

GREEN SUKUK REPORT 2020



INTRODUCTION

Majid Al Futtaim launched its first Green Sukuk in May 2019, raising USD 600M at a coupon rate of 4.637%, due May 2029. The second Green Sukuk was launched in October 2019, raising USD 600M at a coupon rate of 3.9325%, due February 2030. Both Sukuks were issued under our Majid Al Futtaim Sukuk Ltd USD 3,000,000,000 Trust Certificate Issuance Programme.

The issuance of our inaugural 10-year Green Sukuk, followed shortly by our second 10-year Green Sukuk, reaffirms our commitment to sustainable green projects that support moving to a low-carbon more sustainable economy. The inaugural transaction marked the first ever Green corporate capital markets offering from the Middle East and North Africa (MENA) as well as the first ever benchmark corporate Green Sukuk.

In order to increase transparency and ensure accuracy of disclosed information, we have appointed a third party auditor to provide independent assurance of the environmental data for Majid Al Futtaim – Properties for 2018 and 2019, covering the Green Sukuk portfolio. Please find the complete Assurance Statement on our website <https://www.majidalfuttaim.com/en/who-we-are/sustainability-and-impact/sustainability>

DETAILS OF FIRST GREEN SUKUK

Issue size	US\$600 million
Issue tenor	10-year
Issue date	14 May 2019
Maturity date	14 May 2029
Coupon	4.637%
Ranking	Senior Unsecured
Issue rating	S&P: BBB Fitch: BBB
Status	Senior Unsecured
Shariah structure	Wakala / Murabaha
Format	Regulation S only, Cat 2
Inclusion in Green Bond Indices	BAML Green Bond Index MSCI Green Bond Index Solactive Green Bond Index S&P Green Bond Index
SPO provider for Green Framework	Sustainalytics
Global coordinators	HSBC, Standard Chartered
Joint bookrunners	Abu Dhabi Islamic Bank, Dubai Islamic Bank, Emirates NBD Capital, First Abu Dhabi Bank, HSBC and Standard Chartered

DETAILS OF SECOND GREEN SUKUK

Issue size	US\$600 million
Issue tenor	10-year
Issue date	30 October 2019
Maturity date	28 February 2030
Coupon	3.9325%
Ranking	Senior Unsecured
Issue rating	S&P: BBB Fitch: BBB
Status	Senior Unsecured
Shariah structure	Wakala / Murabaha
Format	Regulation S only, Cat 2
Inclusion in Green Bond Indices	BAML Green Bond Index MSCI Green Bond Index Solactive Green Bond Index S&P Green Bond Index
SPO provider for Green Framework	Sustainalytics
Global coordinators	BNP Paribas, Citi, HSBC
Joint bookrunners	Abu Dhabi Islamic Bank, BNP Paribas, Citi, Dubai Islamic Bank, Emirates NBD Capital, First Abu Dhabi Bank and HSBC

For details on the Sukuk structure utilised for these instruments please refer to the Sukuk Program Prospectus dated April 2019, which can be found at www.majidalfuttaim.com/-/media/feature/mafcorporate/investor/downloads/bonds-and-credits/maf---sukuk---base-prospectus-2019.pdf

Our **Green Finance Framework** is available online, at the following address www.majidalfuttaim.com/-/media/feature/mafcorporate/investor/downloads/bonds-and-credits/green-finance-framework.pdf. Net proceeds are used to fund green projects meeting one or more of the following categories of eligibility recognised in the **ICMA Green Bond Principles**.

Majid Al Futtaim's Green Finance Framework:



**RENEWABLE
ENERGY**



**ENERGY
EFFICIENCY**



**SUSTAINABLE
WATER
MANAGEMENT**



**GREEN
BUILDINGS**

ALLOCATION REPORTING

DISCLOSURE ON THE PROCEEDS' ALLOCATION

Total amounts allocated (in millions of dollars)

Category	Asset type	List of eligible projects	Capex (AED Mn)	Opened in	2019		Cumulative Total		Overall Total
					First Sukuk	Second Sukuk	Refinancing	Financing	
Green Buildings	Hotels	Aloft Hotel	122	2018	7,930,030	23,790,090	31,720,120	-	31,720,120
		Hilton Garden Inn	275	2015	8,412,742	25,238,225	33,650,967	-	33,650,967
	Offices	Majid Al Futtaim Tower 1	189	2001	4,492,241	13,476,722	17,968,963	-	17,968,963
		Majid Al Futtaim Tower 2	134	2008	1,905,799	5,717,397	7,623,196	-	7,623,196
	Shopping Malls	City Centre Almaza	1,401	2019	18,676,286	74,705,146	93,381,432	-	93,381,432
		City Centre Beirut	953	2013	16,986,115	50,958,345	67,944,460	-	67,944,460
		City Centre Fujairah	376	2012	10,073,509	30,220,528	40,294,038	-	40,294,038
		City Centre Me'aisem	273	2015	7,487,068	22,461,203	29,948,271	-	29,948,271
		City Centre Mirdif	3,641	2010	481,315,001	200,547,917	681,862,919	-	681,862,919
		City Centre Suhar	287	2019	4,965,151	16,384,999	21,350,150	-	21,350,150
		Mall of Egypt	1,090	2017	30,873,945	122,989,219	153,863,164	-	153,863,164
		My City Centre Al Barsha	51	2016	3,097,196	4,645,794	7,742,989	-	7,742,989
	My City Centre Al Dhait	56	2018	1,742,444	2,737,000	4,479,444	-	4,479,444	
My City Centre Sur	129	2018	2,042,472	6,127,416	8,169,888	-	8,169,888		
Total allocated proceeds (USD)					600,000,000	600,000,000	1,200,000,000	-	1,200,000,000
Total allocated proceeds (USDm)					600,000,000	600,000,000			
Unallocated proceeds (USDm)									
Total proceeds (USDm)					600,000,000	600,000,000			

IMPACT REPORTING

DISCLOSURE ON THE ENVIRONMENTAL IMPACTS OF THE PROJECTS

	Indicators 2018	Indicators 2019
Green buildings		
Level of certification by property	Out of 12 assets, 11 are certified using LEED: 9 Gold and 2 Platinum	All 14 assets are certified using LEED: 11 Gold and 3 Platinum
Energy efficiency gains in MWh or % vs. baseline ¹	-17,100 MWh	-32,118 MWh
Estimated avoided GHG emissions (tCO ₂ e) ²	-7,313 tCO ₂ e	-10,544 tCO ₂ e
Annual energy savings (MWh pa)	-10,856 MWh	-15,018 MWh
Annual reduction in water consumption (m ³ or %)	-99,179 m ³	-134,449 m ³

Base year is set to be 2016 or the first year with complete annual data.

All calculations applied to 10 asset sites in 2019 and applied to 8 asset sites in 2018, others were not applicable for reduction calculations.

CASE STUDIES ON INDIVIDUAL PROJECTS

DETAILED REPORTING ON EACH PROJECT FINANCED OR REFINANCED

HOTELS

Project name	Aloft Hotel	
Project category	Green buildings	
Total signed amount (US\$)	33,215,000	
Green Sukuk Proceeds allocated (US\$)	31,720,120	
Completion date	June-18	
Location	UAE, Dubai	
Floor area (m²)	19,674 (GIA)	
Certification type	LEED	
Certification level	GOLD	
Share of total financing (%)	3	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	N/A
	Energy efficiency gains in MWh or % vs. baseline	N/A
	Estimated avoided GHG emissions (tCO ₂ eq)	N/A
Sustainable water management	Annual reduction in water consumption (m ³ or %)	N/A

* Aloft Hotel opened during 2018, therefore energy and water reductions are not applicable yet.

Project name	Hilton Garden Inn	
Project category	Green buildings	
Total signed amount (US\$)	74,871,000	
Green Sukuk Proceeds allocated (US\$)	33,650,967	
Completion date	November-15	
Location	UAE, Dubai	
Floor area (m²)	24,686 (GIA)	
Certification type	LEED B&C	
Certification level	GOLD	
Share of total financing (%)	3	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	-182 MWh
	Energy efficiency gains in MWh or % vs. baseline	-969 MWh (-17%)
	Estimated avoided GHG emissions (tCO ₂ eq)	-318 tCo2e
Sustainable water management	Annual reduction in water consumption (m ³ or %)	-10,080 m ³ (-27%)

* Baseline for Hilton Garden Inn is set to be 2016.

OFFICES

Project name	Majid Al Futtain Tower 1	
Project category	Green buildings	
Total signed amount (US\$)	51,457,000	
Green Sukuk Proceeds allocated (US\$)	17,968,963	
Completion date	January-01	
Location	UAE, Dubai	
Floor area (m²)	16,874 (GIA)	
Certification type	LEED ID&C	
Certification level	GOLD	
Share of total financing (%)	1	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	-242 MWh
	Energy efficiency gains in MWh or % vs. baseline	-2,307 MWh (-35%)
	Estimated avoided GHG emissions (tCO ₂ eq)	-342 tCO ₂ e
Sustainable water management	Annual reduction in water consumption (m ³ or %)	-2,585m ³ (-10%)

* Baseline for Majid Al Futtain Tower 1 is set to be 2016.

Project name	Majid Al Futtain Tower 2	
Project category	Green buildings	
Total signed amount (US\$)	36,482,000	
Green Sukuk Proceeds allocated (US\$)	7,623,196	
Completion date	January-08	
Location	UAE, Dubai	
Floor area (m²)	15,681 (GIA)	
Certification type	LEED EBOM	
Certification level	PLATINUM	
Share of total financing (%)	1	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	-176 MWh
	Energy efficiency gains in MWh or % vs. baseline	-587 MWh (-17%)
	Estimated avoided GHG emissions (tCO ₂ eq)	-238 tCO ₂ e
Sustainable water management	Annual reduction in water consumption (m ³ or %)	-1,758 m ³ (-23%)

* Baseline for Majid Al Futtain Tower 2 is set to be 2016.

SHOPPING MALLS

Project name	City Centre Almaza	
Project category	Green buildings	
Total signed amount (US\$)	381,432,000	
Green Sukuk Proceeds allocated (US\$)	93,381,432	
Completion date	October-19	
Location	Egypt, Cairo	
Floor area (m²)	54,691 (CP)	
Certification type	LEED B&C	
Certification level	GOLD	
Share of total financing (%)	8	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	N/A
	Energy efficiency gains in MWh or % vs. baseline	N/A
	Estimated avoided GHG emissions (tCO ₂ eq)	N/A
Sustainable water management	Annual reduction in water consumption (m ³ or %)	N/A

* City Centre Almaza opened during 2019, therefore energy and water reductions are not applicable yet.

Project name	City Centre Beirut	
Project category	Green buildings	
Total signed amount (US\$)	259,461,000	
Green Sukuk Proceeds allocated (US\$)	67,944,460	
Completion date	April-13	
Location	Lebanon, Beirut	
Floor area (m²)	20,516 (CP)	
Certification type	LEED B&C	
Certification level	GOLD	
Share of total financing (%)	6	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	-3,435 MWh
	Energy efficiency gains in MWh or % vs. baseline	-19,655 MWh (-22%)
	Estimated avoided GHG emissions (tCO ₂ eq)	-1,418 tCo2e
Sustainable water management	Annual reduction in water consumption (m ³ or %)	-23,339 m ³ (-15%)

* Baseline for City Centre Beirut is set to be 2016.

SHOPPING MALLS CONTINUED

Project name	City Centre Fujairah	
Project category	Green buildings	
Total signed amount (US\$)	102,369,000	
Green Sukuk Proceeds allocated (US\$)	40,294,038	
Completion date	April-12	
Location	UAE, Fujairah	
Floor area (m²)	9,175 (CP)	
Certification type	LEED B&C	
Certification level	GOLD	
Share of total financing (%)	3	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	-292 MWh
	Energy efficiency gains in MWh or % vs. baseline	1,038 MWh (16%)
	Estimated avoided GHG emissions (tCO ₂ eq)	-419 tCO ₂ e
Sustainable water management	Annual reduction in water consumption (m ³ or %)	-5,947 m ³ (-6%)

* Baseline for City Centre Fujairah is set to be 2016.

Project name	City Centre Me'aisem	
Project category	Green buildings	
Total signed amount (US\$)	74,326,000	
Green Sukuk Proceeds allocated (US\$)	29,948,271	
Completion date	September-15	
Location	UAE, Dubai	
Floor area (m²)	6,615 (CP)	
Certification type	LEED B&C	
Certification level	PLATINUM	
Share of total financing (%)	2	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	-642 MWh
	Energy efficiency gains in MWh or % vs. baseline	-2,905 MWh (-18%)
	Estimated avoided GHG emissions (tCO ₂ eq)	-422 tCO ₂ e
Sustainable water management	Annual reduction in water consumption (m ³ or %)	-3,813 m ³ (-16%)

* Baseline for City Centre Me'aisem is set to be 2016.

SHOPPING MALLS CONTINUED

Project name	City Centre Mirdif	
Project category	Green buildings	
Total signed amount (US\$)	991,288,000	
Green Sukuk Proceeds allocated (US\$)	681,862,919	
Completion date	March-10	
Location	UAE, Dubai	
Floor area (m²)	52,190 (CP)	
Certification type	LEED EBOM	
Certification level	GOLD	
Share of total financing (%)	57	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	-3,417 MWh
	Energy efficiency gains in MWh or % vs. baseline	-2,632 MWh [-6%]
	Estimated avoided GHG emissions (tCO ₂ eq)	-3,933 tCO ₂ e
Sustainable water management	Annual reduction in water consumption (m ³ or %)	-29,333 m ³ [-7%]

* Baseline for City Centre Mirdif is set to be 2016.

Project name	City Centre Suhar	
Project category	Green buildings	
Total signed amount (US\$)	78,138,000	
Green Sukuk Proceeds allocated (US\$)	21,350,150	
Completion date	January-19	
Location	Oman, Suhar	
Floor area (m²)	14,086 (CP)	
Certification type	LEED CS	
Certification level	GOLD	
Share of total financing (%)	2	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	N/A
	Energy efficiency gains in MWh or % vs. baseline	N/A
	Estimated avoided GHG emissions (tCO ₂ eq)	N/A
Sustainable water management	Annual reduction in water consumption (m ³ or %)	N/A

* City Centre Suhar opened during 2019, therefore energy and water reductions are not applicable yet.

SHOPPING MALLS CONTINUED

Project name	Mall of Egypt	
Project category	Green buildings	
Total signed amount (US\$)	296,760,000	
Green Sukuk Proceeds allocated (US\$)	153,863,164	
Completion date	March-17	
Location	Egypt, Cairo	
Floor area (m²)	77,637 (CP)	
Certification type	LEED B&C	
Certification level	GOLD	
Share of total financing (%)	13	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	-6,626 MWh
	Energy efficiency gains in MWh or % vs. baseline	-6,626 MWh (-13%)
	Estimated avoided GHG emissions (tCO ₂ eq)	-3,316 tCO ₂ e
Sustainable water management	Annual reduction in water consumption (m ³ or %)	-57,172 m ³ (-21%)

* Mall of Egypt opened during 2017 and baseline is set to be 2018 for this asset site.

Project name	My City Centre Al Barsha	
Project category	Green buildings	
Total signed amount (US\$)	13,885,000	
Green Sukuk Proceeds allocated (US\$)	7,742,989	
Completion date	September-16	
Location	UAE, Dubai	
Floor area (m²)	1,217 (CP)	
Certification type	LEED B&C	
Certification level	PLATINUM	
Share of total financing (%)	1	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	243 MWh
	Energy efficiency gains in MWh or % vs. baseline	2,773 MWh (411%)
	Estimated avoided GHG emissions (tCO ₂ eq)	19 tCO ₂ e
Sustainable water management	Annual reduction in water consumption (m ³ or %)	734 m ³ (32%)

* My City Centre Al Barsha opened during 2016 and baseline is set to be 2017 for this asset site.

SHOPPING MALLS CONTINUED

Project name	My City Centre Al Dhait	
Project category	Green buildings	
Total signed amount (US\$)	15,246,000	
Green Sukuk Proceeds allocated (US\$)	4,479,444	
Completion date	January-18	
Location	Ras al Khaimah, UAE	
Floor area (m²)	1,035 (CP)	
Certification type	LEED BD&C	
Certification level	GOLD	
Share of total financing (%)	0	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	-246 MWh
	Energy efficiency gains in MWh or % vs. baseline	-246 MWh (-23%)
	Estimated avoided GHG emissions (tCO ₂ eq)	-158 tCO ₂ e
Sustainable water management	Annual reduction in water consumption (m ³ or %)	-1,155 m ³ [-49%]

* My City Centre Al Dhait opened during 2018 and baseline set to be 2018 for this asset site.

Project name	My City Centre Sur	
Project category	Green buildings	
Total signed amount (US\$)	35,121,000	
Green Sukuk Proceeds allocated (US\$)	8,169,888	
Completion date	March-18	
Location	Sur, Oman	
Floor area (m²)	4,801 (CP)	
Certification type	LEED B&C	
Certification level	GOLD	
Share of total financing (%)	1	
Environmental impact generated		
	Description	Estimated environmental impact
Energy efficiency	Annual energy savings (MWh pa)	N/A
	Energy efficiency gains in MWh or % vs. baseline	N/A
	Estimated avoided GHG emissions (tCO ₂ eq)	N/A
Sustainable water management	Annual reduction in water consumption (m ³ or %)	N/A

* My City Centre Sur opened during 2018, therefore energy and water reductions are not applicable yet.

APPENDIX: REPORTING METHODOLOGY

This report has been produced in line with the Company's Green Finance Framework which is aligned to ICMA's Green Bond Principles and the ICMA Harmonised Framework for Impact Reporting's guidelines.

Impact reporting is provided at the level of each 'project category' and may include the following estimated Impact Reporting Metrics, as recommended under the Harmonised Framework for Impact Reporting:

Project Category	Impact Reporting Metrics
Green buildings	Level of certification by property
	Energy efficiency gains in MWh or % vs. baseline
	Estimated avoided GHG emissions (tCO ₂ eq)
	Annual energy savings (MWh pa)
	Annual reduction in water consumption
Renewable energy	Renewable energy purchased (MWh)
	Renewable energy capacity added/rehabilitated (MWh pa)
	% of electricity consumption from renewable sources
	Estimated avoided GHG emissions (tCO ₂ eq)
Sustainable water management	Amount of water recycled (litres)
	Amount of water reused (litres)
	Estimated GHG emissions reduced (tCO ₂ eq)
	Expected energy saved (in MWh)
Energy efficiency	% annual energy efficiency gain relative to an established baseline

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