Tabreed Partners with IFC for Expansion in India

Abu Dhabi, UAE, 20 December 2021: National Central Cooling Company PJSC (DFM: Tabreed) has finalised a significant strategic partnership with the International Finance Corporation (IFC), a member of the World Bank Group and the largest global development institution focused on the private sector in emerging markets. Since its establishment in 1956, IFC has invested more than $321 billion in emerging markets.

The partnership will include ownership of Tabreed India, currently a wholly owned subsidiary of Tabreed, being transferred to a new holding company established in Singapore to be jointly owned by Tabreed (75%) and IFC (25%). The holding company will be established with initial equity commitments from the partners of US$100 million with a mandate to invest in projects of up to approximately $400 million over the next five years, targeting a portfolio of approximately 100,000 refrigeration tonnes (RT) servicing industrial, commercial and retail developments across India.

IFC and Tabreed have agreed investment eligibility criteria which include robust environmental, social, and corporate governance (ESG) requirements for projects in these geographies. Public environment and sustainability (E&S) disclosures will be made by IFC prior to investing in each project.

India, the partnership's key target market, has low per capita cooling consumption and a rapidly growing cooling market across all sectors, and district cooling adoption is imperative for India to meet its ambitious climate goals. There have been a number of promising policy and regulatory developments in India, including the groundbreaking announcement of a Cooling Action Plan to facilitate sustainable growth in cooling demand for the nation, with district cooling being identified as an important intervention area. As a result, several Indian government bodies and smart cities are now increasingly evaluating the incorporation of district cooling into urban master planning. Tabreed has been actively supporting these initiatives and engaging with several top tier real estate developers across the country to evaluate project opportunities.

"As temperatures are rising, access to cooling is a major development challenge, especially in emerging economies located in the tropical climate zone. This district cooling project is at the heart of what IFC is all about," said Makhtar Diop, IFC's Managing Director. "By working with Tabreed, we will bring sustainable, innovative and much needed cooling solutions to India and other parts of Asia."

Khalid Abdulla Al Marzooqi, CEO of Tabreed, said: "This is a positive and timely development for Tabreed. IFC has been established in this region for many decades, unlocking investment opportunities, strengthening clients' performance and impact, as well as improving environmental, social and governance (ESG) standards. It makes perfect sense for us to join forces as we are able to lean on each other's unrivalled expertise.

"India is strategically very important for us, with demand for energy growing faster there than anywhere else in the world right now. District cooling uses, on average, half the power consumed by conventional cooling methods, meaning it's an essential part of many countries' climate goals due to the enormous savings in CO_2 emissions achieved through energy efficiency. For countries such as India, reliable cooling means industrial, agricultural and societal progress, and we eagerly look forward to making a meaningful contribution to its prosperity while ensuring the sustainability we know is vital to all our futures."

For more updates from Tabreed, visit www.tabreed.ae

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About National Central Cooling Company PJSC (Tabreed)

Tabreed is a leading driver of progress for people, communities and environments around the world towards a more sustainable future. Founded in 1998 and publicly listed on the Dubai Financial Market, it is one of the UAE's strongest growth companies and a founding member of the S&P/Hawkamah ESG UAE Index. The world's largest district cooling company, Tabreed's R&D programmes and investment in AI technology solidify its position as the industry's global leader.

Developing and operating modern district cooling networks, Tabreed provides essential cooling to iconic developments such as the Burj Khalifa, Sheikh Zayed Grand Mosque, Louvre Abu Dhabi, Dubai Opera, Dubai Metro and Bahrain Financial Harbor. The company owns and operates 84 plants in its portfolio across the GCC, including 75 in the United Arab Emirates, three in the Kingdom of Saudi Arabia, five in Oman, one in the Kingdom of Bahrain. Energy efficiency services extend Tabreed's impact to help businesses and organisations improve their overall energy consumption, in turn reducing CO2 emissions and assisting the achievement of carbon neutrality objectives.

About IFC

IFC—a member of the World Bank Group—is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2021, IFC committed a record $31.5 billion to private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity as economies grapple with the impacts of the COVID-19 pandemic. For more information, visit www.ifc.org.