



# ESG REPORT

# 2023

Tabreed's Sustainability Report

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# CELEBRATING 25 YEARS OF SUSTAINABLE COOLING

# OUR CHAIRMAN'S MESSAGE

GRI (2-14), (2-22)

Tabreed is, without doubt, the world's leading district cooling company and 2023 was an incredible year for this most resilient and impactful organisation. Aside from its record-breaking financial performance, two events marked the year as pivotal in its storied history.

Firstly, 2023 marked Tabreed's 25th anniversary – itself a remarkable achievement – and secondly, the company made a significant contribution to steering the conversation around sustainable cooling at COP28, surely the most important global event ever held in the UAE. Both of these achievements are entirely relevant to this, our fourth annual Environmental, Social and Governance (ESG) report.

When Tabreed was established in 1998, it was with a handful of staff, a single district cooling plant commissioned to meet the needs of the UAE Armed Forces in Abu Dhabi and a huge amount of unwavering ambition. By the end of 2023, the company had grown to more than a thousand members of staff with a portfolio of 90 plants operating in no fewer than six countries, including Egypt and India. And as good for Tabreed's bottom line this consistent and considered growth has been, the positive impact on our environment has exponentially increased, too.

Sustainability is not merely a buzzword at Tabreed – it is, and always has been, a cornerstone of our business and guides us in all our operations. To that end, we are ramping up our use of renewable energy as technology allows us to do things that were previously impossible.

An excellent example of this is G2COOL, the region's first district cooling plant to be powered using renewable geothermal energy from deep underground. The plant, which was designed, built and commissioned in 2023, plays an exciting role in decarbonising the way buildings are cooled in Abu Dhabi's Masdar City, while diversifying the UAE's energy mix in support of the UAE National Energy Strategy 2050.

While sources of renewable energy are being continuously evaluated and incorporated into Tabreed's asset portfolio, our day-to-day services continue to provide our customers with essential, reliable and sustainable cooling. During 2023 we reduced energy consumption by 2.52 billion kWh, which is equivalent to powering more than 143,000 homes. We also prevented 1.5 million metric tons of CO2 emissions, which equates to removing 330,000 vehicles from our roads.

Unsurprisingly, Tabreed continues to set the standard when it comes to being an employer of choice. In fact, last year we successfully achieved a high level of employee satisfaction, scoring 4.29 out of five in our company-wide survey, reflecting the rewarding work culture that Tabreed offers its people.

And it's to these individuals at every level of the company, along with all our stakeholders, that I express my sincere appreciation for making Tabreed the success that it is. As we accelerate our journey toward net zero, contributing to a sustainable and resilient world, every one of us involved in the story of Tabreed should be proud of the difference we have made, and will continue to make in the future.

**Khaled Abdulla Al Qubaisi**  
Chairman | Tabreed



# OUR CEO'S MESSAGE

GRI (2-14), (2-22)

I am pleased to present Tabreed's fourth annual ESG report, in which we can see clear evidence that the company's trajectory is extremely positive in all respects. Our collective achievements throughout 2023 continue to speak volumes regarding the initiatives and pilot projects we have implemented in the recent past to explore the best available technologies and innovations around energy optimisation, resource management, emissions prevention and operational efficiency.

As we celebrated our silver jubilee in 2023, a profound sense of pride arose from witnessing the unwavering dedication that has driven us towards the highest realms of corporate responsibility. At Tabreed we leave no stone unturned in our pursuit of operational excellence and energy efficiency – they are central pillars of our business and we play an increasingly vital role in helping to meet the environmental targets of the countries in which we operate.

For instance, during 2023 we completed Phase 3 of our extensive 'Tasheel' Variable Frequency Drive (VFD) retrofit programme, ahead of schedule. In 2019, we commenced a five-year efficiency plan, working closely with the original manufacturers of chillers and pumps in some of our plants, to better understand the impact of VFDs on energy efficiency and retrofit where appropriate.

This was a sizeable undertaking yet, over the past three years, VFD performance and the resulting energy optimisation easily exceeded our initial, ambitious targets. Most importantly, however, retrofitting VFDs to our older plants has directly reduced energy consumption to the extent that, over the next decade, we will save an additional 223 million kWh, consequently preventing a further 105,000 metric tons of CO2 emissions. Projects such as this are the very essence of Tabreed.

Saving our precious natural resources is high on our agenda, too, and we have instigated installation of Treated Sewage Effluent (TSE) polishing plants in four of our UAE facilities, where we hope to see substantial reductions in water consumption.

And 2023 saw us pilot a new, nanoparticle-based technology developed by HTMS, known as 'Maxwell', which helps chillers to operate more efficiently, reducing electrical energy consumption, thereby preventing carbon emissions. The results were extremely encouraging, signifying a potentially seismic improvement in energy efficiency that could radically change this industry.

The company continues to make great strides on behalf of its people and, in 2023, we formalised our policy around flexible working hours, increasing remote working days from four to six days a month, promoting a healthy work-life balance. And we upped our game regarding CSR, assisting startups and young entrepreneurs working on climate solutions by sponsoring and partnering with HUB71+ climateTECH.

In short, Tabreed spent 2023 reaffirming its reputation as a force for good. Good for our customers, our investors, our staff, our communities and our environment. I am proud to lead this remarkable company and look forward to even greater achievements in the years to come.

**Khalid Abdulla Al Marzooqi**  
CEO | Tabreed



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# ABOUT THIS REPORT

Our fourth sustainability report details our performance on environmental, social, and governance (ESG) issues in 2023. It highlights our efforts to manage ESG risks and opportunities, showcasing progress made on our sustainability goals.

In our continued journey of sustainability reporting, we intend to foster a deeper understanding of how our commitment to a sustainable future is delivered through our district cooling services.

## Scope of the Report GRI (2-2), (2-3), (2-4), (2-5)

<b>Organisational details</b>	National Central Cooling Company PJSC (the "Company" or "Tabreed") is a leading regional utility provider of district cooling services, with a presence in the UAE, Saudi Arabia, Oman, Bahrain, Egypt and India.
<b>GRI Accordance &amp; Reporting period</b>	Tabreed has reported in accordance with the GRI Standards for the period January 1, 2023, to December 31, 2023.
<b>Entities included in the Sustainability reporting</b>	<p>The Human Capital disclosures in this year's report include all employees in UAE registered under their respective legal entities and considered under National Central Cooling Company PJSC (Tabreed).</p> <p>The Health, Safety, Environment, and Quality (HSEQ) disclosures are specific to Tabreed's operations and do not extend to its subsidiaries.</p> <p><i>Note: The company structure is available in the Annexure 1</i></p>
<b>Restatements of information</b>	We have recalculated the average training hours of 2022 related to skill development (Please refer page number 42). Previously, data was reported based on attendance figures, which resulted in duplicate counting due to employee participation in multiple training sessions. This revised approach provides a clearer picture of the average amount of training received per employee.
<b>Monetary value</b>	All monetary values mentioned are in Arab Emirates Dirhams (AED), unless stated otherwise.
<b>External assurance</b>	We did not conduct external assurance for the 2023 report. However, we deployed Squarely, an AI-powered ESG reporting platform, which ensured a robust audit trail with its inherent data entry and approval process traceability.
<b>Contact point</b>	For any queries regarding this sustainability report, please contact us at <a href="mailto:esg@tabreed.ae">esg@tabreed.ae</a>

# OUR 2023 ESG HIGHLIGHTS

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Meeting 10% of Masdar City's cooling needs through geothermal energy



Reduced energy consumption by 2.52 billion kWh, enough to power 143,000 homes



Prevented 1.5 million metric tons of CO2 emissions, equivalent to removing 330,000 vehicles from the roads



Invested USD 4.6 million to support sustainable technologies



Secured AED 600 million inaugural Green Revolving Credit Facility



Delivered 1,690 hours of skill development training to women employees



Delivered 1,232 training hours to 72 UAE Nationals in our workforce



Delivered 18.65 HSE training hours per employee, above the 2023 target of 15 hours



Achieved 4.29 employee satisfaction score



Maintained zero Fatality and Permanent Disabilities record



Maintained 100% Resolution Rate for Customer complaints



Sponsored HUB71+ClimateTech to support climate technology startups



Increased women representation in Board to 22%



90.3% of our suppliers are local businesses



Piloted Supplier Relationship Management (SRM) Framework with our 'Strategic Suppliers'

# ABOUT US GRI (2-1), (2-6)

## Company Overview

Tabreed, (registered as National Central Cooling Company PJSC) in the UAE is a Public Joint Stock Company pursuant to the UAE Federal Law No. (32) of 2021 and listed on the Dubai Financial Market (DFM). We were originally incorporated under the UAE Federal Law No. (8) of 1984, as amended. Subsequently, the UAE Federal Law No. (8) of 1984 was superseded by the UAE Federal Law No. (32) of 2021.

Headquartered in Masdar City, Abu Dhabi, we have been a trusted and sustainable utility provider since 1998. Having celebrated our Silver Jubilee in 2023 and solidified our position in sustainable cooling, we continue to push the boundaries for the future.

We deliver chilled water for air conditioning to commercial and residential customers through a network of centralised district cooling plants and underground pipes. From greenfield projects to established facilities, we support leading public and private organisations. Our comprehensive services include operations and maintenance, business model expertise, and cutting-edge technology partnerships – ensuring we meet the sustainability needs of our business.

More information about us is available in the [Integrated Annual Report 2023](#)



### Our Vision

To be the leading cooling provider by utilising sustainable, reliable and cost-efficient energy solutions.



### Our Mission

Creating value by optimising, innovating and striving for operational excellence to exceed stakeholder expectations, whilst protecting people, assets and environment.

### Our Values



**Progress**



**Partnership**



**Performance**

In 2023, we produced  
**2,472,365,683**  
 Refrigeration ton hour (RTh)  
 of district cooling

# OUR AWARDS & ACCOLADES

In 2023, we continued to be recognised for our highest standards of business excellence through prestigious awards and accolades. These honours solidify our leadership position and fuel our unwavering dedication to operating with ever-increasing responsibility and taking genuine action on sustainability.



**Gulf Sustainability Awards 2023 - 'Silver Winner' for Best Workplace & HR Practices** recognise and promote exceptional sustainability efforts



**GCC GOV Awards 2023 - 'HR Leader of the Year in Private Sector'** celebrate remarkable achievements in the public sector, emphasising leadership in various areas



**Global ESG Awards 2023 - 'Platinum Award'** for Woman Empowerment and **'Gold Award'** for Sustainable Community and Green Building acknowledge organisations contributing to UN Sustainable Development Goals



**District Energy Space 2023 by International District Energy Association (IDEA) - 'Silver Award'** for RT Growth achieved during the calendar year 2022



**CIPD Middle East People Awards - 'Most Impactful Equality, Diversity & Inclusion Initiative'** by Chartered Institute of Personnel and Development (CIPD)



**SHRM STAR (Sustainable and Transformational Achievement Recognition) Awards - 'Silver Winner'** for Excellence in Inclusion, Equity & Diversity and **'Bronze Winner'** for Excellence in Health & Wellbeing acknowledges excellence in HR practices while being aligned to business outcomes

# OUR SUSTAINABILITY FOUNDATION

GRI (3-3), (2-13), (2-22)

All ESG and sustainability related matters, including climate risks, fall under the scope of Tabreed's Executive Management Team. The team is richly comprised of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), COO (Chief Operating Officer), Chief Development Officer (CDO), Chief Asset Management Officer (CAMO) and Chief Legal Counsel (CLC). Notably, these executives also serve as members of the ESG Committee along with three other members, further solidifying their commitment to overseeing and steering our ESG initiatives.

The ESG Committee, chaired by the CEO, serves as a central hub for comprehensive ESG governance. Moreover, within the ESG Committee, specialised subcommittees are established. The structure is demonstrated in the Governance chapter of this report. The subcommittees play a vital role in proposing strategic goals and action plans specific to each ESG dimension, contributing valuable insights and expertise to the broader ESG Committee's decision-making process. Currently, all ESG-related matters are covered in Board meetings but not as a fixed-standing agenda item. Demonstrating our commitment to environmental, social, and governance (ESG) practices, we consistently report on our ESG performance within our integrated annual report, as mandated by the Dubai Financial Market (DFM). With an ESG Strategy that is currently under development, we aim to have a more structured, official and regular meetings to execute our initiatives effectively.

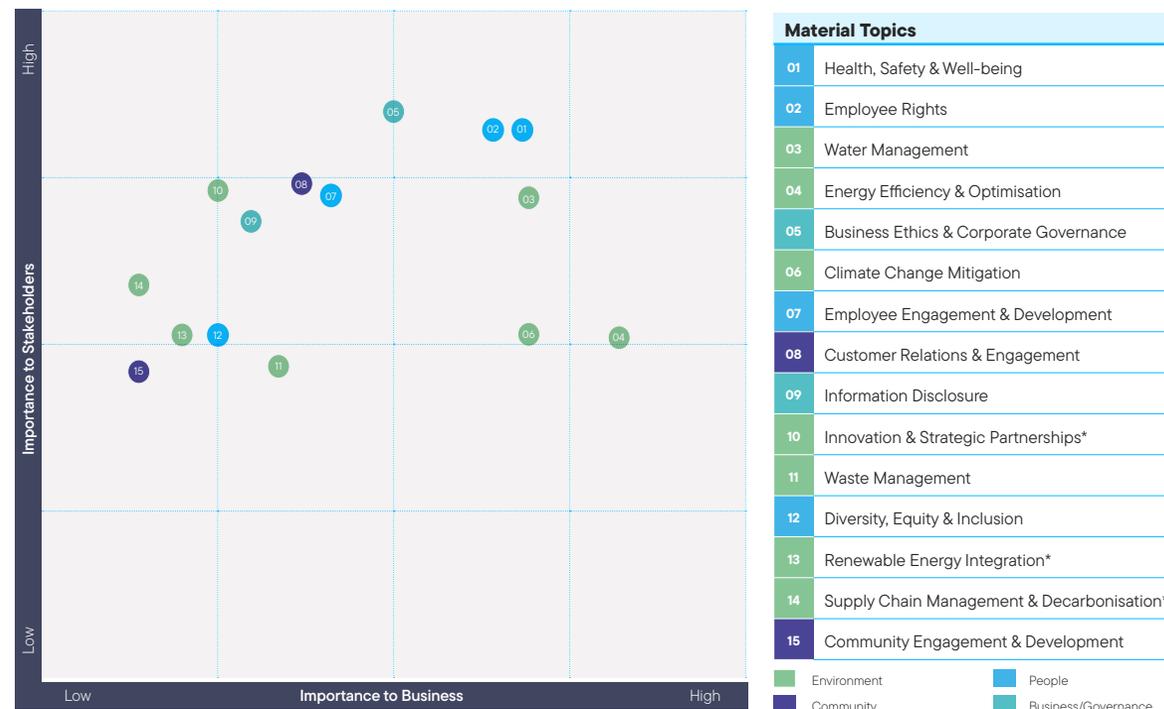
**To align corporate strategies with environmental, social, and governance (ESG) principles, the Board has directed the Executive Management Team to develop a overarching ESG-related objective, complete with defined milestones, for integration into the company's scorecard**

## Materiality-Driven Focus Areas

GRI (2-6), (2-25), (2-26), (2-28), (2-29), (3-1), (3-2)

In line with the first materiality matrix established in 2021, we have consistently identified our key sustainability efforts, mapped their relevance, and aligned our reporting with leading sustainability frameworks. Recognising the dynamic nature of the sustainability landscape, we are committed to continuous improvement, particularly within our industry sector to ensure we are not only meeting compliance requirements but also contributing to a more sustainable future.

In the coming year, we will be re-conducting a comprehensive materiality assessment, which will include thorough stakeholder engagement to ensure a detailed understanding of our environmental, social, and economic impacts to meet the growing expectations from investors, customers, and communities who are increasingly focused on sustainability.



\*We have introduced a new title for the material topic in this year's report, reflecting our ongoing commitment to environmental priorities.

## Sustainability in Action GRI (2-1), (2-6)

Responsible business practices extend far beyond the bottom line. At Tabreed, we embrace this responsibility by actively pursuing sustainability and climate action, and by driving positive change through a comprehensive approach. In our forthcoming ESG Strategy, with transparency at its core, we will be charting out a clear course for significant progress on our sustainability journey. The strategy report will not only outline our long-term ESG objectives, but also detail a roadmap with actionable steps for achieving them across several key focus areas.

By continually adopting best practices, exploring cutting-edge solutions, and aligning with established sustainability frameworks, we demonstrate our unwavering commitment to tackling our ESG material topics. This table outlines the key practices and technologies we have implemented to not just minimise our environmental footprint, but also contribute to a more sustainable future through our efficient district cooling services. The initiatives mentioned in the table are not an exhaustive list. The report presents these initiatives with descriptive information in the relevant sections.

Material Topics	Our Actions & Impact (2023)	SDGs Targets	UNGC Principles	DFM ESG Index
				
<b>Our Environmental Stewardship</b>				
<b>Water Management</b>	<p>Utilisation of sustainable water sources such as once-through cooling (OTC) systems of sea water, treated sewage effluent (TSE) water as the make-up water source and geothermal water as a natural heat sink in our district cooling plants</p> <p>Responsible management of generated wastewater by ensuring we meet the quality of trade effluent control standards and achieve waiver on the discharge limits issued by Dubai Municipality Environment</p>	<p>6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all</p> <p>6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</p>	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges</p> <p>Principle 8: Undertake initiatives to promote greater environmental responsibility</p> <p>Principle 9: Encourage the development and diffusion of environmentally friendly technologies</p>	<p>E6. Water and Effluents</p> <p>E8. Environmental Management</p> <p>E9. Climate Risk Management and Oversight</p>
<b>Energy Efficiency &amp; Optimisation</b>	<p>Piloted nanoparticle heat transfer liquid (Maxwell) in partnership with HTMS</p> <p>Completed third phase of Tasheel programme on the utilisation of variable frequency drives (VFDs) for adjusting power based on cooling demand</p>	<p>7.3 By 2030, double the global rate of improvement in energy efficiency</p>		<p>E3. Energy Usage</p> <p>E4. Energy Intensity</p> <p>E5. Energy Mix</p> <p>E8. Environmental Management</p> <p>E9. Climate Risk Management and Oversight</p>

Material Topics	Our Actions & Impact (2023)	SDGs Targets	UNGC Principles	DFM ESG Index
   				
<b>Our Environmental Stewardship</b>				
<b>Climate Change Mitigation</b>	<p>Conducted internal assessment utilising Task Force on Climate-Related Financial Disclosures (TCFD) framework as a reference framework to identify physical and transition risks</p> <p>Formalising net zero strategy in-line with UAE Energy Strategy 2050</p>	<p>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix</p> <p>13.2 Integrate climate change measures into national policies, strategies and planning</p>		<p>E1. GHG Emissions E2. Emissions Intensity E8. Environmental Management E9. Climate Risk Management and Oversight</p>
<b>Renewable Energy Integration</b>	<p>Started operations of G2COOL in partnership with ADNOC and currently meeting 10% of Masdar City's cooling needs by utilising geothermal energy</p> <p>Exploring cooling technology (passive radiative cooling panels) in partnership with Engie Lab to improve the efficiency of air conditioning and refrigeration systems</p>	<p>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix</p>	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges</p> <p>Principle 8: Undertake initiatives to promote greater environmental responsibility</p> <p>Principle 9: Encourage the development and diffusion of environmentally friendly technologies</p>	<p>E1. GHG Emissions E2. Emissions Intensity E5. Energy Mix E8. Environmental Management E9. Climate Risk Management and Oversight</p>
<b>Waste Management</b>	<p>Committed to adhering with Waste Reduction Action Plan (WRAP) as part of our Integrated Management System (IMS) Policy</p> <p>Continued partnership with Tadweer, NRI Waste Services and Veolia Middle East for ethical and responsible management of generated waste in our operations, including hazardous and non-hazardous waste</p> <p>Introduced SAP work order systems through tablets to reduce paper consumption</p>	<p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p>		<p>E7. Waste E8. Environmental Management</p>

Material Topics	Our Actions & Impact (2023)	SDGs Targets	UNGC Principles	DFM ESG Index
   				
<b>Our Environmental Stewardship</b>				
<b>Innovation &amp; Strategic Partnerships</b>	<p>Utilising Magnetic Bearing Chillers for higher efficiency of our district cooling plants</p> <p>Deploying Carbon Nanotube to improve energy efficiency</p> <p>Reducing peak demand for electricity by utilising Solar Photovoltaic Cells (PVCs)</p> <p>Utilising waste heat from industrial process as 'Heat for Cool' technology for energy-efficient cooling solutions</p> <p>Utilising HyET Solar Thin Films for transforming thermal energy storage (TES) tanks into electricity generators for emissions reduction</p> <p>Integrated Sky Cooling technology to enhance efficiency in air conditioning and refrigeration systems</p> <p>Operating Nano Particles to enhance heat transfer capabilities</p> <p>Utilising Geothermal energy for renewable energy source</p> <p>Secured AED 600 million inaugural Green Revolving Credit Facility to advance sustainable cooling solutions</p> <p>Exploring the utilisation of:</p> <ul style="list-style-type: none"> <li>• Waste cold energy from LNG regasification process for cooling</li> <li>• R7 18 Water Refrigerant for energy efficiency</li> <li>• Phase Change Material (PCM) as an energy-efficient and cost-effective method for reducing energy consumption</li> <li>• Electrolytic Filtration System to reduce scaling in condenser water</li> </ul>	<p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries acting in accordance with their respective capabilities</p> <p>12.8.a Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production</p>		<p>E8. Environmental Management</p> <p>E9. Climate Risk Management and Oversight</p>

**OUR SUSTAINABILITY FOUNDATION**

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<b>Our Environmental Stewardship</b>				
<p><b>Supply Chain Management &amp; Decarbonisation</b></p>	<p>Contributed to in-country value (ICV) through strong partnerships with local suppliers, who represent 90.3% of our total supplier base</p> <p>Developed Supplier Relationship Management (SRM) framework and piloted with our 'Strategic Supplier' tier</p>	<p>12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities</p>	<p>Principle 4: The elimination of all forms of forced and compulsory labour</p> <p>Principle 5: The effective abolition of child labour</p> <p>Principle 6: The elimination of discrimination in respect of employment and occupation.</p>	<p>G4. Supply Chain Management</p>

Material Topics	Our Actions & Impact (2023)	SDGs Targets	UNGC Principles	DFM ESG Index
   				
<b>Our People's Welfare</b>				
<b>Health, Safety &amp; Well-being</b>	<p>Maintained record of zero fatalities and cases of permanent disabilities</p> <p>Launched an annual Employee Health Surveillance programme to ensure both public and occupational health of our employees</p> <p>Achieved 100% rate of correction for unsafe condition</p> <p>Introduced flexible working hours, expanded remote working to 6 days in a month, and formalised 4 personal hours to help our employees manage their professional and personal commitments efficiently</p>	<p>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment</p>		<p>S5. Human Rights</p> <p>S6. Health and Safety</p>
<b>Employee Rights</b>	<p>Developed Grievance Policy that follows three-stage of escalation for robust governance process</p> <p>Continued providing additional benefits to our workforce around financial stability and health-related policy</p>	<p>8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services</p> <p>8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training</p>	<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery</p>	<p>S5. Human Rights</p>

Material Topics	Our Actions & Impact (2023)	SDGs Targets	UNGC Principles	DFM ESG Index
   				
<b>Our People's Welfare</b>				
<b>Employee Engagement &amp; Development</b>	<p>Designed programmes to address succession planning, organisation planning, mentoring and coaching, and other related topics</p> <p>Implemented Training Needs Analysis (TNA) strategy to identify and address the specific learning needs of employees</p> <p>Achieved substantial 19% increase in total employee training hours for skill development between 2022 and 2023</p>			S4. Gender Diversity and Equality
<b>Diversity, Equity &amp; Inclusion</b>	<p>Conducted 224 hours of DE&amp;I awareness sessions</p> <p>Led workshops to assist employees in identifying and confronting their biases while promoting a more inclusive work environment</p>			S4. Gender Diversity and Equality

Material Topics	Our Actions & Impact (2023)	SDGs Targets	UNGC Principles	DFM ESG Index
   				
<b>Our Community Responsibilities</b>				
<b>Customer Relations &amp; Engagement</b>	<p>Attained the ISO 10004:2018 – Quality Management Certification, through which Tasleem* has been recognised for the ability to plan, develop, operate, and manage a process for measuring and monitoring customer satisfaction</p> <p>Obtained 100% resolution rate for customer complaints</p> <p>Successfully operating digital payment options such as Apple Pay, Samsung Pay, and Quick Pay.</p> <p><i>*Tasleem is a subsidiary of Tabreed responsible for the billing, metering, collection and customer service</i></p>	16.6.2 Proportion of population satisfied with their last experience of public services		S7. Community Engagement
<b>Community Engagement &amp; Development</b>	<p>Invested 0.023% of total revenue of the Group for community development</p> <p>Sponsored HUB71+ climateTECH to empower startups and young entrepreneurs working on climate solutions</p>	<p>8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services</p> <p>9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending</p>		S7. Community Engagement

Material Topics	Our Actions & Impact (2023)	SDGs Targets	UNGC Principles	DFM ESG Index
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**Our Governance for Impact**

<p><b>Business Ethics &amp; Corporate Governance</b></p>	<p>22% women representation in our Board</p> <p>Developed Reputational Due Diligence (RDD) process and policy enabling the departments to assess the reputation and integrity of potential business relations</p> <p>Reinforced Employee Assurance and Resolution System (EARS) for confidential grievance reporting</p> <p>Recorded zero cases of corruption and 100% formal compliance to Anti-bribery and Corruption Policy</p> <p>Maintained compliance to International Labour Organisation (ILO) Conventions related to child labour (138 &amp; 182) and forced labour (29 &amp; 105)</p> <p>Recorded 100% participation by corporate staff on Anti-bribery and Corruption on the online Navex Global delivery platform</p>	<p>16.5 Substantially reduce corruption and bribery in all their forms</p> <p>16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels</p>	<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights</p> <p>Principle 2: Make sure that they are not complicit in human rights abuses.</p> <p>Principle 4: The elimination of all forms of forced and compulsory labour</p> <p>Principle 5: The effective abolition of child labour</p> <p>Principle 6: The elimination of discrimination in respect of employment and occupation</p> <p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery</p>	<p>G1. Board Diversity</p> <p>G2. Board Independence</p> <p>G5. Ethics and Anti-Corruption</p>
<p><b>Information Disclosure</b></p>	<p>Consistent reporting on environmental, social and governance (ESG) disclosures in our Integrated Annual Report, complying to Dubai Financial Market (DFM)</p> <p>Partnered with Deloitte for a comprehensive Data Protection Policy</p> <p>Maintained zero case of data security breaches</p>	<p>12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p>	<p>Governance: Disclose the organization's governance around climate-related risks and opportunities.</p>	<p>G6. Data Privacy</p> <p>G7. Sustainability Practices</p>

# OUR ENVIRONMENTAL STEWARDSHIP

## Our Management Approach GRI (3-3)

Our proven track record of complying with regulations associated to our operations, deploying cutting-edge technologies and exploring innovative solutions ensures we operate efficiently, conserve resources, and build a strong reputation. We prioritise environmental responsibility through a robust Integrated Management System (IMS) that incorporates internationally recognised standards like ISO 14001 (environmental management), ISO 45001 (health & safety), and ISO 50001 (energy management). We adhere to all applicable UAE environmental regulations, securing the necessary permits. Our stringent controls govern water discharge, waste management, and air emissions, with regular reports submitted to the relevant authorities. We closely monitor air quality at our plants to ensure compliance with environmental regulations and minimise impact. Our commitment extends to managing hazardous materials by ensuring chemicals, plastic containers, and operational processes are free of carcinogens such as PFAS/PFOA.

At Tabreed, environmental considerations are integrated into project planning from the outset, ensuring alignment with occupational health, safety, and environmental (HSE) standards. Furthermore, we integrate efficient and green operations into our business planning and strategic goals, demonstrating our commitment to a sustainable future.

Additionally in 2023, we started reporting on biodiversity impact as one of the updates in DFM's ESG Reporting Guidance. As we currently operate 19 cooling plants in and near desert regions, we delivered staff training in collaboration with Arabia's Wildlife Centre on handling wildlife such as scorpions and snakes. This collaboration enhances both employee safety and responsible wildlife management.

## Advancing The Net-Zero Transition

We are actively pursuing a roadmap to achieve Net Zero emissions by 2050, aligning with the UAE Energy Strategy 2050. The roadmap encompasses various initiatives aimed at leveraging renewable energy sources, enhancing energy efficiency, and adopting innovative technologies. By employing a combination of these decarbonisation levers, we are committed to reducing our carbon footprint and contributing to a sustainable future. Our ongoing efforts with Sky Cool, HyET-solar thin films, Solar panels, VFD, geothermal energy and other ongoing exploration of technologies are testament to our climate change mitigation strategy.

## Our Decarbonisation Philosophy

Our philosophy integrates pioneering technology and effective energy strategies to steer us toward a sustainable and carbon-neutral future. Here, we outline the core principles that guide our decarbonisation efforts:

- Energy Efficiency & Optimisation:**  
 Enhancing the operational efficiency of cooling plants and distribution networks through operational excellence, advanced operations and control systems.
- Technology Upgrades:**  
 Upgrading existing systems with the latest cooling technologies to boost efficiency and reduce environmental impact.
- Renewable Energy Integration:**  
 Integrating renewable energy sources, such as geothermal and solar, to power our operations, significantly reducing dependency on non-renewable energy sources.
- Supply Chain Management & Decarbonisation:**  
 Collaborating with suppliers to ensure that goods and services are sourced with sustainability in mind, promoting the use of low-carbon materials and partnering with suppliers committed to reducing their environmental impact.
- Innovation & Strategic Partnerships "as a cross-cutting Enabler":**  
 Utilising innovation through strategic partnerships as a key driver to accelerate decarbonisation, focusing on piloting and scaling up breakthrough technologies and practices that transform cooling system efficiencies.
- Compensating for Residual Emissions through Offsetting:**  
 Investing in verified carbon offset projects to neutralise our residual unavoidable emissions and move towards net-zero.

## Energy Efficiency & Optimisation

GRI (3-3), (302-1), (302-2), (302-3), (302-4), (302-5)

By prioritising energy efficiency and emissions reduction with responsible resource consumption in our response to climate change, we position ourselves at the forefront of sustainability, attracting both residential and commercial customers. Our service offers reliable and sustainable cooling at a competitive price to our customers, while contributing to a greener future.

Year	Petrol		Diesel		Natural Gas		Electricity via utility provider		Total Energy Usage	Energy Intensity
	By Volume (Litres)	By Energy (TJ)	By Volume (Litres)	By Energy (TJ)	By Volume (m3)	By Energy (TJ)	By Volume (kWh)	By Energy (TJ)		
2021	947,517	33			11,875,777	490	1,794,815,096	6,461	6,984	3.33
2022	805,014	28	3,339	0.13	10,607,238	438	1,909,345,484	6,874	7,313	3.35
2023	854,971	30	3,310	0.13	2,545,580*	101	2,036,614,588	7,331	7,462	3.02

\*In 2023, the internally generated electricity (via Natural Gas) was 42,827,165 kWh

Our significant efforts in energy efficiency and optimisation in 2023 included piloting nanoparticle heat transfer liquid and harnessing geothermal energy to decarbonise our cooling service.

### Nanoparticle Heat Transfer Fluid

We partnered with HTMS to pilot a Nano-Particle fluid called Maxwell at Tabreed AD-017 DCP in Khalifa City, Abu Dhabi. Maxwell is an engineered suspension of sub-micron-sized aluminium oxide particles in a base fluid, which enhances the system's ability to transfer heat, resulting in a significant energy consumption reduction of approximately 15%.

To evaluate the efficiency improvement achieved by implementing Maxwell, the System Coefficient of Performance (S-COP) was employed as the key metric. S-COP represents the ratio between the thermal cooling output of the chiller plant and the electrical power it consumes. We compared S-COP during baseline periods (before Maxwell) and reporting periods (after Maxwell) under similar climatic conditions and chiller loads. This comparison focused on the same calendar months in 2022 and 2023 to minimise the impact of weather variations on the results.

By deploying Maxwell, we could achieve both cost savings on energy bills and a reduced environmental impact through a lower carbon footprint.

Our investments in initiatives and projects already implemented to reduce energy consumption and to increase energy efficiency also include:

- Enhanced Chiller Performance:**  
 We are implementing refrigerant flow control optimisation to improve chiller efficiency, resulting in lower energy consumption.
- District Cooling Network Optimisation:**  
 Our interconnected district cooling plants will utilise a single chilled water source, supplying customers efficiently. This allows us to strategically shut down plants during off-peak hours or in winter when demand is lower.
- Data-Driven Operations:**  
 We have established an asset performance team that analyses plant data and provides training for our operations and maintenance teams. This collaboration fosters a continuous improvement culture in our operations.
- Energy-Saving Lighting:**  
 We prioritise natural lighting within our plants whenever possible to reduce reliance on artificial lights and minimise power consumption.



## Technology Upgrades

GRI (3-3)

In our pursuit of decarbonisation, we recognise the transformative impact of technological advancements. By systematically upgrading our cooling systems with the latest innovations, we not only enhance operational efficiency but also significantly reduce our environmental footprint. These upgrades are a testament to our commitment to leading the industry in sustainable practices and energy conservation.

A prime example is the integration of Variable Frequency Drives (VFDs), which optimise the energy consumption of our equipment, demonstrating our proactive approach to energy optimisation.

**Variable Frequency Drives (VFDs):** Our ambitious “Tasheel” programme successfully completed its third phase, focusing on retrofitting facilities with VFDs. VFDs are smart technology that optimises energy use by adjusting power based on cooling demand. By implementing VFDs, we expect to save over 223 million kWh in the next decade, preventing the release of 105,000 metric tons of CO<sub>2</sub> emissions. This initiative exemplifies our commitment to operational excellence and a sustainable future.

In 2023, our sustainable cooling services reduced energy consumption by **2.52 billion kWh, enough to power approximately 143,000 homes and prevented 1.5 million metric tons of CO<sub>2</sub> emissions, equivalent to removing approximately 330,000 vehicles from the road**

## Renewable Energy Integration GRI (3-3)

Renewable energy is one of the cornerstones of our mission. We are actively piloting key projects to explore various renewable energy sources to identify the most suitable options for optimising our operational efficiency and reducing emissions in our processes. This aligns perfectly with our pathway to net zero and reinforces our vision to be a leader in sustainable cooling provider.

At the forefront of the global and national shift towards renewable energy, we are leading the way in climate action by exploring and deploying the innovative solutions.

### Geothermal Energy

In our partnership with Abu Dhabi National Oil Company (ADNOC) to decarbonise the cooling of buildings, we successfully completed the pilot testing of geothermal energy for district cooling in Masdar City, Abu Dhabi in 2023. This has been a breakthrough for the Gulf region and has paved the way for G2COOL.

Officially launched in December 2023, G2COOL is significantly reducing the carbon footprint of building cooling in Masdar City and is contributing to the UAE's National Energy Strategy 2050 by diversifying the energy mix. The plant harnesses naturally occurring hot water from the geothermal wells through absorption cooling technology to produce chilled water for Tabreed's district cooling network.

This project aligns with ADNOC's AED 55 billion investments in low-carbon solutions, supporting their goal of achieving net-zero emissions by 2045.

Geothermal energy  
source currently meets  
**10% of Masdar City's  
cooling needs**

G2COOL,  
the first  
district cooling  
project in the  
Gulf Region  
to harness  
**geothermal  
energy**

## Supply Chain Management & Decarbonisation

GRI (3-3), (308-1), (308-2), (414-1), (414-2)

Our focus on supply chain sustainability is increasing, and we are working towards concrete measures to make a positive impact. This commitment complements our dedication to procuring materials and services that ensure the continued well-being of our district cooling plants and reliable cooling delivery for our customers.

To create a strong foundation for ethical sourcing, we encourage all our suppliers to foster a work environment that respects human rights, embraces diversity and equal opportunity, and promotes an inclusive and ethical culture. In 2023, we introduced sourcing thresholds to ensure efficient management of our sourcing process.

Supplier tiering is a strategic tool for us as it empowers us to manage our supply chain more effectively, mitigate risks, and optimise resource allocation for a resilient and efficient procurement processes. At Tabreed, we categorise our suppliers into four distinct tiers that enables us for proactive management and informed strategic decision-making.

Supplier Tier	Classification
Strategic	Significant spend of > AED 5 M
Critical	Moderately high spend of > AED 1M – 5M
Important	Spend of AED 500 K – 1 M
Tactical	Spend of < AED 500 K

In 2023, reflecting our commitment to local sourcing, we worked with **520 local suppliers, representing 90.3% of our total supplier base of 576 and directed 22% of our annual revenue towards local procurement**

In the suppliers' selection process, we work hard to choose reputable business partners who are committed to ethical standards and business practices compatible with those of Tabreed. In addition, we encourage suppliers to go beyond legal compliance, drawing upon internationally recognised standards, to advance in social and environmental responsibility, and business ethics. Suppliers are also expected to cascade these principles through their own supply chain.

We are resolute in contributing to in-country value (ICV) to boost economic performance and support local industries by redirecting higher portions of spending into the national economy.

We piloted Supplier Relationship Management (SRM) framework with our 'Strategic Suppliers' in 2023. By 2024, implementation across all supplier tiers will be finalised



Our key processes governing sustainable supply chain

- Our **Supplier Code of Conduct** promotes ethical business, professional conduct and compliance with applicable laws and regulations, and creates value for all parties.
- Our suppliers are required to read and agree to our **Human Rights Policy** during the supplier registration process.
- We conduct **Supplier Due Diligence** during onboarding of suppliers to our supplier database. The checklist includes documents such as financial statements, bank details, trade licenses, human rights practices, environmental sustainability, etc. With this forward-looking approach, we aim to strengthen our internal processes to partner with responsible businesses, and ultimately drive change in our supplier's sustainability commitments.
- We have developed a structured **Supplier Relationship Management (SRM) Framework** to foster effective relationships with our suppliers. This framework outlines organised practices and principles that enhance communication, performance, and collaboration.
- Our **Supplier Grievances** include issues related to contracts, payment terms, product quality, communication, delivery schedules, or any other aspect of the business relationship. For any concerns or grievances, our publicly available Supplier Code of Conduct outlines communication channels. Additionally, our Supplier Relationship Management (SRM) program, available internally to our suppliers, offers further support in managing and resolving such issues.

## Sustainability Criteria in our Supplier Screening Process

### Environmental\*



Practices to reduce environmental impacts



Practices to reduce waste generation



Monitoring and measurement of climate and energy data

### Social



Presence of Child Labour Policy



Presence of Human Rights Policy



Application of fair employment practices to the workforce and sub-contractors

\*Wherever applicable, HSEQ technical evaluation is conducted during tender and selection process

# 319 suppliers

went through the supplier qualification process and were approved in 2023

## Key Sustainability-related information required from suppliers in the Onboarding Process



Existing/intended sustainability approach and/or strategy



Practices enabling them to reduce environmental impacts directly associated with the transportation of materials



Initiatives to reduce waste



Process to measure, monitor and collate data on GHG emissions



Policies pertaining to child labour and human rights protection



Fair employment practices for employees and subcontractors

## Supply Chain Decarbonisation GRI (3-3)

Our commitment to sustainability extends beyond the district cooling we provide, as we recognise that a significant portion of our impact lies within our supply chain. By embracing supply chain decarbonisation as a critical pillar in our decarbonisation philosophy, we aim to deliver more responsible and resilient energy ecosystem.

This critical area allows us to expand our positive impact throughout the value chain, building upon the criteria we have established for supplier screening and onboarding. By prioritising local procurement, we significantly cut down on transportation distances for materials, thereby reducing greenhouse gas emissions associated with long-haul freight. This approach not only decreases our dependency on fossil fuels but also diminishes the need for extensive packaging and storage, further contributing to lower overall carbon emissions.

Additionally, local sourcing fosters robust community relations and economic resilience. By engaging with local suppliers, we support the local economy, creating a more sustainable and equitable supply chain. This strategy encourages the growth of local businesses, leading to job creation and economic stability within the community.

Our commitment in local sourcing enhances our transparency and traceability efforts, crucial for maintaining high sustainability standards. With closer proximity, we can more effectively monitor and ensure that our suppliers adhere to our environmental and ethical guidelines, leading to stronger partnerships and facilitating the exchange of knowledge and best practices in sustainability.

By integrating local sourcing into our sustainability strategy, we make significant strides toward our net-zero target, demonstrating that sustainable business practices can coexist with environmental stewardship, economic growth, and community development.

Local sourcing is a key strategy in our commitment to reducing our **carbon footprint and advancing sustainability practice**

## Innovation and Strategic Partnerships

GRI (3-3), (2-13), (2-25), (2-28)

At Tabreed, exploring new technologies and fostering innovation is deeply woven in our vision. We are constantly pushing boundaries, with several exciting projects currently underway. Some of these initiatives are in the early stages of scoping and piloting, allowing us to explore their feasibility and potential impact. Meanwhile, other projects are already up and running and demonstrating their effectiveness. These explorations encompass a wide range, including advancements in water and waste management, operational efficiency, energy optimisation, and emissions reduction. We believe that by embracing innovation in these areas, we can create a more sustainable future for both our company and the environment.

**Tabreed's recent investment of USD 4.6 million supports initiatives in sustainable technologies like geothermal, thin-film solar, nanoparticles, and sky cooling**

This table provides an overview of key initiatives and their current progress:

Key initiatives	Objective	Project status in 2023
High efficiency Magnetic Bearing Chillers	Improving plant efficiency as magnetic bearing chillers reduce friction and eliminate the need for oil lubrication	<b>Ongoing:</b> Project has already started and is actively progressing
Nanotechnology	Explore alternative technologies to improve energy efficiency. Initiatives like Nano refrigerant, Nano lubricant	<b>Ongoing:</b> Project has already started and is actively progressing
LNG Regasification	Utilise waste cold energy from LNG regasification process for cooling	<b>In process:</b> The project is in the process of exploration
R718 Water Refrigerant	Utilising water as sustainable and energy-efficient refrigerant	<b>In process:</b> The project is in the process of exploration and start pilot
Nano Particles	Improve the thermal conductivity of the fluid, thereby enhancing heat transfer capabilities.	<b>In operation:</b> Pilot testing completed, project is currently operating
Phase Change Material (PCM)	An efficient and cost-effective way of storing and releasing energy, as PCM can absorb and release energy at a phase transition. This enables it to be used to regulate temperatures in buildings and other applications, thus reducing energy consumption and costs.	<b>In process:</b> The project is in the process of exploration and start pilot
Solar Photovoltaics (PVs)	Reduce the peak demand for electricity by using alternative energy sources	<b>Ongoing:</b> Project has already started and is actively progressing
Heat for Cool	Demonstrate usage of waste heat sources for cooling. Waste heat from industrial processes can be recovered and turned into cooling with absorption chillers. It provides energy-efficient cooling solutions to reduce energy consumption and carbon emissions and reduce energy costs	<b>Ongoing:</b> Project has already started and is actively progressing
Geothermal Well	Utilisation of geothermal well for district cooling	<b>In operation:</b> Pilot testing completed, project is currently operating
Electrolytic Filtration System for Condenser Water	Use of electrolytic reactions at cathode & anode to reduce scaling in condenser water	<b>In process:</b> The project is in the process of <b>exploration and start pilot</b>
HyET Solar Thin Films	Explore the potential of HyET solar modules, a lightweight and flexible thin-film silicon technology for transforming thermal energy storage (TES) tanks into electricity generators, enhancing sustainability and reducing CO2 emissions	<b>Ongoing:</b> Project has already started and is actively progressing
Sky Cooling	Integration of Skycool Systems' passive radiative cooling panels with a split unit air conditioner (SUAC) passively cool fluids in air conditioning and refrigeration systems to boost efficiency	<b>Ongoing:</b> Project has already started and is actively progressing

### HyET Solar Thin Films

This pilot project explores the potential of HyET solar modules, a lightweight and flexible thin-film silicon technology. Powerfoil is a unique Thin Film PV Solar product based on active layers made of amorphous and micro-crystalline silicon (a-Si/uc-Si), encapsulated in conventional inexpensive polymers sheets altogether forming a foil of 0.5 mm thickness. These innovative panels boast higher efficiency than traditional glass models and are significantly more impact-resistant due to their flexibility. This characteristic allows them to conform to curved surfaces, making them ideal for applications like thermal energy storage (TES) tanks. If successful, this project could pave the way for transforming TES tanks into electricity generators, enhancing sustainability and preventing CO<sub>2</sub> emissions.

The pilot installation is currently in progress, and we aim to complete it in Q4 of 2024.

### Solar Panels

This pilot project aims to showcase the potential of peak load shaving through a combination of solar energy and thermal energy storage (TES) in a district cooling plant. A 1 MW solar panel power generation system will be installed at the AD16 and TB12 site. By utilising renewable solar energy, this project seeks to reduce reliance on electricity from the Abu Dhabi Distribution Company (ADDC) grid, particularly during peak demand periods. Integrating the system with TES offers the additional benefit of potentially smoothing out peak demand further. The successful implementation of this project is expected to achieve a significant CO<sub>2</sub> emissions reduction of approximately 2,627 tons. The target completion date for this pilot project is December 2024.

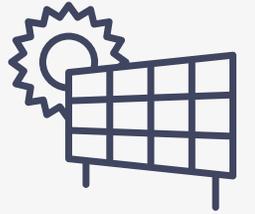
### Green Financing Framework (GFF)

Tabreed demonstrates a strong ability to issue Green Financing Instruments due to its robust and transparent GFF. This framework aligns seamlessly with the four core components established by the Green Bond Principles 2021 and Green Loan Principles 2021.

Tabreed secured AED 600 million inaugural Green Revolving Credit Facility to advance sustainable cooling solutions. This groundbreaking financing agreement, spanning five years, aligns seamlessly with our overarching sustainability strategy. The fund will be exclusively allocated to finance projects and investments that adhere to the Green Finance Framework, established in 2022.

More information on GFF is available on our website, [https://www.tabreed.ae/wpcontent/uploads/2022/11/Tabreed\\_Green\\_Finance\\_Framework.pdf](https://www.tabreed.ae/wpcontent/uploads/2022/11/Tabreed_Green_Finance_Framework.pdf)

Powerfoil with a conversion efficiency of **12% is equivalent to 18% efficient glass solar panels**



### Sky Cooling

We are exploring a cooling technology in partnership with Engie Lab. This pilot project integrates Skycool Systems' passive radiative cooling panels to improve the efficiency of air conditioning and refrigeration systems in our AD-17 modular plant control room located in Khalifa City. The spontaneous radiative emission of thermal energy as infrared radiations cools the Split Unit Air Conditioner's (SUAC) R22 refrigerant. Subcooling the refrigerant will result in the supply of colder air to the room, allowing us to reach the set-point temperature more rapidly and subsequently cycle off the compressor sooner. This subcooling effect boost efficiency, as previous studies have shown up to a 9% increase in the Coefficient of Performance (COP) for each 1°C of subcooling achieved. The pilot installation is currently underway and targeted for completion in Q2 of 2024. The success of this project could pave the way for broader implementation of this sustainable cooling technology within Tabreed's district cooling network.

**The Green Revolving Credit Facility is designed to introduce highly efficient cooling solutions into the GCC market,** meeting the growing demand for sustainable and innovative technologies

## Compensating for Residual Emissions

GRI (3-3), (2-13), (2-25), (2-28)

Recognising the inherent efficiency of district cooling, which surpasses traditional methods, we are a potential source of carbon credits. Despite the advantages of District Cooling, inevitable emissions remain. Acknowledging the need for future actions, we have embarked on two key endeavours; The first focuses on trading the potential carbon credits generated through our efficient cooling solutions. The second involves exploring potential offset projects to balance any residual emissions, thereby reinforcing our commitment to impactful environmental contributions.

### Participated in the DFM Carbon Credit Trading

In 2023, we participated in the Dubai Financial Market's (DFM) groundbreaking pilot programme for carbon credits trading launched at COP28 Dubai. We were one of 24 key local and international partners invited to explore the voluntary market that included two carbon credit projects by Dubai Electricity & Water Authority (DEWA) and four international projects.

This initiative marks a significant step towards fostering a sustainable financial ecosystem in the region. Participating in this programme not only demonstrates our dedication to environmental stewardship, with our ongoing efforts to reduce GHG emissions, but also positions us at the forefront of the region's evolving sustainable finance landscape. We aim to continue supporting the development of a robust carbon credit trading market in the region and contribute to its success by promoting environmental responsibility and carbon footprint reduction.

### Purchased Clean Energy Certificates

Our district cooling plants' energy use is a major source of our emissions and in our efforts to reduce GHG emissions, we purchased 116,000 MWh of Clean Energy Certificates (CECs) for solar energy in 2023. This covers the annual electricity consumption of our Masdar plants, Yas Island-including select facilities such as the amusement parks-and Sheikh Zayed Grand Mosque, among others.

The CECs are an innovative programme by Emirates Water and Electricity Corporation (EWEC) aligning to International REC Standard (I-REC) measures. Currently, it's the only mechanism in Abu Dhabi that guarantees consumed electricity comes from clean sources like solar and nuclear power generation.

As part of this programme, we aim to play an instrumental role in supporting the UAE's climate change goals outlined in the UAE Energy Strategy 2050.



To sum up the efforts mentioned earlier and to further reinforce our commitment to sustainability, Tabreed has actively engaged in significant global climate initiatives. These actions underscore our dedication to achieving net-zero emissions and align with both national and international climate goals.

### Climate-Responsible Companies Pledge

We have reinforced our commitment to achieving net-zero emissions by signing the UAE's Climate-Responsible Companies Pledge. This initiative, supported by the Ministry of Climate Change and Environment (MOCCA) and the National Dialogue for Climate Ambition (NDCA), aligns with the UAE's goal of reaching net-zero emissions by 2050. By joining this pledge, we emphasise our dedication to sustainability through enhanced operational efficiency, renewable energy integration, and innovative solutions to reduce our carbon footprint, contributing to both national and global climate goals.



### The Global Cooling Pledge - One of the outcomes for the COP28 Presidential Action Agenda

To further reinforce our commitment to sustainability, we participated as a signatory under the Non-State Actor Supporters of the Pledge, supporting the United Nations Environment Programme (UNEP) in launching the Global Cooling Pledge. An initiative of the UAE as host of COP28, the Pledge is one of nine key outcomes of the COP28 Presidential Action Agenda. It aims to reduce cooling-related emissions by 68% by 2050, increase access to sustainable cooling by 2030, and improve the efficiency of new air conditioners by 50%. As a signatory, we reaffirm our commitment to environmental stewardship and underscore our dedication to fostering a sustainable future through innovative cooling solutions. We will implement and promote advanced district cooling technologies that are more energy-efficient and environmentally friendly than conventional methods.



## Water Management

GRI (3-3), (303-1), (303-2), (303-3), (303-4), (303-5)

Water efficiency is a top priority for Tabreed. We collaborate with professional water treatment partners, like Cooltech, our water treatment subsidiary, to optimise their operations and minimise water consumption per unit of cooling produced. This metric is a key performance indicator (KPI) that we closely monitor and actively manage.

Looking beyond traditional sources, Tabreed and Cooltech work with government authorities like the Department of Energy (DOE), Abu Dhabi Distribution Company (ADDC), and Sustainable Water Solutions (SWS) to explore and implement alternative water sources such as Treated Sewage Effluent (TSE). Furthermore, we collaborate with the DOE to utilise cooling tower blowdown water for landscape irrigation. Environmental responsibility is paramount, and Tabreed and Cooltech work with the Dubai Municipality Environment Department and DOE to ensure discharged water from cooling towers and TSE polishing plants meets all regulatory limits.

Cooltech takes sustainability a step further by developing innovative solutions for even higher water efficiency. These solutions include specialised chemicals that function at higher cycles of concentration (COCs) and combine cleaning and passivation processes to minimise water usage. Additionally, Tabreed invests in bag filtration systems for makeup water, eliminating backwash wastewater by removing suspended solids.

Our commitment towards responsible water management is stemmed on utilising a diverse range of sources for our district cooling plants.

### Water Sources Utilised by Tabreed

### Areas of Requirement

<b>Freshwater</b>	Desalinated water, sourced from authorities like ADDC (Abu Dhabi Distribution Company), DEWA (Dubai Electricity and Water Authority), and FEWA (Federal Electricity and Water Authority), is the primary source of makeup for cooling water systems.
<b>Sea Water</b>	Recognising the importance of environmental responsibility and water resource management, we leverage innovative Once-through Cooling (OTC) systems in Bahrain District Cooling Plant and Emaar Beach Front Dubai. This necessitates meticulous design and treatment of the cooling systems to ensure reliable performance and longevity.
<b>Treated sewage effluent (TSE) water</b>	As part of our continuing efforts to utilise more environmentally friendly technology, we utilise polished treated sewage effluent (TSE) water as the make-up water source. TSE water brings substantial saving of potable water usage and meets the guidelines of Government Decree on use of TSE Water to reduce carbon footprint and the usage of desalinated water.
<b>Geothermal water</b>	We leverage geothermal water as a natural heat sink in our district cooling plants (DCPs), providing a clean and efficient energy source for the chiller systems. Unlike traditional DCPs that rely on electrical power for chiller operation, geothermal system significantly reduces the environmental footprint.

### Wastewater Generated by Tabreed

### Actions for Wastewater Management

<b>Cooling Tower Blow Down</b>	The cooling tower blow down discharged from each Tabreed Plant is discharged into the sewerage network. We ensure the disposed water meets the quality of the trade effluent control standards.
<b>TSE Polishing Plant Reject Water</b>	The reject water generated from the TSE Polishing Plant in Dubai Plants are disposed to the Dubai Municipality (DM) sewerage network. We ensure the quality of discharged water meets the waiver on discharge limits issued by DM Environment Department.

# Our water consumption and water reclamation are tracked and monitored on a regular basis

To achieve sustainable water and wastewater management, we have aimed at investments towards upgrading and maintenance of infrastructure and water systems. This includes implementing technologies that will increase water efficiency by at least 20%, such as treated sewage effluent (TSE).

	2021	2022	2023
<b>Total amount of water consumed purchased from a third party</b> (in m <sup>3</sup> ) (i.e., National Utility Company)	<b>15,650,392</b>	<b>16,495,096</b>	<b>17,560,957</b>
<b>Total amount of water reclaimed</b> (in m <sup>3</sup> ) (Industrial or municipal wastewater that is recycled and reused at the company)	<b>2,628,113</b>	<b>2,607,143</b>	<b>4,330,106</b>
	2021	2022	2023
<b>Water intensity</b> (water consumed in m <sup>3</sup> / Refrigeration ton-hour production)	<b>0.0073</b>	<b>0.0074</b>	<b>0.0071</b>

The reduction in our water intensity in 2023 underscores our commitment to sustainability and resource conservation. We are dedicated to maintaining high standards of efficiency and minimising our environmental footprint. Therefore, despite a rise in refrigeration output that involves increased reliance on water resource, we are consistently implementing and exploring ways to optimise water efficiency in our operations.

We comply and ensure a strict adherence to trade effluent discharge regulations mandated by the relevant statutory authorities in each emirate. These regulations include:

- The Trade Effluent Control Regulations 2022 issued by the Department of Energy for Abu Dhabi, Al Ain, and other emirates.
- Local Order No. 61 of 1999 concerning Environmental Standards and Allowable Limits of Pollutants on Land, Water, and Air Environment issued by Dubai Municipality for Dubai.
- The Trade Effluent Disposal Waiver Letter issued by Dubai Municipality on June 27, 2011.

## Waste Management GRI (3-3), (306-1), (306-2), (306-3), (306-4), (306-5)

Our long-standing partnership with Tadweer (Center for Waste Management) has been instrumental in our ability to play a contributing role in diverting 80% of Abu Dhabi's waste away from landfills by 2030. The Waste Reduction Action Plan (WRAP), outlined in our Integrated Management Policy (IMS), enables us to track and manage waste generated across various locations: our head office, TOMCO's Bolisaty for waste manifests from project sites, and Al Eskan Al Jamae LLC for waste from our labour accommodations.

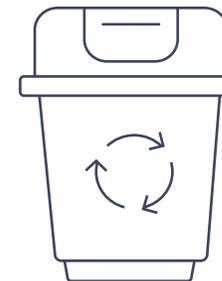
Waste reduction report for Tabreed and TOMCO is submitted to Tadweer. The Waste Reduction Report details our solid waste generation, outlining the types and quantities of waste we dispose of. The report also analyses demographic, socioeconomic, and technological factors that influence how much waste we produce. The regular reporting enables us to plan for responsible waste management and to be compliant with the annual target of waste reduction rate as per the guidelines of Tadweer.

	2021	2022	2023	Treatment Methods
<b>Paper Waste</b> (in tons)	0	0.449	0.449	Recycling
<b>Hazardous Waste</b> (in tons)	30.37	11.97	11.99	Third-party Treatment Service
<b>Non-Hazardous Waste</b> (in tons)	454.97	231.32	265.64	Landfill

*All the district cooling plants (DCPs) are provided with a skip of 1.2 m<sup>3</sup> volume and approved contractor (Suez) is removing the skip on a weekly basis. However, the quantity is not measured.*

We manage the generated waste through NRI Waste Services and Veolia Middle East for safe and authorised recycling processes. Additionally, we introduced SAP work order systems through tablets that further reduced paper consumption.

**The annual target is 20% reduction in waste** quantities in comparison to current reported figures



## Climate Change Mitigation GRI (3-3), (305-1), (305-2), (305-3), (305-4), (305-5), (305-6), (305-7)

To establish a mitigation measure to reduce emissions, a crucial first step lies in understanding the risks and opportunities associated with climate change. While we monitor our emissions on an annual basis, in 2023 we started the complete baselining of our emissions to eventually develop our net zero targets. Our net zero commitments will be communicated separately with clear decarbonisation pathway and transition plans.

Year	Scope 1 Emissions	Scope 2 Emissions	Emissions Intensity (kgCO <sub>2</sub> e/Ton-Hr refrigeration)
	(tCO <sub>2</sub> e)	(tCO <sub>2</sub> e)	
	Emissions from Direct Energy Sources		Emissions from Indirect Energy Source
2021	1,128,543		0.53
2022	33,619	1,201,313	0.55
2023	65,501*	816,682**	0.36

\*For 2023, Scope 1 emissions reporting includes refrigerants. This addition increased total Scope 1 emissions to 65,501 tCO<sub>2</sub>e, with refrigerant use contributing 57,720 tCO<sub>2</sub>e. As a result, comparisons to prior years' Scope 1 emissions are not applicable.

\*\*To prevent double counting, the emissions from internal electricity generation (42,827,165 kWh) from natural gas combustion are reflected in Scope 1 emissions, not Scope 2.

We acknowledge that the rapidly growing renewable energy market and the development of innovative climate adaptation technologies offer promising avenues for investment, and by strategically directing resources towards these opportunities, we can not only mitigate climate change but also build a more sustainable and resilient future.

We have conducted an internal assessment utilising the Task Force on Climate-Related Financial Disclosures (TCFD) framework as a foundational step. This involved evaluating the potential impacts of climate-related risks on our operations, financial performance, and overall sustainability. Our assessment encompassed aspects such as physical risks (e.g., extreme weather events like flood and storm) and transition risks (e.g., regulatory changes, market shifts and technology). Moving forward, we plan to implement the TCFD framework in a more detailed fashion to enhance the robustness of the risk assessment process and to integrate climate-related risks into the broader enterprise risk management framework.

In 2023, we embarked on conducting a comprehensive baselining of our GHG inventory, extending to scope 3 emissions. The baselining is instrumental in identifying the high-impact areas, developing targeted reduction strategies, and setting measurable targets.

Building on our existing partnership for annual emissions reporting, we established a parallel collaboration for baselining with Sentra World, an AI platform. The platform can simulate our future carbon footprint under a Business-As-Usual (BAU) scenario to help us understand our emissions' potential trajectory, if current practices remain unchanged. Additionally, it models the impact of various decarbonisation strategies, allowing us to evaluate measures like adopting renewable energy, utilising new technology, and improving operational efficiencies. The results of our baseline assessment and net zero roadmap will be published in a separate report.



## A summary of climate risks and opportunities associated to our business operations

Type of Risk	Nature of Climate Risk	Impact of Risk
Physical	Infrastructure & Service Disruption	Increased extreme weather events (hurricanes, storms, floods) can damage Tabreed's infrastructure, leading to: <ul style="list-style-type: none"> <li>• Service disruptions</li> <li>• High repair and restoration costs</li> <li>• Potentially higher insurance premiums</li> </ul>
Physical	Maintenance & Service Disruption	Climate change may impact water availability and quality, critical for Tabreed's operations: <ul style="list-style-type: none"> <li>• Reduced water availability due to droughts can disrupt operations.</li> <li>• Changes in water quality can increase maintenance costs.</li> </ul>
Physical	Infrastructure & Service Disruption	Government responses to climate change (emissions regulations, water restrictions) may require Tabreed to invest in: <ul style="list-style-type: none"> <li>• New equipment / technologies to comply</li> <li>• Increased capital and operational expenses</li> </ul>

Type of Climate Opportunity	Nature of Climate Opportunity	Impact of Opportunity
Physical	Infrastructure Efficiency	Partnerships and deployment of best-available technologies for energy optimisation and emissions reduction are becoming wider with growing appetite in the industry.
Transition	Market Shift	Climate change and environmental concerns may drive customer preference towards energy-efficient and sustainable cooling solutions.
Transition	District Cooling Advantage	District cooling systems, boasting 50% higher efficiency and lower emissions, align well with the evolving climate action preferences.
Transition	Growing Demand	Rising global temperatures and stricter environmental regulations are expected to increase demand for cooling, particularly district cooling, in regions facing extreme heat.

# OUR PEOPLE'S WELFARE

## Our Management Approach GRI (3-3)

Our employees are our greatest asset, and we recognise that their well-being, development, and engagement are essential to driving our success. We are committed to fostering a culture of inclusivity, diversity, and opportunity, where every employee has the chance to grow, contribute, and thrive. We take incidents of discrimination very seriously and have implemented a robust process for investigating and addressing them promptly.

We understand the criticality of a well-functioning and collaborative workforce to achieving our shared goals and driving organisational excellence. Our Board Committee, Nomination and Remuneration Committee (NRC) plays the vital role in overseeing and managing our company's human capital functions.

The key role of the NRC for human capital includes:

- Setting and reviewing Tabreed's Human Capital related policies and procedures
- Reviewing and approving the hiring and termination of senior management staff
- Ensuring that suitable succession plans are in place at senior executive levels
- 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

## Diversity, Equity & Inclusion (DE&I) GRI (3-3), (405-1), (405-2)

At Tabreed, we believe that a diverse and inclusive workforce is not only a moral imperative but also a business necessity. Our commitment to diversity and equal opportunity is rooted in our values of respect, empathy, innovation, and inclusivity. We view this not as a one-time effort, but as an ongoing process.

Our DE&I Committee, comprising members from across various departments, including Human Capital, actively works towards promoting these values within the organisation. The Committee meets monthly to discuss progress, challenges, and future initiatives. This structured approach ensures that our efforts remain focused and aligned with our organisational goals.

## Key Initiatives under DE&I Commitments

### Unconscious Bias Awareness sessions

These workshops help employees recognise and challenge their biases, fostering a more inclusive workplace



### Diversity Day Event

An annual event that celebrates diversity and promotes cultural exchange among employees.



### Emirati Women's Day Workshop

A programme that empowers women professionals through leadership development and coaching.



### 'Women in Tabreed' Initiative Re-launch

A reinvigorated programme designed to support the growth and development of our female talent.



### Diversity Awareness Videos

Short videos highlighting the importance of diversity, equity, and inclusion, which are shared across the organisation.



### DE&I Policy

A comprehensive policy outlining our commitment to promoting diversity, equity, and inclusion.

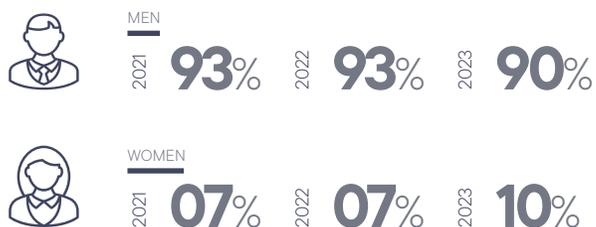


## Our Workforce Representation GRI (2-7), (2-8), (405-1)



*\*This report details our workforce data as of December 31<sup>st</sup>, 2023, obtained from our SAP system. At Tabreed, we don't classify employees as part-time. Instead, we have two main categories: full-time and temporary staff. Temporary employees include contractors and consultants engaged in specific projects that are not continuous in nature.*

### Gender Diversity (Full-time Employees)



### Gender Median Pay: Men to Women Ratio GRI (405-2)



The gender pay gap has narrowed year-over-year with our focus on diverse hiring that has increased women representation in both mid-senior and entry-level positions. The absolute increase in women headcount particularly in mid-level has led to reduced gap.

### Temporary Worker Representation



In 2023, we had 132 temporary workers supporting the various projects. As part of our efforts to manage fluctuating workload demands, we utilise temporary staff arrangements to scale up or scale down as needed while providing opportunities for individuals to gain experience and build their skills.

### Workforce by Employee Skill



### Workforce by Employee Category



Full-time Employees by Age Group	2022	2023
Under 30 Years	79	69
Between 31-50 Years	713	739
51+ Years	140	149

Temporary Employees by Age Group	2023
Under 30 Years	38
Between 31-50 Years	90
51+ Years	4

Full-time Employees by Years of Service	2023
0-4 Years	555
5-9 Years	232
10-14 Years	38
15+ Years	132

Gender Diversity across Full-time Employee Category	Men			Women		
	2021	2022	2023	2021	2022	2023
Entry-level Positions	60%	57%	47.3%	1%	1%	0.5%
Mid-level Positions	24%	27%	31.7%	5%	4%	6.8%
Senior-level Positions	8%	8%	10%	1%	2%	1.9%
Executive-level Positions	1%	1%	1.5%	0%	0%	0.3%

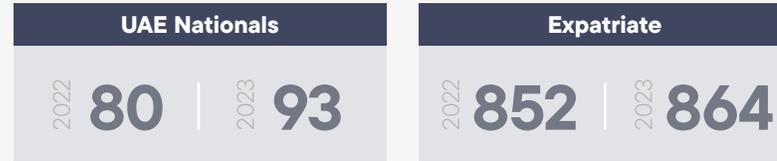
Tabreed's Grade used as Marker to arrive at bifurcations used in data. Employees from M4, E1, E2, E3 and E4 (CEO) are Senior and Executive Management. Employees from M1, M2 and M3 are Middle Management. Employees from all other grades are classified as Staff. Tabreed uses a grade code (G00) to identify 'workers who are not considered full-time employees'. These workers are hired by third-party service providers and are not directly on Tabreed's payroll.



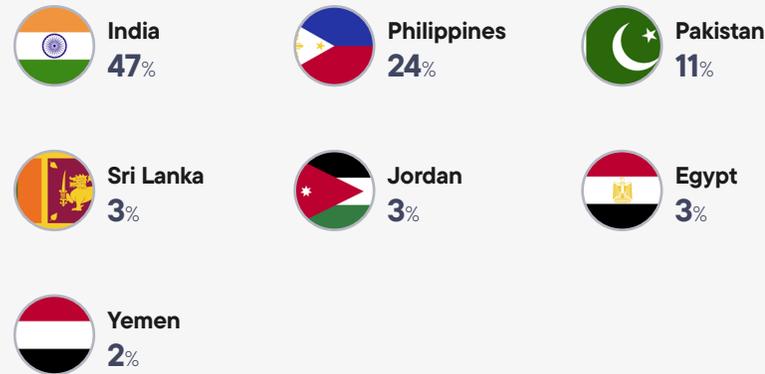
**In 2023, we made significant strides in enhancing women's representation within our workforce, increasing it from 7% to 10% of the total full-time equivalent (FTE) employees.**

Women representation at Tabreed is further strengthened with the appointment of the new Chief Legal Counsel (CLC) at the Executive level and a member at the Board.

## Geographical Diversity



We are proud of our diverse workforce, which includes employees from 38 different countries. The following highlights the top 7 expatriate nationalities (93%) represented in our company:



The remaining 7% of the expatriate workforce comes from Lebanon, Syria, Palestine, the United Kingdom, Bangladesh, Canada, Comoros, Morocco, Sudan, Oman, Algeria, Belgium, France, Germany, and other nationalities.

Anti-discrimination practices enable us to lead with a richer pool of ideas, improved problem-solving, and ultimately, a more innovative and diverse organisation. In 2023, while we did receive one report of alleged discrimination based on nationality, our thorough investigation revealed that it was not a case of discrimination but rather a communication breakdown.

## Emiratization in Our Workforce

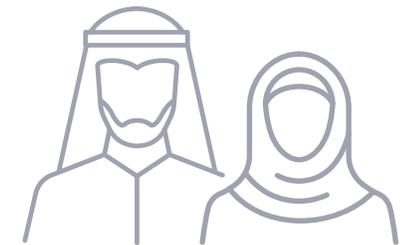
At Tabreed, while we offer opportunities and empower employees from diverse nationalities, we are also committed to support our country in its Emiratization initiative. We stay abreast in empowering our UAE nationals in our workforce to drive a sustainable and self-reliant economy. By creating opportunities for Emiratis to contribute their talents, we build a stronger and more prosperous future for all.



Representation of UAE National employees	2021	2022	2023
Total Workforce*	42%	41%	40%
Entry-level Positions	4%	5%	4%
Mid-level Positions	24%	23%	25%
Senior-level Positions	11%	10%	7%
Executive-level Positions	3%	3%	4%

\*Based on corporate total workforce and excluding roles not offered to UAE National employees.

In 2023, a total of 72 UAE Nationals in our workforce received **1,232 training hours**



### Our major initiatives to drive efforts towards skill development of our UAE nationals and to support the UAE government's Emiratisation goals are:

- 1. AI Reyadah Development Programme:** We empower our UAE nationals in the workforce with 0-2 years of experience, across both Corporate and Operations & Maintenance (O&M) functions. The programme tailors itself to different roles. For O&M employees, a structured curriculum with milestones guides their progress within 1.5 to 2 years. Corporate employees, on the other hand, benefit from a flexible approach that aligns with their department's needs and development goals, typically taking 2 years (with potential for early completion).
- 2. STEP Programme:** We offer a one-year training programme to provide our UAE nationals within O&M function with technical expertise and practical experience.
- 3. UAE National Gathering:** We host engaging gatherings specifically for our Emirati employees. These events provide a comprehensive overview of our Emiratisation initiatives, fostering a sense of community and collaboration through interactive team building activities.
- 4. UAE Nationals Coffee Chats with CEO:** This is a unique meeting designed for our newly hired UAE nationals, providing them with an opportunity to have an exclusive conversation with our CEO. The initiative aims to create a welcoming atmosphere, facilitating direct communication and a personalised introduction to our organisational culture.

In 2023, we were proud to have 12 participants, with 7 from O&M and 5 from Corporate functions, **all actively engaged in both behavioural and technical skill development**



### Employee Turnover & Hiring GRI (3-3), (401-1)

Our approach in selecting individuals who align with our values and possess the right skills has been intrinsic to the efforts of our Human Capital Department. We also stay mindful of maintaining a healthy employee turnover to ensure our pool of talent and expertise do not stagnate. This not only enables us to reduce costs associated with recruitment and onboarding but also fosters a stable, experienced workforce that drives productivity and innovation.

We have a relatively low turnover rate of 7%, indicating satisfaction of our full-time employees with their work environment and roles.

Turnover Rate	2021	2022	2023
Full-time Employees	8%	8%	7%
Temporary Employees	63%	53%	25%

Full-time Employee Turnover by Management Level	2022	2023
Senior & Executive Management	3	3
Middle Management	5	6
Staff	66	56

Full-time Employee Turnover by Gender	2022	2023
Men	62	58
Women	12	7

Full-time Employee Turnover by Age Group	2022	2023
Under 30 Years	15	7
Between 31-50 Years	47	39
51+ Years	12	19

Total Number of **New Full-time Employees**

2022 **98** | 2023 **114\***



\*The total of new joiners includes 24 converted contractors or consultants. Consider these when reconciling the year-end employee count.

New Full-time Hires by <b>Management Level</b>	2022	2023
Senior & Executive Management	4	4
Middle Management	6	22
Staff	88	88

New Full-time Hires by <b>Gender</b>	2023
Men	84
Women	30

New Full-time Hires by <b>Age Group</b>	2023
Under 30 Years	28
Between 31-50 Years	84
51+ Years	2

**Our Internship Programme**

In 2023, we offered opportunities to 17 students, as compared to 6 students in 2022. They gained hands-on exposure in real-world work environments, across both corporate and Operations & Maintenance (O&M) functions. Our programme is aimed at providing students the chance to complement their formal education with valuable career-related experience for 6 to 8 weeks.

**Empowering Women Professionals**

We are proud to have a robust programme in place to empower women professionals in our organisation. Our women employees actively participate in transformative training programmes that focus on leadership development, coaching, and mentorship. These initiatives not only enhance their skills but also provide valuable insights and strategies to excel in leadership roles.

Our Emirati Women's Day Workshop, focused on the Science of Female Leadership in 2023, provided a platform for women to share their experiences, challenges, and triumphs. This empowering experience has had a positive impact on our female workforce, enabling them to take on greater responsibilities and contribute effectively to the organisation.



**We delivered 1,690 hours of training to women employees**



**Women representation in our workforce reached 10%, as compared to 7% last year**

## Employee Rights GRI (3-3), (401-2), (401-3), (402-1)

We demonstrate our commitment to operating in a responsible and sustainable manner. We are dedicated to complying with all UAE labour laws, which ensure fair treatment and respectful working conditions for our employees. Building a workplace that reflects our respect for human rights is essential to us and we align ourselves with the UN Global Compact principles. This includes strong ethical standards, prohibiting child and forced labor, and empowering employees to report any Code of Conduct concerns through direct or anonymous whistleblowing channels.

We also offer a comprehensive employee benefits that prioritise supporting our employees' needs. For instance, our parental leave policy ensures new parents to bond with their child and adjust to their new roles, while our study leave of up to 10 days supports their professional development. We offer discount card – Fazza and Entertainer that offer discounts to our employees on various retail experiences.

In addition to protecting employee rights, we offer key benefits such as stock ownership, end-of-service benefits and staff loan & advance scheme for long-term financial security. Through these initiatives, we strive to create a work environment where employees feel valued, empowered, and able to thrive at every stage of their lives. Our middle and senior management benefit package also includes mobile phones and corporate SIM cards.

### Human Rights

We recognise that human rights are universal and that they apply equally to all individuals, regardless of their race, gender, religion, or nationality. We believe that by upholding these principles, we can create a more just and equitable society where everyone can thrive. Although we do not currently offer any dedicated Human Rights trainings, we are committed to ensuring that our employees understand the impact of their work on human rights and the broader community. This commitment is reflected in our Human Rights Policy, procedures, and practices, which aim to ensure that our operations do not infringe upon the fundamental rights of individuals or communities. Our Human Rights Policy adheres to International Labour Organisation (ILO) Conventions related to child labour (138 & 182) and forced labour (29 & 105). We believe that by empowering our people with the knowledge and skills necessary to uphold human rights, we can create a culture of respect and dignity.

Our Grievance Policy fosters a culture of respect for human rights by creating awareness and providing guidance to employees on reporting grievances. The three-stage escalation process ensures a fair and timely resolution:



As part of our forward-looking approach, we are committed to have more structured processes for stakeholder engagement. This will ensure we continuously hear the concerns and priorities of our employees, customers, suppliers, and local communities, all while strengthening our commitment to human rights protection.

### Parental Leave

At Tabreed, we have an inclusive parental leave policy providing benefits to all new parents, regardless of the gender. While mothers are provided with 3 months of maternity leave, both mothers and fathers can take an additional 5 days of paid parental leave upon the birth or adoption of a child. This acknowledges the importance of fathers and non-birth parents bonding with their new child as well. In 2023, 30 employees benefited by our parental leave policy, supporting them in their roles as caregivers and helping them balance their work and personal responsibilities.

Parental leave by gender	2022		2023	
	Men	Women	Men	Women
No. of employees who were entitled to parental leave	563	41	611	49
No. of employees who actually took parental leave	35	4	25	5
No. of employees who returned after completion of parental leave	35	4	25	5
No. of employees who returned to work after parental leave ended and were still employed twelve months after their return to work	34	4	25	5
Retention rate for employees who went on Parental Leave	97%	100%	100%	100%

Our retention rate is impressive, with 100% of employees who went on parental leave still employed after its completion.

## Pension Scheme

UAE nationals are entitled to receive their pension benefits upon retirement, as outlined by the government's established pension scheme.

For expatriate employees, the standard retirement age is 60. While our organisation policy requires notifying employees of their upcoming retirement 3 months in advance, we strive to do even better. Through our annual retirement planning programme, we make every effort to inform employees well ahead of time about their retirement options, compensation, and other process pertaining to their stress-free exit from a fulfilling working tenure with us.

## Notice Period on End of Service

To ensure a smooth transition in the event of any changes to our organisation structure, such as restructuring, outsourcing, or expansion, impacting the employment status of any employee, we have a clear separation notice process outlined in both employee contracts and company policy. The duration of such notice is as per following grading system.

Employment Contract	Duration of Notice
Grade M4 & Above	3 months
Grade P3 to M3	2 months
Grade P2 & Below	1 month

## Life, Personal Accident and Sickness Insurance

We prioritise our employees' well-being, offering a comprehensive Group Life, Personal Accident and Sickness policy. This plan goes beyond the basics, extending coverage to unexpected circumstances with disability benefits. It is our commitment to providing this robust insurance package that helps our employees focus on their health, manage financial stress and feel secure within our organisation.

## Employee Engagement & Development GRI (3-3), (404-1), (404-2), (404-3)

We take pride in our high Employee Satisfaction Score of 4.29 reflecting the positive environment we have created in offering an inclusive and holistic work experience. This is characterised by open communication, regular town hall meetings, team huddles, and CEO updates to keep employees informed about company goals and achievements. Our Employee Engagement Rating stands at 4.13, indicating a strong sense of belonging and purpose in our workforce.

To recognise our employees' hard work and to promote a culture of appreciation and gratitude, we have implemented various initiatives throughout the year. For instance, we have a bonus scheme that is based on individual performance, unit/department performance, and company-wide goals. Our nomination-based increments for deserving employees and externally validated market studies on salaries from time to time enable us to maintain competitive offerings.

We believe in investing in our people's growth and development. Our succession planning process ensures that critical positions are identified, and potential successors undergo rigorous assessments and individual development plans are created. This approach helps us build bench strength and prepare for future leadership needs.

In addition, we conduct annual forward-looking workforce planning to anticipate and address changes in the business landscape. All new job openings undergo a thorough evaluation based on international market practices, ensuring that our hiring processes are fair, transparent, and effective.

**We achieved a significant 12% increase in engaged employees. 52% of our employees are engaged, compared to 40% in the previous annual survey. This level of engagement is above the global average**



In 2023,  
an additional  
**224 hours were**  
dedicated to  
**DE&I related**  
awareness  
sessions



## Employee Training

Skill Development Indicators	2022	2023
Total number of training hours for women	1,667	1,690
Total number of training hours for men	7,136	8,777
Total number of training hours for entire workforce (This includes ESG sessions)	8,803	10,467
Average hours of training per year per woman	32	21
Average hours of training per year per man	19	19
Average hours of training per year per employee	20	19

*\*We have recalculated the average training hours of 2022, as part of skill development. Previously, data was reported based on attendance figures, which resulted in duplicate counting due to employee participation in multiple training sessions. This revised approach provides a clearer picture of the average amount of training received per employee.*

These training hours exclude the online training available to all employees.



## Streamlined Training Needs Analysis (TNA)

We understand that a skilled and engaged workforce is critical to our success. That's why we have implemented a robust TNA strategy, designed to identify and address the specific learning needs of our employees. Our strategic components empower our employees to reach their full potential and positions our organisation for continued growth and success.

### Strategic Components of Our TNA and Our Approach



**Data Driven Insights** | Our TNA process begins with a comprehensive data collection effort. We leverage a combination of surveys and in-depth interviews with both managers and employees. This holistic approach allows us to gather valuable insights into current skill levels in-line with our organisational goals, and any identified skill gaps.



**Prioritising for Impact** | Upon rigorous analysis of survey data, we prioritise training needs based on two key factors: impact and feasibility. This ensures we focus on areas that will have the most significant positive impact, while also considering the practicality and cost-effectiveness of delivering the training.



**Collaboration** | Stakeholder engagement is a cornerstone of our TNA strategy. We believe in involving both managers and employees throughout the process. This collaborative approach allows us to tailor training plans to address the specific needs of each department and individual.



**Resource Allocation** | Once the training needs are identified and prioritised, we work closely with management to secure the necessary budget. This ensures that resources are allocated efficiently to support our training initiatives and maximise their impact on employee development.

## Accessible Training Platforms

We provide learning opportunities to our employees through a diverse training platform, ensuring our employees are equipped with the skills and knowledge to excel. By harnessing these diverse training platforms, our employees also get wider opportunity in contributing to Tabreed's continued success.



**E-Learning Platform:** A digital learning platform providing online content to develop employee's skills and knowledge. Our employees may browse the platform and assign courses to themselves based on their preference. The platform is also linked to our human resources information system (HRIS).



**O&M Academy:** Led by our certified internal Subject Matter Experts (SMEs), these in-house training sessions delve deep into the intricacies of operations and maintenance.



**Maven Programme:** Features internal training sessions delivered by our corporate department SMEs. The employees are encouraged to gain practical knowledge and industry best practices directly from our experienced management.



**External Trainings:** Through a comprehensive TNA, we identify specific skill gaps and offer targeted external training programmes. This ensures our employees receive the most relevant and up-to-date industry knowledge.



**Knowledge Hub:** Our Knowledge Hub fosters collaboration and knowledge exchange. Participating in awareness sessions and knowledge-sharing events hosted by various departments helps our employees stay ahead of the curve.

## Health, Safety & Well-being

GRI (3-3), (403-1), (403-2), (403-3), (403-4), (403-5), (403-6), (403-7), (403-8), (403-9), (403-10)

At Tabreed, our Integrated Management System (IMS) Policy ensures Occupational Health and Safety at workplace based on the ISO 45001:2018 standards. This Policy is mandatory for all employees, contractors, sub-contractors, and visitors, as appropriate at Tabreed head office, plants, and project sites, within and outside the UAE.

Tabreed has Health & Safety (H&S) Hierarchy of Control to prevent or mitigate significant negative occupational health and safety impacts as follows:



**Elimination**



**Substitution**



**Engineering Controls**



**Administrative Controls**



**Personal Protective Equipment (PPE)**

Our proactive efforts to drive a holistic well-being and to support our employees to manage professional and personal commitments effectively are also reinforced through several initiatives introduced and led by our Human Capital department.

## Occupational Health Services

We have well-established comprehensive procedures to manage occupational health, hygiene, and welfare concerns. Additionally, our Job Stress Procedure equips managers and employees with the tools to proactively identify and address work-related stress across all our locations, with the aim of safeguarding the health and safety of employees. To ensure both public and occupational health of our employees, Tabreed has launched an annual Employee Health Surveillance programme. This is in line with Abu Dhabi Public Health Centre (ADPHC) and Abu Dhabi Occupational Safety and Health Center (OSHAD) requirements.

We secure the privacy of our employees' health information through strict confidentiality policies and adherence to data protection and privacy laws, like those set forth by the Department of Health (DoH). This ensures that participation in health-related programmes and services, or any resulting health data, will never be used for discriminatory purposes or employment decisions.

Confidential reporting channels are further strengthened by our Employees Assurance and Resolution System (EARS) that fosters a safe space for raising concerns or reporting potential violations, allowing us to address them promptly and ensure everyone feels comfortable contributing to a trustworthy environment.

Our Health & Safety training programme is essential to protect our employees, comply with regulations, reduce risks, enhance productivity, and prepares for emergency situations. The HSE training consist of 26 programmes organised in three main categories: Internal, External and Slot trainings. All 26 programmes include the full-time employees of Tabreed, while Projects and O&M contractors are required to take only the Permit-to-Work (PTW) session. Each Tabreed employee participated in multiple HSE training courses throughout the year, with attendance recorded for every session they attended. Total attendance for HSE training in 2023 was 2,239.

Internal Trainings	External Trainings	Slot Trainings
<ul style="list-style-type: none"> <li>Permit-to-Work (PTW)</li> <li>Gas Testing</li> <li>HSE/MS Risk Management</li> <li>Chemical Safety</li> <li>Emergency and Crisis Management</li> <li>HSE Induction</li> </ul>	<ul style="list-style-type: none"> <li>Basic First Aid</li> <li>Basic Firefighting</li> <li>IOSH Working Safely</li> <li>Wildlife Animal Awareness</li> <li>IOSH Managing Safely</li> <li>IOSH Supervising Safely</li> <li>NEBOSH IGC</li> <li>Defensive Driving / Road Safety</li> <li>Working at Heights</li> <li>Scaffold Competent Person</li> <li>Scaffolding Erection &amp; Dismantling</li> <li>Confined Space Entry</li> </ul>	<ul style="list-style-type: none"> <li>Lone Working Awareness</li> <li>Rigging &amp; Slings</li> <li>Crane Safety</li> <li>Confined Space Entry</li> <li>Fall Protection</li> <li>Ergonomics &amp; Manual Handling</li> <li>Basic Electrical Safety</li> <li>Noise Awareness</li> </ul>



All HSE trainings accounted for 11,307 hours and our average training hours per employee **of 18.65** surpassed the target of 15

Safeguarding safety of our people, we also ensure regular hazard management through a series of steps provided in the IMS procedure on Risk Management.

The comprehensive and proactive risk management allows us to foster a safe and secure work environment for our employees while maintaining the highest standards of operational excellence through:

- Identifying potential hazards and assessing their impact
- Controlling risks through effective control measures to mitigate identified hazards
- Communication and documentation to keep everyone informed and maintain clear records of risks and actions taken
- Continuous monitoring and review to assess the effectiveness and adjust the approach, as needed

Health & Safety Indicator	2022	2023
Total worked hours	2,301,039	3,205,708
Manhours for full-time employees	1,428,982	2,095,150
Manhours for contractors	872,057	1,110,558
Number of hazard and near misses	960	1,764
Average health and safety training hours per employee	20.8	18.65
Number of toolbox talk attendees (Awareness sessions for contractors in all project sites to provide safety instructions)	2,549	4,206
Number of unsafe acts (All unsafe acts are immediately corrected)	81	483
Number of unsafe conditions	726	1,281
Corrected unsafe condition	726	1,281
Fire incidents	1	1
Lost Time Injury Frequency Rate (LTIFR)	0	0.31

For all routine operational and maintenance activities, as well as any potentially risky activities identified in the risk register, we conduct a **Generic Risk Assessment (GRA)**.

For all maintenance related non-routine activities performed either by Tabreed staff or by contractors, we perform **Task Risk Assessment (TRA)** to identify hazards, assess risk, and identify appropriate control measures to protect employees, contractors, damages to assets and environment.

**Incident Reporting and Investigation** Procedure provides a consistent framework and an understandable, systematic approach to ensure that all incidents occurring on Tabreed premises are reported and investigated whenever required, within the appropriate time frame and through the proper channel of communication, according to their classification and potential severity. Tabreed personnel are awarded monthly for quality reporting on unsafe conditions, unsafe acts, and near misses. Tabreed resolved the issue immediately by taking corrective measures.

## Worker Health Beyond Occupational Services

As part of voluntary health promotion services and programmes to address major non-work-related health risks, the Tabreed Wellbeing Programme offers a suite of personalised consultancy services specially designed by Wellbees. The objective of the programme is to raise the awareness of the community and improve the quality of their lives by making sustainable living a part of Tabreed's culture.

In our efforts to provide access to a holistic well-being, our comprehensive scheme under Group Medical Insurance also takes care of the non-occupational medical and healthcare services including the following:



Preventive care, diagnostic procedures, and treatment for illnesses and injuries unrelated to work duties.



Global coverage for all types of accidents and injuries, irrespective of whether they are work-related or not.



Access to home country healthcare benefitting employees who may travel frequently or have family members residing in different countries.



24/7 worldwide coverage of the insurance plan to seek medical attention for non-occupational health issues outside employees' home country.



Inclusive access to non-occupational medical and health services, regardless of employees' role or level within the organisation.

## Fostering Work-Life Balance

Recognising the importance of cultivating a healthy work-life balance, our Human Capital department has introduced and implemented initiatives that have been empowering our people to thrive both professionally and personally. We introduced flexible working hours, expanded remote work options, and formalised a monthly allotment of personal hours.

### Empowering Employees with Flexible Work Hours:

In 2023, we implemented a flexible work hour policy, granting employees efficient control over their schedules. This initiative has allowed our employees to structure their workday, for instance, around personal commitments and managing to commute to work by avoiding traffic congestion during peak hours, without sacrificing productivity. The initiative has been met with enthusiasm, as employees value the increased autonomy and flexibility it provides.

### Enhancing Job Satisfaction with Expanded Remote Work:

In the realisation of the positive impact of remote work on employee well-being, we expanded our remote work flexibility from four days to six days per month. This would continue to enable our employees to work from a location that best suits their needs, fostering a better work-life balance and potentially boosting job satisfaction.

### Supporting Personal Needs with Personal Hours:

Understanding the importance of managing unexpected personal situations that could occur, we formalised offering a monthly allotment of 4 personal hours to our employees.

# OUR COMMUNITY RESPONSIBILITIES

## Our Management Approach

GRI (3-3)

Making a positive impact goes beyond efficient cooling solutions at Tabreed. We recognise our social responsibility and actively work towards a positive impact in form of customer relations and community engagement. This commitment translates to operational excellence across all areas as we develop innovative customer service tools and methods that exceed expectations. By prioritising strong customer relationships and exceptional service, we ensure our customers feel valued and their concerns are addressed seriously. Our Code of Conduct serves as a cornerstone, guiding our interactions with stakeholders, suppliers, government entities, and the broader community.

## Customer Relations & Engagement

GRI (3-3), (416-1), (416-2)

By prioritising a deep understanding of our customers, we deliver exceptional service across residential and commercial sectors. Our subsidiary, Tasleem Metering and Payment Collection (Tasleem), upholds Tabreed's Code of Conduct while ensuring a smooth billing and metering process for our valued customers. We believe exceeding customers' expectation helps us strengthen the foundation of our thriving business, we thereby constantly gather feedback and implement initiatives to enhance the customer experience. Our team is passionate about creating seamless interactions, ensuring every touchpoint reflects our commitment to exceptional service.

The customer service led by Tasleem monitors our compliance with Service Level Agreements (SLAs) using KPIs and dashboards.



**In 2023, Tasleem was awarded the ISO 10004:2018 - Quality Management Certification,**

which involves planning, developing, operating, and maintaining the monitoring and measurement process for customer satisfaction.

They also possess the following ISO certifications:



**Quality Management,**

provides guidelines for codes of conduct to ensure customer satisfaction



**Quality Management,**

covers the operation and maintenance of the complaints handling and resolution process



**Quality Management,**

covers the dispute resolution process



We are committed to providing excellent customer service in accordance with the regulations set by **Department of Energy (DoE) in Abu Dhabi and the Regulatory and Supervisory Bureau (RSB) for the electricity and water sector in Dubai**

Tasleem, working with the Department of Energy (DoE), has issued a customer charter outlining our commitment to transparency and service excellence, and we are successfully operating payment options such as Apple Pay, Samsung Pay, and Quick Pay. Over the past year, we received three complaints from the DoE, all of which were resolved. No complaints were received from any other regulatory bodies.

We aim to continue improving our customer engagement and relations through the following action plan:

- Implementing a dedicated customer feedback system to gather insights and address issues.

- Conducting regular training sessions for customer-facing teams to enhance communication and service skills.

- Implementing a dedicated customer feedback system to gather insights and address issues.

- Offering round-the-clock (24/7) contact service to corporate customers for prompt resolution.

To ensure the satisfaction of our B2B customers, we conduct annual customer surveys. The feedback we receive from these surveys is utilised to improve our customer experience. In the same vein, we also carry out annual surveys for our B2C customers to improve their experience. Furthermore, we have upgraded our online channels and existing processes to provide better service. We carry out customer engagements through surveys and the 'Contact Us' option on our website and mobile app.

We aim to conduct annual Voice of Customers (VOC) survey to evaluate our customers' satisfaction levels for the past year, and holistically gather customers' feedback and opinions regarding our services. The results of the 2023 survey, which was also the first VOC survey, revealed a customer satisfaction score of 69%. This feedback is instrumental in guiding our efforts to improve our services and ensure that our customers receive the best possible experience.

Maintaining a positive customer experience is our priority. In 2023, although 202 complaints

were registered, only 44 were valid complaints for customer relations. These were efficiently resolved at 100% resolution rate without any escalations.



We aim to continue innovating and optimising our customer engagement strategies. We plan to advance our communication strategies to help our customers to address their needs and concerns as soon as they arise. Our goal is to establish long-lasting relationships with our customers and ensure they are fully satisfied with our products and services.

## Community Engagement & Development

GRI (3-3), (413-1), (413-2)

Our corporate social responsibility is driven by ethics, respect for our stakeholders, and a commitment to sustainability. We recognise the growing importance of social responsibility and persevere to actively contribute to a positive impact on the communities we serve. We continue to be conscious of our larger social influence while acknowledging the increasing demand from our stakeholders for us to conduct our business responsibly.

In 2023, we invested 0.023% of total revenue of the Group, i.e all entities under the umbrella of Tabreed, including entities outside of UAE.



Our community investment was dedicated to the following key programmes,

- Highlighting our focus on nurturing future sustainability leaders, we proudly sponsored HUB71+ climateTECH with AED 500,000. This initiative empowers startups and young entrepreneurs working on climate solutions.
- Staying true to the spirit of community during Ramadan, we distributed iftar meals valued at AED 50,000 through the Tabreed Ramadan tent.

Through a collaborative effort with the Emirates Society for Parents, Care & Relief, we provided over 12,500 meals to families in need. This initiative is part of our annual CSR programme to give back to the community and put smiles on people's faces, especially during the last ten days of the Holy month.

Building a stronger community remains a core focus at Tabreed. We are proud of the positive impact our initiatives have made, and our priority is to expand our efforts in the coming years. Looking ahead, we aim to launch new community-based projects that champion social responsibility, environmental sustainability, and community well-being.

# OUR GOVERNANCE FOR IMPACT

## Our Management Approach GRI (3-3)

Our commitment to fairness, respect, responsibility and honesty guides every decision and action we take. Integrity is at the core of our Ethical Framework, which serves as a roadmap for our corporate culture and day-to-day operations. This framework outlines our code of conduct, corporate structure, and a comprehensive set of policies approved by the Board of Directors for best business practices across all aspects of our operations. Our Board of Directors plays a vital role, providing objective oversight on resource allocation, policies, financial practices, and ethical standards. With our ESG commitments taking a formal shape in our company, the Board is also engaged in the development of our sustainability goals and ESG targets.

The Compliance Officer is responsible for overseeing compliance matters and provides updates to the Audit, Risk and Compliance Committee. This includes the outcomes of investigations undertaken on reported compliance matters, updates on new policies or updates to policies developed, and training initiatives undertaken to inform staff about compliance matters and how best to ensure compliance.

## Business Ethics & Corporate Governance

GRI (3-3), GRI (2-9), (2-10), (2-11), (2-12), (2-15), (2-16), (2-17), (2-18), (2-19), (2-20), (2-21), (2-23), (2-24), (2-27), (2-28)

Our Board of Directors, led by Chairman Khaled Abdulla Al Qubaisi, plays a vital role in driving the company's success. Mr. Al Qubaisi leverages his extensive background in finance and energy to guide the Board in effective participation and strategic decision-making. He fosters open communication between Board members and shareholders, promoting a collaborative environment that prioritises Tabreed's best interests and shareholder value.

Our compliance team maintains on an annual and regular basis the online training for all Tabreed corporate staff about Anti-bribery and Corruption. Participation of 100% of corporate staff was recorded via the online Navex Global delivery platform.

**Governance Structure:** We hold strong to our transparent and effective leadership. For optimal accountability, the CEO and Board Chairman roles remain distinct in our governance structure. Our Board of Directors is supported by dedicated committees – Audit, Risk and Compliance (ARC) Committee; Nomination and Remuneration Committee (NRC); Finance Committee; and Projects Committee – ensuring strong oversight of strategy, financials, executive compensation, and corporate governance. Our corporate governance system adheres to global best practices, complies with UAE regulations including Decision 3/2020 and Federal Decree 32/2021, and aligns with the Dubai Financial Market's requirements.

Our Board consists of total 9 members, out of which 2 are women. Enhancing diversity of thought, this allows our Board to practice inclusivity of different viewpoints and to foster informed decision-making.



Independent members in board (2021 | 2022 | 2023)

89%

Non-Independent members in board (2021 | 2022 | 2023)

11%

Committee chairs occupied by men (2021 | 2022 | 2023)

100%

Committee chairs occupied by women (2021 | 2022 | 2023)

0%

Detailed information on Board of Directors, Committees and Corporate Governance is available in our integrated annual report 2023, [https://www.tabreed.ae/wp-content/uploads/2024/03/2023\\_Integrated\\_Annual\\_Report\\_En.pdf](https://www.tabreed.ae/wp-content/uploads/2024/03/2023_Integrated_Annual_Report_En.pdf)

## Our workforce is 100% formally compliant with the Anti-Bribery and Corruption Policy and no cases of corruption were reported in 2023



### Licenses

**Abu Dhabi** | Obtained 4 new district cooling licenses in 2023, totalling 8 licenses in the emirate



### Permits

**Dubai** | Hold 4 permits for district cooling operations, with no new permits obtained in 2023



### Nomination & Selection of Board Members:

The annual General Assembly Meeting (AGA) is the most important decision-making event, allowing shareholders to influence our company's direction. At the AGA, shareholders vote on how to distribute profits, elect and oversee the Board of Directors, and review financial reports. The Board, nominated by a dedicated committee and elected by the shareholders, then manages the company and appoints committees to focus on specific areas. This ensures that shareholders have a strong voice in shaping the company's future.

**Code of Conduct:** Our Code of Conduct provides a clear framework for ethical and responsible behaviour. It empowers our employees to make informed decisions by outlining expectations for professional conduct, workplace interactions, responsible use of company resources, and managing conflicts of interest and confidentiality. This ensures everyone at Tabreed is aligned in upholding the values and achieving the company's goals.

**Reputational Due Diligence (RDD):** Ethical business practices are core to our business and in our effort towards mitigating potential risks, we developed RDD as a critical process to assess the reputation and integrity with the party we explore business relationships with. Strengthening this further, we enhanced our internal procedures by subscribing to the 'Diligent' software checking facility for online screening and integrating Anti-Money Laundering process through source of funds questionnaire, both providing deeper insights and facilitates a more informed decision-making process. The RDD policy entails the management approach at a departmental level, wherein each department has one or more 'Champions' maintained by the Legal department. The 'Champions' are given access to the software to

complete a thorough RDD process.

**Grievance Management:** At Tabreed, we facilitate open communication and a positive work environment through the Employee Assurance and Resolution System (EARS). EARS is a confidential reporting system outlined in our Code of Conduct, which allows to voice any concerns our employees may have. The reporting is submitted anonymously or directly through our telephone or online channels. All employees can access the Code of Conduct, and we provide annual training to refresh their knowledge of the system. We also circulate regular reminders on how to use the EARS facility to make sure that employees know where to go and lodge a concern if needed. All reports are documented and investigated fairly and impartially. We report the results of the investigation back to the reporter and take appropriate action if necessary. Most importantly, we have a zero-tolerance policy for retaliation against those who use the EARS system.

**Regulatory Compliance:** We operate under the Commercial Companies Law 32 of 2021. As a listed company, we are regulated by the Securities and Commodities Authority (SCA) and adheres to its rules and regulations, including Resolution 3 of 2020 and its amendments.

Our operations in Abu Dhabi and Dubai are under different regulations for district cooling. In Abu Dhabi, Tabreed follows the Department of Energy (DoE) regulations and adheres to the Department of Energy Chairman Decision No 44 and 45 of 2019 concerning the District Cooling Regulation. In Dubai, Tabreed follows the Regulatory and Supervisory Bureau (RSB) regulations and adheres to the Executive Council Resolution No. (6) of 2021 that regulates the provision of district cooling services in the Emirate of Dubai.

## ESG Committee

Our ESG Committee acts as a sustainability champion, overseeing environmental, social, and governance matters. Their objective is to integrate these factors into the company's strategy, promoting responsible practices and ensuring transparency. The committee is focused on guiding effective policy, setting goals, and monitoring progress on ESG issues that are material to our business operations.

### Structure of ESG Committee in 2023

	Role
Khalid Abdulla Al Marzooqi, Chief Executive Officer	Chairperson
Adel Al Wahedi, Chief Financial Officer	Member
Antonio Di Cecca, Chief Operating Officer	Member
Dr. Yousif Al Hammadi, Chief Asset Management Officer	Member
Philippe Leon Coquelle, Chief Development Officer	Member
Nadia Isabelle Bardawil, Chief Legal Counsel	Member
Mohammad AlSele, Vice President - Strategy & PMO	Member
Maha Sallam, Vice President - Strategic Communications	Member
Joan Jane Quesada, Manager ESG - Strategy & PMO	Committee Secretary

The ESG Sub-committees in 2023 continued to contribute to the faster development of a comprehensive approach to ESG initiatives



#### Environmental Sub-committee

Atef Mohamed Awadh AlBreiki

Chairperson | Senior Vice President – Operations & Maintenance



#### Social Sub-committee

Maha Sallam

Chairperson | Vice President – Strategic Communications



#### Governance Sub-committee

Sean James Magee

Chairperson | General Legal Counsel



#### Innovation Committee

Antonio Di Cecca

Chairperson | Chief Operating Officer



#### COP28 Sub-committee\*

Khalid Abdulla Al Marzooqi

Chairperson | Chief Executive Officer

\*Temporary committee to ensure readiness for COP28 in 2023

Please refer to Annexure 2 at the end of this report for the comprehensive structure of our ESG Committee

## Information Disclosure GRI (3-3)

Transparency and accountability are paramount to us. To fulfil this commitment, we adhere to the regulations set forth by the Securities and Commodities Authority (SCA). These regulations ensure comprehensive information disclosure through our Integrated Annual Report\*, which encompasses our corporate governance practices, financial performance in accordance with International Financial Reporting Standards (IFRS), and environmental, social, and governance (ESG) disclosures required by the Dubai Financial Market (DFM).

Rigorously reviewed by the Chairman, CEO, and CFO, the report provides a clear picture of our operations and its impact on stakeholders. Following this review, the report is made readily available to shareholders for consideration before the annual general meeting and is accessible to all interested parties via the DFM website and our own.

At Tabreed, we also prioritise data privacy seriously, acknowledging the responsibility we carry in handling sensitive information of our operations and stakeholders. We have a Data Classification policy already in place, and we have partnered with Deloitte to draft a comprehensive Data Protection Policy. We are actively collaborating with our Information Technology team to develop rollout measures for these policies. This will ensure we comply with upcoming mandatory data protection regulations.

\*Our 2023 Integrated Annual Report is available on our website, [https://www.tabreed.ae/wp-content/uploads/2024/03/2023\\_Integrated\\_Annual\\_Report\\_En.pdf](https://www.tabreed.ae/wp-content/uploads/2024/03/2023_Integrated_Annual_Report_En.pdf)

**We  
maintained  
zero cases of  
data security  
breaches in  
2023**



## GRI CONTENT INDEX

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the English version of the report.

<b>Statement of use</b>	Tabreed has reported in accordance with the GRI Standards for the period January 2023 to December 2023
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	Not Applicable

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			Requirements	Reasons	Explanation
<b>GENERAL DISCLOSURES</b>					
GRI 2: General Disclosures 2021	2-1 Organizational details	07,10			
	2-2 Entities included in the organization's sustainability reporting	05			
	2-3 Reporting period, frequency and contact point	05			
	2-4 Restatements of information	05			
	2-5 External assurance	05			
	2-6 Activities, value chain and other business relationships	07, 09, 10			
	2-7 Employees	35			
	2-8 Workers who are not employees	35			
	2-9 Governance structure and composition	49			
	2-10 Nomination and selection of the highest governance body	49			
	2-11 Chair of the highest governance body	49			
	2-12 Role of the highest governance body in overseeing the management of impacts	49			
	2-13 Delegation of responsibility for managing impacts	09, 25, 27			
	2-14 Role of the highest governance body in sustainability reporting	03, 04			
	2-15 Conflicts of interest	49			
	2-16 Communication of critical concerns	49			
	2-17 Collective knowledge of the highest governance body	49			

GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	49			
	2-19 Remuneration policies	49			
	2-20 Process to determine remuneration	49			
	2-21 Annual total compensation ratio	49			
	2-22 Statement on sustainable development strategy	03, 04, 09			
	2-23 Policy commitments	49			
	2-24 Embedding policy commitments	49			
	2-25 Processes to remediate negative impacts	09, 25, 27			
	2-26 Mechanisms for seeking advice and raising concerns	09			
	2-27 Compliance with laws and regulations	49			
	2-28 Membership associations	09, 25, 27, 49			
2-29 Approach to stakeholder engagement	09				
2-30 Collective bargaining agreements	Not applicable		Not applicable	Collective bargaining is not permitted in the UAE	

### Material topics

GRI 3: Material Topics 2021	3-1 Process to determine material topics	09			
	3-2 List of material topics	09			

### Energy Efficiency & Optimisation

GRI 3: Material Topics 2021	3-3 Management of material topics	19			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	19			
	302-2 Energy consumption outside of the organization	19			
	302-3 Energy intensity	19			
	302-4 Reduction of energy consumption	19			
	302-5 Reductions in energy requirements of products and services	19			

## Water Management

GRI 3: Material Topics 2021	3-3 Management of material topics	29			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	29			
	303-2 Management of water discharge related impacts	29			
	303-3 Water withdrawal	29			
	303-4 Water discharge	29			
	303-5 Water consumption	29			

## Climate Change Mitigation

GRI 3: Material Topics 2021	3-3 Management of material topics	32			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	32			
	305-2 Energy indirect (Scope 2) GHG emissions	32			
	305-3 Other indirect (Scope 3) GHG emissions	32			
	305-4 GHG emissions in-tensity	32			
	305-5 Reduction of GHG emissions	32			
	305-6 Emissions of ozone-depleting substances (ODS)	32			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	32			

## Waste Management

GRI 3: Material Topics 2021	3-3 Management of material topics	31			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	31			
	306-2 Management of significant waste-related impacts	31			
	306-3 Waste generated	31			
	306-4 Waste diverted from disposal	31			
	306-5 Waste directed to disposal	31			

## Renewable Energy Integration

GRI 3: Material Topics 2021	3-3 Management of material topics	21			
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## Employee Rights

GRI 3: Material Topics 2021	3-3 Management of material topics	38, 40			
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GRI 401: Employment 2016	401-1 New employee hires and employee turnover	38			
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GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	40			
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GRI 401: Employment 2016	401-3 Parental leave	40			
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GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	40			
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## Health, Safety & Well-being

GRI 3: Material Topics 2021	3-3 Management of material topics	44			
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GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	44			
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GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	44			
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GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	44			
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GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	44			
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GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	44			
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GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	44			
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GRI 403: Occupational Health and Safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	44			
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GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	44			
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GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	44			
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GRI 403: Occupational Health and Safety 2018	403-10 Work-related ill health	44			
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## Employee Engagement & Development

GRI 3: Material Topics 2021	3-3 Management of material topics	41			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	41			
	404-2 Programs for upgrading employee skills and transition assistance programs	41			
	404-3 Percentage of employees receiving regular performance and career development reviews	41			

## Diversity, Equity & Inclusion

GRI 3: Material Topics 2021	3-3 Management of material topics	34			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	34, 35			
	405-2 Ratio of basic salary and remuneration of women to men	34, 35			

## Community Engagement & Development

GRI 3: Material Topics 2021	3-3 Management of material topics	47, 48			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	48			
	413-2 Operations with significant actual and potential negative impacts on local communities	48			

## Customer Relations & Engagement

GRI 3: Material Topics 2021	3-3 Management of material topics	47			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	47			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	47			

### Supply Chain Management & Decarbonisation

GRI 3: Material Topics 2021	3-3 Management of material topics	22, 24			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	22			
	308-2 Negative environmental impacts in the supply chain and actions taken	22			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	22			
	414-2 Negative social impacts in the supply chain and actions taken	22			

### Business Ethics & Corporate Governance

GRI 3: Material Topics 2021	3-3 Management of material topics	49			
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### Innovations & Strategic Partnerships

GRI 3: Material Topics 2021	3-3 Management of material topics	25			
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### Information Disclosure

GRI 3: Material Topics 2021	3-3 Management of material topics	52			
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## ANNEXURE 1

	Tabreed's UAE Subsidiaries	Country of Incorporation	Principal Activities
<b>Chilled Water Segment</b>	National Central Cooling Company Ras Al Khaimah LLC	UAE	Sale of chilled water
	Summit District Cooling Company	UAE	Sale of chilled water
	Business District Cooling Investment LLC	UAE	Sale of chilled water
	Prime District Cooling Company LLC	UAE	Sale of chilled water
	S&T Cool District Cooling Company LLC	UAE	Sale of chilled water
	Downtown District Cooling LLC	UAE	Sale of chilled water
	Tabreed Sustainable City Limited	UAE	Sale of chilled water
	Saadiyat District Cooling LLC	UAE	Sale of chilled water
	Saadiyat Cooling LLC	UAE	Sale of chilled water
<b>Value Chain Business Segment</b>	Gulf Energy Systems LLC	UAE	Construction of secondary networks
	Tabreed Operation & Maintenance Zones Cooling Stations Company	UAE	Operation and maintenance of plants
	Emirates Preinsulated Pipes Industries LLC		Manufacturing of pre-insulated pipes
	Installation Integrity 2000 LLC	UAE	Commissioning and engineering services
	Cooltech Energy Water Treatment LLC	UAE	Water treatment services and sale chilled water related products
	Sahara Cooling and Air Conditioning LLC	UAE	Supervision services
	Tasleem Metering and Payment LLC	UAE	Billing and collection of chilled water charges
	Cooltech Water Treatment LLC	UAE	Water treatment services and sale chilled water related products
	Cooltech Water Service LLC	UAE	Water treatment services and sale chilled water related products
	Tabreed Energy Service LLC	UAE	Building energy efficiency service
<b>Others - Unallocated</b>	Tabreed Al Maryah District Cooling Investment LLC	UAE	Act as a holding company
	District Utilities Energy Investments LLC	UAE	Act as a holding company
	Tabreed Energy Investments Sole Proprietorship LLC	UAE	Act as a holding company
	Tabreed Utilities & Metering Energy Investment LLC	UAE	Act as a holding company
	Central Utilities & Metering Energy Investment LLC	UAE	Act as a holding company

## ANNEXURE 2

## ESG COMMITTEE\*

To ensure proper governance, we refreshed our ESG framework to consolidate all our efforts under one umbrella

<b>Khalid Abdulla Al Marzooqi</b> , Chief Executive Officer	<b>Chairperson</b>	<b>Nadia Isabelle Bardawil</b> , Chief Legal Counsel	<b>Member</b>
<b>Adel Al Wahedi</b> , Chief Financial Officer	<b>Member</b>	<b>Mohammad AlSele</b> , Vice President - Strategy & PMO	<b>Member</b>
<b>Antonio Di Cecca</b> , Chief Operating Officer	<b>Member</b>	<b>Maha Sallam</b> , Vice President - Strategic Communications	<b>Member</b>
<b>Dr. Yousif Al Hammadi</b> , Chief Asset Management Officer	<b>Member</b>	<b>Joan Jane Quesada</b> , Manager ESG - Strategy & PMO	<b>Committee Secretary</b>
<b>Philippe Leon Coquelle</b> , Chief Development Officer	<b>Member</b>		



#### Environmental Sub-committee

- **Atef Mohamed Awadh AlBreiki**  
Senior Vice President O&M Support [Chairperson]
- **Sabooh Asghar**  
Vice President - HSEQ
- **Nithin Muralidharan**  
Manager - Physical Asset Performance - O&M
- **Ahmad Hilmi Lutfi Al Obaidi**  
Manager - Capital Strategy, Risks and Physical Asset Information - O&M
- **Divesh Naresh Raney**  
Senior Manager - Asset Management
- **Arlene Flores**  
Senior Analyst HSE Performance - HSEQ
- **Joan Jane Quesada**  
Manager ESG - Strategy & PMO
- **Othman Abdulla**  
Senior Manager - Projects



#### Social Sub-committee

- **Maha Sallam**  
Vice President - Strategic Communications [Chairperson]
- **Sabooh Asghar**  
Vice President - HSEQ
- **Sarah Mohamed Ahmed Al Bakeri**  
Vice President - Human Capital
- **Mariam Safetli**  
General Manager - Tasleem
- **Rahaf Ahmed AlYamani**  
Assistant Manager Talent Management - Human Capital
- **Joan Jane Quesada**  
Manager ESG - Strategy & PMO



#### Governance Sub-committee

- **Sean James Magee**  
General Legal Counsel [Chairperson]
- **Mousa Sajwani**  
Vice President - Internal Audit
- **Salik Malik**  
Vice President - Finance
- **Geetika Nayyar**  
Senior Manager Total Rewards - Human Capital
- **Hanifa Aljasmii**  
Risk Manager - Strategy & PMO
- **Mohamed Habib**  
Vice President - Supply Management
- **Joan Jane Quesada**  
Manager ESG - Strategy & PMO



#### COP28 Sub-committee

- **Khalid Abdulla Al Marzooqi**  
Chief Executive Officer [Chairperson]
- **Adel Al Wahedi**  
Chief Financial Officer
- **Antonio Di Cecca**  
Chief Operating Officer
- **Dr. Yousif Al Hammadi**  
Chief Asset Management Officer
- **Maha Sallam**  
Vice President - Strategic Communications
- **Mohammad AlSele**  
Vice President - Strategy & PMO
- **Atef Mohamed Awadh AlBreiki**  
Senior Vice President O&M Support
- **Irshad Hamid Hussain**  
Vice President - Projects



#### Innovation Sub-committee

- **Antonio Di Cecca**  
Chief Operating Officer [Chairperson]
- **Philippe Leon Coquelle**  
Chief Development Officer
- **Mohammad AlSele**  
Vice President - Strategy & PMO
- **Irshad Hamid Hussain**  
Vice President - Projects
- **Atef Mohamed Awadh AlBreiki**  
Senior Vice President O&M Support
- **Sudheer Perla**  
Country Manager India
- **Sleiman Dahabra**  
Senior Manager - Operations
- **Jean-Marc Bazart**  
Senior Manager - Strategic Planning and Performance - O&M
- **Gaurav Bhandari**  
Head of JVs - UAE & General Manager DDCP
- **Ajeesh Musthafa**  
Assistant Manager, Estimation & Budgeting - Business Development Technical
- **Chito Ludovice**  
Project Engineer - HSEQ Controller Building Services

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