

CORPORATE GOVERNANCE REPORT

2019

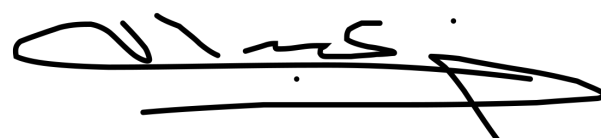


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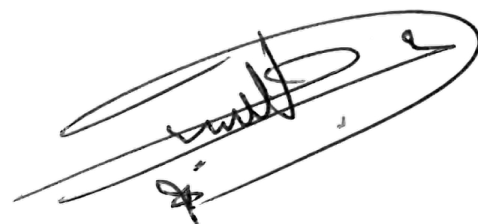
This Corporate Governance Report is **approved by:**



KHALED ABDULLA AL QUBAISI
Chairman of the Board



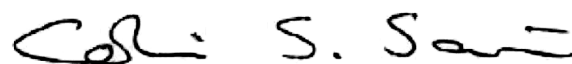
BADER SAEED AL LAMKI
Chief Executive Officer



MOHAMED JAMEEL AL RAMAHI
Chairman of the Audit Committee



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



COLIN STUART SANGSTER
VP, Internal Control & Risk

PREFACE

The following report is governed by the Resolution of the Board of the Securities and Commodities Authority (“SCA”) No. 7/R.M. of 2016 as amended from time to time on the Corporate Discipline and Governance Standards of Public Joint-Stock Companies (“Resolution 7/2016”) and the format of this report is prescribed by SCA. This report outlines the compliance of National Central Cooling Company PJSC (the “Company” or “Tabreed”) with Resolution 7/2016, and the Company’s overall governance structure in the period from 1 January 2019 to 31 December 2019.

Tabreed has 22 years of industry leading experience in the district cooling sector, and throughout its journey Tabreed has enhanced its commitment to implementing the highest standards of corporate governance within the Company to enhance value for its shareholders and stakeholders.

01 | COMPLIANCE WITH REGULATIONS

Tabreed’s corporate governance system is well developed, adopts local and international best practice and meets all relevant requirements of UAE legislation on corporate governance, including the Commercial Companies Law No. 2 of 2015 and Resolution 7/2016. Resolution 7/2016 applies to Tabreed’s listing on the Dubai Financial Market (“DFM”). SCA supervises, controls and verifies Tabreed’s compliance with Resolution 7/2016.

02 | CORPORATE GOVERNANCE STRUCTURE

The General Assembly Meeting is the highest decision-making body in the Company and is the forum in which shareholders exercise their right to decide on the Company’s direction. The Annual General Assembly Meeting “AGA” is convened once a year to carry out tasks such as adopting the Board

of Directors’ report and the annual and consolidated accounts, discharging the members of the Board of Directors and the auditors from liability and deciding how the profit of the past financial year is to be allocated.

The shareholders are the ultimate decision-makers in respect of the direction of the Company as the shareholders are responsible for appointing the Board of Directors at the AGA of the Company, each such appointment being for a term of three years. The shareholders present at the AGA also elect the auditors who in turn report on their scrutiny to the AGA.

The following sections summarize how the Company has applied the principles of Resolution 7/2016 and its compliance with these principles.

Board of Directors (Art. 3, Resolution 7/2016)

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

Throughout the year, the membership balance criteria set down by Resolution 7/2016 in relation to executive, non-executive and independent members of the Board was maintained by Tabreed together with an appropriate level of skills, experience and capabilities across the membership.

Chairman of the Board (Art. 4 and 42, Resolution 7/2016)

In 2019, Khaled Abdulla Al Qubaisi presided as the Chairman of the Board (the “Chairman”). The Chairman of Tabreed’s Board is a non-executive and independent director with extensive and prominent experience in the finance and energy sectors both

regionally and internationally. Throughout the year, the Chairman ensured that the Board participated effectively at Board meetings and that each member of the Board acted in the best interests of Tabreed and its shareholders. The Chairman developed the structure of, and agenda for, meetings of the Board, overseeing communication between Board members and shareholders, and encouraged constructive relations between the Board members.

Members of the Board (Art. 11, 40, 43, 44, and 45 Resolution 7/2016)

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

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

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

Remuneration of the Chairman and the Board

Members (Art. 21, Resolution 7/2016)

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

Board Committees (Art. 46, Resolution 7/2016)

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

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

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

- Audit Committee;
- Nomination and Remuneration Committee;
- Finance Committee; and
- Projects Committee.

The Audit Committee and the Nomination and

Remuneration Committee are mandated by Resolution 7/2016. The Finance Committee and the Projects Committee have been established by the Board of Directors to facilitate the business requirements of the Company.

Nomination and Remuneration Committee (Art. 47, Resolution 7/2016)

The Nomination and Remuneration Committee assists the Board in discharging its responsibilities in relation to qualifications, compensation, appointment and succession of the Company's directors and key management personnel. The Committee oversees the Company's nomination process for the Board of Directors and continuously monitors the independency of the independent members of the Board (See Section 7 for further detail on the Nomination and Remuneration Committee).

Audit Committee (Art. 48, Resolution 7/2016)

The Board maintains an Audit Committee that monitors financial statements, reviews and recommends changes to Tabreed's financial and control systems, and appoints and maintains an appropriate relationship with the Company's external auditors. The Audit Committee also oversees the Internal Control function and is responsible for approving recommendations for internal control improvements. (See Section 6 for further detail on the Audit Committee).

Finance Committee:

The role of the Finance Committee is to assist the Board in monitoring and reviewing: a) the economics and financial returns of investments and commitments, b) debt and equity financing transactions; and c) financial risk management programs of the Company.

Projects Committee:

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

Internal Control (Art. 50, Resolution 7/2016)

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

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

External Auditor (Art. 36, Resolution 7/2016)

On the recommendation of the Audit Committee, the Board appointed PricewaterhouseCoopers (PWC) as Tabreed's external auditor at the 2019 AGA held on 6 March 2019. The Board ensures that the external auditor remains independent from the Company. The external auditor has broad powers to provide reports to the General Assembly Meeting and to regulatory bodies. (See Section 5 for further detail on the External Auditor).

Delegation to Management (Art.9, Resolution 7/2016)

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

The Board is responsible for the direction and oversight of the Company on behalf of the shareholders. The day to day activities of Tabreed are delegated to management through the Board approved Delegation of Authority as amended and approved by the Board on 7 November 2017. The Delegation of Authority will be valid for a duration of 3 years and subject to regular review and amendment (if required) by the Board and the Audit Committee.

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

- Contractual or other commitments;
- Expenditure, purchases; and
- Investments,

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

for the exclusive decision by the shareholders of the Company at the General Assembly of the Company.

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

- The five-year strategic plan;
- Tabreed’s policies;
- The annual budget;
- Key performance indicators; and
- Regular reporting against performance targets.

Shareholders’ Rights (Art. 33, 34 and 35 of Resolution 7/2016)

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

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

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

Code of Conduct (Art. 43 (11), Resolution 7/2016)

The manner in which the Company expects the

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

03 | BOARD MEMBER TRANSACTIONS

The Company’s Market Conduct and Trading Policy has rules governing the dealings by the Board members and their close family in Tabreed’s securities. A fundamental restriction in place is that no Board member or Tabreed employee is allowed to trade in Tabreed securities during a blackout period. Blackouts occur over the periods when sensitive information is being developed or considered. The table below outlines the Board members’ (and their immediate relatives’) shareholdings and share transactions during 2019:

NAME	POSITION	TOTAL SHARES HELD AS OF 31/12/2019	TOTAL SHARES BOUGHT	TOTAL SHARES SOLD
Khaled Abdulla Al Qubaisi	Chairman	645,000	0	0
Saeed Ali Khalfan Al Dhaheri	Board Member	1,374,000	0	0
Paulo Almirante	Board Member	0	0	0
H.E. Dr Ahmad Belhoul Al Falasi	Board Member	0	0	0
Mohammed Al Huraimel Alshamsi	Board Member	0	0	0
Mohamed Jameel Al Ramahi	Board Member	0	0	0
Sébastien Arbola	Board Member	0	0	0
Frédéric Claux	Board Member	0	0	0
Frédérique Dufresnoy	Board Member	0	0	0

04 | FORMATION OF THE BOARD

4(a) Board Composition

The following table outlines details of each Board member holding office during 2019 in terms of independence, executive position and term of office.

NAME	POSITION	YEAR OF APPOINTMENT	EXECUTIVE	INDEPENDENT
Khaled Abdulla Al Qubaisi	Chairman	2009	×	✓
Paulo Almirante	Vice Chairman	2017	×	×
H.E. Dr Ahmad Belhoul Al Falasi	Member	2017	×	✓
Mohammed Al Huraimel Alshamsi	Member	2014	×	✓
Mohamed Jameel Al Ramahi	Member	2017	×	✓
Sébastien Arbola	Member	2017	×	×
Frédéric Claux	Member	2017	×	×
Frédérique Dufresnoy	Member	2017	×	×
Saeed Ali Khalfan Al Dhaheri	Member	2017	×	✓

Tabreed has one female member on its Board of Directors, Frédérique Dufresnoy, who was elected by the General Assembly on 11 September 2017. No other nominations were received from any female candidates during the last Board election process which publicly invited candidates to nominate themselves for election between 27 August 2017 and 5 September 2017.

4(b) Elections and terms of office

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

4(c) CVs and other PJSC Board Memberships



KHALED ABDULLA AL QUBAISI

Chairman

Khaled Abdulla Al Qubaisi is the Chief Executive Officer, Aerospace, Renewables & Information Communications Technology (AR&I) for Mubadala, overseeing the company's aerospace, defence, Information and Communications Technology and Utilities portfolio. Before joining Mubadala, Mr. Al Qubaisi was the Chief Investment Officer at International Capital and was the Head of Corporate Finance and Business Development at the National Bank of Abu Dhabi, where he focused on developing the bank's investment banking capabilities. He is the Chairman of Injazat Data Systems LLC and Al Yah Satellite Communications Company PJSC (Yahsat). He also sits on the board of different entities including The Emirates Integrated Telecommunication Company (du), Emirates Nuclear Energy Corporation (ENEC), Global Foundries, Abu Dhabi Future Energy Company (Masdar) and Finance House.



PAULO ALMIRANTE

Vice Chairman

Paulo Almirante is currently Executive Vice President and Group Chief Operating Officer of global energy leader ENGIE and is a member of ENGIE's Executive Committee. He is responsible for the following business units: Brazil; Middle East, South and Central Asia and Turkey; North, South and Eastern Europe and Generation Europe. He is a board member of numerous ENGIE group companies. He holds a Master of Science degree in Mechanical Engineering Production Management and a Master's degree in Mechanical Engineering Thermodynamics from the Instituto Superior Técnico in Lisbon, Portugal.



H.E. DR AHMAD BIN ABDULLAH HUMAID BELHOUL AL FALASI

Board Member

His Excellency Dr. Ahmad Belhoul Al Falasi is the Minister of State for Higher Education and Advanced Skills where he supervises the development of higher education and scientific research in the UAE. In addition, His Excellency is currently the Chairman of the Federal Authority for Human Resources and the Chairman of the UAE Space Agency. His Excellency previously held positions as CEO of Masdar, Executive Director of Strategy and Tourism Sector Development at Dubai's Department of Tourism and Commerce Marketing, Vice President at Mubadala Investment Company and a position at McKinsey & Company. His Excellency holds a Ph.D. from Sir John Monash University in Australia, a Master of Science from the University of Melbourne and a Bachelor's degree in Telecommunications Engineering from Khalifa University, UAE.



MOHAMMED AL HURAIMEL ALSHAMSI

Board Member

Mohammed Al Huraimel Alshamsi is Director of Utilities Investments in Mubadala, where he is responsible for the asset management function of Mubadala's Utilities portfolio, which includes thermal power, water, and district cooling assets. Prior to Mubadala, he was the director of Strategy and Policy at the UAE Prime Minister's Office. He has also held roles at McKinsey & Company, Dubai International Capital, and General Motors. He has an MBA from the HEC School of Management - Paris and a Bachelor's degree in Finance from the American University of Sharjah, UAE.



SÉBASTIEN ARBOLA

Board Member

Sébastien Arbola is the Chief Executive Officer of the Middle East, South and Central Asia and Turkey region for global energy leader, ENGIE. He leads ENGIE's operations and growth across the region, ranging from large scale power generation and water desalination to gas retail and distribution. Prior to that, he was the Chief Financial Officer and Senior Vice President of Suez Environment Asia, in charge of Finance, Tax, Legal, Internal Control, IT and Procurement for the Business Unit. He is a graduate of the Ecole Supérieure de Commerce de Paris.



MOHAMED JAMEEL AL RAMAHI

Board Member

Mohamed Jameel Al Ramahi is the Chief Executive Officer of Abu Dhabi Future Energy Company (Masdar), where he spearheads the company's development and strategic direction as it plays a prominent role in the renewable energy and clean technology sector. He is Chairman of Masdar's Investment Committee and Board Member of Shuaa Energy 2 PJSC (the company developing phase 3 of Mohammed Bin Rashid Al Maktoum Solar Park in Dubai). Before joining Masdar, Al Ramahi ran the internal audit and risks management function of Abu Dhabi Gas industries Limited (GASCO). He holds a Bachelor of Business Administration and Finance degree from the University of Evansville, USA.



FRÉDÉRIC CLAUX

Board Member

Frédéric Claux is currently the Head of Asset Management for the GCC and Pakistan at ENGIE, with over 18 years of experience at the company. He also serves as a non-executive Board member of Les Eoliennes en Mer (offshore wind). He graduated from French civil engineering school Ecole Nationale des Ponts et Chaussées and holds an MBA from HEC business school in Paris.



SAEED ALI KHALFAN AL DHAHERI

Board Member

Saeed Ali Khalfan Al Dhaheri, is Director of Investments at Ali & Sons Holding LLC. His current role at Ali & Sons Holding includes active management of the company's securities portfolio, whilst overseeing the company's real estate and hospitality division, as well as risk management of Ali & Sons and its subsidiaries. Previously, he was an Analyst at Abu Dhabi Investments Authority. He holds a Bachelor of Finance degree from the American University in Dubai, UAE.



FRÉDÉRIQUE DUFRESNOY

Board Member

Frederique Dufresnoy is Head of Strategy and M&A of the Global Business Line & Gas Power Networks at Engie. Prior to that, she was CEO of Flexco, Deputy Director of Decentralized Solutions for Cities, Director of Finance, Risks and International Development at ENGIE Global Business Solutions, and CFO of the company's European operations. Ms. Dufresnoy holds a Master's degree in Business from Emlyon Business School and an MBA degree from the University of Texas at Austin.

4(d) Board Remuneration

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

Remuneration paid to the Board members, in aggregate, in 2019 and recommended to be paid in 2020, are as follows:

SITTING FEES AND REMUNERATION	AED
Remuneration for 2018 paid in 2019 after approval at last AGA	7,125,000
Board and Committees sitting fees for 2019 recommended for payment in 2020	0
Remuneration recommended for 2019 to be paid in 2020 after approval at next AGA	7,125,000

Other than the remuneration recommended for 2019 and referred to above, no other allowances, salaries or additional fees are to be paid to any Board member by Tabreed for 2019.

4(e) Board Meetings in 2019

The Board held 5 meetings in 2019 on the dates set out below:

- 30 January;
- 27 February;
- 1 May;
- 31 July; and
- 31 October

Additionally, the Board of Directors passed the following Circular Resolution:

- On 17 April 2019 the Board resolved to approve the resignation of Mr. Jasim Husain Thabet from the position of Chief Executive Officer of Tabreed effective from 21 April 2019 and approve the appointment of Mr. Bader Saeed Al Lamki as the new Chief Executive Officer of Tabreed with effect from 21 April 2019.

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

MEETING NUMBER	DATE (2019)	ABSENCE
Board meeting 1	30 January	None
Board meeting 2	27 February	Proxy attendance: Paulo Almirante to Sébastien Arbola
Board meeting 3	1 May	Proxy attendance: Paulo Almirante to Sébastien Arbola
Board meeting 4	31 July	Frédérique Dufresnoy
Board meeting 5	31 October	Proxy attendance: Khaled Al Qubaisi to Mohammed Alshamsi Proxy attendance: Paulo Almirante to Sébastien Arbola

The absence and proxies referred to above were acknowledged and accepted by the Board at the relevant meetings.

4(f) Board Terms of Reference

In line with good practice and governance, the Board provides strategic direction to the management team. The Board provides this direction by working with management to establish:

- The appointment of the Chief Executive Officer and key executives;
- Tabreed policies - which outline the principles that the Board expect Tabreed to operate within;
- Board approved Delegation of Authority setting out the levels of approvals required by the Board;
- Board approved strategic plans – with the growth, revenue and profit targets required by the Board and a reporting mechanism to feedback results;
- A strong risk management and internal control environment;
- The integrity of financial reporting;
- Proper disclosure and communication with shareholders; and
- A highly qualified and experienced senior management team.

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

4(g) Executive Management

The Tabreed Corporate Governance Procedures Manual and the Board approved Delegation of Authority clearly outline the role that the Board requires from Tabreed's management. Management's primary

responsibilities cover the oversight of the day-to-day operations of Tabreed's business, strategic planning, budgeting, financial reporting and risk management.

Executive management consists of five Chief Officers. These positions together with other management positions, the incumbents, dates of appointment and remuneration received (or accrued) in 2019 (in AED) are outlined below and an organisational chart is attached at Annex 2 of this Report:

POSITION	FULFILLED BY	APPOINTMENT	SALARY & ALLOWANCES 2019 (AED)	2019 BONUS (AED)	OTHER/FUTURE REMUNERATION 2020
Chief Executive Officer	Jasim Husain Thabet	From August 2012 till April 2019	1,012,258	2,183,430	0
Chief Executive Officer	Bader Saeed Al Lamki	From 21 April 2019	1,767,976	-	0
Chief Financial Officer	Stephen Ridlington	From Feb 2015 to Oct 2019	1,338,480	1,133,882	0
Acting Chief Financial Officer	Richard Rose	From Oct 2019	1,165,260	292,953	0
Chief Legal Counsel	Hamish Jooste	2011	1,325,028	629,214	0
Chief Operating Officer	Jean-François Chartrain	2017	1,378,652	308,090	0
Chief Development Officer	François-Xavier Boul	2017	1,410,012	326,337	0
SVP, Human Resources	Ahmed Al Marzooqi	2015	1,639,896	264,258	0
VP, Internal Control & Risk	Colin Stuart Sangster	2013	1,058,153	294,119	0
SVP, Business Development UAE	Dr. Yousif Al Hammadi	2014	1,588,446	344,863	0
VP, Technical Development	Julien Olivier Borredon	2019	403,351	-	0
Country Manager India	Sudheer Perla	2017	1,149,361	136,418	0
VP, Strategic Communications	Souad Al Serkal	2018	1,022,841	-	0
VP, Supply Chain Management	Mohamed Ali Habib	2019	551,250	-	0
SVP, Operations & Maintenance	Atef Al Breiki	2018	1,355,164	124,157	0

POSITION	FULFILLED BY	APPOINTMENT	SALARY & ALLOWANCES 2019 (AED)	2019 BONUS (AED)	OTHER/FUTURE REMUNERATION 2020
VP, HSEQ	Sabouh Asghar	2014	804,648	74,866	0
SVP, Asset Management	Alastair Mulligan	2009	1,282,644	199,626	0
SVP, Regional Asset Management & Value Chain Business	Dr. Afif Al Yafei	2015	1,698,182	406,446	0
VP, Projects	Irshad Hussain	2004	788,256	22,490	0

4(h) Related party transactions

Tabreed was not a party to any related party transactions during 2019 based on the definition of "Related Parties" set out in Resolution 7/2016.

Tabreed did not enter into any transactions with any parties (related or otherwise) during 2019 with a value of more than 5% of the company's capital.

4(i) Organisational Chart

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

05 | EXTERNAL AUDITOR

PwC were appointed as External Auditors for Tabreed at the Annual General Assembly on 6 March 2019 for a one-year term. Tabreed selected PwC as the successful applicant pursuant to a competitive tender process issued by Tabreed in 2018 in respect of the auditing services mandate. Three major audit firms participated in the competitive process.

PwC is one of the Big Four accounting and professional services firms. PwC is a global network of firms operating in 157 countries with approximately 800 offices and more than 276,000 employees. The Company offers business advisory services such as auditing, accounting, taxation, strategy management, and human resource consulting services. In 2019, PwC firms provided services to 85% of the Global Fortune 500 companies and more than 100,000 entrepreneurial and private businesses.

The scope of the audit for the 2019 financial year, as outlined in their engagement plan was to:

- Provide an audit opinion on the annual consolidated financial statements in accordance with International Financial Reporting Standards;

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

The following table outlines the audit annual and quarterly related fees for Tabreed group companies for 2019:

EXTERNAL AUDITOR	PwC
Number of Years as External Auditor	1
Total audit fees for 2019	AED 627,460
Fees for additional work in 2019	Nil
Nature of additional work	None
Audit fees for additional work done in 2019 by auditors other than those appointed by Tabreed	Nil
Name of partner auditor	Rami Sarhan (registered auditor number 1152)

Tabreed’s external auditors did not make any qualified opinion for the interim and annual financial statement for 2019.

06 | AUDIT COMMITTEE

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

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

- or financial reports; and
- Reporting to the Board on activities of the Audit Committee.

The following table outlines the membership of the Audit Committee during 2019:

MEMBER	2019 TERM	ROLE	STATUS
Mohamed Jameel Al Ramahi	From 1 Jan to 31 Dec	Chair	Independent, Non-Executive
Frédérique Dufresnoy	From 1 Jan to 31 Dec	Member	Non-Independent, Non-Executive
Saeed Ali Khalfan Al Dhaheri	From 1 Jan to 31 Dec	Member	Independent, Non-Executive

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

The Audit Committee met 4 times, on the following dates, during 2019:

- 29 January;
- 30 April;
- 29 July; and
- 31 October.

The following table shows the attendance of each member for 2019:

MEMBER	MEETINGS INVITED TO ATTEND IN 2019	ATTENDANCE IN PERSON	PROXY ATTENDANCE
Mohamed Jameel Al Ramahi	4	4	-
Frédérique Dufresnoy	4	4	-
Saeed Ali Khalfan Al Dhaheri	4	4	-

07 | NOMINATION AND REMUNERATION COMMITTEE

The role of the Nomination and Remuneration Committee (“NRC”) is to assist the Board in the efficient management of compensation and general human resources management. The key responsibilities of the

NRC are outlined in the Board-approved Charter of the NRC and include:

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

The following table outlines the membership of the NRC during 2019:

MEMBER	2019 TERM	ROLE	STATUS
H.E. Dr Ahmad bin Abdullah Humaid Belhoul Al Falasi	From 1 Jan to 31 Dec	Chairman	Independent, Non-Executive
Mohammed Al Huraimel Alshamsi	From 1 Jan to 31 Dec	Member	Independent, Non-Executive
Sébastien Arbola	From 1 Jan to 31 Dec	Member	Non-Independent, Non-Executive

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

The NRC met two times, on the following dates, during 2019:

- 20 February; and
- 24 November.

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

MEMBER	MEETINGS INVITED TO ATTEND IN 2019	ATTENDANCE IN PERSON	PROXY ATTENDANCE
H.E. Dr Ahmad bin Abdullah Humaid Belhoul Al Falasi	2	2	-
Mohammed Al Huraimel Alshamsi	2	1	1
Sébastien Arbola	2	2	-

08 | OTHER COMMITTEES APPROVED BY THE BOARD

a) Finance Committee:

The duties of the Finance Committee are outlined below:

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

The following table outlines the membership of the Finance Committee during 2019:

MEMBER	2019 TERM	ROLE	STATUS
Mohammed Al Huraimel Alshamsi	From 1 Jan to 31 Dec	Chairman	Independent, Non-Executive
Frédéric Claux	From 1 Jan to 31 Dec	Member	Non-Independent, Non-Executive
Saeed Ali Khalfan Al Dhaheeri	From 1 Jan to 31 Dec	Member	Independent, Non-Executive

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

The Finance Committee met 4 times, on the following dates, during 2019:

- 28 January;
- 25 April;
- 18 July; and
- 24 October

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

MEMBER	MEETINGS INVITED TO ATTEND IN 2019	ATTENDANCE IN PERSON	PROXY ATTENDANCE
Mohammed Al Huraimel Alshamsi	4	4	-
Frédéric Claux	4	4	-
Saeed Ali Khalfan Al Dhaheri	4	4	-

b) The Projects Committee:

The duties of the Projects Committee are outlined below:

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

The following table outlines the membership of the Projects Committee during 2019:

MEMBER	2019 TERM	ROLE	STATUS
Frédéric Claux	From 1 Jan to 31 Dec	Chairman	Non-Independent, Non-Executive
Mohammed Al Huraimel Alshamsi	From 1 Jan to 31 Dec	Member	Independent, Non-Executive
Sébastien Arbola	From 1 Jan to 31 Dec	Member	Non-Independent, Non-Executive

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

The Projects Committee met 3 times on the following dates, during 2019:

- 11 February;
- 29 May; and
- 8 October

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

MEMBER	MEETINGS INVITED TO ATTEND IN 2019	ATTENDANCE IN PERSON	PROXY ATTENDANCE
Frédéric Claux	3	2	1
Mohammed Al Huraimel Alshamsi	3	3	-
Sébastien Arbola	3	3	-

09 | INSIDER INFORMATION AND DEALINGS COMMITTEE

Pursuant to the requirements laid down in Resolution 7/2016, Tabreed formed the Insider Information and Dealings Committee that regulates transactions and holdings of Tabreed shares by Board members and employees of Tabreed. The Insider Information and Dealings Policy was approved by the Board on 22 February 2017. Following approval by the Board of the Policy, the Insider Information and Dealings Committee operated in accordance with the approved Policy. The following table shows the Committee members during 2019:

MEMBER	DATE OF APPOINTMENT	ROLE
Hamish Jooste	February 2017	Chairman
Colin Sangster	January 2019	Member
Richard Rose	February 2017	Member

During 2019 the committee maintained insider lists for various price sensitive matters and operated in accordance with the Market Conduct and Securities Trading Policy and the Insider Information and Dealings Policy.

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

10 | INTERNAL CONTROL SYSTEM

Pursuant to Article 50 of Resolution 7/2016, Tabreed’s Internal Control function has been established by the Board to provide independent, objective and authoritative advice as well as assurance over the internal control environment to the Board, Audit Committee and Management, to assist them in discharging their functions and duties. The Board of Directors acknowledges responsibility for regularly reviewing the effectiveness of the Internal Control function of the Company.

The Internal Control function reports to the Board and operates under the stewardship of the Audit Committee. During 2019, the Internal Control function issued 8 reports to the Board covering IT security, operations, cash management, billing and collection, procurement to pay processes for projects and consultants, the investment committee, Cooltech chemicals inventory management and an internal controls review for 2019. This enables the Internal Control function to operate in an independent and objective manner. The role of the Internal Control function is to assist management in meeting their responsibility to:

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

The designated Internal Control Officer for 2019 was Colin Sangster who was appointed on 1 January 2019. Colin has 30 years’ widespread international experience in general management and finance functions, in emerging and developed markets, for leading multinationals and JV’s within the utilities and environment sectors. This includes extensive involvement in risk management, internal controls, auditing, governance, external audit, financial analysis, financial planning and project planning. The Internal Control Officer reports directly to the Audit Committee. For the purposes of Resolution 7/2016, Colin Sangster was also the duly

appointed Compliance Officer of the Company for 2019 and acknowledges his responsibility for the Internal Control function systems in Tabreed, review of its working mechanisms and ensuring its effectiveness.

The annual review of Internal Controls, as is required under Article 50 of Resolution 7/2016, was completed by the Board for 2019. The Board met its internal control responsibilities in 2019 by reviewing presentations on risk management, discussing control issues at Board meetings and reviewing the detailed reports from Board Committees, and found that the internal control environment was satisfactory for 2019. During 2019, the Company did not face any major issue requiring disclosure in any Report or to the Market.

11 | IRREGULARITIES IN 2019

Tabreed confirms that it is compliant with Resolution 7/2016 on Corporate Discipline and Governance Standards and that no irregularity occurred during the course of 2019.

12 | CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY:
Code of Conduct, Health, Safety and Environment, Local Community Development

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

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

contribute as a sustainable business to positively impact the wider community.

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

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

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

Tabreed is committed to promoting a positive health, safety and environment (HSE) culture in the Company. In 2019, the Company continued to build on strong initiatives from previous years to sustain continual improvement in HSE systems and processes, and further reinforce management’s commitment to all stakeholders. This included:

- Further improvement of the corporate HSE Management System manual and implementation of five procedures across Tabreed;
- Improved incident reporting as well as closing the loop on reported incident and recommended corrective actions through its recently implemented Automated Incident Reporting System (AIRS);
- Installation of Electronic Display Screens (EDS) at 40+ Tabreed plants with the objectives to: (i) increase the level of awareness amongst the workers on regular basis on all Tabreed matters (HSE, HR, Communication, and Code of Conduct etc.) and (ii) enhance the visibility of HSE, Quality and Energy Management messages to the workers;

- HSE incentives, such as HSE awards for hazard and near-miss reporting outstanding HSE performance/compliance;
 - Strengthened training and awareness:
 - Conducted in-house training sessions on various HSE topics, including: (a) HSE Management System; (b) HSE Risk Management; and (c) Chemical Safety;
 - Introduced the concept of 'Slot Training': imparting thorough awareness on important HSE topics that are delivered to Tabreed personnel in short sessions without engaging for long durations.
 - Continued processing of approval/renewal of environmental permits, environment clearances, civil defense licenses and waste reduction plans from concerned authorities;
 - HSE awareness campaigns, including HSE day, with a special focus on Tabreed's Operation, Maintenance and Building Maintenance personnel; monthly HSE themes, tips and HSE performance dashboards;
 - Introduction of 'HSE Walls': providing concise information on 'Life Saving Rules' related to top hazards identified at Tabreed facilities. Environmentally friendly and large sized peelable stickers, emphasizing critical information on identified hazards, are posted in operational areas where Tabreed and contractor personnel are more susceptible to exposure to such hazards.
- transition of ISO9001 certification to the revised (2015) version. This transition included:
- Updating Quality Management System (QMS) framework document and procedures;
 - Conducting internal audits of Tabreed plants and project sites for quality assurance;
 - Developing departmental-level SWOT analysis and quality risk registers.
- In 2019, Tabreed strengthened its compliance to international standards by successfully achieving ISO50001:2018 certification for the development and implementation of an effective Energy Management System. The ISO50001:2018 standard is based upon best practices and global benchmarks and is intended to enable organizations to follow a systematic approach to achieving continual improvement in energy performance, consumption and sustainability.
- The ISO50001 certification manifests Tabreed's commitment to stakeholders regarding the optimized performance of its facilities. Tabreed's dedication to energy management also proves that we are committed to supplying reliable and sustainable energy and offering cost savings by continuously improving efficiency and limiting the impact on the environment.
- In relation to effluent water release and emissions into the air:

The Company complies with all applicable UAE health, safety and environmental laws and regulations and has received specific permits from the UAE Environment Agencies in each applicable Emirate. Tabreed's certifications for ISO14001:2015 (Environment Management System) and OHSAS18001:2007 (Occupational Health and Safety Management System) standards were renewed during 2019 following a Surveillance Audit.

Furthermore, Tabreed continued to reinforce its commitment to quality management by gradual

- Environmental clearance (EC) was successfully renewed from Dubai Municipality for all Tabreed's plants located in Dubai; and
- Tabreed obtained permits for effluent water release from Environmental Agency Abu Dhabi (EAD) after undertaking to control certain parameter requirements such as acidity, turbidity and conductivity of the effluent. These permits were initially obtained during plant construction and are renewed by EAD each year.

Tabreed continued to comply with relevant UAE

Federal / local authorities by enforcing its Waste Management Reduction Plan, with the following key objectives:

- To protect the environment; and
- To minimize / reduce waste materials through prudent waste management program.

The Plan applies to all of Tabreed's plants, project sites and offices.

As a utility company, Tabreed is responsible for providing an essential service that maintains the comfort and well-being of the community receiving the service. Tabreed takes this role very seriously and we ensure that our services are operating at high efficiency and reliability. Our relationship with the local community is therefore very important to Tabreed and we constantly seek ways to enhance that relationship. Tabreed's energy efficient district cooling services saved 2.06 billion kilowatt/hours across the GCC – enough energy to power 117,500 homes in the UAE every year. These power savings prevented the release into the atmosphere of 1.23 million metric tons of carbon dioxide – the equivalent of eliminating the emissions from 268,000 vehicles annually.

Tabreed's focus on sustainability is also global in nature. Tabreed took part in the United Nations' Climate Action Summit held on 23 September 2019. During the Summit Tabreed showed its engagement to the UN Sustainable Development Goals, the UAE Energy Strategy 2050 and the primary objectives of the National Climate Change Plan adopted by the UAE Ministry of Climate Change and Environment (MOCCAE). Tabreed also participated in the World Energy Congress held in Abu Dhabi during September, 2019, where Tabreed showcased a variety of its projects, initiatives and solutions and demonstrated the numerous benefits of energy efficient and low-cost district cooling systems, highlighting their role in supporting regional countries in sustainable development.

Finally, in relation to community engagement, Tabreed seeks, from time-to-time, and when feasible, to sponsor different activities that benefit the community. In the past, these activities have ranged from blood donation drives to "clean-up the UAE" campaigns. The decision criteria to take part in any sponsorship activity include (but are not limited to) the benefit we believe these activities bring to the community, available funding, and applicability to Tabreed.

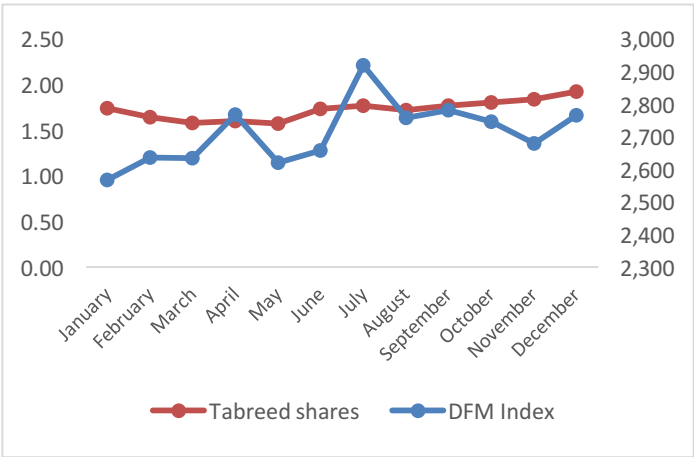
13 | GENERAL INFORMATION

13(a) Share Price

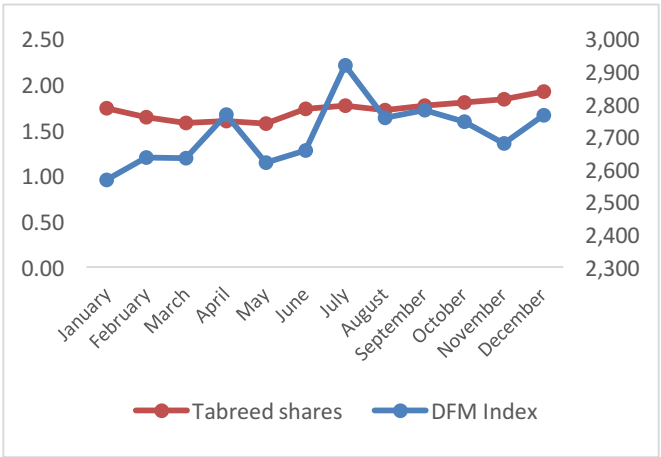
The following table presents the highest and lowest share price for each month during 2019 showing the market index and sector index as of 31 December 2019:

	SHARE PRICE (AED)		MARKET INDEX	SECTOR INDEX	CLOSING PRICE	SHARE PERFORMANCE	
	HIGHEST	LOWEST				VS MARKET	VS SECTOR
January	1.800	1.650	2,567.59	590.78	1.740	-0.92%	2.88%
February	1.750	1.640	2,635.78	544.27	1.640	-8.40%	2.13%
March	1.700	1.540	2,634.86	530.02	1.580	-3.62%	-1.04%
April	1.600	1.480	2,767.10	552.98	1.600	-3.75%	-3.07%
May	1.600	1.440	2,620.33	528.78	1.570	3.43%	2.50%
June	1.840	1.500	2,658.63	538.32	1.730	8.73%	8.39%
July	1.830	1.660	2,918.38	561.94	1.770	-7.46%	-2.08%
August	1.820	1.670	2,758.60	526.94	1.720	2.65%	3.40%
September	1.770	1.580	2,781.07	534.15	1.770	2.09%	1.54%
October	1.940	1.720	2,746.93	533.66	1.800	2.92%	1.79%
November	1.840	1.780	2,678.70	538.16	1.840	4.71%	1.38%
December	1.950	1.800	2,764.86	534.57	1.920	1.13%	5.01%

Source: Dubai Financial Market



Source: Dubai Financial Market



Source: Dubai Financial Market

13(b) Shareholder Ownership

Shareholder Ownership as at 31 December 2019 is as follows:

	% OWNERSHIP	INDIVIDUALS	COMPANIES	GOVERNMENT	INSTITUTION	BANKS
Arab	0.504	0.4803	0.0228	0.00	0.00	0.0009
GCC	1.9501	0.5631	1.3756	0.00	0.00	0.0114
UAE	51.519	4.6903	46.7011	0.0262	0.0068	0.0944
Others	46.027	0.3104	45.6244	0.0858	0.00	0.0066

Source: Dubai Financial Market

13(c) Ownership - 5% or More

Shareholders who own 5% or more of the share capital as at 31 December 2019 are:

NAME	% OWNERSHIP
GDF International	40.00
General Investments FZE	38.21

Source: Dubai Financial Market

13(d) Shareholders Ownership Distribution

	SHARES OWNED	NO. OF SHAREHOLDERS	NO. OF SHARES HELD	% OF THE SHARES OWNED
1	Less than 50,000	18,264	35,966,019	1.325
2	From 50,000 to less than 500,000	315	49,224,173	1.813
3	From 500,000 to less than 5,000,000	82	109,821,161	4.044
4	More than 5,000,000	23	2,520,517,771	92.819
TOTAL		18,684	2,715,529,124	100.000

Source: Dubai Financial Market

13(e) Investor Relations

For the purposes of Article 35 of Resolution 7/2016, the officer in charge of investors' relations and shareholder communications for the Company is Souad Al Serkal (available at email address: salserkal@tabreed.ae, or IR@tabreed.ae; telephone: +971 2 2020400/+971 4 3132432; mobile: +971 50 446 5191; fax: +9712 6455 008). Further information in relation to investor relations is available in the "Investor Relations" section of Tabreed's website: www.tabreed.ae.

13(f) General Assemblies; Special Resolutions

Tabreed conducted one general assembly in 2019, namely its Annual General Assembly on 6 March 2019, where no special resolutions were passed.

13(g) Board Secretary

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

13(h) Significant Events - 2019

28 JANUARY

Tabreed Launched Knowledge Development Programme, The "Ethra'a" Initiative

Tabreed announced the launch of its Ethra'a initiative, a first-of-its-kind knowledge development programme established to develop human capital and prepare the district energy sector's future leaders. Ethra'a initiative, which means 'enrichment' in Arabic, aims to build a highly-skilled talent pool and develop human capital by facilitating knowledge sharing and innovation between the industry and academia. This will further drive knowledge-based economic growth in line with the Abu Dhabi Economic Vision 2030. The initiative is aligned with Abu Dhabi Government economic reform plan 'Tomorrow 2021' (Ghadan 2021), which places significant focus on the development of technology, talent and research.

31 JANUARY

Tabreed's Full Year Net Profit Increased 7%

Tabreed released its audited financial results for 2018. Tabreed reported a 7% increase in net profit to AED 427.6 million for the full year by adding 39,061 RT of new connections resulting in the delivery of

over 1.1 million refrigeration tons (RTs) of cooling capacity. Tabreed's Board of Directors recommended a cash dividend for 2018 of 9.5 fils per share, up from 8 fils per share paid in 2018.

6 FEBRUARY

Tabreed Integrated Big Data Technology to Improve Operational Performance

Tabreed integrated data-based operational intelligence software across its network of district cooling plants to monitor, analyze, and improve overall plant performance and reliability, making it the first district cooling company to do so. Created by OSIsoft, a leader in operational intelligence, the PI System collects, analyses, visualizes and shares the large amount of data produced by Tabreed's network of plants.

13 FEBRUARY

Tabreed Signed First District Cooling Concession in India

Tabreed entered into a 30 year concession for a contracted cooling capacity of 20,000 refrigeration tons (RTs) with the Andhra Pradesh Capital Region Development Authority (APCRDA). Tabreed will build, own and operate the district cooling system in Amaravati – the new capital of Andhra Pradesh, Tabreed's first plant outside its GCC market.

6 MARCH

Tabreed Shareholders Approved 19% Increase in Cash Dividend

The annual general meeting of Tabreed was held in Abu Dhabi. The meeting was chaired by Tabreed's Chairman, Khaled Al Qubaisi and attended by Tabreed's Board of Directors, shareholders, and the company's senior leadership team. The shareholders approved a dividend of 9.5 fils per share for the 2018 financial year, representing a 19% increase on the dividend paid out in 2017, reflecting the company's robust performance in 2018.

18 APRIL

Tabreed Announces Bader Al Lamki as New CEO

The Board of Directors announced the appointment of Bader Saeed Al Lamki as the Company's new Chief Executive Officer, effective 21st April 2019. Khaled Al Qubaisi, Chairman of Tabreed, welcomed Bader Al Lamki to Tabreed.

2 MAY

Tabreed's Q1 Net Profit Increased to 3% to AED 80 Million

Tabreed released its 2019 first quarter consolidated financial results, with net income increasing by 3% to AED80m. The company continued to deliver strong and consistent performance from its 74 district cooling plants across the GCC, providing over 1.1 million refrigeration tons (RT) of cooling capacity for customers in five countries.

1 AUGUST

Tabreed Reported Solid Results of the First Half Of 2019 with Underlying Net Profit up 11%

Tabreed released its consolidated financial results for the first half of 2019 and reported an increase in adjusted net profit of 11% to AED199.4m. The total connected capacity across the GCC increased to 1,145,847 RT.

18 AUGUST

Tabreed Showcased its Innovative Technology in Bahrain

Tabreed hosted an official delegation from Bahrain Financial Harbour (BFH), representatives from the United Nations, and local media at its district cooling plant in Manama, Bahrain. Tabreed's Bahrain plant is the first district cooling plant in the region to utilize seawater instead of potable water, making the system more efficient, reliable and sustainable compared to conventional cooling systems.

28 AUGUST

Tabreed Participated in World Energy Congress (WEC)

Tabreed participated in the 24th edition of the World Energy Congress in Abu Dhabi. Held under the patronage of His Highness Sheikh Khalifa bin Zayed Al Nahyan, President of the UAE, the congress took place at the Abu Dhabi National Exhibition Centre (ADNEC) from the 9th to the 12th of September, 2019. During the congress, Tabreed demonstrated the numerous benefits of energy efficient and low-cost district cooling systems. It has also highlighted the role in supporting regional countries in sustainable development, as well as showcasing a variety of its projects, initiatives and solutions.

10 SEPTEMBER

Tabreed Demonstrated Commitment to Enhancing Energy Efficiency with ISO 50001 Certification

Tabreed received the International Organization for Standardization (ISO) 50001:2018 certification for the successful implementation of its Energy Management System. Tabreed is the first district cooling company in the region to have been certified under the revised version (2018) of the ISO 50001 standard. This accreditation is based upon best practices and global benchmarks, and is intended to enable organizations to follow a systematic approach to achieving continual improvement of energy performance, consumption and sustainability.

03 NOVEMBER

Tabreed Reported Net Profit of 329.1 Million in the Third Quarter of 2019

Tabreed released its consolidated financial results for the first nine months of 2019 and reported an increase of 3.1% in net profit to AED 329.1 million for the period. Tabreed continued to meet the growing demand for district cooling solutions and commenced supply of 12,000 RT of cooling services to the expansion of the Galleria Mall Al Maryah Island, covering an area of 1.4 million square feet.

27 NOVEMBER

Tabreed Marked 10 Million Hours without any Loss Time Injury

Tabreed celebrated 10 million safe work hours without lost time injury. The accomplishment is a result of Tabreed's compliance with the highest international standards of safety and operational excellence, its commitment to maintaining a robust Health, Safety & Environment culture, and its continuous implementation of workplace safety improvement programs.

13(i) Emiratization Percentage

At the end of 2019 Tabreed held Emiratization levels of 41% of the total headcount in respect of Tabreed's corporate operations.

At the end of 2018 Tabreed held Emiratization levels of 39% of the total headcount in respect of Tabreed's corporate operations.

At the end of 2017 Tabreed held Emiratization levels of 38% of the total headcount in respect of Tabreed's corporate operations.

13(j) Innovative Projects

During 2019, Tabreed initiated several projects to improve the water and electrical efficiency of its plants in the UAE and Bahrain. These projects harnessed technologically advanced electrical equipment with variable frequency drives linked to smart controllers. Tabreed also focused on using the historical data of its plants to enhance its operational efficiency after the successful completion of a prototype programme in 2018. Tabreed seeks to leverage "Big Data" analysis to provide more process insights and enhancements to its operations.

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

by reducing the time and effort required in respect of equipment troubleshooting.

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

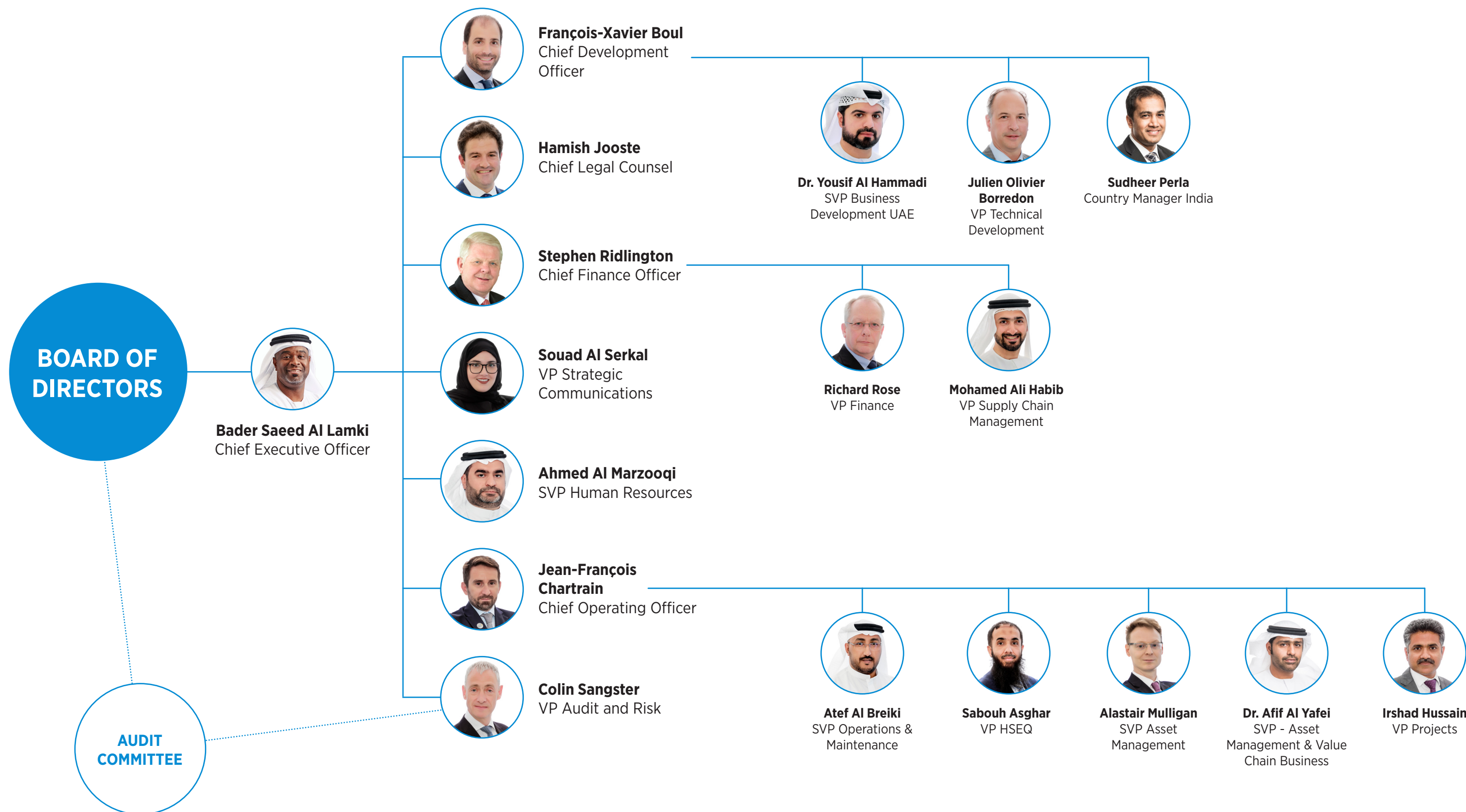
Tabreed considers R&D an essential element of its business. Tabreed continued its partnership with Khalifa University by launching a new project in Tabreed's Al Raha Beach plant. The project aims to develop and replicate the 'Optimal Chiller Plant Control' solution previously used in Tabreed's MBZ City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

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

Overall, Tabreed's R&D projects completed in 2019 demonstrated positive results, providing further incentive for Tabreed to continue to expand on its efforts and to continue to pursue enhanced operational strategies and additional increases in electrical and water efficiencies.

ANNEX ONE:

ORGANIZATIONAL CHART 2019



ANNEX TWO:

