assembly on 15 March 2020 and 6 October 2020, where the following special resolutions were passed:

- 15 March 2020 AGA: a special resolution was passed to amend the articles of association of the Company in the form posted on the Company’s website
- 6 October 2020 General Assembly: a special resolution was passed granting a 12 month authority to the Board to issue bond(s) or sukuk up to USD 1 billion with a maximum tenor of 30 years

13(g) Board Secretary

Hamish Jooste is the Company Secretary of Tabreed and was appointed on 28 April 2014, holding Bachelor of Laws and Bachelor of Economics degrees. Hamish Jooste is a lawyer with over 20 years of experience and is also the Chief Legal Counsel of Tabreed. The primary responsibilities of the Company Secretary are to promote corporate governance excellence within the Boardroom and to ensure that a healthy relationship exists between the Board and the management of the Company. The Company Secretary ensures compliance with applicable corporate governance requirements and regulations at all times. The Company Secretary also coordinates meetings of the Board of Directors, circulates the agenda and supporting information in advance of the meetings and then prepares and finalizes the minutes of those meetings. Currently the Company Secretary acts independently from management and reports directly to the Board in his capacity as the Company Secretary, however Hamish Jooste is an employee of the Company, in a separate capacity as the Chief Legal Counsel.

13(h) Significant Events - 2020

	Event
15 January	<p>Tabreed Energy Services Launched</p> <p>Tabreed established ‘Tabreed Energy Services’, a new entity consolidating its service businesses to provide customers with an integrated set of consultancy, operations and maintenance services, that will help them optimize the energy efficiency of their buildings and developments.</p> <p>With operations commencing in 2020, Tabreed Energy Services will offer the full spectrum of integrated building energy services, including energy audits and consultancy, retrofitting and asset replacement, financing, operations and maintenance; offered through both performance-based contracts (ESCO) and traditional service models.</p>
15 January	<p>Bee’ah and Tabreed Join Forces to Develop District Cooling Projects in Sharjah</p> <p>Tabreed signed a partnership agreement to jointly explore the development of large-scale district cooling projects in the Emirate of Sharjah. Under the agreement, Bee’ah and Tabreed will develop potential district cooling projects at locations across Sharjah.</p>
15 January	<p>Tabreed Acquires Masdar City’s district cooling plants</p> <p>Tabreed announced an agreement to acquire the Masdar City district cooling plants and concession which will grow to provide efficient cooling services to more than 2.7 million sq.m of sustainable urban communities in Masdar City, with a total capacity of about 69,000RT. In line with the ethos of Masdar City, this will continue to be the most efficient and sustainable cooling system in the Middle East. This advancement represents a major milestone in Tabreed’s strategy of providing efficient cooling to sustainable cities around the world.</p> <p>In addition to the plant, Tabreed will also acquire the use of two deep geothermal wells located in Masdar City that are a part of a major research and development collaboration initiative, which will see Tabreed leverage its sector expertise and innovative approach to create unique, reliable and sustainable cooling solutions through geothermal technology.</p>

	Event
28 January	<p>Tabreed reports an 11% increase in 2019 Net Profit to AED 472.5 million</p> <p>Tabreed released its audited financial results for 2019. Tabreed reported an 11% increase in net profit to AED 472.5 million for the full year, adding 51,336 RT of new connections, resulting in the delivery of over 1.1 million refrigeration tons (RTs) of cooling capacity. Tabreed's Board of Directors recommended a cash dividend for 2019 of 10.5 fils per share, up from 11% on prior year aligning with the company's policy of growing dividends in line with the growth in the business.</p>
10 March	<p>Tabreed Announces Abdel Salem Al Wahedi as New CFO</p> <p>Tabreed announced the appointment of Mr. Adel Salem Al Wahedi as the new Chief Financial Officer (CFO) of Tabreed. CEO, Bader Saeed Al Lamki welcomed Abdel Salem Al Wahedi to Tabreed.</p>
16 March	<p>Tabreed Shareholders Approve 10.5 fils dividend per share for 2019</p> <p>The shareholders of Tabreed have approved a dividend of 10.5 fils per share for the financial year ending 31 December 2019. This represents an 11% increase on the previous year's pay out, highlighting Tabreed's growth in 2019 and reflecting its growing presence locally, regionally and internationally. The dividend was approved by the shareholders at the company's Annual General Assembly (AGA), chaired by Khaled Abdulla Al Qubaisi, Tabreed's Chairman, and attended by shareholders and members of Tabreed's Board of Directors.</p>

	Event
6 April	<p>Tabreed acquires world's largest district cooling scheme in Downtown Dubai</p> <p>Tabreed announced the acquisition of an 80% stake in Emaar Properties PJSC's (DFM: Emaar) Downtown Dubai district cooling business at a cost of AED 2.48 billion (USD 675 million). Emaar, one of the world's largest real estate companies and a global property developer, will retain a 20% stake as part of the long-term partnership with Tabreed.</p> <p>Downtown Dubai is Emaar's flagship mega-development at the heart of the city. The destination is home to the iconic Burj Khalifa – the world's tallest building, The Dubai Mall – the most visited mall in the world, The Dubai Fountain, Dubai Opera and other landmark residential, commercial and hospitality developments. The long-term concession will exclusively provide up to 235,000 RT of cooling to Dubai's most prestigious developments with the largest integrated energy efficient cooling scheme in the world.</p> <p>The district cooling scheme currently provides 150,000 RT of contracted capacity through a network that distributes chilled water produced in 3 already built interconnected district cooling plants; shortly followed by a 4th state-of-the-art plant that is currently under construction. Following the completion of the transaction, Tabreed's presence in Dubai has increased to 278,801 RT and its total capacity has increased by 12.6% to 1,338,602 RT from 83 plants. The transaction represents a major milestone in Tabreed's history, demonstrating the Company's ability to deliver on its growth potential and reinforcing its position as the global district cooling industry leader and the cooling provider of choice for landmark developments in the region and beyond.</p>
7 May	<p>Tabreed Announces Q1 Financial Results; COVID Pandemic Countermeasures</p> <p>Tabreed released its 2020 first quarter consolidated financial results, with net profit increasing to AED 82.2 million, an increase of 3% compared to its 2019 Q1 performance.</p> <p>In the midst of the global COVID-19 pandemic, the company has taken every precaution to ensure continuous uninterrupted service is maintained to all of its customers while also adopting industry-leading health and safety practices and sanitization programmes to ensure the safety of its staff during these challenging times.</p>

	Event
26 July	<p>Tabreed announces 2020 H1 financial results, resilient operations during pandemic</p> <p>Tabreed released its consolidated financial results for the first half of 2020 and reported net profit of AED 224.30 million (an increase of 13%), driven by the acquisition of its Downtown Dubai district cooling business in a long-term partnership with Emaar, one of the world's largest real estate companies and a global property developer, to provide up to 235,000 RT of cooling from the largest integrated district cooling scheme in the world to some of Emaar's most prestigious developments.</p> <p>In the midst of the global COVID-19 pandemic, the company has maintained continuous uninterrupted service to all of its customers while also adopting industry-leading health and safety practices and sanitization programmes to ensure the safety of its staff and stakeholders during these challenging times.</p>
2 September	<p>Tabreed launches “Tabreed Cares” initiative across the region</p> <p>Tabreed has launched a new initiative titled ‘#TabreedCares’. The initiative includes individual programs run across Tabreed's operations in collaboration with our partners in the region. The Company announced its support to the “Your Families Are Ours” initiative with SAAED Association. The initiative took place under the banner of The International Humanitarian Work day, which provided daily contributions of necessities to families in the UAE that have been impacted by the COVID-19 pandemic. The program was run in collaboration with the SAAED Association, the Ministry of Interior, and the UAE Red Crescent.</p> <p>In addition to this, Tabreed will be providing technical instruments that produce a mixed oxidant solution that can be used to disinfect the potable water used at selected touristic sites in the Emirate of Abu Dhabi to help with post-COVID operational precautionary measures, through its subsidiary, Cooltech Energy Water Treatment.</p> <p>“Tabreed Cares” is also active supporting initiatives in Bahrain and Oman.</p>

	Event
10 September	<p>Tabreed successfully closes syndication of USD 692 million loan</p> <p>Tabreed announced the successful syndication of a landmark term-loan facility, which was pre-funded by HSBC Bank Middle East Limited in March 2020, as part of the company's acquisition funding of an 80% stake in Emaar Properties PJSC's (DFM: Emaar) Downtown Dubai district cooling business.</p> <p>The USD 692 million loan has a tenor of 5 years (until March 2025) and was structured as a multi-tranche syndicated facility with Islamic and conventional tranches (the “Facility”). Against a backdrop of unprecedented market conditions and related loan market volatility and price dislocation, the syndication was successfully closed and over-subscribed by a diverse group of nine international, regional and local banks.</p> <p>In addition to financing the acquisition of Tabreed's stake in the Downtown Dubai district cooling business, the Facility will also support the development of a new state-of-the-art district cooling plant in Downtown Dubai.</p> <p>The Facility represented a milestone syndicated facility in support of a major acquisition by a government-related entity in 2020 and marks Tabreed's successful return to the syndicated market.</p>
21 October	<p>Tabreed raises USD 500 million with new 7- year 2.5% bond</p> <p>Tabreed successfully raised USD 500 million (AED 1.8 billion) with a 7-year, 2.5% coupon bond issuance.</p> <p>With orders coming from around 140 high quality local and international investors, the issuance was oversubscribed almost 5 times at its initial size of USD 400 million, demonstrating strong investor confidence in Tabreed's solid credit fundamentals, despite current global economic uncertainty. This significant demand allowed Tabreed to tighten pricing significantly to achieve a final coupon of 2.5% and to increase the size of the final bond to USD 500 million. The bond is rated Baa3 by Moody's and BBB by Fitch, in line with Tabreed's corporate ratings.</p> <p>The 7-year bond was particularly well received by international investors, who accounted for 90% of the final geographical allocation, with 49% from Europe, 21% from Asia and 20% from offshore US funds. The bond will be listed on the London Stock Exchange, alongside Tabreed's existing 2025 Sukuk.</p>

	Event
12 November	<p>Tabreed Reported Net Profit of AED 370 Million in the Third Quarter of 2020</p> <p>Tabreed released its consolidated financial results for the third quarter of 2020 and reported an increase of 13% in net profit to AED 370 million for the same period in 2019, whilst total revenue also increased by 12% YoY, to AED 1,258 million.</p>
23 December	<p>Tabreed Acquires Saadiyat Island District Cooling concessions for AED 963 million</p> <p>Tabreed announced the acquisition of Saadiyat Cooling LLC (“SCL”), which is currently majority owned by Aldar Properties PJSC, and Saadiyat District Cooling Sole Proprietorship LLC (“SDCL”), which is wholly owned by Aldar Investment Properties PJSC, at a cost of AED 963 million.</p> <p>Through an interconnected network of two district cooling plants with potential for a third plant to be built upon further ramping up of demand on the island in the future, SCL has a currently connected capacity of 24k Refrigerated Tonnes (RT) and a total concession of 77k RT. The SDCL plant is dedicated to the New York University (NYUAD) for a connected capacity of 11k RT. The ultimate capacity of the concession is 88k RT; additional prestigious projects are expected to be developed in the coming years in this prime cultural and touristic area of Abu Dhabi.</p> <p>Following the completion of the transaction, Tabreed’s presence in Abu Dhabi will increase to 655k RT from a total of 46 plants. The agreement represents another major milestone in Tabreed’s strategy, reinforcing its position as a global district cooling industry leader. Added to other recently closed large transactions, this demonstrates the company’s ability to deliver on its growth potential and be confirmed as the cooling provider of choice for landmark developments in the region and beyond. The agreement will see Tabreed provide cooling to some of Abu Dhabi’s most prestigious developments, including the Louvre Abu Dhabi, NYUAD, and Manarat Al Saadiyat.</p>

13(i) Emiratization Percentage

In respect of the total headcount of Tabreed’s corporate operations, Tabreed held the following Emiratization levels in respect of the periods stated below:

2020	41% Emiratization
2019	41% Emiratization
2018	39% Emiratization
2017	38% Emiratization

13(j) Innovative Projects

During 2020, Tabreed developed further its R&D and Innvation Strategy, for implementation in 2021, with mid and long term capital expenditure investment projects aimed at making significant reductions in Tabreed’s power consumption (20-30%), as well as CO2 emissions of existing and future plants, while improving the life cycle cost of our projects.

Planned projects include:

The Future of Cooling: new Design, Technologies and Controls	Aims at introducing new concept design and control philosophy as well as innovative and disruptive technologies into the district cooling plant which results into material improvements in the plant performance as well as a prolonged life and improved costs.
Carbon Nanotube	Aims at enhancing drastically the performance and life span of the plant and equipment as well as reducing the plant and Energy Transfer Station (ETS) footprints using Carbon Nanotube (CNT) material which has outstanding properties in terms of heat transfer, in co-ordination with strategic partners.
Wet Bulb Forecasting	Aims to drastically enhance demand side management. The initiative aims at more accurately forecasting the customers demand for the next 24 hours to allow for a more efficient operation by optimising production of cooling, using AI. The first step is to rely on a stable weather forecasting system based on information updated in real time, the second step is to use data science to develop models and correlations and finally, based on demand forecast, drive the plant performance.
Heat Transfer	Enhancing the district cooling plant’s condenser circuit and its cooling tower which is one of the critical component in the plant and has a significant impact on the plant’s performance. Tabreed is currently redesigning the equipment to enhance its efficiency through improving water and air distribution as well as heat rransfer, which will eventually impact the overall performance of the plant.

In 2020, Tabreed initiated several projects to improve the water and electrical efficiency of its plants in the UAE and Bahrain. These projects harnessed technologically advanced electrical equipment with variable frequency drives linked to smart controllers. Tabreed also focused on using the historical data of its plants to enhance its operational efficiency after the successful completion of a prototype programme in 2018. Tabreed seeks to leverage “Big Data” analysis to provide more process insights and enhancements to its operations.

Tabreed developed and continues to improve equipment condition monitoring techniques using live data. One example of this is Tabreed’s “Chiller Management Strategy” which is a holistic strategy that aims to monitor chiller performance, analyze current conditions, provide automated notifications to the operation and maintenance teams, set a ranking scheme for most efficient equipment to run and assist in increasing the quality of maintenance by reducing the time and effort required in respect of equipment troubleshooting.

Tabreed continued to develop and test technologies in energy management and district cooling process optimization, which resulted in the adoption of two new software solutions.

Tabreed considers R&D an essential element of its business. Tabreed continued its partnership with Khalifa University by launching a new project in Tabreed’s Al Raha Beach plant. The project aims to develop and replicate the ‘Optimal Chiller Plant Control’ solution previously used in Tabreed’s MBZ City plant. The proprietary solution consists of an offline smart tool capable of selecting optimal running conditions for Tabreed’s cooling equipment based on actual measurements and data samples.

Additionally, Tabreed aimed to improve efficiencies and running conditions for major equipment such as chillers and cooling towers. Tabreed’s automated scale removal and prevention system (ASRAPs) is being tested in 3 plants at Tabreed to prevent scaling in heat exchanger equipment. Scaling reduces operational efficiencies over time. To combat this, the system uses electromagnetic waves to prevent scaling from depositing on the inner surface of heat exchangers, providing improved heat exchanger efficiencies and an elongated life span of the equipment.

Overall, Tabreed’s R&D projects completed in 2020 demonstrated positive results, providing further incentive for Tabreed to continue to expand on its efforts and to continue to pursue enhanced operational strategies and additional increases in electrical and water efficiencies.



ANNEX TWO:

Corporate Structure Chart as of 1 July 2020

National Central Cooling Company PJSC (Tabreed)

