



ONE TAQA

POWERING A
THRIVING FUTURE

INTEGRATED REPORT 2024

CONTENTS

01

EXECUTIVE SUMMARY

P.1

02

OVERVIEW

P.10

- 11 Chairman's Statement
- 12 Group CEO and Managing Director's Statement
- 14 About TAQA
- 20 Our Journey
- 23 Investment Case
- 24 Stakeholder Engagement

03

OUR STRATEGY

P.30

- 31 Corporate Strategy
- 33 Key Milestones
- 40 Innovation, Digital and Artificial Intelligence

04

BUSINESS REVIEW

P.45

- 46 Financial Review
- 56 Operational Review
- 79 Business Resilience

05

SUSTAINABILITY

P.86

- 87 ESG Strategy
- 96 Managing Our Resources
- 114 Growing With Our People

06

CORPORATE GOVERNANCE

P.136

- 137 Introduction
- 138 Implementation of Governance Guide
- 140 Group Corporate Governance Framework and Structure
- 145 Board of Directors
- 156 Board Committees
- 166 Executive Management
- 168 Internal Control Framework
- 175 External Auditor
- 176 Stakeholder and Investor Relations

07

FINANCIAL STATEMENTS

P.180

- 181 Directors' Report
- 182 Independent Auditor's Report to the Shareholders
- 187 Consolidated Statement of Profit or Loss
- 187 Consolidated Statement of Comprehensive Income
- 188 Consolidated Statement of Financial Position
- 190 Consolidated Statement of Changes in Equity
- 191 Consolidated Statement of Cash Flows
- 193 Notes to the Consolidated Financial Statements

08

APPENDICES

P.262

- 263 SCA Index
- 265 Reporting Boundary and Scope
- 267 Basis of Reporting
- 270 ESG Assurance Statement
- 272 Content Indices

01

EXECUTIVE SUMMARY

A leading integrated utility at the heart of UAE's energy ambitions



25 countries
with operations or assets



AED 95 billion
Regulated Asset Value



c. AED 395 billion²
Market Cap



AED 4.7 billion
Dividend for 2024



c. AED 217 billion³
Total Assets



AED 55.2 billion
Revenue in 2024

GENERATION



UAE + International  



56 GW
Operational and under construction power generation capacity⁴



61%
Renewable capacity as a share of gross generation capacity



1,250 MIGD¹
Operational and under construction gross water desalination capacity



41%
Reverse Osmosis as a share of gross desalination capacity

TRANSMISSION



UAE 



11,104 km
Power network



3,522 km
Water network

DISTRIBUTION



UAE 



83,917 km
Power network



15,371 km
Water network



1.1 million
End-user connections

WATER SOLUTIONS



UAE 



1.34 million m³/day
Wastewater treatment capacity



13,000 km
Wastewater network length

OIL AND GAS



International 



101.4 mboepd⁵
Production across Europe and North America

¹ Million Imperial Gallons per Day.

² Market cap data as end of December 2024, sourced from ADX.

³ As of end of December 2024.

⁴ Includes gross operational and under construction capacity for TAQA and Masdar and excludes 1 GW of captive power in Sohar. The capacity numbers are as of end of December 2024.

⁵ O&G production (excluding Iraq) as on end of December 2024 represented as Thousand Barrels of Oil Equivalents Per Day.

TAQA is uniquely positioned to be a leader in the global energy transition

LEADER IN THE UTILITIES SECTOR



1 One of the Largest Listed Integrated Utility Companies in EMEA

Assets of AED 217 billion as of December 2024

2 Vertically Integrated Across the Utilities Value Chain

Exclusive rights to Transmission, Distribution and Water Solutions*, and a minimum of 40% stake in generation projects in Abu Dhabi



SECURE CASH FLOWS



3 Highly Predictable and Secure Cash Flow

85% of EBITDA from regulated and contracted assets

4 Long-standing and Transparent Regulatory Framework

Governing Transmission, Distribution and Water Solutions⁶ businesses in Abu Dhabi



NATIONAL CHAMPION



5 Strong Abu Dhabi Ties and Fully Aligned with the 2030 Economic Vision

Majority (90%) owned by Abu Dhabi government

6 Aligned with the UAE Net Zero by 2050 strategic initiative

TAQA is helping to fulfil the UAE strategy of increasing the share of clean generation to 50% by 2050



⁶ Applicable to wastewater treatment except for select sewage treatment assets.

Financial performance in 2024 was underpinned by robust utilities business



REVENUE

AED 55.2 billion
+7% YoY



EBITDA⁷

AED 21.4 billion
+6% YoY⁸



NET INCOME⁹

AED 7.1 billion
+1% YoY⁸



CREDIT RATINGS

Aa3
Stable
MOODY'S



CAPEX

AED 9.2 billion
+64% YoY



FREE CASH FLOW¹⁰

AED 2.6 billion
-81% YoY



DIVIDEND

4.2 fils per share
+6% YoY

AA (up from AA-)
Stable
FitchRatings



Revenue growth driven by Transmission, Distribution, and Water Solutions' contribution



Transmission, Distribution, and Water Solutions businesses drove EBITDA growth (excluding one-offs)



Higher Depreciation and Amortisation led to slower net profit growth (excluding one-offs)



Free cash flow impacted by higher CAPEX and investments



Proposed Q4 2024 dividend of 2.1 fils/share, including variable dividend of 0.7 fils/share



Successful \$1.75 billion dual-tranche bond, including TAQA's second green issuance of \$850 million

⁷ EBITDA is defined as IFRS earnings before finance costs, interest income, income tax, depreciation, depletion and amortisation

⁸ Excluding one-offs

⁹ TAQA share

¹⁰ Operational cash flows before finance costs less investing cash flows

Maintained best in class operational performance in 2024

TRANSMISSION NETWORK AVAILABILITY



GENERATION COMMERCIAL AVAILABILITY



WATER SOLUTIONS ASSET AVAILABILITY¹¹



OIL AND GAS PRODUCTION¹²



¹¹ 2023 comparatives not included as TAQA Water Solutions was not part of TAQA in 2023

¹² Excluding Iraq

Key milestones achieved in 2024 towards our 2030 goals

GENERATION



EXPANDING PORTFOLIO REGIONALLY AND INTERNATIONALLY

- Commenced commercial operations of 200 MIGD Taweelah Reverse Osmosis plant, one of the world's largest.
- Achieved financial closure for Najim Cogeneration Company, that will supply up to 475 MW of electricity and 452 tonnes per hour of steam to a petrochemical complex located in Jubail in Saudi Arabia.
- Signed two 25-year PPAs¹³ with Saudi Power Procurement Company (SPPC) to develop two new greenfield power projects, with a combined capacity of 3.6 GW.
- **Masdar, became a truly global player in 2024, expanding its global footprint with acquisitions in the United States and across Europe – marking progress towards our ambition of achieving 100 GW of renewable energy generation capacity by 2030.**

TRANSMISSION AND DISTRIBUTION



ENSURING ENERGY SECURITY AND CONNECTING TO LOW CARBON POWER AND WATER GRID

- Announced the merger of Abu Dhabi Distribution Company (ADDC) and Al Ain Distribution Company (AADC) to form TAQA Distribution.
- Launched a new brand identity for its UAE operating companies.
- Achieved financial closure for Juranah Independent Strategic Water Reservoir Project, aimed at addressing emergency municipal water demand in the Makkah region.

OIL AND GAS



DELIVERING THE DECOMMISSIONING PROGRAM EFFECTIVELY

- Cessation of production of North Cormorant, Cormorant Alpha, Eider and Tern platforms, ending production in the UK's Northern North Sea.
- Ceased onshore gas production in Netherlands.
- Sale of stake in the Atrush oil field in the Kurdish Region of Iraq.

WATER SOLUTIONS



ADVANCING CIRCULAR ECONOMY FOR WATER

- TAQA expanding its capabilities across the water value chain, with the acquisition of SWS Holding, now TAQA Water Solutions.

¹³ Power Purchase Agreement

TAQA launched a new brand identity for its group of companies

In 2024 TAQA unveiled a new brand identity for its major UAE operating companies, marking a significant milestone in its transformation and growth.

This initiative aligns with TAQA's strategy to grow through delivering integrated power and water services in the UAE and internationally.



TAQA Distribution will operate as a single entity, to serve customers throughout the Emirate of Abu Dhabi.



TAQA also announced the rebranding of its other wholly owned operating companies in the UAE. Effective from the start of 2025:



Abu Dhabi Transmission and Despatch Company – TRANSCO – is now **TAQA Transmission**



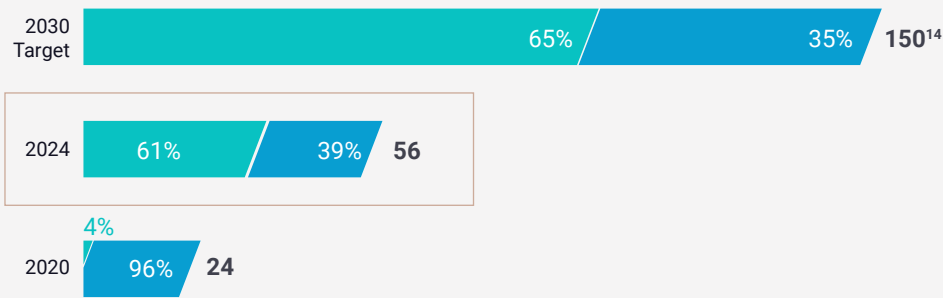
Sustainable Water Solutions Holdings – SWS Holdings – is now **TAQA Water Solutions**



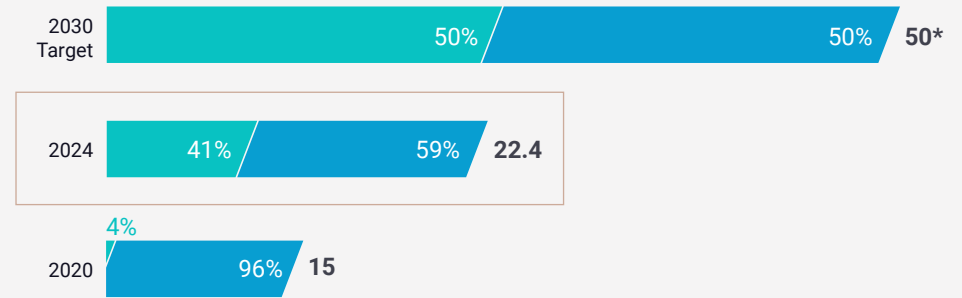
Abu Dhabi Energy Services – ADES – is now **TAQA Energy Services**

Staying on course with strong momentum to meet the 2030 strategy targets

56 GW of gross generation capacity as at 2024 year-end of which 61% is renewable ...

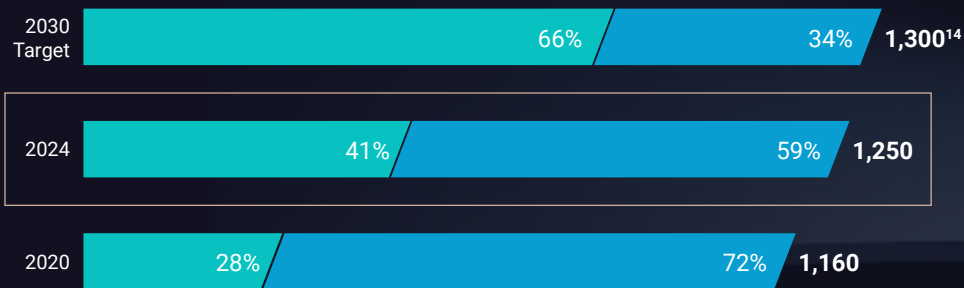


... and 22.4 GW net generation capacity as at 2024 year-end



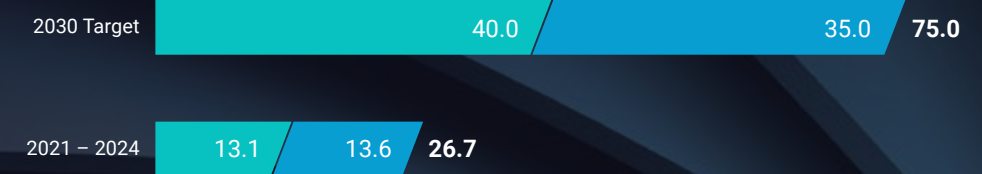
● Renewable ● Conventional

1,250 MIGD gross water generation capacity as at 2024 year-end



● Reverse Osmosis ● Conventional

Aggregate spend of AED 27 billion on utilities business to drive energy transition¹⁵



● Transmission and Distribution ● Generation

¹⁴ Adjusted for decommissioned capacity

¹⁵ Equity investment considered for Generation. Expenditure contributing to regulated asset base considered for Transmission and Distribution. Numbers for Water Solutions not included.
















Established as a leading ESG player in the region and in the energy sector globally

ESG RATINGS

 <p>2024 A</p> <hr/> <p>2020 CCC</p>	 <p>2024 18.1 (Low Risk)</p> <hr/> <p>2020 49.0 (Severe Risk)</p>
 <p>2024 B Climate Change B Water Security</p> <hr/> <p>2022 D Climate Change C Water Security</p>	 <p>2024 67 Percentile</p> <hr/> <p>2020 19 Percentile</p>



The Utilities for Net Zero Alliance (UNEZA), founded by TAQA, has grown to over 50 global members, committing over \$117 billion annually to grids and renewables in 2024. The alliance also endorsed the COP29 pledge to add or refurbish 80 million km of grids by 2040.

 <p>ENERGY AND GHG</p> <p>19%  reduction in scope 1 and 2 GHG compared to base year 2019</p> <p>12%  reduction in material scope 3 GHG compared to base year 2019</p> <p>37%  reduction in scope 1 and 2 GHG intensity based on revenue</p>	 <p>WATER</p> <p>11%  reduction in water distribution losses, compared to base year 2021</p> <p>17% share of recycled water out of total water (potable and recycled) distributed</p>	 <p>SAFETY</p> <p>41%  reduction in recordable injury rate compared to 2023¹⁶</p> <p>84%  reduction in volume of spills (uncontained) compared to 2023</p>
 <p>DIVERSITY</p> <p>27%  Women in Board up from 0% in 2022</p> <p>18%  Women in Management up from 16% in 2021</p>	 <p>COMMUNITY</p> <p>4.3x  increase in community investment compared to 2021</p>	 <p>GOVERNANCE</p> <p>Dedicated Board and Executive Management Committees for Sustainability</p> <p>>40% weightage for ESG aspects in the Group Scorecard</p> <p>ESG Integration in Capital Allocation Framework</p>

¹⁶ Regrettably, a fatal accident occurred at one of our distribution companies in August. An independent investigation was conducted to establish root causes, identify lessons learnt and develop the actions for implementation and improvement

02 OVERVIEW

- 11 **Chairman's Statement**
- 12 **Group CEO and Managing Director's Statement**
- 14 **About TAQA**
- 20 **Our Journey**
- 23 **Investment Case**
- 24 **Stakeholder Engagement**

CHAIRMAN'S STATEMENT

Over the past year, TAQA has taken significant strides in advancing its 2030 Strategy for Sustainable and Profitable Growth. Against a backdrop of geopolitical uncertainty and evolving macroeconomic factors, the company delivered robust financial and operational performance, reinforcing its position as a leading integrated utilities player.

A key development was the acquisition of SWS Holding (rebranded as TAQA Water Solutions), which has strengthened the company's capabilities across the water value chain by expanding into wastewater treatment and reuse, aligning with the UAE's focus on water security. This expansion also opens new opportunities for innovation in sustainability alongside continued focus on long-term resilience and growth.

As a key player in the UAE's energy transition, TAQA has been instrumental in supporting the nation's global climate leadership. The UAE Consensus secured in late 2023 at COP28 set ambitious targets for tripling renewables and doubling energy efficiency by 2030. TAQA's strategy and growth ambitions are very much aligned with those goals, with around 65% of the targeted 150 GW generation capacity by 2030 expected to come from renewable sources. Through Masdar, in which TAQA is the largest shareholder, it is already making significant progress towards the targets, through large scale investments made across Europe and Northern America in 2024.

In addition to renewables, TAQA continues to develop high-efficiency conventional power projects and strengthen its transmission and distribution networks.

The company's growth is also being fuelled by the capital raised through last year's successful dual-tranche bond issuance, including TAQA's second green bond, reflecting investors' confidence in its sustainability strategy. Additionally, the company demonstrated the resilience of its balance sheet as reaffirmed by the upgrade of TAQA's credit rating to 'AA' by Fitch.

As we move forward, TAQA remains committed to its growth strategy, ensuring a secure and reliable supply of power and water for the communities and industries it serves. At the same time, it remains focused on delivering long-term value to its shareholders, reinforcing TAQA's position as a leading global power and water company.

**H.E. MOHAMED
HASSAN ALSUWAIDI**
CHAIRMAN OF
THE BOARD OF
DIRECTORS



GROUP CEO AND MANAGING DIRECTOR'S STATEMENT

JASIM HUSAIN THABET
GROUP CEO AND
MANAGING DIRECTOR

Throughout 2024, TAQA remained focused on expanding its role as a fully integrated utilities company, while navigating a complex global landscape. The company's robust operational performance across its businesses delivered strong financial results and was supported by disciplined capital allocation and strategic acquisitions. As the company pursued its 2030 growth strategy it also continued to focus on driving improved ESG performance and enhancing efficiency.

A significant milestone was the merger of TAQA's distribution businesses, Abu Dhabi Distribution Company (ADDC) and Al Ain Distribution Company (AADC), brought together under the TAQA Distribution brand. This move increases efficiency across our portfolio, ensuring a more agile and responsive approach to customer needs.

To reinforce understanding of the scale and breadth of TAQA's integrated utility expertise, the company brought its wholly owned UAE operating companies under the TAQA name. The introduction of TAQA Transmission, TAQA Distribution, TAQA Water Solutions, and TAQA Energy Services showcases the company's role as a global leader in integrated utilities and sustainability and will support the next phase of our growth.

While TAQA expanded its capabilities in water value chain through acquisition of SWS Holding (now TAQA Water Solutions) and enhanced the brand, it remained focused on advancing towards 2030 growth targets. Successful commissioning of the Taweelah Reverse Osmosis Independent Water Plant highlights the company's focus on its 2030 target of achieving two third of desalination

capacity by reverse osmosis. With a capacity of more than 200 million imperial gallons per day (MIGD), this plant is now one of the world's largest reverse osmosis plants and it exemplifies our commitment to sustainable water production.

In line with TAQA's growth strategy, TAQA's generation business expanded its footprint internationally.

In partnership with JERA, we achieved financial close of a cogeneration plant in Saudi Arabia, to support a petrochemical complex with efficient power and steam generation. Further solidifying its presence in the Kingdom, TAQA also secured two long-term power purchase agreements (PPAs) for around 3.6 GW of new high-efficiency gas fired capacity.



GROUP CEO AND MANAGING DIRECTOR'S STATEMENT

Through Masdar, TAQA significantly expanded its renewables portfolio, with major acquisitions across Europe and North America. Key acquisitions included a 50% stake in Terra-Gen, strengthening the position in the U.S. renewables market. In Europe, Masdar completed three key acquisitions, namely Saeta, Terna Energy and a portion of Endesa's solar assets, enhancing its presence in the continent.

While TAQA continues to grow its generation portfolio internationally, we continued to make progress on our transmission projects locally and internationally, including the achievement of financial close for the Juranah strategic water reservoir project in Saudi Arabia, which will address emergency water demand, especially during Hajj season in Makkah.

Consistent with our strategy to focus on our utility business whilst supporting today's energy needs, TAQA's Oil and Gas segment saw a planned reduction in production and progress with the responsible decommissioning of offshore North Sea platforms.

Alongside the operational and strategic achievements, TAQA delivered strong financial results, driven by the resilience of the core businesses and rigorous focus on disciplined capital allocation. TAQA's increased capital expenditure reflects higher investment in critical power and water infrastructure, including expanding desalination capacity and enhancing transmission networks. Our financial strength was recognised by Fitch's credit rating upgrade to 'AA' whilst the ongoing improvement in the company's ESG performance was highlighted by MSCI upgrading TAQA's rating to 'A'.

Looking ahead, TAQA remains committed to operational excellence, innovation, and sustainable growth. By focusing on energy security and our commitment to championing low carbon power and water, the company will continue to deliver long-term value to our shareholders while supporting the ambitious global energy and climate goals.

ABOUT TAQA

GRI 2-1, 2-6

POWERING A SUSTAINABLE FUTURE

Abu Dhabi National Energy Company PJSC, more widely known as TAQA is on a journey to become a champion of low carbon power and water that is transforming the sector in Abu Dhabi and beyond.

As a fully integrated and diversified utilities, energy, and water solutions group, TAQA creates value through generation, transmission and distribution of power and water, wastewater collection and treatment, and upstream and midstream oil and gas operations.

TAQA plays a crucial role in supplying essential resources to millions of customers, contributing significantly to the economic development of the UAE and other national economies. In the UAE, the Group's extensive infrastructure supports the power and water needs of Abu Dhabi and the Northern Emirates, playing an integral part in its energy value chain and leading the transformation of the sector.



ABOUT TAQA

A LEADING EMEA ENERGY AND UTILITIES BUSINESS

Listed on the Abu Dhabi Securities Exchange (ADX: TAQA), TAQA is a leading integrated utility in the EMEA region and one of the largest in the world by market capitalisation. Headquartered in Abu Dhabi¹, TAQA owns or manages assets in 25 countries².

TAQA's major shareholders include Abu Dhabi Power Corporation (ADPower)³, a wholly owned subsidiary of Abu Dhabi Developmental Holding Company (ADQ), which holds 90.03% of its share capital, and Multiply Group, an ADX-listed company, that owns 7.29%. The Company benefits from exclusive transmission and distribution rights across the Emirate of Abu Dhabi, and supplies power and water

generated from its facilities to the UAE's Northern Emirates through its transmission assets. Additionally, TAQA has the right to participate with a minimum 40% stake in power and water generation projects tendered by Emirates Water and Electricity Company (EWEC), the sole procurer of power and water within the Emirate of Abu Dhabi.

¹ TAQA was established in June 2005 pursuant to the provisions of Emiri Decree (16) of 2005 as a public joint stock company under the laws of the UAE. In August 2005, TAQA's shares were listed on the Abu Dhabi Securities Exchange (ADX). TAQA's registered head office is on the 25th floor, Al Maqam Tower, Abu Dhabi Global Market Square, PO Box 55224, Abu Dhabi, UAE.

² Inclusive of both operational and under construction projects by TAQA and Masdar.

³ ADPower is the previous owner of the Transmission and Distribution business in the UAE as well as some of the generation assets currently owned by TAQA.



The businesses of the Group have a predominantly regulated or contracted profile, largely derived from the generation, transmission, distribution, and wastewater treatment assets, which helps to ensure stable and predictable cash flows. Approximately 90% of the company's revenue is generated from regulated and contracted sources, providing significant visibility and confidence in its future performance.

TAQA's financial strength is recognised in its credit ratings, achieving one of the highest ratings within the global utilities industry⁴. The company is committed to maintaining a standalone investment grade rating, demonstrating strong financial stewardship.

TAQA continues to take significant steps to enhance its sustainability impact and is one of the few major energy players in the region that has committed to achieving an absolute reduction in greenhouse gas (GHG) emissions. This has been recognised by leading rating agencies in TAQA's rapidly improving ESG ratings. Furthermore, the company continues to be a leader in terms of adopting governance best practices, including active and transparent engagement with investors and other stakeholders.

⁴ TAQA is rated AA by Fitch and Aa3 by Moody's

ABOUT TAQA

PURPOSE, VISION, MISSION, AND VALUES



PURPOSE

Powering a thriving future by efficiently providing sustainable and reliable energy and water to unleash the unlimited potential of people and places.



VISION

To provide the clean power and water that governments, businesses, and consumers need for a sustainable and successful life.



MISSION

To be a low carbon power and water champion.

VALUES

01

Safe
We put safety above all else.

02

Sustainable
We do what is right for our environment, community, and people.

03

Collaborative
We are stronger together.

04

Innovative
We seek creative ways to deliver results.

05

Excellence
We strive for exceptional performance.



TO BE A LOW CARBON POWER AND WATER CHAMPION.



ABOUT TAQA

OUR BUSINESS

25 COUNTRIES¹



GENERATION

POWER - 56 GW²

58% Renewables³

38% Gas

4% Coal

WATER - 1,250 MIGD²

41% Reverse Osmosis

59% Thermal



TRANSMISSION

NETWORK LENGTH - 14,626 KM

76% Power

24% Water



DISTRIBUTION

NETWORK LENGTH - 99,288 KM

85% Power

15% Water

END USER CONNECTIONS - 1.1 MILLION



WATER SOLUTIONS

1.34 Million m³/day Capacity

13,000 km Wastewater Network



OIL AND GAS

PRODUCTION - 101.4 mboepd

61% Natural Gas

28% Oil

11% Natural Gas Liquids



Includes Generation (Power and Water), Transmission, Distribution, and Water Solutions



Countries with TAQA presence (excluding Masdar):

- Canada
- Ghana
- India
- Morocco
- Netherlands
- Oman
- Saudi Arabia
- UAE
- UK
- USA



Additional Countries with Masdar presence:

- Armenia
- Azerbaijan
- Germany
- Greece
- Egypt
- Jordan
- Indonesia
- Montenegro
- Poland
- Portugal
- Senegal
- Serbia
- South Africa
- Spain
- Uzbekistan

¹ Including the countries with operational and under construction projects of TAQA and Masdar.

² Gross Capacity of Operational and Under Construction projects.

³ 92% Masdar, 8% TAQA.

ABOUT TAQA



GENERATION

TAQA Generation covers conventional and renewable power generation across the UAE and internationally, in addition to water desalination in the UAE.

TAQA participates in renewable energy projects through its 43% shareholding in Masdar, Abu Dhabi's execution arm for domestic and international renewable energy ambitions.



TRANSMISSION

TAQA Transmission (formerly TRANSCO i.e. Abu Dhabi Transmission and Despatch Company) plans, owns, operates, and maintains power and water transmission networks in Abu Dhabi and the Northern Emirates, connecting generation plants to TAQA Distribution and other customers across the UAE.



DISTRIBUTION

TAQA Distribution, a recently unified entity following the merger of Abu Dhabi Distribution Company (ADDC) and Al Ain Distribution Company (AADC), is responsible for planning, owning, operating and maintaining the power and water (including recycled water) distribution networks across the Emirate of Abu Dhabi. TAQA Distribution has a direct relationship with all its customers throughout the Emirate of Abu Dhabi.

TAQA Energy Services, formerly Abu Dhabi Energy Services (ADES), is the Super ESCO (energy services company) for the Emirate of Abu Dhabi responsible for retrofitting government and commercial buildings by identifying, sourcing, and funding solutions that deliver tangible reductions in electricity and water consumption.



WATER SOLUTIONS

TAQA Water Solutions (Sustainable Water Solutions Holding Company i.e. SWS Holding) joined TAQA in September 2024 and is a leading company specialising in sustainable water solutions, owning, operating, and maintaining wastewater collection networks and treatment assets in the Emirate of Abu Dhabi.



OIL AND GAS

TAQA's Oil and Gas business includes production, processing and sale of oil and natural gas in Canada, UK and Netherlands. TAQA also operates gas storage facilities in the Netherlands and is progressing the decommissioning of its offshore installation in the UK.

ABOUT TAQA

UNIFIED BRAND IDENTITY TOWARDS ONE TAQA

In 2024, TAQA unveiled a new brand identity for its major UAE operating companies and integrated Abu Dhabi's water solutions company into its portfolio, marking a significant milestone in its transformation and growth. These initiatives align with TAQA's strategy to expand its footprint by delivering integrated power and water services in the UAE and internationally.



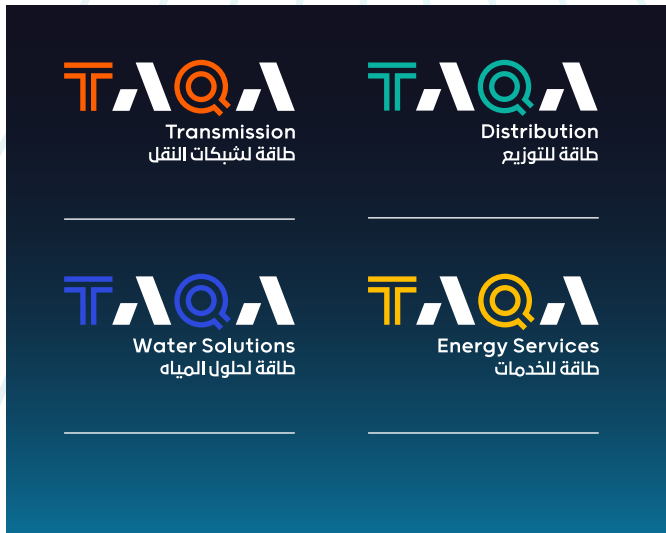
As part of the rebranding, TAQA announced the merger of Abu Dhabi Distribution Company (ADDC) and Al Ain Distribution Company (AADC) under a unified brand, TAQA Distribution. Operating as a single entity, the new company will serve customers throughout the Emirate of Abu Dhabi.

TAQA also announced the rebranding of its other wholly owned operating companies in the UAE. Effective from the start of 2025:

Abu Dhabi Transmission and Despatch Company – TRANSCO – is now **TAQA Transmission**

Sustainable Water Solutions Holdings – SWS Holdings – is now **TAQA Water Solutions**

Abu Dhabi Energy Services – ADES – is now **TAQA Energy Services**



These changes reinforce TAQA's position as a fully integrated utilities leader, driving innovation and efficiency while covering the entire utility value chain.

This new brand structure is designed to enhance awareness and understanding of TAQA's extensive utility operations, supporting the company's next phase of growth, and solidifying its position as a national champion of the UAE.

OUR JOURNEY

2005

- Established following the privatisation of Abu Dhabi's power and water sector, TAQA was listed on the Abu Dhabi Stock Exchange.

2006-2008

- Expanded operations to the UK, North America and the Netherlands in the oil and gas sector.

2007

- Expanded power generation portfolio into Ghana, India, Morocco, and Saudi Arabia.

2010

- Acquired 40% interest in Sohar Aluminium Company in Oman.

2013

- Acquired interests in oil and gas assets in the central North Sea.

2019

- Noor Abu Dhabi solar plant (acquired from ADPower in 2020) began operations.

2020

- Abu Dhabi Energy Services (ADES) was launched.
- Acquired assets from AD Power, establishing TAQA as one of the largest utilities in EMEA.
- Moody's upgraded issuer ratings to Aa3 from A3 and standalone rating to Baa1, whereas Fitch upgraded issuer ratings to AA- from A and standalone rating to BBB+.
- Achieved financial close of Fujairah F3, an independent gas-fired power plant utilising what is expected to be one of the most efficient combined cycle turbine technologies in the region.
- Announced major expansion of recycled water distribution programme.
- Al Dhafra solar photovoltaic (PV), one of the world's largest single-site solar plant reached financial closure.
- Announced new dividend policy, making TAQA the first company in the UAE to pay dividends on a quarterly basis.

2021

- Launched 2030 Strategy for sustainable and profitable growth.
- Agreement reached with partners to develop a power and water cogeneration project for Tanajib oil complex in Saudi Arabia.
- Announced partnership with Abu Dhabi National Oil Company (ADNOC) to decarbonise their offshore production operations.

2022

- Priced the first project-specific green bond, linked to Sweihan solar PV plant.
- Launched 2030 ESG Strategy, including setting greenhouse gas (GHG) reduction targets.
- Completed transaction to become the leading shareholder in Masdar.
- TAQA and ADNOC announced financial closure for a project to connect ADNOC's offshore facilities to Abu Dhabi's onshore grid, supporting ADNOC's decarbonisation efforts.
- Launched the World Utilities Congress, an annual platform for convening global leaders and industry experts from the utilities sector.

2023

- Launched Green Finance Framework and issued first corporate green bond of \$1 billion.
- Invested in Xlinks, a project to lay one of the world's longest subsea high voltage direct current (HVDC) cables to connect clean energy from Morocco with the UK's grid.
- ADNOC and TAQA announced project for sustainable water supply to ADNOC's onshore operations.
- Masdar issued its inaugural green bond, raising \$750 million.
- Achieved financial close for Mirfa 2 and Shuweihat 4 reverse osmosis plants.
- Al Dhafra solar PV plant was inaugurated.
- Launched Utilities for Net Zero Alliance (UNEZA)⁵ during COP28.

2024

⁵ Utilities for Net Zero Alliance

OUR JOURNEY

YEAR IN REVIEW 2024

January

Launched global “Future of Utilities” study with Bloomberg Media.

March

Taweelah Reverse Osmosis Independent Water Plant (IWP), one of the world’s largest and most efficient operational desalination plants with a capacity of around 200 Million Imperial Gallons per Day (MIGD), commenced full commercial operations.

ADES (now TAQA Energy Services) completed a comprehensive building retrofit project for the Department of Culture and Tourism – Abu Dhabi (DCT Abu Dhabi), which comprised seven of Abu Dhabi’s most treasured heritage and cultural landmarks.

Tern Platform in Northern North Sea, operated by TAQA Bratani reached cessation of production.

June

TAQA, Vision Invest and GIC consortium announced the financial closing for Juranah independent strategic water reservoir project in Makkah, Saudi Arabia.

Fitch Ratings upgraded TAQA’s credit rating to ‘AA’ with stable outlook.

North Cormorant Platform in Northern North Sea, operated by TAQA Bratani, reached cessation of production.

February

Masdar completed its acquisition of a 49% shareholding in the 3 gigawatt (GW) Dogger Bank South (DBS) project in the UK – one of the world’s largest planned offshore wind farms.



April

Launched UNEZA Roadmap to 2030 at International Renewable Energy Agency (IRENA) assembly in Abu Dhabi, in which members target a total increase of renewable energy capacity by 2.5 times within their portfolios to reach 750 GW by 2030.



Released TAQA’s first Green Bond Report (with third party assurance), outlining the allocation and impact of \$1 billion inaugural green bond.

July

ADES (now TAQA Energy Services) announced the commencement of a 9 MW solar PV project (distributed generation) for the United Arab Emirates University, the largest solar energy initiative in the UAE’s education sector.



Masdar raised \$1 billion through its second green bond to fund new global renewables projects.

August

Completed the sale of stake in the Atrush oil field in the Kurdistan Region of Iraq.

TAQA and Japan’s largest power generation company (JERA) announced financial closing of Saudi Aramco Total Refining and Petrochemical Company’s (SATORP) strategic expansion industrial steam and electricity cogeneration plant in Saudi Arabia.



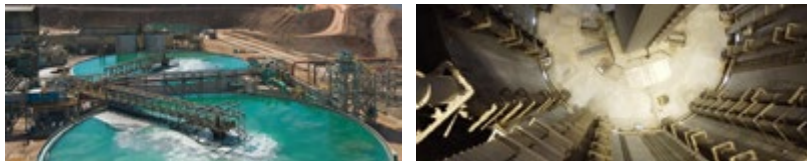
OUR JOURNEY

YEAR IN REVIEW 2024 (CONTINUED)

September

UNEZA members published a statement at New York Climate Week 2024, announcing a joint intent to invest more than \$117 billion per year in clean power generation and power system grid infrastructure globally in the coming years.

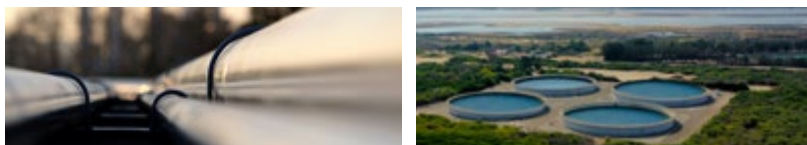
Completed the 100% acquisition of SWS Holding (now TAQA Water Solutions) the sole entity responsible for wastewater collection and treatment as well as production of recycled water in the Emirate of Abu Dhabi.



Hosted the World Utilities Congress in Abu Dhabi, showcasing leadership in supporting the UAE's goal of achieving Net Zero by 2050.

Announced the merger of ADDC and AADC to become 'TAQA Distribution' (effective from January 2025), with the scale and capability to better serve customers in the Emirate of Abu Dhabi.

Launched new brand identity for UAE owned and operating companies, introducing TAQA Distribution, TAQA Transmission, TAQA Water Solutions, and TAQA Energy Services.



Masdar, EDF Renewables and Korea Western Power (KOWEPO), announced the successful financial closing of the 1.5 GW Al Ajban solar PV Independent Power Producer (IPP) project in the Emirate of Abu Dhabi.

Cormorant Alpha Platform in Northern North Sea, operated by TAQA Bratani, reached cessation of production.

October

Announced the successful pricing of an aggregate \$1.75 billion in 7-year (\$900 million) and 12-year (\$850 million green bond) dual-tranche senior unsecured notes.

Masdar completed the acquisition of a 50% stake in Terra-Gen Power Holdings II, one of the largest independent renewable energy producers in the US, from Energy Capital Partners.



November

Masdar completed the acquisition of 70% of the outstanding shares in Terna Energy, enhancing its renewable energy portfolio in Greece and the EU.



TAQA, JERA and Al Bawani consortium signed two 25-year Power Purchase Agreements (PPA) with Saudi Power Procurement Company to develop Rumah2 IPP and Al Nairyah2 IPP, two greenfield combined cycle highly efficient gas power plants for a combined generation capacity of 3.6 GW.

Ceased onshore gas production in the Netherlands, in the Dutch Alkmaar region.

UNEZA endorsed commitments of governments and international stakeholders made at COP29 to increase power system storage capacity six-fold by 2030 and add or refurbish 80 million kilometers of grids by 2040.

December

Commenced commercial operations of 500 MW Zarafshan (Uzbekistan) wind farm, Central Asia's largest wind energy installation, developed by Masdar.

Masdar completed transaction with Brookfield Renewable for the acquisition of 100% stake in Saeta Yield, which includes an operating and regulated portfolio of approximately 745 MW of onshore wind and solar assets and 1.6 GW of development pipeline across Spain and Portugal.

Masdar completed acquisition of 49.99% stake of all of Endesa's operational photovoltaic assets in Spain.

INVESTMENT CASE

As a leading integrated utility provider in Europe, the Middle East, and Africa, TAQA is well-positioned to take a prominent role in the ongoing global energy transition. During 2024, the company achieved key strategic, financial, and operational objectives, while also forging new partnerships and enhancing its ESG credentials.



ABU DHABI'S INTEGRATED UTILITY WIDENING ITS GLOBAL FOOTPRINT

Fully integrated utility providing end-to-end services from generation of power and water, **ensuring their delivery to end consumers and treatment of wastewater** in Abu Dhabi.

Exclusive transmission and distribution (power and water) **rights** in Abu Dhabi and transmission rights in Northern Emirates.

Rights to participate for a minimum of **40% stake in all EWEC generation projects**.

TAQA's position as **Abu Dhabi's integrated utility reinforced** with the acquisition of SWS Holding (now TAQA Water Solutions).

Assets of **AED 217 billion** as of end of December 2024.

Global footprint continues to expand, reaching **25 countries** as both TAQA and Masdar enhance their international presence.

113,914 km of electricity and water networks and **over 1.11 million** end user connections.

101.4 mboed (thousand barrels of oil equivalent per day) production of which **61%** is natural gas.



STRONG PROGRESS TOWARDS 2030 CORPORATE STRATEGY TARGETS

55.75 GW gross power generation capacity and **22.41 GW** net capacity at end of 2024 compared to targets of 150 GW and 50 GW by 2030, respectively.

Share of renewable energy at 60.7%, based on gross capacity, versus target of 65% by 2030.

41.1% of water generation capacity based on reverse osmosis (RO) technology at the end of 2024 against the 2030 target of 66%.

AED 13.1 billion investment⁶ in transmission and distribution business during 2021 to 2024, targeting an aggregate capex of AED 40 billion by 2030.

AED 13.6 billion invested⁷ in Generation business during 2021 to 2024, targeting an aggregate capex spending of AED 35 billion by 2030, which includes AED 40 billion investment in Masdar to support its growth.

Aggregate **scope 1 & 2 GHG emission reduction of 19%** by the end of 2024, from 2019 base year, targeting 25% reduction by 2030.



FORTIFYING TAQA'S FINANCIAL POSITION

2024 witnessed a continuation of the healthy growth trend from previous years: excluding one-off items, **revenues, EBITDA⁸ and net income grew by 7%, 6% and 1% year-on-year (YoY), respectively**.

Addition of **TAQA Water Solutions** raises the share of **contracted and regulated revenues to 90%** of the Group's top line, enhancing visibility and predictability.

Fitch Ratings raised TAQA's rating to AA, aligning it with the Sovereign rating.

Successfully completed a dual-tranche, **\$1.75 billion bond issuance** through its first intra-day transaction, reflecting strong investor interest in the company.

Over 85% of EBITDA from regulated and contracted businesses.

Net debt-to-EBITDA ratio of 2.6, which continues to provide ample borrowing capacity to fund growth, while maintaining standalone investment grade rating.



ENHANCING ESG CREDENTIALS

ESG forms a key part of the Group's strategy, corporate scorecard and executive management's compensation-linked Key Performance Indicators (KPI).

MSCI raised TAQA's ESG rating to "A," compared to "CCC" in 2020, and the **Sustainalytics rating improved to "Low Risk"** category, compared to "Severe Risk" in 2020.

19% reduction in Scope 1 & 2 GHG emissions in absolute terms and 37% reduction in revenue-based intensity in 2024 compared to base year 2019.

12% reduction in material categories of **scope 3 GHG emissions** in 2024 compared to base year 2019.

Established **dedicated Board and Executive Management level committees for sustainability**.

Three new female Board Members were appointed, raising the share of female representation on the Board to **27%**. The share of Board seats occupied by **independent members increased to 82%, compared to 67%** in 2021.

⁶ Expenditure that will directly contribute to Regulated Asset Base

⁷ Equity investment

⁸ Starting in Q3 2024, the Group transitioned from using 'Adjusted EBITDA' to a clean definition. EBITDA is defined as IFRS (International Financial Reporting Standards) earnings before finance costs, interest income, income tax, depreciation, depletion and amortisation.

STAKEHOLDER ENGAGEMENT

GRI 2-28, 2-29

TAQA’s global operations and strategic importance expose the company to a diverse range of stakeholder expectations. The company prioritises active dialogue to understand stakeholder concerns, gather feedback, and integrate these perspectives into its decision-making processes.

To enhance the effectiveness of its engagement, TAQA employs structured methods such as surveys, regular meetings, industry forums, and participation in global and regional events. These activities align the company with stakeholder expectations and reinforce its role as a responsible corporate citizen.

TAQA’s Executive Management actively engages with stakeholders, regularly reviewing progress and participating in key interactions.



STAKEHOLDER GROUP	Key Customers and Off-taker	Partners, Peers, and Suppliers	Governments and Regulators	Capital Markets
ENGAGEMENT OBJECTIVES	Provide clarity on and confidence in TAQA’s strategic roadmap and long-term vision. Provide electricity and water in a safe and reliable manner. Identify opportunities to collaborate on innovative solutions, services, and products.	Explore joint initiatives to improve operational efficiency and create shared value. Align on potential joint-initiatives to decarbonise the value chain.	Ensure alignment and compliance with regulations, policies, and national strategic direction. Engage in partnerships and industry events (e.g., global summits, conferences) to enhance TAQA’s visibility and influence.	Disclose information transparently and comply with stock-market listing requirements. Build awareness and understanding of TAQA’s business strategy, initiatives, and achievements.
TAQA OWNERS	Businesses	Strategy, M&A, Businesses (Business Development, Supply Chain)	Strategy, Legal, Communications, Businesses, Risk	Investor Relations, Treasury, Strategy, Legal

CONTINUED

STAKEHOLDER ENGAGEMENT



STAKEHOLDER GROUP

Shareholders and Investors

Creditors and Insurers

Rating Agencies

Reporting Standards/Bodies

Local communities and NGOs

Media

ENGAGEMENT OBJECTIVES

Inform regularly about progress on key strategic roadmaps and initiatives.

Build awareness and understanding of TAQA's efforts and identify opportunities for improvement, differentiation and innovation within business operations.

Provide timely disclosure and updates of required information to inspire confidence in TAQA's progress and resilience.

Seek competitive financing and insurance for major projects and initiatives.

Increase understanding of methodology and requirements of ratings.

Share latest disclosures to be reflected in ratings; aim to improve ratings.

Understand requirements for disclosure including timelines, format, etc.

Seek support to complete questionnaires/ submission requirements.

Demonstrate TAQA's commitment to the communities it serves and contribute positively to issues of shared importance.

Engage with communities to understand their needs and tailor community investment efforts effectively.

Build awareness and understanding of TAQA's strategy and business activity, highlighting its commitment to delivering sustainable value across all areas of business.

Share accurate, up-to-date information to facilitate balance and informed media coverage.

TAQA OWNERS

Investor Relations, Strategy

Treasury, Investor Relations, Businesses

Treasury, Investor Relations, Strategy

Finance, Strategy

Communications, Businesses

Communications

“ 2024 has been a year of remarkable milestones and historical achievements for TAQA. We began the year with the launch of theFuture of Utilities Study in collaboration with Bloomberg Media, delivering a blueprint for innovation and progress within the utilities sector.

Among the standout moments included sponsoring the UAE Paralympics team on their journey to Paris and hosting the third edition of the World Utilities Congress, where we announced the unification of Abu Dhabi and Al Ain distribution companies under the new TAQA Distribution brand. The successful merger and rebrand of our operating companies reinforce the scale of TAQA's ambitions and prepares us for the next phase of our growth journey.

Through our work, we are ensuring that our vision, achievements, and commitments resonate with our people, partners, and communities - now and for generations to come.



GARETH WYNN,
CHIEF COMMUNICATIONS
OFFICER



STAKEHOLDER ENGAGEMENT

MEMBERSHIPS AND ASSOCIATIONS

	<p>Founding Member of the Utilities for Net Zero Alliance</p>		
	<p>Founding member of IRENA Alliance for Industry Decarbonisation</p>		<p>Member of International Desalination and Repurpose Association</p>
	<p>Signatory of Abu Dhabi Global Market's Sustainable Finance Declaration</p>		<p>Signatory of UAE Climate-Responsible Companies Pledge</p>
	<p>Member of Abu Dhabi Climate Change Task Force</p>		<p>Founding Partner of HUB71+ CLIMATETECH</p>
	<p>Member of The Chief Sustainability Officers Network</p>		<p>Founding member of UAE Carbon Alliance</p>
	<p>Associate Member of World Economic Forum</p>		<p>Member of Abu Dhabi Sustainability Group Alliance</p>
	<p>Member of UN Global Compact</p>		<p>Member of the Dynamo Energy Hub</p>

STAKEHOLDER ENGAGEMENT

KEY EVENTS

Below is a snapshot of key events TAQA participated in throughout 2024:



World Economic Forum - Annual Meeting Davos 2024

WORLD
ECONOMIC
FORUM



World Utilities Congress (hosted by TAQA)

World Utilities
Congress



Water, Energy, Technology, and Environment Exhibition (WETEX)

WETEX



CERA Week 2024

CERAWEEK[™]
by S&P Global



Conference of Parties (COP) 29

CONFERENCE OF PARTIES
COP29



International Desalination and Reuse Association (IDRA)

IDRA
International Desalination and Reuse Association



World Future Energy Summit (WFES)

WORLD FUTURE
ENERGY SUMMIT



International Renewable Energy Agency (IRENA) Assembly

IRENA
International Renewable Energy Agency



New York Climate Week

CLIMATE WEEK NYC
CLIMATE GROUP



UTILITIES FOR NET ZERO ALLIANCE (UNEZA)



55
Total members and partners with IRENA as Alliance Secretariat host

UNEZA (Utilities for Net Zero Alliance) was launched at COP28 through the [UAE Declaration of Action](#).

This Alliance unites a global community of 55 utilities, power suppliers and ecosystem partners (growing from 25 at the time of launch), with the aim of spearheading the development of grids that are ready for renewable energy, promoting clean energy solutions, and advancing electrification efforts. UNEZA operates under the guidance of the International Renewable Energy Agency (IRENA) and the UN Climate Change High-Level Champions, ensuring a focused and strategic approach to achieving a sustainable energy future. TAQA is a founding member and currently the Co-Chair of UNEZA.

INSTITUTIONAL PARTNERS		
INDUSTRY MEMBERS	      	
	        	
	        	
	        	
	     	
ECO SYSTEM SUPPORT PARTNERS	         	



UTILITIES FOR NET ZERO ALLIANCE (UNEZA)

ROUNDUP OF ACTIVITIES PERFORMED BY UNEZA IN 2024



IRENA Ministerial Roundtable on "Infrastructure for the Energy Transition," April 2024

UNEZA leaders emphasised the urgent need to modernise energy infrastructure and drive global cooperation to accelerate the deployment of renewables and achieve decarbonisation targets.

The alliance members collectively reaffirm their commitment to increase their combined renewable energy capacity to 750 GW by 2030, close to 2.5 times the current joint capacity.

UNEZA's roadmap, action plan and governance structure were unveiled during April to May.



IRENA 27th Council Meeting, June 2024

UNEZA participated in the session "Industry-Driven Partnerships for Accelerated Energy Transition," where members discussed how utility sector partnerships can support national decarbonisation goals and enhance grid infrastructure to accelerate the global energy transition.



World Utilities Congress 2024, September 2024

UNEZA convened a Leadership Panel bringing together senior executives from across the energy sector to discuss the critical role utilities play in driving the global energy transition. Key topics included scaling grid infrastructure, advancing clean energy initiatives, and the need for cross-sector collaboration to meet ambitious climate goals.



Climate Week New York, September 2024

UNEZA announced a joint intent to invest more than \$117 per year in clean power generation and power system grid infrastructure globally in the coming years.

The Alliance hosted two impactful events, focusing on accelerating large grid infrastructure projects and strengthening supply chains for renewable energy. These sessions brought together key stakeholders to address critical challenges, drive investments, and promote global collaboration for a resilient, net-zero energy future. The number of members increased to 39.



COP29 Pledge

UNEZA endorsed commitments of governments and international stakeholders made at COP29 to increase power system storage capacity six-fold by 2030 and add or refurbish 80 million kilometers of grids by 2040.

This pledge aims to triple renewable energy capacity and drive the global energy transition, emphasising the need for streamlined permitting, robust supply chains, and regulatory support.

For more details, visit the [UNEZA website](#).

03 OUR STRATEGY

- 31 Corporate Strategy
- 33 Key Milestones
- 40 Innovation, Digital and Artificial Intelligence

CORPORATE STRATEGY

Sustainability and decarbonisation are at the heart of TAQA’s Strategy. Built on strong foundational pillars, the Strategy focuses on delivering value to stakeholders while ensuring access to essential energy and water for the communities TAQA serves.

In 2021, TAQA unveiled its 2030 vision for sustainable and profitable growth, introducing a Corporate Strategy centred on accelerating the energy transition and establishing TAQA as a leader in low-carbon power and water. The strategy set bold targets for power and water generation, enhancing operational efficiencies, alongside significant investments in transmission, and distribution networks and infrastructure.

In 2023, TAQA reaffirmed its commitment by announcing more ambitious growth targets and increased investments. These new ambitions build on the momentum of recent years, driven by optimised operations and strategic partnerships, including the notable acquisition of a leading stake in Masdar.

TAQA’s 2030 corporate strategy is anchored on two key priorities: optimising the portfolio and driving growth.

OPTIMISATION

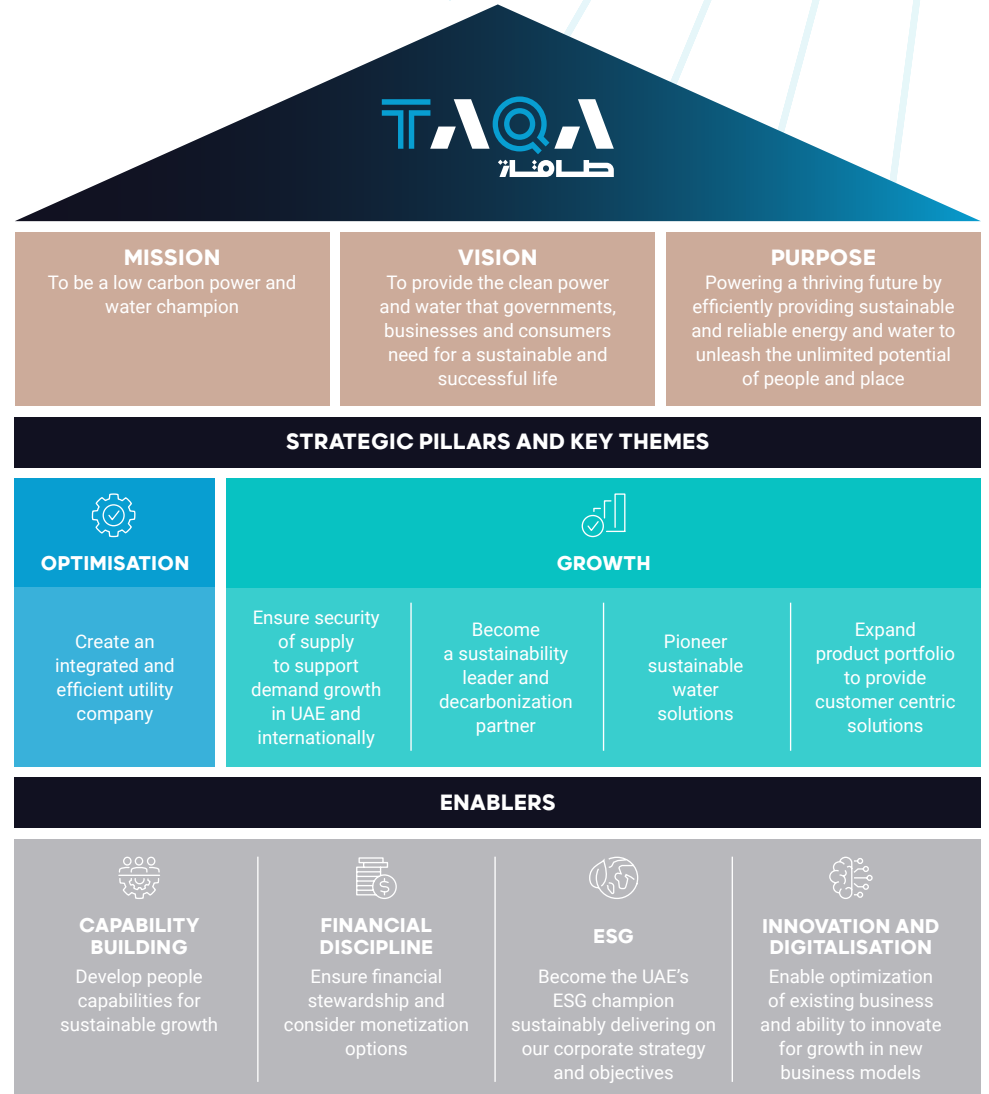
Optimisation focuses on creating an integrated and efficient utility company.

GROWTH

Growth centres on:

- Delivering the 2030 targets for power and water generation capacity and networks
- Delivering the target share of renewable power generation and RO desalination to support our drive to lower GHG emissions
- Delivering sustainable water solutions

These objectives are enabled by four levers – capability building, financial discipline, ESG, and finally innovation and digitisation.



CORPORATE STRATEGY

KEY 2030 TARGETS



150 GW of gross power generation capacity⁹

- 65% of renewables.
- TAQA 50 GW, Masdar 100 GW.
- Net capacity of 50 GW (50% renewables).



1,300 MIGD gross water generation capacity¹⁰

- 2/3 contribution from RO technology.



Aggregate spend of AED 75 billion

- Grids: AED 40 billion¹¹.
- Generation AED 35 billion¹² (55% renewables, 41% gas, 4% water).
- Over 80% of spending towards energy transition.



Net-zero by 2050 and 25% absolute reduction in scope 1 & 2 GHG emissions compared to 2019, with 33% reduction in UAE



Reduce the share of oil production in the Oil and Gas product portfolio



Maintain standalone investment grade rating

PROGRESS AT END OF 2024

56 GW¹³ of gross power generation capacity

- 61% of renewables.
- TAQA 25 GW, Masdar 31 GW.
- Net capacity of 22 GW (41% renewables).

1,250 MIGD gross water generation capacity

- 41% from RO technology.

Aggregate spend of AED 26.7¹⁴ billion

- Grids: AED 13.1 billion.
- Generation AED 13.6 billion (96.8% renewables, 1.5% gas, 1.7% water).
- 99% of spending towards energy transition¹⁵.

19% absolute reduction in scope 1 & 2 GHG emissions compared to base year 2019, 27% in the UAE

Share of oil in the O&G portfolio reduced to 30% in 2024, down from 44% in 2020¹⁶

Aa3 by Moody's, AA by Fitch, 10% liquidity (as % of total assets) and net leverage of 2.6

“ Guided by a commitment to sustainability, innovation and strategic growth, 2024 has been a significant year of progress for TAQA.

At the IRENA Assembly, UNEZA launched its Roadmap to 2030, outlining its plans to support the development of reliable and flexible grid infrastructure. Later, at New York Climate Week, members reinforced their commitment by publishing a joint statement announcing their intent to invest more than \$117 billion per year in clean power generation and power system grid infrastructure globally.

2024 also saw the release of our first Green Bond Report, outlining the allocation and impact of our \$1 billion inaugural green bond. In October, we successfully priced \$1.75 billion in dual tranche bonds, including \$850 million in 12-year notes, marking TAQA's second green bond issuance.

Sustainability remains at the core of TAQA's strategy. This commitment has been recognised by the broader market, with MSCI upgrading our ESG ratings to 'A' from 'BBB' in 2023.

In line with our innovation strategy, we have participated in more than 20 projects including cutting-edge pilots and are proactively fostering a culture of innovation within the business. By leveraging innovative technologies, data-driven insights, and strategic partnerships, we are positioning TAQA for sustainable, long-term growth.

As we continue to execute our strategy, we will build on our financial and operational momentum, invest in key growth areas, and reinforce our position as a leading integrated utilities champion in the EMEA region and beyond.”

Noel Aoun,
Chief Strategy Officer



⁹ Capacity figures include operational and under construction projects. Targets are after considering the planned decommissioning of select assets.

¹⁰ Takes into account of planned decommissioning of gas fired based desalination plants.

¹¹ Spending towards regulated asset base.

¹² Equity investment

¹³ After deducting Al Dhafra PV2 in which both TAQA and Masdar have stakes.

¹⁴ Excluding TAQA Water Solutions as it is not considered under the figure for targets.

¹⁵ Consists of all categories except thermal generation. 86% is eligible as per EU taxonomy for sustainable finance (14% being thermal, reverse osmosis and water grids).

¹⁶ Iraq added in both 2020 and 2024 for comparative purposes.

KEY MILESTONES¹⁷

Since introducing its Corporate Strategy in 2021, TAQA has made strong progress against its strategic, financial and operational milestones. The company has forged new partnerships and advanced its ESG journey while continuing to support its people and create value for all stakeholders.



OPTIMISATION



CREATE AN INTEGRATED AND EFFICIENT UTILITY COMPANY

- Maintained **very high availability** of 94% to 100%¹⁸ for the **utility assets**.
- Acquired a **25% ownership** stake in the Operations and Maintenance (O&M) company for Taweelah B power and water plant, one of the largest in the UAE.
- **Acquired O&M role** across all its new projects such as Mirfa 2 RO, Shuweihat 4 RO, Tanajib cogeneration and desalination plant, Amiral cogeneration plant, Rumah 2 IPP and Al Nairyah 2 IPP.
- **Collaborating with the UAE regulator** to maintain a transparent and reliable regulatory framework that delivers adequate returns.
- **Delivering transformation programmes** for the transmission and distribution assets to enhance capex efficiency, maintenance programmes and supply chain excellence.
- ADDC and AADC were brought under a single **new brand** and to be operated as a single entity named **TAQA Distribution**.
- TRANSCO, was rebranded as **TAQA Transmission**, SWS as **TAQA Water Solutions** and ADES was rebranded as **TAQA Energy Services**, so that all of our major UAE operating companies operate under the TAQA name.
- **SAIFI** (System Average Interruption Frequency Index) **improved** by **2.5%** and **8.2%** in the Abu Dhabi and Al Ain regions respectively, compared to 2020 on an annual average basis.
- **SAIDI** (System Average Interruption Duration Index) **improved** by **4.4%** and **8.1%** in the Abu Dhabi and Al Ain regions respectively, compared to 2020 on an annual average basis.
- **Efficiently delivering the decommissioning programme** in the North Sea and successfully divested the oil production assets in Iraq, reducing the share of oil production in oil and gas product portfolio to **30%** in 2024 from **44%** in 2020.
- Continuing to **secure Europe's energy** needs by ensuring capacity is filled at the strategically important Gas Storage Bergermeer asset in the Netherlands.
- **Optimised the Group-wide operating model** to enhance efficiency in asset management and embed expertise in the businesses to drive ownership, accountability and authority.



¹⁷ Comparisons in this section are with respect to 2020 (year before corporate strategy announcement in 2021), unless otherwise stated.

¹⁸ 94% in 2020 and 2021, all other years were above 98%.

KEY MILESTONES

GROWTH

ENSURE SECURITY OF SUPPLY TO SUPPORT DEMAND GROWTH IN THE UAE AND INTERNATIONALLY

- Adding conventional power projects to the portfolio:
 - **Signed two 25-year PPAs** with Saudi Power Procurement Company to develop Rumah 2 and Al Nairyah 2 IPPs, which will **deploy highly efficient gas turbine technology** for a combined generation capacity of **3.6 GW**.
 - Achieved **financial closure of Saudi Aramco Total Refining and Petrochemical Company (SATORP)**'s strategic expansion industrial steam and electricity cogeneration plant which will supply **475 MW** of power and nearly **452 tonnes per hour** of steam from advanced combined cycle gas fired technology.
 - **Progressing on the collaboration** with the **Government of Uzbekistan** across multiple power sector projects.
 - **Nearing completion of Tanajib cogeneration and desalination project** in Saudi Arabia, which will have a net capacity of **940 MW** of power generation, **1,084 tonnes per hour** of steam and **5.25** (net 4.3) **MIGD** of desalinated water gross capacity.
 - **Construction of Fujairah F3** combined cycle gas power plant in final stages, which at **2.4 GW** is expected to be one of the **largest and most efficient gas-fired power plants** in the UAE.
 - **Achieved commercial operations** for the largest single site **solar PV farm in UAE** of **1.584 GW** and one of the largest regional desalination plants of **200 MIGD**.
- Increased the **gross generation capacity for renewable power by 30 times (32.7 GW addition)** from 2020, backed by the acquisition of leading stake (43%) in Masdar in 2022.
- Connected **5.6 GW of nuclear and 2.5 GW of solar** to the Abu Dhabi grid.
- Increased **transmission and distribution power network length by 19% and water network length by 5%** compared to 2020.



KEY MILESTONES

GROWTH

BECOME A SUSTAINABILITY LEADER AND DECARBONISATION PARTNER

- **Became leading shareholder of Masdar**, which increased its renewable energy capacity to 33 GW.
 - Completed its acquisition of a **49% shareholding in the 3 GW Dogger Bank South (DBS)** project in the UK – one of the world's largest planned offshore wind farms.
 - **Partnered with Endesa** in a renewable energy transaction in Spain **acquiring 49.9% stake of Endesa's 2.5 GW PV assets** in Spain.
 - Signed definitive **agreements with Brookfield Renewable** to acquire a **100% stake in Saeta Yield**, which includes an operating and regulated portfolio of approximately **745 MW** of onshore wind and solar assets and c. **1.6 GW** of development pipeline across Spain and Portugal.
 - Completed the **acquisition of a 50% stake in Terra-Gen Power Holdings II**, one of the largest independent renewable energy producers in the US, from Energy Capital Partners. Terra-Gen's portfolio comprises **3.8 GW** operating capacity, pipeline of over **12 GW** and **5.1 GWh** of operational energy storage.
 - Completed the **acquisition of 70% of the outstanding shares in Terna Energy** (1.2 GW operating capacity and development pipeline targeting 6 GW by 2029), enhancing its renewable energy portfolio in Greece and the EU.
- Commenced **operations** of the world's largest single-site **solar power plant Al Dhafra PV at 1.584 GW** and announced financial closure (by Masdar) of Al Ajbaj Solar PV at **1.5 GW**.
- **Reduced the GHG intensity of electricity distribution by 44% and water distribution by 26%** for customers served by Abu Dhabi grid.
- **Reducing ADNOC's GHG intensity** by connecting offshore production to the **electricity grid** (\$3.8 billion) and onshore operations to the **water grid** (\$2.2 billion).
- Invested in **Xlinks**, one of the world's **largest HVDC project** to connect renewable energy in Morocco to the UK customers.
- **Ceased production** from Tern, North Cormorant and Cormorant Alpha platforms **in the UK**, as well as the **onshore gas production in the Netherlands**.
- Progressing all the engineering studies and activities plan to enable the **execution of the Porthos project in the Netherlands** where TAQA will provide access to a depleted reservoir and to offshore facilities for **CO₂ injection and storage**.



KEY MILESTONES

GROWTH

PIONEER SUSTAINABLE WATER SOLUTIONS

- **Increased share of RO in gross desalination capacity to 41%** in 2024 from 28% in 2020.
- **Commenced operations of Taweelah RO**, world's largest RO plant with on-site solar generation at **200 MIGD** and approximately **70 MW solar**.
- Achieved **financial closure for Mirfa 2** (AED 2.3 billion, 120 MIGD) and **Shuweihat 4** (AED 1.6 billion, 70 MIGD) RO projects.
- Developing **Juranah water reservoir project** of **2.5 million cubic metres** in Makkah.
- **Acquired SWS Holding** (now TAQA Water Solutions), **increasing TAQA's regulated asset base by over 20%** and paving the way for a circular economy in Abu Dhabi's water management.
- Share of **recycled water supply** out of total water distributed (potable and recycled) stands at **17%**.
- **Reduced distribution water losses by 11% point** compared to 2021.



EXPAND PRODUCT PORTFOLIO TO PROVIDE CUSTOMER CENTRIC SOLUTIONS

- Launched Abu Dhabi's Super ESCO (now **TAQA Energy Services**) providing energy performance contracting services to **8 entities** with annual savings of approximately **73 GWh of electricity, 0.9 million m³ of water and 3 million tonnes of refrigeration ton per hour (district cooling)**.
- Demand side management programmes implemented by **TAQA Distribution** (beyond TAQA Energy Services' projects) which are resulting in **annual savings of approximately 88GWh of electricity and 15 million m³ of water**.

KEY MILESTONES

ENABLERS



CAPABILITY BUILDING



Develop people capabilities for sustainable growth

Launched **ETLAQ**, flagship Emirati graduate programme, with over **256 Emirati graduates** transitioned into full-time employees over four cohorts (12 months each) since its inception in 2020.

Established **Women's Council** and **Youth Council** to drive the UAE's diversity agenda under the ESG strategy.

Introduced **TAQA Future Leaders Programme**, a bespoke development programme to prepare high potential Emirati talent pipeline for future leadership appointments and to retain talent within the TAQA Group.

Commenced **TAQA Executive Development Programme**, an integrated and blended learning experience programme helping senior leaders sharpen their capabilities to deliver on TAQA's Corporate Strategy.

FINANCIAL DISCIPLINE



Ensure financial stewardship and consider monetisation options

Increased revenue and **net income** by **34%** and **154%** respectively at the end of 2024, compared to 2020.

Fitch upgraded TAQA's rating to **AA**, bringing it in line with the sovereign, while **Moody's** maintained its rating of **A**.

10% liquidity as a percentage of total assets and **2.6 net leverage** at the end of 2024.

Transparent dividend policy - fixed quarterly dividends and variable dividends at year-end.

Issued dual-tranche bonds worth \$1.75 billion in 2024 and \$1.5 billion in 2023.

ESG



Become the UAE's ESG champion sustainably delivering on the corporate strategy and objectives

Improved ESG ratings across the major indices i.e. **C to A in MSCI**, Severe Risk to **Low Risk** in **Sustainalytics**, **D to B in CDP** and **19th to 67th percentile in S&P**.

AED 26.7 billion towards energy transition (renewables, reverse osmosis, grids) during 2021 to 2024.

19% reduction in scope 1 and 2 GHG emissions and **12% reduction** in scope 3 GHG emissions across material categories, compared to base year 2019.

Established Green Finance Framework and secured **\$1.85 billion** of green bonds since 2023.

Established **Utilities for Net Zero Alliance (UNEZA)** at **COP28** which has grown to a global community of **55 utilities and power sector suppliers across 5 continents**.

INNOVATION AND DIGITALISATION



Enable optimisation of existing business and ability to innovate for growth in new business models

Established **dedicated governance structure** to oversee the areas of innovation, digital and artificial intelligence.

Developed an **innovation strategy**, and a **digital and artificial intelligence strategy**.

Partnered with **Hub71** to launch a **specialist ecosystem ClimateTech**, which supports **global startups** that are driving the development of sustainable decarbonisation technologies.

Over 20 projects including pilots under implementation related to the topics of innovation, digital and artificial intelligence.

KEY MILESTONES

RECOGNITION

The strategic milestones achieved during the period of 2021 to 2024 have resulted in several recognitions for TAQA across leading global and regional platforms. Some of the select highlights include:



PROJECT FINANCE INTERNATIONAL (PFI) AWARDS

"Middle East & Africa Power Deal of the Year Award" (ADNOC offshore decarbonisation via HVDC project), 2022 and 2023

GLOBAL ENERGY TRANSITION AWARDS 2024 BY REUTERS

Portfolio Transformation Award under "The Companies of Net Zero Future" category

FORBES

Forbes Middle East Sustainability Leaders, #1 in Energy and Utilities category, 2023 and 2024

Forbes Middle East Top 100 listed Companies (ranked in the top 10), 2021 to 2024



MIDDLE EAST LEGAL AWARDS

Innovation through Technology by an In-House Team (TAQA's Group Ethics and Compliance), 2023 and 2024

Compliance Innovator of the Year, 2021



WORLD FINANCE

Best Corporate Governance in the UAE, 2023

GLOBAL WATER AWARDS

"Desalination Plant of the Year" for Taweelah RO plant, 2023



IJ GLOBAL AWARDS

Green Bond Financing of the Year, 2023

Desalination Deal of the Year for Mirfa 2 Reverse Osmosis Plant, 2023

Water Deal of the Year for Project Wave (ADNOC Sustainable Water Supply), 2023

KEY MILESTONES

RECOGNITION (CONTINUED)



GULF SUSTAINABILITY AWARDS

Best Sustainable Business Model (Gold), 2023 and 2024

Best Net-Zero Initiative (Gold), 2023 and 2024

Sustainability Team of the Year (Gold), 2023 and 2024

Most Innovative ESG Initiative (TAQA Green Finance), 2023

Best Learning and Educational Programme (Gold), 2024

Best use of Renewable Energy, 2022



BONDS, LOANS AND SUKUK MIDDLE EAST AWARDS

“Structured Bond Deal of the Year” for Noor Abu Dhabi PV refinancing, 2023



GLOBAL GOOD GOVERNANCE (3G) CHAMPIONSHIP AWARD

Environmental Responsibility, 2023 and 2024

Corporate Governance, 2022

Corporate Governance Reporting, 2022



MEED AWARDS

UAE Power Generation Project of the Year (Al Dhafra Solar Photovoltaic (PV) IPP), 2024



GLOBAL SUSTAINABILITY ALLIANCE

Recognition under “Sustainable Organisations” category, 2023

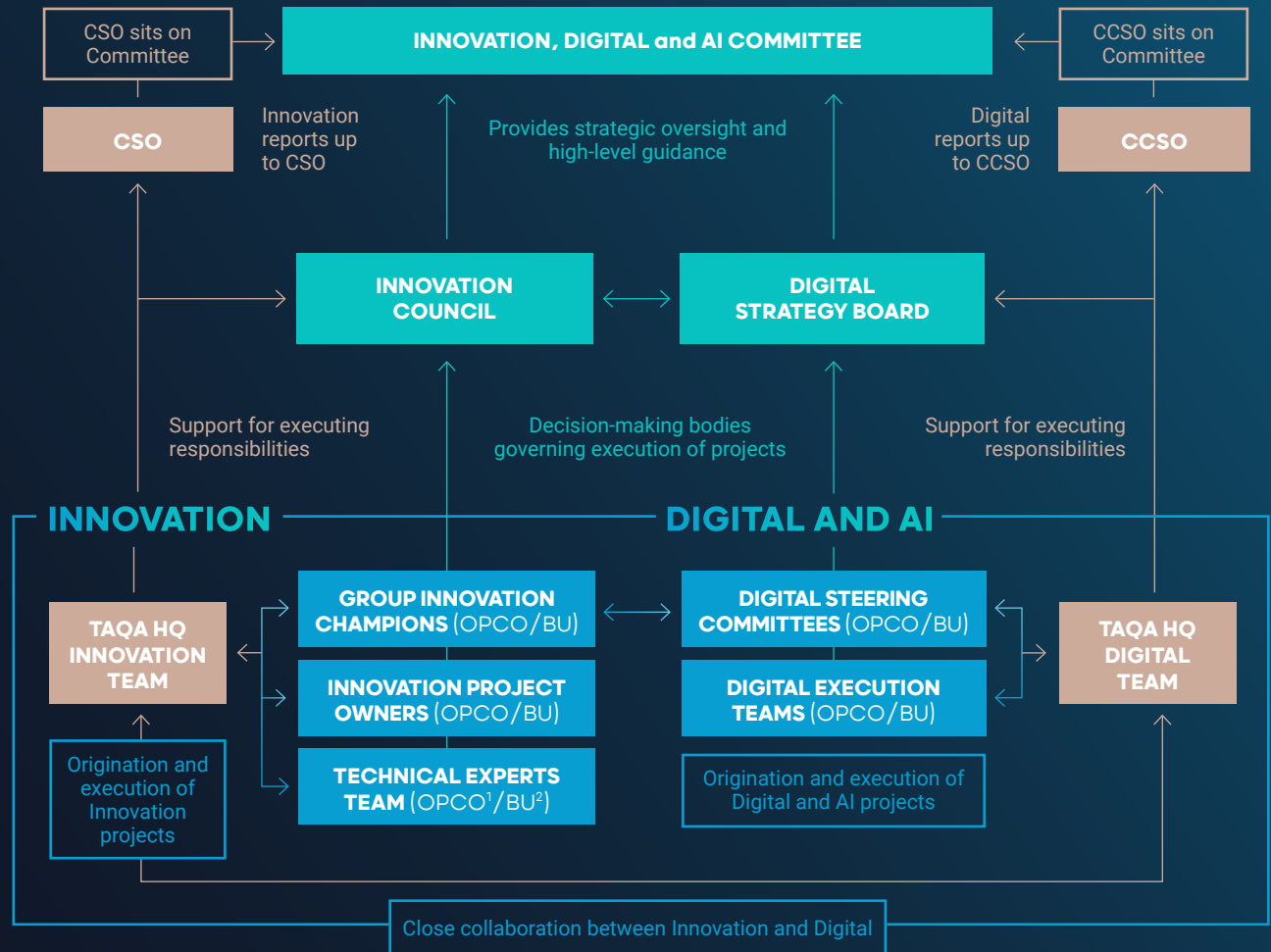
INNOVATION, DIGITAL AND ARTIFICIAL INTELLIGENCE

TAQA recognises the strategic importance of innovation, digitalisation and artificial intelligence (AI) in supporting and accelerating the Group’s Strategy for optimisation and growth. Building on the Innovation Strategy developed in 2023, TAQA has made progress in 2024 to elevate the approach to innovation and lay the foundations to integrate digital and AI initiatives and capabilities.

GOVERNANCE

TAQA has established a dedicated governance structure to oversee the areas of innovation, digital and AI. In 2024, an integrated governance framework was introduced to align efforts and capitalise on the synergies between these interconnected areas.

At the top of this governance structure sits an Innovation, Digital and AI Committee. This Committee is chaired by the Group Chief Executive Officer (GCEO) and is composed of the Chief Financial Officer (CFO), Chief Strategy Officer (CSO), Chief Corporate Support Officer (CCSO) and the CEOs of businesses. The governance structure is supported by dedicated Innovation and Digital and AI teams at TAQA’s headquarters along with focal points and teams across the businesses, driving origination and execution of all related projects.



¹ OPCO – Operating Company
² BU – Businesses


INNOVATION, DIGITAL AND ARTIFICIAL INTELLIGENCE

INNOVATION STRATEGY

TAQA's approach is to accelerate innovation through an internal ideation and incubation process, the Idea Lifecycle (ILC), and co-development of high-Technology Readiness Level (TRL)¹⁹ solutions with external partners, while adopting off-the-shelf technologies for quick, asset-light scaling to drive growth, sustainability, and operational efficiency.

OVERARCHING INNOVATION SPACES

Specific actionable areas where TAQA is well positioned to capture innovation opportunities are included below:

	<p>A. OPTIMISING AND SCALING RENEWABLES</p> <p>  </p>	<p>Significant opportunities exist to enhance renewable energy scaling through improved site selection, integration of storage solutions, and maximizing output from existing assets – particularly for Masdar. Increased collaboration with key partners will be essential to align operational goals with sustainability targets around renewables.</p>
	<p>B. UNLOCKING EFFICIENCIES IN WATER AND WASTEWATER</p> <p>  </p>	<p>Enhancing energy efficiency, optimising pre-treatment, and addressing environmental impacts can boost the scalability and sustainability of water generation and wastewater systems, supporting operational goals to meet growing demand while ensuring compliance and resource efficiency.</p>
	<p>C. EXTRACTING VALUE FROM CIRCULAR ECONOMY</p> <p>  </p>	<p>By enhancing recovery processes and addressing inefficiencies, TAQA can unlock untapped potential in resources like brine, sludge, treated water, and carbon storage systems. These efforts can drive cost efficiency, sustainability, and progress toward circular economy objectives.</p>
	<p>D. BUILDING MONITORING AND PREDICTIVE CAPABILITIES</p> <p>  </p>	<p>Strengthening real-time monitoring and predictive capabilities will improve the visibility, reliability, and safety of TAQA's assets. Opportunities exist to optimize resource allocation and enhance operational efficiency by enabling proactive issue detection and resolution.</p>
	<p>E. EMPOWERING CUSTOMER-CENTRIC ENGAGEMENT</p> <p>  </p>	<p>TAQA distribution services can empower customers with enhanced self-service options, feedback mechanisms, and sustainability participation- improving service responsiveness, operational efficiency, and satisfaction for both residential and industrial customers.</p>
	<p>F. ACCELERATING AUTOMATION AND AI ADOPTION²⁰</p> <p>  </p>	<p>Adopting advanced automation and AI solutions can eliminate inefficiencies caused by fragmented systems and manual processes – especially in back office. Scaling these capabilities will drive decision-making, innovation, and sustainable growth across TAQA's operations.</p>

 Drive growth (new revenue)  Unlock sustainability  Enable optimisation (efficiencies and cost reduction)

¹⁹ Technology Readiness Levels (TRL) measure technology maturity, from concept (TRL 1) to deployment-ready (TRL 9). Low-TRL refers to early-stage, unproven technologies, while High-TRL solutions are near-commercial and ready for scaling.

²⁰ This is a cross-cutting space that applies across the remaining 5 spaces.

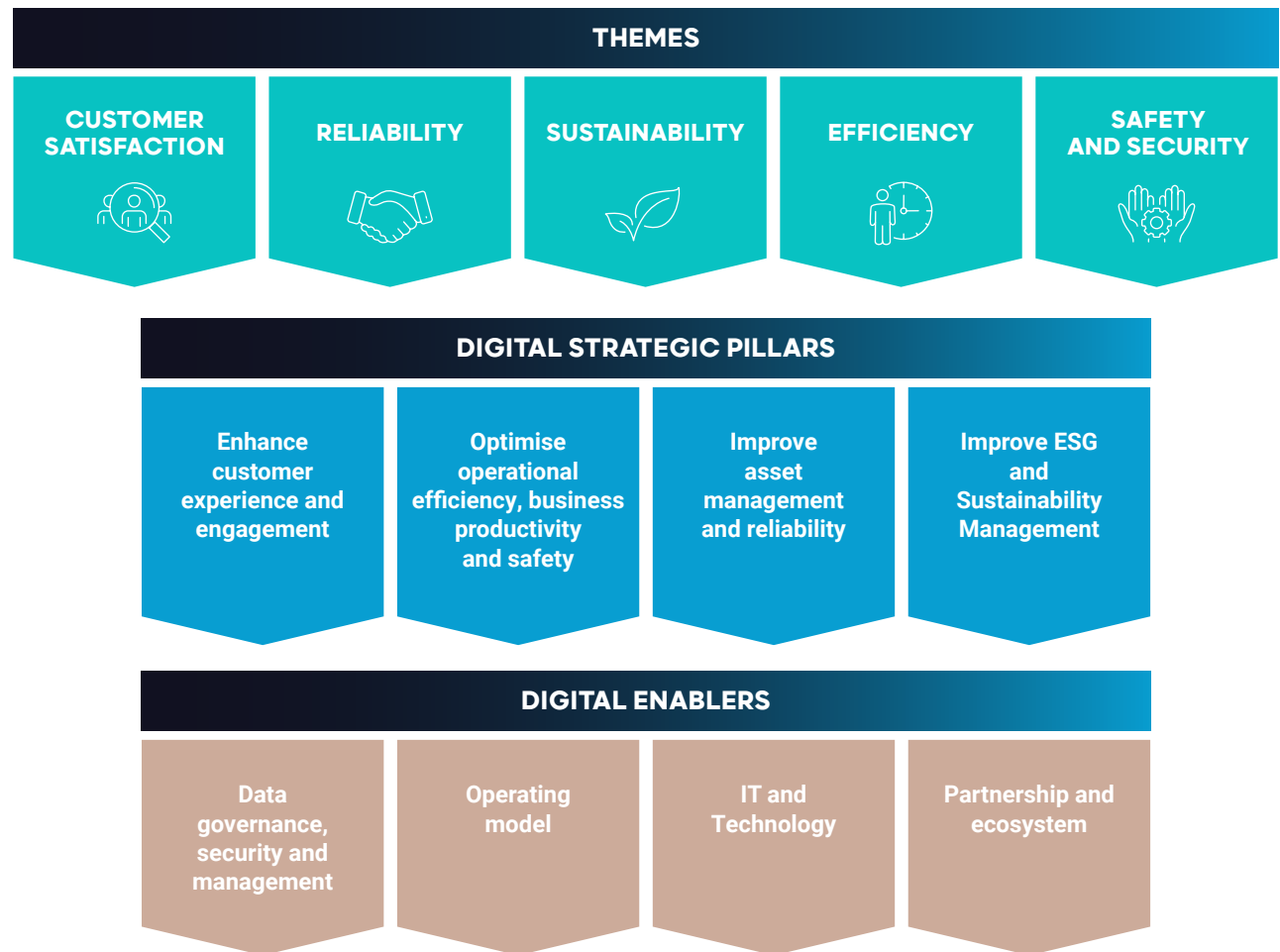
INNOVATION, DIGITAL AND ARTIFICIAL INTELLIGENCE

DIGITAL AND AI STRATEGY

The Digital and AI Strategy enables TAQA to harness the power of advanced technologies, such as data analytics, and automation, to optimise processes, improve decision-making, and deliver enhanced customer experiences. The focus of the Digital and AI Strategy is around four key pillars.



TAQA'S DIGITAL STRATEGY



INNOVATION, DIGITAL AND ARTIFICIAL INTELLIGENCE

INNOVATION, DIGITAL AND AI PROJECTS

In 2024, TAQA emphasised its dedication to innovation, digitalisation and AI by strategically prioritising key focus areas and driving several impactful initiatives. Notable examples from TAQA's innovation and digital and AI journey include:



THE FALCON INITIATIVE

Launched a drone inspection programme developed with TAQA's partners. The drones are equipped with corona and thermal imagery cameras to supplement high resolution photography. The Falcon Initiative combines high tech with high skills to take a bird's-eye view of TAQA's assets, identifying issues that traditional inspection processes miss.

This approach has resulted in a great deal of success, identifying over 30% more defects, and enabling efficient repairs before a more costly failure occurs. In terms of maintenance this helps us to stay ahead of the potential issues and keeps the electrical network dependable and resilient.

AUTOMATED PV CLEANING SOLUTIONS TESTING

Masdar has developed, over the years, a list of certified cleaning robotic suppliers. An Automated PV Cleaning Solutions Testing Protocol has been established, with testing performed at the Masdar Testing Facility to certify these PV cleaning solutions. As part of the testing protocol, a testing bed which is the first-in-the-region, is being used to evaluate these solutions.



GREEN HYDROGEN

Participation in a pilot project in the Netherlands to produce green hydrogen using a 1 MW seawater electrolysis system, aiming to assess the feasibility of offshore hydrogen production and transport via existing infrastructure.

TELEMETRY 4.0 - TAAS TELEMETRY AS A SERVICE

This application includes the development and testing of probes with built-in sampling and analysis capabilities for placement throughout the TAQA Water Solutions network to provide real-time water quality data and aid with the operational decision-making.



INNOVATION, DIGITAL AND ARTIFICIAL INTELLIGENCE

E GAS TECHNOLOGY

Using E Gas Technology for odour control and polishing of recycled water. The E gas technology uses dissociation of the water molecules to reduce the Oxidation potential of the sewage, leading to inhibition of the sulphate reducing bacteria which produces Hydrogen Sulphide (H₂S) gas.



SPECIALISED BACTERIAL CULTURES FOR TREATMENT PROCESS OPTIMISATION

Use of Specialised Bacterial Cultures for reduction in sludge production and reducing odours in networks for existing wastewater treatment plants. These bacteria come in powder form and are genetically modified so that they are led to reduction in sludge production and Odour reduction from existing treatment plants.

ARSENIC REMOVAL TECHNOLOGY

Use of a Magnetic Particles Treatment (MPT) technology that helps treat and remove arsenic from underground water resources.



SEWER BALL TECHNOLOGY

Sewer Ball technology used for accurate and faster monitoring of ground water infiltration as well as non-compliant industrial discharges into TAQA Water Solutions networks.



“

**CLOSE TO
AED 2.2 BILLION
IS THE PLANNED
INVESTMENT
TOWARDS TAQA'S
INNOVATION, DIGITAL
AND AI PROJECTS
INCLUDING THE
PILOTS OVER THE
NEXT 5 YEARS.**

”

04

BUSINESS REVIEW

- 46 Financial Review
- 56 Operational Review
- 79 Business Resilience

FINANCIAL REVIEW

OPERATING LANDSCAPE

National Champion and One of the Largest Listed Integrated Utility Companies in Europe, the Middle East and Africa

The government of Abu Dhabi indirectly owns 90% of TAQA's share capital, and the Group benefits significantly from the strong support, oversight and strategic direction of the Abu Dhabi government. The Group is one of the five largest integrated utilities in the Europe, Middle East and Africa (EMEA) region by market capitalisation and one of the largest integrated utilities in the EMEA region in terms of its Regulatory Asset Value (RAV). Based on market capitalisation, TAQA is one of the five largest listed entities on the Abu Dhabi Securities Exchange (ADX) and in the UAE and one of the ten largest listed non-financial institutions in the Gulf Cooperation Council (GCC).

Vertically Integrated Across the Utilities Value Chain, Benefitting from Exclusivity Rights Over Strategic Power and Water Infrastructure Assets

Within the UAE, the Group has exclusive rights to a minimum of 40% shareholding in all of Emirates Water and Electricity Company's (EWEC) power and water generation projects in the Emirate of Abu Dhabi initiated until 2030. Following the Masdar acquisition, TAQA offers its ownership interests in Abu Dhabi renewable power projects to Masdar.

TAQA Transmission is the sole transmission company in Abu Dhabi and five of the remaining six emirates in the UAE and interconnects to both Saudi Arabia and Oman across the GCC grid. TAQA Distribution is the sole distributor of water and power in Abu Dhabi.

Highly Predictable and Secure Cash Flow Profile

In 2024, 67% of the Group's revenue was derived from its regulated power and water Transmission, Distribution and Water Solutions businesses in the UAE and a further 22.5% of the Group's revenue was derived from its contracted power and water Generation businesses in the UAE and internationally.

In 2024, 51.5% of the Group's EBITDA was derived from its regulated power and water Transmission, Distribution and Water Solutions businesses in the UAE and 34.7% of its EBITDA was derived from its contracted power and water Generation businesses in the UAE and internationally. There is a single regulatory framework in place in Abu Dhabi for the Group's regulated entities (TAQA Transmission, TAQA Distribution and TAQA Water Solutions) which helps to ensure stable and predictable cash flows.

Long-Standing, Transparent and Internationally Aligned Regulatory Framework

The Department of Energy in Abu Dhabi (DoE) regulates and supervises the energy, water, wastewater and sewerage sectors in Abu Dhabi and its regulatory policies are aligned with the Abu Dhabi government's objectives of guaranteeing supply to customers in line with global levels of service. A stable energy, water, wastewater and sewerage regulatory framework has been in place in Abu Dhabi since 1999 with Regulatory Control (RC) periods typically lasting four years, and the current RC2 is expected to last from 2023 to 2026.

Energy, water, wastewater and sewerage regulation in Abu Dhabi is based on a RAV framework with transparent and publicly available regulatory guidelines. The framework is adjusted for each regulatory period with parameters set following a stable methodology that is adopted internationally, including in particular the regulatory weighted average cost of capital, calculated in accordance with a widely used methodology.

There has been no major change in the form of the regulatory framework in Abu Dhabi since the current framework was introduced in 1999. TAQA believes that constant dialogue with the regulator and maintaining a positive relationship with the DoE helps to ensure a continuing optimal regulatory environment in Abu Dhabi.

FINANCIAL REVIEW

OPERATING LANDSCAPE (CONTINUED)

Strong Abu Dhabi Ties and Fully Aligned with Abu Dhabi Economic Vision 2030 and Other National Initiatives

TAQA is a key asset for Abu Dhabi. It is currently the largest investment in ADQ's portfolio in terms of total assets, it supplies most of the power (64% in 2024) and nearly all of the desalinated water to Abu Dhabi's power and water grids and it is 90% indirectly owned by the Emirate of Abu Dhabi. TAQA's Board members include executives of ADQ.

The Group contributes to the key goals set in the Abu Dhabi Economic Vision 2030. For example, in terms of economic development, it is a key enabler in the diversification of Abu Dhabi's economy away from its reliance on oil and gas and a key contributor to the economy. In terms of environmental development, renewables comprised approximately 61% of the Group's gross installed generation capacity at the end of 2024. In terms of human capital development, TAQA has one of the highest Emiratisation rates among UAE-listed companies and, in terms of social development, the Group seeks to improve living standards in the local communities in which it operates including in Abu Dhabi through social investments with a meaningful impact.

In addition, in October 2022, the Group announced its environmental, social, and governance (ESG) strategy to ensure it is aligned with the UAE Net Zero by 2050 strategic initiative. In 2023, the Group updated its 2030 corporate strategy targets, with enhanced targets, to account for the additional opportunities gained from its acquired interest in Masdar.

Positioned to Capture Infrastructure Growth in Abu Dhabi and Grow Outside The Emirate, in Particular in Renewables

TAQA believes that the Group is optimally placed to capture potential growth opportunities in the UAE, including playing a key role in delivering the UAE's Energy Strategy 2050. In particular, the Group's interest in Masdar is considered a key stepping stone towards fulfilling the Group's renewable energy strategy with respect to clean energy. Through Masdar, the Group is able to leverage several advantages that it believes are key to unlocking growth domestically and internationally (in particular with respect to renewables): (i) access to capital (exhibited by the three shareholders of Masdar—Mubadala, ADNOC and TAQA); (ii) global footprint (which the Group has the opportunity to scale); and (iii) government support. The Group also intends to continue upgrading its existing power and water transmission and distribution infrastructure as well as expanding it to accommodate growing demand.

In addition, the Group through its five businesses has a strong competitive and existing presence in certain markets, in particular in the UAE, which has positioned it well for growth through the execution of projects that fit the Group's core competencies, including principally contracted or regulated power and water generation and transmission and distribution opportunities with attractive risk-adjusted returns. The recent acquisition of SWS Holding is an example of this strength, whereby the Group was well-positioned through its existing Transmission and Distribution businesses and the established regulatory framework to complete the water value chain by adding wastewater treatment, disposal and recycling on top of its already-existing water generation, transmission and distribution operations.

Internationally, the Group intends to focus on projects with substantial size that fit the Group's core competencies, principally contracted or regulated power and water generation opportunities with attractive risk-adjusted returns in markets where it has a strong competitive advantage or an existing presence.

FINANCIAL REVIEW

FINANCIAL PERFORMANCE

The strength of TAQA's core businesses, combined with its disciplined approach and commitment to growth and optimisation, is reflected in the company's robust financial performance during 2024. The utility businesses, along with the successful integration of TAQA Water Solutions, have delivered reliable revenue streams, reinforcing its role as a leading provider of low-carbon power and water.

Aligned with its commitment to strong financial stewardship, TAQA successfully issued bonds worth \$1.75 billion, including \$850 million in green bonds, underscoring the company's dedication to sustainable financing. The improved credit rating of AA from Fitch continues to reflect its financial resilience.

Group revenues increased 6.7% year-on-year to AED 55.2 billion, driven by sustained growth in Transmission and Distribution (T&D) and the consolidation of TAQA Water Solutions.

EBITDA was AED 21.4 billion, up 5.9% compared to the prior year, excluding the AED 10.8 billion related to the acquisition of a 5% stake in ADNOC Gas. Including this one-off item, EBITDA saw a decrease of 31% year-on-year.

Net income was AED 7.1 billion, up 1.5% compared to the prior year, excluding one-off items (AED 10.8 billion gain) related to the acquisition of a 5% stake in ADNOC Gas and an AED 1.1 billion deferred tax charge due to the introduction of UAE corporate tax. Including these one-off items, net income recorded an AED 9.6 billion year-on-year decline.



TAQA entered 2024 with a clear strategy—focused on disciplined growth, operational excellence, and long-term value creation.

Financially, TAQA delivered another year of strong performance. Revenue grew 7% to AED 55.2 billion, supported by continued strength in our Transmission & Distribution segment and contributions from TAQA Water Solutions. EBITDA increased by 6% to AED 21.4 billion, excluding one-off items, reflecting our ability to generate solid and stable cash flows while maintaining a disciplined approach to growth. This resilience supported a net income of AED 7.1 billion, underscoring strong underlying performance as we continued to invest in strategic initiatives.

With a fortified balance sheet and an upgraded AA credit rating from Fitch, we are well-positioned to continue investing in long-term growth opportunities while delivering on our commitments to shareholders. This financial strength enables us to balance strategic expansion with attractive shareholder returns, reflected in the Board's proposed dividend of 4.2 fils per share.

Looking ahead, we remain committed to delivering strong and sustainable value for our stakeholders.



STEPHEN RIDLINGTON
CHIEF FINANCIAL OFFICER

FINANCIAL REVIEW

FINANCIAL PERFORMANCE (CONTINUED)

Capital expenditure increased by 63.8% to AED 9.2 billion, primarily driven by construction progress in the Mirfa 2 Reverse Osmosis (M2 RO) and Shuweihat 4 Reverse Osmosis (S4 RO) desalination projects, timing, and phasing of project execution within T&D and the inclusion of Water Solutions.

Free cash flow generation amounted to AED 2.6 billion, down from AED 13.9 billion in 2023, reflecting increased investments in Masdar, capital investment across Generation, Transmission and Distribution and Water Solutions and the acceleration of decommissioning activities with cessation of production of TAQA UK Northern North Sea platforms in Oil and Gas.

Gross debt was AED 64.1 billion, up from AED 61.7 billion at the end of 2023, primarily due to the issuance of an aggregate AED 6.4 billion in 7-year and 12-year dual-tranche corporate bonds, consolidation of AED 1.5 billion in project debt from the acquisition of SWS Holding and AED 1.4 billion for the construction of the M2 RO and S4 RO desalination projects, offset by the repayment of AED 3.5 billion in matured corporate bonds, AED 2.9 billion in scheduled loan repayments and AED 0.5 billion of other minor movements.



FINANCIAL HIGHLIGHTS (AED MILLION)

GROSS REVENUES

2024	55,162
2023	51,717

EBITDA¹

2024	21,437
2023	31,035

NET INCOME²

2024	7,068
2023	16,647

CAPITAL EXPENDITURE³

2024	9,155
2023	5,588

FREE CASH FLOW GENERATION⁴

2024	2,608
2023	13,928

TOTAL DEBT

2024	64,124
2023	61,653

REGULATED ASSET VALUE

2024	94,659 ⁵
2023	76,919

¹ Starting in Q3 2024, the Group transitioned from using 'Adjusted EBITDA' to a clean EBITDA definition. Going forward, EBITDA will be defined as IFRS earnings before finance costs, interest income, income tax, depreciation, depletion, and amortisation.

² Net income above is share attributable to common shareholders of TAQA.

³ Represents additions to Property, Plant, and Equipment, excluding right-of-use assets.

⁴ Represents cash flows from operations less cash flows used in investing activities.

⁵ Contributed by Water Solutions (17,804).

FINANCIAL REVIEW

PERFORMANCE BY BUSINESS

TRANSMISSION AND DISTRIBUTION (T&D)⁶

T&D contributed a net profit of AED 5,727 million, an increase of AED 1,332 million. Excluding the AED 1,036 million one-off impact of deferred tax liabilities recognised in 2023, associated with the enactment of UAE corporation income tax, net profit increased by AED 296 million.

Revenue increased by AED 3,537 million to AED 34,491 million, primarily due to higher pass-through costs of AED 2,801 million in bulk supply tariffs (BST) and AED 397 million corporate income tax recovery to be reimbursed through the regulatory regime. Excluding pass-through costs, revenue increased by AED 339 million. This growth was primarily driven by regulated returns on new capital investment and inflation.

Operating costs increased by AED 2,987 million, primarily due to AED 2,801 increase in BST. Excluding pass-through costs, the rise in operating expenses is primarily driven by increased staff costs and higher spend on repairs and maintenance.

Tax expense was AED 370 million, a reduction of AED 666 million, due to the absence of an exceptional AED 1,036 million tax charge in the prior year related to the recognition of deferred tax liabilities following the enactment of UAE corporate tax in 2023.

FINANCIAL HIGHLIGHTS (AED MILLION)

REVENUES

2024	34,491
2023	30,954

EBITDA

2024	9,460
2023	8,904

NET INCOME

2024	5,727
2023	4,395

CAPITAL EXPENDITURE

2024	5,037
2023	3,632

GENERATION

Generation reported a net profit of AED 815 million, AED 94 million lower than the previous year.

Total revenues amounted to AED 12,415 million, down AED 300 million compared to the prior period. This decline was primarily due to a reduction in pass-through fuel revenues of AED 544 million, largely attributable to Morocco. UAE revenues grew by AED 266 million, driven by higher availability, inflation indexation and the recognition of AED 162 million in corporate income tax recovery, which will be reimbursed under the 'change in law provisions' of its Power and Water Purchase Agreements (PWPAs).

Operating expenses were broadly in line with the comparative year, totalling AED 5,132 million.

Generation's share of results from associates and joint ventures increased by AED 258 million, mainly due to higher contribution from Masdar.

Tax expenses were broadly in line with the comparative year, totalling AED 518 million.

FINANCIAL HIGHLIGHTS (AED MILLION)

REVENUES

2024	12,415
2023	12,715

EBITDA

2024	7,447
2023	7,520

NET INCOME

2024	815
2023	909

CAPITAL EXPENDITURE

2024	2,276
2023	717

⁶ As part of the rebranding, TAQA announced the merger of Abu Dhabi Distribution Company (ADDC) and Al Ain Distribution Company (AADC). Under a unified brand, TAQA Distribution operates as a single entity effective from 1st January 2025. Effective from the start of 2025, TAQA's Transmission entity Abu Dhabi Transmission and Despatch Company - TRANSCO - is now TAQA Transmission.

FINANCIAL REVIEW

PERFORMANCE BY BUSINESS (CONTINUED)

WATER SOLUTIONS⁷

TAQA Water Solutions, formerly SWS Holding, owns Abu Dhabi Sustainable Water Solutions Company ("ADSWS"), the main entity behind all wastewater collection treatment, and reuse in the Emirate of Abu Dhabi. ADSWS operates under and benefits from the same regulatory controls that govern TAQA's T&D businesses.

TAQA Water Solutions contributed AED 2,479 million of revenue and AED 626 million of net profit in FY24.

2024 FINANCIAL HIGHLIGHTS (AED MILLION)

REVENUES	NET INCOME
2,479	626
EBITDA	CAPITAL EXPENDITURE
1,581	785

OIL AND GAS (O&G)

O&G contributed a net profit of AED 1,066 million, a decrease of 259 million, primarily reflecting lower commodity prices and production volumes.

In January 2024, TAQA entered into definitive agreements with General Exploration Partners Inc. for the sale of its interest in Atrush oil field in the Kurdistan region of Iraq. As a result, net income included profit from discontinued operations of AED 66 million related to the Iraq upstream oil and gas business, which is AED 48 million higher than the comparable period. On 7 August 2024, TAQA formally completed the sale of the Atrush Block.

Revenue was AED 5,777 million, an AED 2,271 million reduction from the prior year. Average realised oil prices for continuing operations increased to \$76.74/bbl compared to \$76.07/bbl in 2023. On the other hand, average realised gas prices decreased to \$2.75/mmbtu from \$5.35/mmbtu. TAQA witnessed a reduction in production volumes from continuing operations in Canada, UK and Netherlands – 101.4 mboe/d compared to 107.8 mboe/d in 2023⁸ – associated with the planned cessation of production (CoP) in several North Sea fields, in line with TAQA UK decommissioning plans. Four of TAQA UK assets have reached CoP this year, marking the end of TAQA's hydrocarbon production in the Northern North Sea. Operating expenses of AED 2,618 million were AED 1,244 million lower than the previous year, primarily reflecting lower operating costs and fuel costs mainly associated with CoP of the Northern North Sea Assets.

Tax expense was AED 830 million lower than the previous year due to lower O&G income and the application of carried forward losses in the Netherlands.

FINANCIAL HIGHLIGHTS (AED MILLION)

REVENUES



EBITDA



NET INCOME



CAPITAL EXPENDITURE



CORPORATE

General and Administrative expenses were AED 209 million higher compared to 2023, which was largely attributable to one-off costs associated with the rebranding of TAQA's portfolio companies and the merger of the distribution companies.

The gain on recognition of investments was AED 10,784 million lower due to a one-time gain recognised in 2023 from the acquisition of a 5% stake in ADNOC Gas Plc. The shareholding was received from ADNOC for no consideration in recognition of the long-standing strategic partnership between the two companies who are working closely to accelerate the energy transition in the UAE, in areas such as renewable energy and enabling other low carbon solutions.

During the year, dividends of AED 612 million were received from the investment in ADNOC Gas, compared to AED 298 million received last year.

⁷ Comparatives not presented for Water Solutions as inclusion of financial numbers effective from 1 January 2024.

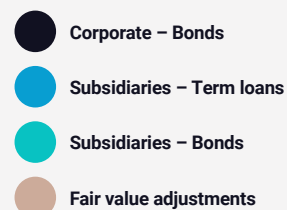
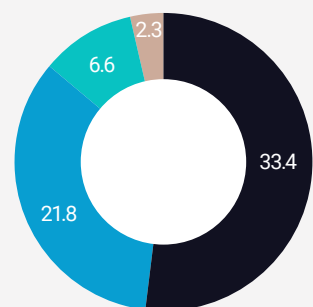
⁸ Production numbers for 2023 and 2024 indicated exclude Iraq.

FINANCIAL REVIEW

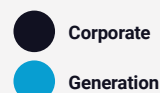
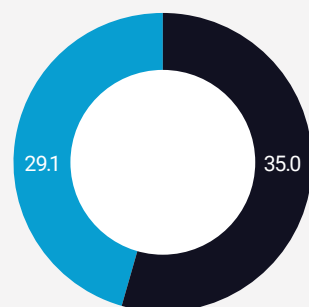
CAPITAL STRUCTURE AND LIQUIDITY

Consolidated Position (AED million, except where indicated)	As at 31 Dec 2024	As at 31 Dec 2023
Total assets	216,813	194,640
Total equity	104,824	89,095
Total debt	64,124	61,653
Net debt-to-capital ratio ⁹	35%	35%
Unused portion of credit facilities	13,397	13,584
Net cash and cash equivalents	8,382	13,878
Total available liquidity	21,779	27,462

Debt by type
(AED billion)



Debt by business line
(AED billion)



CAPITAL STRUCTURE

TAQA's capital structure is comprised of 35% net debt based on the consolidated statement of financial position values as at 31 December 2024 and includes fair value adjustments.

TAQA's external sources of funding include corporate bonds and the Group's revolving credit facility (RCF). These funds have historically been used to fund investment, acquisition, and growth within the business. The Generation subsidiaries are generally funded by project debt, either in the form of limited or non-recourse bank loans or project bonds.

TAQA continues to monitor the total debt position and refinancing options available to ensure the debt mix and cost of debt is at an optimal level. (Please refer to the 'Maturity Profile' section below for updates on recent debt issuances.)

Interest rates for its project debt, bonds, and loans are largely fixed, either contractually or through interest rate hedging arrangements. The primary exception is TAQA's RCF, which is subject to floating market rates and, therefore, exposed to Secured Overnight Financing Rate borrowing rates. As the company's medium-and long-term bonds and loans mature, refinancing the debt at market rates or utilising other available liquidity may be required. Consequently, TAQA remains partially exposed to interest rate risk in both the medium and long term.

As at 31 December 2024, after considering the effect of interest rate swaps and embedded derivatives, approximately 99% of its borrowings are at a fixed rate of interest (December 2023: 99%) and the Group's overall cost of debt averaged at 4.8% (December 2023: 4.6%).

⁹ 'Net debt' divided by 'Total equity' plus 'Net debt' where 'Net debt' is 'Total debt' less 'Net cash and cash equivalents'

FINANCIAL REVIEW

LIQUIDITY

TAQA's total available liquidity was AED 21.8 billion, a decrease of AED 5.7 billion from the end of 2023. Total available liquidity is made up of AED 13.4 billion unused portion of available credit facilities and AED 8.4 billion net cash and cash equivalents.

The Group's available credit facilities primarily consist of its AED 12.9 billion (\$3.5 billion) multicurrency revolving credit facility (RCF) with a syndicate of 20 banks.

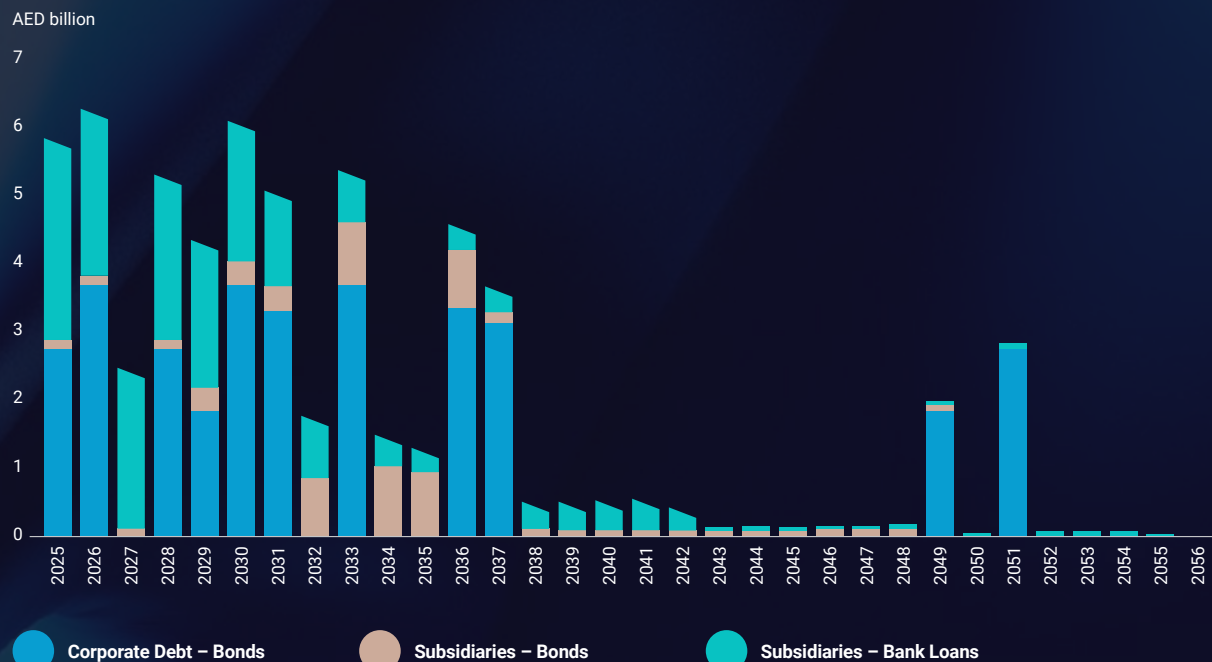
As at 31 December 2024, 14% (AED 9.2 billion) of the Group's total debt is classified as current (December 2023: 10%, AED 6.2 billion), based on the carrying value of borrowings. As of December 31, 2024, Fujairah Asia Power Company PJSC (FAPCO) was in technical default for failing to assign new insurances and reinsurances to the Security Trustees, as required under the Common Terms Agreement and the Commercial Mortgage. By January 2025, FAPCO had rectified all defaults and secured a waiver from the Global Facility Agent, but since the default existed at year-end, the AED 3.1 billion non-current loan portion was reclassified as a current liability in the statement of financial position.

MATURITY PROFILE

As of 31 December 2024, TAQA's total debt stood at AED 64.1 billion, up from AED 61.7 billion in December 2023, a net increase of AED 2.4 billion.

This increase includes the issuance of an aggregate AED 6.4 billion in 7-year and 12-year dual-tranche corporate bonds, consolidation of AED 1.5 billion in project debt from the acquisition of SWS Holding and AED 1.4 billion for the construction of the M2 RO and S4 RO desalination projects, offset by the repayment of AED 3.5 billion in matured corporate bonds, AED 2.9 billion in scheduled loan repayments and AED 0.5 billion of other minor movements.

The Group's financial liabilities repayment schedule as at 31 December 2024, based on contractual undiscounted payments, is as follows:



FINANCIAL REVIEW

CAPITAL EXPENDITURE

The Group’s total capital expenditure (additions to Property, Plant, and Equipment, excluding right-of-use assets) amounted to AED 9,155 million, a 64% increase compared to the prior year.

Transmission and Distribution’s capital expenditure was AED 5,037 million, an increase of AED 1,405 million, driven by the timing and phasing of project execution throughout the sector, relating to water and electricity network construction, enhancements, and upgrades.

Generation capital expenditure reached AED 2,276 million, a significant increase of AED 1,559 million, primarily due to progress in the construction of the M2 RO and S4 RO desalination projects.

TAQA Water Solutions’ capital expenditure was AED 785 million mainly relating to the rehabilitation, replacement, and upgrades to existing sewer networks, pumping stations and treatment plants and the development of new networks.

Oil and Gas capital expenditure amounted to AED 1,057 million, representing a decrease of AED 182 million. This reduction aligns with the lifecycle stage of the UK platforms, as more assets enter decommissioning, leading to decreased capital spending.



Year ended 31 December



TRANSMISSION & DISTRIBUTION



GENERATION



WATER SOLUTIONS¹⁰



OIL & GAS



GROUP TOTAL



¹⁰ Comparatives not presented for Water Solutions as acquisition of TAQA Water Solutions is effective from 1st January 2024.

FINANCIAL REVIEW

GREEN FINANCE

Following the success of the first Green Bond in 2023, TAQA issued a second green bond in 2024. The 12-year notes, sized at \$850 million and maturing on 9 March 2037, bear a coupon rate of 4.75%.

The net proceeds of the issuance will be used to fund TAQA's additional equity capital contribution into Masdar for the most recent acquisitions of new renewable energy portfolios. The green bond issuance was part of the successful pricing of an aggregate \$1.75 billion, which also included 7-year conventional bond issuance sized at \$900 million and maturing on 9 October 2031, bearing a coupon rate of 4.375%.

The transaction benefitted from strong demand from domestic, regional, and international investors. The Notes, which form part of TAQA's Global Medium Term Note Programme – are rated Aa3 by Moody's and AA by Fitch, in line with the corporate credit rating of the company and listed on the London Stock Exchange (LSE).

The offering was arranged and offered through a syndicate of joint lead managers and bookrunners comprising of Bank of China Limited, Barclays Bank PLC, Citigroup Global Markets Limited, First Abu Dhabi Bank PJSC, J.P. Morgan Securities plc, Mizuho International plc, MUFG Securities EMEA plc, and Natixis.

TAQA, aiming to bolster its low-carbon energy portfolio and enhance its core businesses, has secured \$1.85 billion under its Green Finance Framework since 2023. This funding has been instrumental in accelerating the growth of its renewables portfolio and driving strategic acquisitions within the Group.

In 2024, TAQA issued its first **green bond report**, corresponding to the inaugural green bond of \$1 billion issued in April 2023. All proceeds were utilised to finance equity investment (\$ 1.02 billion) into Masdar for acquiring 43% shareholding in the company in December 2022. The sustainability impacts of this issuance were estimated as follows, covering the period of 1st April 2023 to 31st March 2024:

Impact Metric (1 st April 2023 to 31 st March 2024)	Gross	Net ¹¹
Renewable Capacity (GW) ¹²	7.91	1.27
Renewable Energy Production (TWh)	23.01	3.37
GHG Emissions Avoided (million tCO ₂ e)	10.02	1.63

The green bond report issued obtained a third-party's independent limited assurance report for the disclosure of allocation and impacts. The green bond report for TAQA's second green bond issuance in 2024 is planned for issuance in the second quarter in 2025.



¹¹ After applying Masdar's respective ownership over each project and only considering 43% stake on Masdar by TAQA.

¹² End of Q1 2024 figure. Only include operational projects and does not include under construction and committed projects.

OPERATIONAL REVIEW

GRI 203-1, 203-2

TRANSMISSION

TAQA Transmission (formerly TRANSCO i.e. Abu Dhabi Transmission and Despatch Company until end of 2024) plans, owns, operates, and maintains power and water transmission networks in Abu Dhabi and the Northern Emirates, connecting generation plants to TAQA Distribution and other customers across the UAE.

PORTFOLIO



Power Networks

11,104 km (12% underground)



Power Substations

165



Peak Power Demand

18,623 MW



Water Pipelines

3,522 km



Water Pumping Stations

47



Peak Water Demand

770 MIGD

OPERATIONAL REVIEW



STRATEGIC PRIORITIES

01

Grow the UAE regulated asset base by investing towards the combined transmission and distribution target of AED 40 billion by 2030

02

Successfully integrate the growing renewable energy generation into the grid, combined with state-of-the-art storage capabilities

03

Contribute as a sustainability business partner by connecting high GHG emission intensive sectors to the power and water grids powered by cleaner nuclear and solar energy

04

Maintain best in class asset availability and service availability for both power and water

05

Continue to pursue actively on the domestic and international transmission projects involving development and operations of interconnectors



“

In 2024, our commitment to delivering secure, reliable, and sustainable power and water remained at the core of everything we do. It was a year of growth, transformation, and achievement, driven by the expertise and dedication of our teams.

A major highlight was our rebrand from TRANSCO to TAQA Transmission, a change that not only signifies a new corporate identity but also reflects our ambitions and renewed focus on the future.

As we look ahead to 2025, this new chapter will guide our operations within the Group as well as across the industry in Abu Dhabi and beyond. With this renewed vision, we are ready to build on our strong foundation and drive innovation, sustainability, and growth in the years ahead.

”

DR. AFIF AL YAFEI
CHIEF EXECUTIVE OFFICER,
TAQA TRANSMISSION

OPERATIONAL REVIEW



OPERATIONAL PERFORMANCE

TRANSMISSION POWER ASSET AVAILABILITY



TRANSMISSION WATER ASSET AVAILABILITY



SERVICE AVAILABILITY FOR POWER AND WATER



TAQA Transmission continued to exhibit robust operational performance in 2024, maintaining high asset availability levels across power and water networks. Transmission service availability of power and water was maintained at 99.9% in 2024.

TAQA, Vision Invest and GIC Consortium wins Juranah Independent Strategic Water Reservoir project in Makkah

In the first quarter of 2024, TAQA announced its participation in the winning consortium for the Juranah Independent Strategic Water Reservoir Project (ISWR-1) in the Makkah region, Saudi Arabia. The consortium, which also includes Vision International Investment Company (Vision Invest) and Gulf Investment Corporation (GIC), has signed the relevant project agreements with the procurer Saudi Water Partnership Company (SWPC).

The Juranah ISWR-1 Project is the first of its kind in the Kingdom of Saudi Arabia under a BOOT (Build, Own, Operate, Transfer) model, reflecting active private sector involvement in essential water infrastructure development. TAQA will be the lead member for the operations and maintenance (O&M) activities through a specialised standalone O&M company, which will be co-owned by Vision Invest. The total project

cost is estimated at AED 1.5 bn, with debt funding expected to account for approximately 80%. TAQA is taking a 35% share in the project company and a 50% stake in the O&M company.

Under the terms of the project, the consortium will be responsible for building, owning, and operating the water reservoir infrastructure for 30 years before transferring the ownership to SWPC. The project's primary objective is to respond to emergency municipal water demand in Makkah. The strategic tanks have a total storage capacity of 2,000,000 m³. Additionally, operational tanks with a capacity of 500,000 m³ will be developed under a DBT (Design, Built, Transfer) model to support the potable water distribution system.



OPERATIONAL REVIEW



OPERATIONAL PERFORMANCE (CONTINUED)

Connection of unit 4 (1.4 GW) of Barakah Nuclear Energy Plant to the grid

2024 witnessed the connection of Unit 4 (1.4 GW) i.e. the final unit of Emirates Nuclear Energy Corporation (ENEC)'s Barakah Nuclear Energy Plant to the power grid by TAQA's Transmission business. This marked the completion of connecting a total of four units amounting 5.6 GW to the grid in recent years.

The Barakah Nuclear Plant has the potential of generating over 40,000 GWh electricity annually, replacing the need for carbon intensive generation from gas-fired power plants. This milestone plays a significant role towards achieving UAE's interim GHG reductions and net zero goals.

During the period of 2020 to 2024, Barakah nuclear energy plant generated 116,984 GWh of electricity, thereby reducing the corresponding production from gas power plants.



Completion of cable laying for ADNOC's offshore electrification project

ADNOC and TAQA Transmission have completed laying 1,000 km of cutting-edge cables for their \$3.8 billion offshore electrification project.

This project involved the use of the world's largest and most advanced power cable-laying vessel, the Leonardo da Vinci.

The development is expected to reduce the carbon footprint of ADNOC's offshore operations by more than 30%, replacing existing offshore gas turbine generators with more sustainable power sources available on the Abu Dhabi onshore power network, operated by TAQA Transmission. The

Consortium will build, own, operate and transfer the state-of-the-art transmission system alongside ADNOC and TAQA, with the full project being returned to ADNOC after 35 years of operation.

Together with a consortium comprised of Korea Electric Power (KEPCO), Kyushu Electric Power Company (Kyuden) and Électricité de France (EDF), this is a first-of-its-kind high voltage direct current sub-sea transmission network in the MENA region. The project rapidly progressed from concept to development phase with construction starting in early 2022. The financial closure of \$3.8 billion was announced in September 2022.

OPERATIONAL REVIEW



OPERATIONAL PERFORMANCE (CONTINUED)

TAQA Transmission strengthens UAE power system resilience and sustainability with landmark projects

The Transmission business successfully activated two of the UAE's largest phase-shifting transformers in Abu Dhabi and commissioned the largest dynamic reactive power system in the country along with a utility-scale reactive power system in Al Ain.



The two new phase-shifting transformers in Abu Dhabi are crucial for controlling power flow within the grid. Commissioned in May and August of 2024, these phase shifters allow for enhanced flow control capability which leads to balanced energy flows, reduced power loss, and better management of the grid.

In a UAE first, TAQA Transmission commissioned the country's largest dynamic reactive power system, in the Zakher area of Al Ain in September 2024. Earlier, in July 2024, TAQA Transmission commissioned a utility-scale static reactive power system (capacitor bank) in Al Ain's Towayya region. These reactive power systems will ensure consistent power quality for all consumers, from large industrial facilities to individual households. These projects are the first in a planned network of 29 reactive power systems slated for deployment across the Abu Dhabi grid in the next few years.

Several other development projects were managed by TAQA Transmission in 2024, with the notable ones being:

AJBAN SOLAR PV (PV-3) INTEGRATION

- **Scope:** 400 kV Over-Head Line (OHL) and substation works
- **Value:** AED 439 million

ICAD-B SUBSTATION DEVELOPMENT

- **Scope:** New 220/33 kV ICAD-B substation and related cable works
- **Value:** AED 375 million
- **Purpose:** To meet power demand in the Industrial City of Abu Dhabi (ICAD) area due to AD Ports' new developments.

AL SADER SUBSTATION

- **Scope:** 132/11 kV substation and associated OHL works
- **Value:** AED 285 million
- **Purpose:** To support load demand from multiple customer development projects in the Al Sader area.

RIYADH CITY SUBSTATION

- **Scope:** New 132/22kV substation and related cable works
- **Value:** AED 244 million

AL AIN POWER-HOUSE (AAPH) GRID STATION

- **Scope:** 220/33 kV grid station works, including installation of 3x100 MVA transformers
- **Value:** AED 159 million
- **Purpose:** To decommission the life expired Al Ain Power Station and meet TAQA Distribution's demand requirements.

OPERATIONAL REVIEW

DISTRIBUTION

TAQA Distribution is responsible for planning, owning, operating and maintaining the power and water distribution networks as well as managing direct relationships with all its customers across the Emirate of Abu Dhabi.

As of January 2025, TAQA restructured its operations to streamline its services and enhance efficiency. Under this strategic initiative:

- Abu Dhabi Distribution Company (ADDC) and Al Ain Distribution Company (AADC) merged to form TAQA Distribution, a unified entity responsible for distributing power and water to customers across the Emirate of Abu Dhabi.
- Abu Dhabi Energy Services (ADES), now rebranded as TAQA Energy Services, operates as a specialised division within TAQA Distribution, focusing on retrofitting government and commercial buildings to achieve significant reductions in electricity and water consumption.

PORTFOLIO



Power Distribution Networks

83,917 km (86% underground)



Water Distribution Pipelines

15,371 km (100% underground)



End User Connections (Power and Water)

1,112,996



OPERATIONAL REVIEW



STRATEGIC PRIORITIES

01

Ensure safety and operational efficiency across the network

02

Provide customer-centric services that exceed expectations

03

Build a smart, sustainable, and digitally integrated network to meet future demands

04

Enhance digital capabilities to empower our people and drive automation

05

Support UAE's vision by advancing sustainable, technology-driven energy solutions



“

The successful merger of ADDC and AADC into TAQA Distribution marks a momentous milestone in our journey toward operational excellence and enhanced service delivery. This integration strengthens our capabilities, embraces innovation, and reinforces our commitment to providing reliable utility solutions for our customers in the Emirate of Abu Dhabi.

By adopting cutting-edge technology and driving a customer-centric culture, we are enhancing efficiency, responsiveness, and service quality.

As we move forward under a shared vision, we remain dedicated to maximising value for our stakeholders and ensuring a seamless and prosperous future for the communities we serve.

”

OMAR AL HASHMI
CHIEF EXECUTIVE OFFICER,
TAQA DISTRIBUTION

OPERATIONAL REVIEW



OPERATIONAL PERFORMANCE

SYSTEM AVERAGE INTERRUPTION DURATION INDEX (SAIDI) Minutes per customer

ABU DHABI REGION



AL AIN REGION



SYSTEM INTERRUPTION FREQUENCY INDEX (SAIFI) Interruptions per customer

ABU DHABI REGION



AL AIN REGION



TAQA Distribution has made substantial advancements in grid reliability since 2020. On an annual average basis, the distribution grid in Al Ain has seen an 8.2% improvement in SAIFI and 8.1% improvement in SAIDI. Similarly, the distribution grid in Abu Dhabi experienced a 2.5% improvement in SAIFI and a 4.4% improvement in SAIDI over the same period. The operational performance was impacted by severe weather events in 2024.

CUSTOMER SERVICE

Customer service function has improved its services and increased its customer satisfaction score (CSAT) by 4% in the Al Ain region while maintaining similar levels in Abu Dhabi region. Additionally, most services have been successfully integrated into the Abu Dhabi Government's TAMM platform to drive digital transformation. As a result, TAQA

Distribution is ranked #1 among all entities in customer satisfaction and response accuracy to customer inquiries. Furthermore, TAQA Distribution has aligned closely with the Emergencies, Crises, and Disasters Management Centre, ensuring a robust Business Continuity Management (BCM) plan is in place. These improvements and the robust BCM plan have enabled the customer service team to effectively manage

surging customer demand by proactively ensuring workforce capacity during the extreme weather events that the Emirate of Abu Dhabi faced in 2024.

In addition, following the merger announcement, all customer service channels were seamlessly rebranded at the end of the 2024. This rebranding underscores TAQA Distribution's commitment to creating a unified brand experience across the Emirate of Abu Dhabi.

REVENUE COLLECTIONS

TAQA Distribution continued to achieve the highest collections in the past two decades. This accomplishment is a direct result of the continued focus on key accounts and strengthening governance practices, leading to significantly improved cash management across the organisation.

CAPITAL EXCELLENCE

TAQA Distribution delivered exceptional capital performance in 2024, a success driven by significant improvements in portfolio and project management practices, strengthened governance processes, and the strategic implementation of in-house capabilities.

ENERGY SERVICES

As of 2024, TAQA Energy Services manages a portfolio of 10 projects across 8 entities, aimed at achieving savings in electricity, water, and district cooling. Collectively, these projects generate **annual savings of approximately 73 GWh of electricity, 0.9 million m³ of water, and 3 million ton-hours of refrigeration in chilled water.**

TAQA Energy Services launched a **9 MW Solar Photovoltaic (PV)** project at the United Arab Emirates University (UAEU) in Al Ain, marking the **largest solar energy initiative in the UAE's education sector.** The project involves the installation of over 14,000 ground-mounted solar modules with advanced tracking systems across 190,000 square metres of the university campus. Upon completion, scheduled for mid-2025, it will supply 25% of the university's electricity needs and reduce GHG emissions by over 8,000 tonnes annually.

DEMAND SIDE MANAGEMENT

TAQA Distribution implemented several Demand Side Management (DSM) programmes in 2024, fully aligned with the Abu Dhabi Demand Side Management and Energy Rationalisation Strategy 2030, which aims to reduce consumption for electricity and water by 22% and 32% respectively by 2030. The notable programmes targeted for electricity include air conditioning retrofit programmes in mosques, Energy Support Program incentivising energy efficiency in industries, Sustainability Academic Programme in schools and summer campaigns on energy efficiency. On water, the focus has been on the optimisation of water use in irrigation.

In 2024, the approximate **savings from the DSM initiatives were 88 GWh of electricity and 15 million m³ of water.**

OPERATIONAL REVIEW

GENERATION

PORTFOLIO

TAQA's Generation business has a diverse portfolio of assets across several geographies that power communities and support prosperity and development through secure and reliable power and water generation.

The business operates or manages assets in seven countries (excluding Masdar's projects) with a gross power capacity of 24.62 gigawatts (GW)¹³, including 3.87 GW under construction. When including Masdar's 32.72 GW renewable energy capacity, in which TAQA holds a leading 43% stake, the total gross power capacity increases to 55.75 GW¹⁴. This figure encompasses operational and under construction projects of both TAQA and Masdar as well as the committed¹⁵ projects of Masdar.

¹³ Excludes 1GW captive plant of Sohar Aluminium, AMPC's 3.7 MW (mobile unit), Taweelah RO's 69.8 MW on-site solar and TAQA Energy Services' 9 MW distributed solar for UAE University

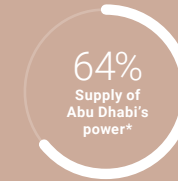
¹⁴ After eliminating double counting for Al Dhafra PV2 in which both TAQA and Masdar has a stake.

¹⁵ Projects that were awarded to Masdar through competitive bidding process and/or acquired through M&A by executing a share purchase agreements or shareholder agreements, including greenfield projects that have reached financial close.

GENERATION OVERVIEW

GROSS OPERATING POWER GENERATION CAPACITY

TAQA
24.62 GW
including 3.87 GW under construction



Masdar
32.72 GW
including under construction and other committed projects



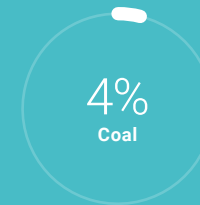
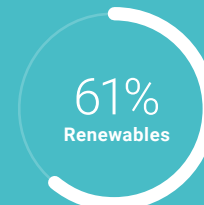
Desalination capacity in the UAE
1,250 MIGD
including 190 under construction

* Abu Dhabi system also supplies to Northern Emirates.



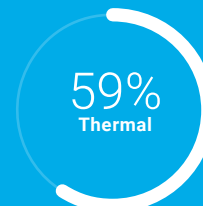
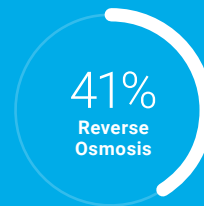
POWER PORTFOLIO**

**Figures are based on gross capacity.



WATER PORTFOLIO**

**Figures are based on gross capacity.



OPERATIONAL REVIEW



PORTFOLIO (CONTINUED)

In the water business, TAQA is the largest producer of desalinated water and the largest provider of potable water in the United Arab Emirates, one of the world's most water-stressed locations. By the end of 2024, the company had achieved a capacity of more than 1,250 million imperial gallons (MIGD)¹⁶, including 190 MIGD¹⁷ under construction.

TAQA's conventional Generation assets (excluding Masdar) have over 11 years weighted residual life of power and water purchase agreements, excluding the projects under construction. **TAQA has exclusive rights to participate in all new power (renewables via Masdar) and water projects launched by the system planner Emirates Water and Electricity Company (EWEC) in Abu Dhabi until 2030, ensuring that the home market remains a crucial focus for the company.**

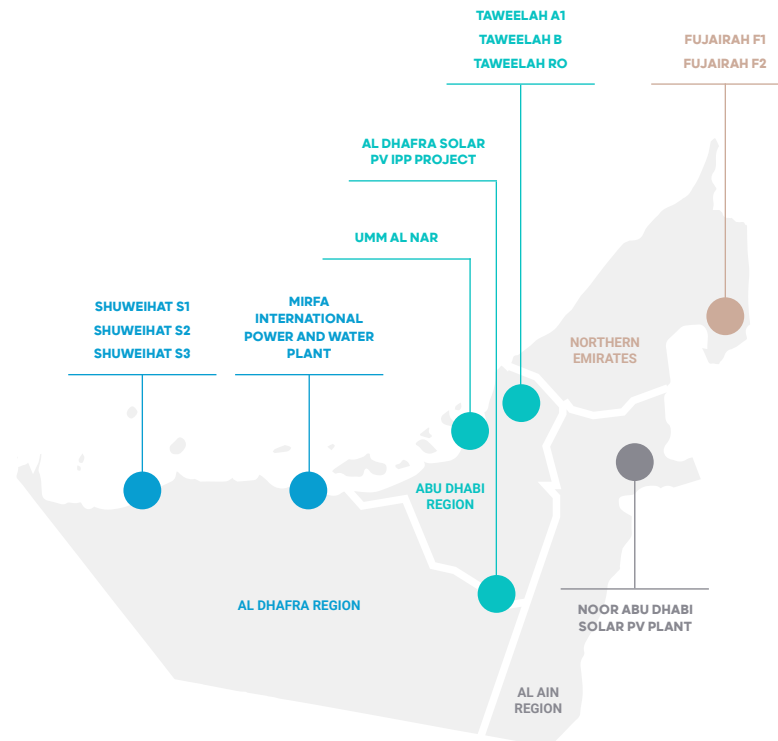
The primary beneficiaries of TAQA's Generation operations are the populations served by the electricity and water networks in the countries where it operates. The Generation business in the UAE satisfies 64% of electricity demand and 100% of desalinated water demand on the Abu Dhabi grid (which also supplies to Northern Emirates). In Morocco, Generation reaches about 14 million citizens meeting close to 37% of the country's demand. Additionally, its plant in Ghana contributes over 10% of the country's electricity demand.

¹⁶ Excludes AMPC's 5.53 MIGD mobile RO units.

¹⁷ Excludes Tanajib's 5.25 MIGD.

UAE GENERATION

TAQA's UAE portfolio consists of 13 operational power generation and water desalination assets that supply more than 64% of Abu Dhabi's electricity and 100% of its water and where required, to the Northern Emirates of Fujairah, Sharjah and Umm Al Quwain. Three assets are under construction in the UAE.



OPERATIONAL ASSETS

01. SHUWEIHAT S1

- Combined-cycle gas-fired power and thermal water desalination
- Gross power capacity: 1,615 MW
- Gross water desalination capacity: 101 MIGD (thermal)
- TAQA (60%), ENGIE (20%) and Sumitomo (20%)

02. SHUWEIHAT S2

- Combined-cycle gas-fired power and thermal water desalination
- Gross power capacity: 1,627 MW
- Gross water desalination capacity: 101 MIGD (thermal)
- TAQA (60%), ENGIE (20%), Marubeni (10%) and Osaka Gas (10%)

03. SHUWEIHAT S3

- Combined-cycle gas-fired power
- Gross power capacity: 1,647 MW
- TAQA (60%), Sumitomo (20.4%) and KEPCO (19.6%)

04. AL MIRFA M1

- Combined-cycle gas-fired power and water desalination (thermal and RO)
- Gross power capacity: 1,702 MW
- Gross water desalination capacity: 53 MIGD (32.5 RO, 20.5 thermal)
- TAQA (60%), Sojitz (20%) and ENGIE (20%)

05. UMM AL NAR

- Combined-cycle gas-fired power and thermal water desalination
- Gross power capacity: 1,670 MW
- Gross water desalination capacity: 96 MIGD thermal
- TAQA (60%), ENGIE (20%) and JERA (20%)

OPERATIONAL REVIEW



PORTFOLIO (CONTINUED)

OPERATIONAL ASSETS

06. TAWEELAH A1

- Combined-cycle gas-fired power and thermal water desalination
- Gross power capacity: 1,671 MW
- Gross water desalination capacity: 84 MIGD thermal
- TAQA (60%), ENGIE (20%), TOTAL 20%

07. TAWEELAH B

- Three distinct (simple, open and combined cycle) gas-fired power and thermal water desalination
- Gross power capacity: 2,220 MW
- Gross water desalination capacity: 162 MIGD thermal
- TAQA (70%), Marubeni (14%), Powertek (10%) and Kyuden (6%)

08. TAWEELAH RO

- Reverse osmosis water desalination
- Gross water desalination capacity: 200 MIGD RO
- 69.8 MW of on-site solar generation
- TAQA (20%), Mubadala (40%) and ACWA Power (40%)

09. FUJAIRAH F1

- Combined-cycle gas-fired power and water desalination (thermal and RO)
- Gross power capacity: 861 MW
- Gross water desalination capacity: 131 MIGD (61 RO, 70 thermal)
- TAQA (60%) and Sembcorp (40%)

10. FUJAIRAH F2

- Combined-cycle gas-fired power and water desalination (thermal and RO)
- Gross power capacity: 2,114 MW
- Gross water desalination capacity: 132 MIGD (30.46 RO, 101.54 thermal)
- TAQA (60%), ENGIE (20%) and Marubeni (20%)

11. AL MIRFA POWER COMPANY (AMPC)

- Small distributed generation plants (thermal and RO) providing power and water to remote communities
- Gross power capacity: 3.7 MW
- Gross water desalination capacity: 5.53 MIGD
- TAQA (100%)

12. NOOR PV1

- Single site solar photovoltaic (PV)
- Gross power capacity: 935 MW AC (1,177 MW DC)
- TAQA (60%), Marubeni (20%) and Jinko Power (20%)

13. AL DHAFRA PV2

- Single site solar PV
- Gross power capacity: 1,584 MW AC (2,101 MW DC)
- TAQA (40%), Masdar (20%), EDF Renewables (20%) and Jinko Power (20%)

UNDER CONSTRUCTION ASSETS

01. FUJAIRAH F3

- Combined-cycle gas-fired power
- Gross power capacity: 2,457 MW
- TAQA (40%), Mubadala (20%), Marubeni (20.4%), and Hokuriku Electric Power Company (19.6%)

02. AL MIRFA M2 RO

- Reverse osmosis water desalination
- Gross water desalination capacity: 120 MIGD RO
- TAQA (60%) and ENGIE (40%)

03. SHUWEIHAT S4 RO

- Reverse osmosis water desalination
- Gross water desalination capacity: 70 MIGD RO
- TAQA (60%) and GS INIMA (40%)



OPERATIONAL REVIEW



PORTFOLIO (CONTINUED)

INTERNATIONAL GENERATION

TAQA's international portfolio (excluding Masdar) consists of seven operational power generation assets, totalling 3,104 MW¹⁸ of gross capacity, across six countries: Ghana, India, Morocco, Oman, Saudi Arabia and the United States of America. There are two assets under construction in Saudi Arabia totalling a gross power capacity of 1,415 MW.



OPERATIONAL ASSETS

01. MOROCCO, JORF 1-4

- Coal fired power
- Gross power capacity: 1,356 MW
- TAQA (86%) and public (14%)

02. MOROCCO, JORF 5-6

- Coal fired power
- Gross power capacity: 700 MW
- TAQA (91%) and public (9%)

03. GHANA, TAKORADI

- Combined-cycle gas-fired power
- Gross power capacity: 330 MW
- TAQA (90%) and Volta River Authority (10%)

04. INDIA, NEYVELI

- Coal (lignite) fired power
- Gross power capacity: 250 MW
- TAQA (100%)

05. SAUDI ARABIA, JUBAIL

- Gas-fired power
- Gross power capacity: 250 MW
- TAQA (25%), National Power Company (75%)

06. UNITED STATES OF AMERICA, LAKEFIELD (MINNESOTA)

- On-shore wind farm
- Gross power capacity: 206 MW
- TAQA (50%) and Marubeni (50%)

07. OMAN, SOHAR ALUMINIUM¹⁸

- Aluminium smelter
- Aluminium production capacity: 375,000 tonnes per annum
- Gross power capacity: 1,000 MW (captive)
- TAQA (40%), OQ (40%), Rio Tinto (20%)

UNDER CONSTRUCTION ASSETS

01. TANAJIB, SAUDI ARABIA

- Gas-fired power and water desalination
- Gross power capacity: 940 MW
- Gross steam capacity: 1,084 tonnes per hour
- Gross water desalination capacity: 5.25 MIGD RO
- TAQA (29%), Marubeni (31%) and Saudi Aramco (40%)

02. AMIRAL, SAUDI ARABIA

- Gas-fired power and steam
- Gross power capacity: 475 MW
- Gross steam capacity: 452 tonnes per hour
- TAQA (51%) and Jera (49%)

¹⁸ Aluminium smelter and not a power or water generation business. Capacity numbers not added to Group totals.

OPERATIONAL REVIEW



STRATEGIC PRIORITIES

01

Increase gross generation capacity to 150 GW by 2030, with 100 GW of renewables through Masdar and 50 GW of thermal power

02

Increase water desalination capacity to 1,300 MIGD gross capacity by 2030, with two-thirds of it via reverse osmosis technology which will decouple water from power production in the UAE and reduce GHG intensity of water generation

03

Continue strategically expanding operations and maintenance capabilities

04

Contribute to the Group's target of 25% reduction in scope 1 and 2 GHG emissions by 2030 compared to base year 2019

05

Maintain best in class power and water generation availability towards ensuring energy security for the communities being served



“

In 2024, the TAQA Generation business achieved significant growth, reinforcing our goal of becoming an integrated asset life cycle player in key markets. Our power and water fleet reached an impressive average commercial availability of 98%, matching last year's performance despite challenges posed by an aging fleet and a major outage in Ghana. This led to an EBITDA of AED 7.2 billion for the year.

The business' strategy focuses on portfolio development to meet our 2030 targets of 150 GW power and 1,300 MIGD of water capacity. Notably, we secured key projects in Saudi Arabia, including the Najim Cogeneration Company and Rumah 2 & Nairyah 2 power plants, expanding our presence to 5 GW in the region. Additionally, we celebrated the full commercial operations of the Taweelah Reverse Osmosis Plant, the largest desalination facility in the UAE.

Our renewable portfolio, anchored by our stake in Masdar, grew by 43%, increasing gross renewable capacity by 16.2 GW. By year-end 2024, our total installed capacity rose to 55.75 GW, with renewable resources comprising 33.86 GW.

We are also exploring new growth opportunities in Uzbekistan and Morocco. TAQA Generation remains dedicated to delivering safe and reliable power and water, solidifying our status as a global low-carbon champion. ”

FARID AL AWLAQI
CHIEF EXECUTIVE OFFICER,
GENERATION

OPERATIONAL REVIEW



OPERATIONAL PERFORMANCE

POWER COMMERCIAL AVAILABILITY



WATER COMMERCIAL AVAILABILITY



ELECTRICITY GENERATION (GWH)¹⁹

	2024	2023
UAE Subsidiaries (IPPs except F3 and PV2)	60,772	64,880
UAE Associates (PV2, F3) – TAQA share	3,280	1,615
Int'l Subsidiaries (Morocco, Ghana, India)	19,054	19,963
Int'l Associates (Jubail, Lakefield – TAQA share)	590	607
Masdar (TAQA share)	6,713	3,326
Total	90,410 (Gas 69%, Coal 19%, Renewables 12%)	90,391 (Gas 73%, Coal 19%, Renewables 8%)

WATER PRODUCTION (MIG)²⁰

	2024	2023
Subsidiaries (All UAE IWPs except Taweelah RO)	192,693	194,893
Associates (Taweelah RO – TAQA share)	13,110	12,054
Total	205,803 (RO ²¹ 19%, Thermal 81%)	206,947 (RO 17%, Thermal 83%)

Operational excellence and asset performance optimisation continued to be a core priority for TAQA's Generation business. This focus enabled it to improve the power commercial availability to 96.5% from 96.1% in 2023. The water commercial

availability at 99.5% remained almost the same as last year (99.7%). Overall power and water production figures largely remained the same as well, however the share of renewables and RO in the respective productions increased.

¹⁹ For subsidiaries, 100% of generation (including auxiliary consumption) considered. For associates (including Masdar), only the proportionate share based on TAQA's stake is included.

²⁰ For subsidiaries, 100% of production (including auxiliary consumption) considered. For associate (Taweelah RO), only the proportionate share based on TAQA's stake (20%) is included.

²¹ Including RO contribution from TAQA plants with RO (F1 and F2) other than Taweelah RO.

OPERATIONAL REVIEW



OPERATIONAL PERFORMANCE (CONTINUED)

UAE GENERATION

Taweelah RO commences commercial operations

The Taweelah Reverse Osmosis (RO) Independent Water Plant achieved full commercial operations in the first quarter of 2024. With a capacity of 200 MIGD, Taweelah RO is one of the world's largest and energy efficient desalination plants.

Developed in partnership with Mubadala and ACWA Power, the facility integrates advanced nanotechnology membranes and a 69.8 MW PV system, significantly reducing its carbon footprint while ensuring reliable water production.

Central utility plant for TA'ZIZ Derivatives Park

TAQA led a partnership with ADNOC to develop a Central Utility Plant for TA'ZIZ Derivatives Park culminating in the award of an Engineering, Procurement and Construction (EPC) contract in December 2024. As well as steam and water generation, the EPC scope includes power transmission and distribution facilities, which will be transferred to TAQA Transmission and TAQA Distribution respectively on completion.



INTERNATIONAL GENERATION

SAUDI ARABIA

TAQA and JERA announce financial closing of SATORP strategic expansion industrial steam and electricity cogeneration plant

During the third quarter of 2024, TAQA and JERA announced the financial closing of Najim Cogeneration Company Limited, a new industrial steam and electricity cogeneration plant that will produce electricity and steam for a petrochemical complex located in Jubail in the Eastern Province of the Kingdom of Saudi Arabia.

The new cogeneration plant will supply up to 475 MW of power and approximately 452 tonnes per hour of steam from advanced combined cycle gas fired technology and will be developed by a special purpose entity owned by TAQA (51%) and JERA (49%) under a 25-year build, own, and operate basis extendable by five years on mutual agreement. TAQA and JERA will also undertake the operation and maintenance ("O&M") of the plant through an O&M special purpose entity.

The plant's financial closing comes after TAQA and JERA entered into a power and steam purchase agreement with Saudi Aramco Total Refining and Petrochemical Company ("SATORP"), a joint venture company owned by Saudi Arabian Oil Company ("Saudi Aramco") and TotalEnergies in March 2024.

TAQA, JERA and Al Bawani consortium to develop two new highly efficient power plants in the Kingdom of Saudi Arabia

In the fourth quarter of 2024, TAQA together with JERA and Al Bawani Capital, entered into two 25-year power purchase agreements ("PPAs") with Saudi Power Procurement Company ("SPPC") on a build, own and operate basis, to develop two new greenfield combined cycle gas turbine ("CCGT") power projects with a total power generation capacity of over 3.6 GW in the Kingdom of Saudi Arabia.

The PPAs follow SPPC's announcement for the award of contracts for the 1.8 GW Rumah 2 and 1.8 GW Al Nairyah 2 conventional independent power producer ("IPP") projects to a consortium comprising of TAQA, JERA and Al Bawani. The Rumah 2 IPP and Al Nairyah 2 IPP will use the highest efficiency CCGT turbines available and will enable the utilisation of carbon capture technologies.

The two new plants will be developed by respective special purpose entities owned by TAQA (49%), JERA (31%) and Al Bawani (20%) with operation and maintenance ("O&M") of the plants to be undertaken by the partners through respective O&M special purpose entities with the same shareholding structure.

OPERATIONAL REVIEW



OPERATIONAL PERFORMANCE (CONTINUED)

MASDAR

As the leading shareholder in Masdar, TAQA leverages its extensive expertise and experience to offer strategic advisory support to Masdar, ensuring well-informed and impactful investment decisions. TAQA provides strategic guidance by thoroughly evaluating and analysing proposed investment opportunities in alignment with overarching business objectives. Business plans and initiatives are rigorously reviewed by dedicated committees, fostering a collaborative approach that enables sound governance, risk management, and value creation.

NORTH AMERICA

Masdar completes acquisition of 50% stake in Terra-Gen Power Holdings II

During the third quarter of 2024, Masdar completed the acquisition of a 50% stake in Terra-Gen Power Holdings II, one of the largest independent renewable energy power producers in the United States, from Energy Capital Partners, one of the largest private investors in power and renewable assets in the United States.

Masdar now holds a 50% in Terra-Gen while Igneo Infrastructure Partners, will retain their existing 50% stake. Energy Capital Partners has fully exited its position in Terra-Gen post-acquisition of its stake by Masdar.

At the time of the acquisition, Terra-Gen's gross operating portfolio comprised 3.8 GW of wind, solar, and battery storage projects, including 5.1 GWh of energy storage facilities across 30 renewable power sites throughout the U.S., predominantly in California and Texas. Terra-Gen is currently developing a pipeline of over 12 GW of wind, solar and battery storage projects in the U.S.

EUROPE

Acquisition of Saeta Yield completed by Masdar and it finalised a partnership agreement with Endesa S.A. to advance renewable energy in Europe

Masdar completed the acquisition of Saeta Yield from Brookfield Renewable, together with its institutional partners, for an implied enterprise value of €1.2 billion (equity value of €696 million).

Saeta consists of an operating portfolio of 745 MW of predominantly wind assets – 538 MW of wind assets in Spain, 144 MW of wind assets in Portugal and 63 MW solar PV assets in Spain – and includes a 1.6 GW development pipeline.



Additionally, Masdar and Endesa S.A. finalised a partnership agreement to advance renewable energy initiatives in Europe. Under this agreement, Masdar has acquired a 49.99% stake in EGPE Solar for an enterprise value of €817 million, and an equity value of €280 million. EGPE Solar is a subsidiary of Enel Group's Endesa, which owns a 2 GW portfolio of operational PV assets in Spain.

Masdar completes acquisition for 70% of the outstanding shares in TERNAL ENERGY

Masdar announced in the fourth quarter of 2024, that it has completed the acquisition of 70% of the outstanding shares of TERNAL ENERGY SA from GEK TERNAL SA and other shareholders and received all regulatory approvals. The deal, agreed at a price of €20 per share valued TERNAL ENERGY SA at an enterprise value of €3.2 billion.

Following the closing of the transaction, Masdar entered seeking regulatory approvals from the Hellenic Capital Markets

Commission, for the launch of an all-cash mandatory tender offer to acquire the outstanding shares of TERNAL ENERGY SA.

TERNAL ENERGY SA has a current operating capacity of 1.2 GW and a development pipeline that targets 6 GW by 2029.

UZBEKISTAN

Masdar commenced commercial operations for the 500 MW Zarafshan Wind Farm

Uzbekistan inaugurated the 500 MW Zarafshan wind farm, the largest operating in Central Asia to date, developed by Masdar. Masdar has committed to invest \$2 billion in clean energy projects in Uzbekistan that have a total capacity of more than 2 GW. In addition, Masdar has a pipeline of 4 GW of renewables projects in Uzbekistan in the early stages of development. Masdar and the Uzbekistan Ministry of Energy also signed an agreement at COP29 to develop a 1 GW wind farm in the Mingbulak region of Uzbekistan.

OPERATIONAL REVIEW

WATER SOLUTIONS

TAQA Water Solutions (formerly Sustainable Water Solutions Holding Company), which joined the Group in September 2024, specialises in sustainable water management by converting wastewater into a valuable resource.

TAQA Water Solutions owns, operates and maintains all wastewater collection networks and treatment assets in the Emirate of Abu Dhabi.

The wastewater collection network features an extensive system of underground pipelines and above-ground pumping stations, ensuring efficient and uninterrupted flow. The wastewater treatment facilities are in both Abu Dhabi and Al Ain, complemented by smaller facilities in remote and less densely populated areas to ensure comprehensive coverage. The company efficiently manages recycled wastewater and sludge, with a significant portion of the recycled water supplied to the municipality for irrigation purposes.

PORTFOLIO



Wastewater treatment capacity
1,341,000 m³/day



Wastewater network length
13,000 km



Treatment plants
43



Pumping and lifting stations
260



OPERATIONAL REVIEW



STRATEGIC PRIORITIES

01

Achieve OPEX and CAPEX
optimisation and rationalisation

02

Continue to grow organically
and inorganically in Abu Dhabi
and wider UAE

03

Expand into international
markets through greenfield
projects or acquisitions



“

2024 was a pivotal year for TAQA Water Solutions, marked by strategic growth and a strengthened commitment to shaping a water-secure future. Our integration with TAQA Group has enhanced our resources and global expertise, positioning us for accelerated leadership in the water sector.

As we expand our footprint locally and internationally, we bring our expertise and capabilities to bear in developing and implementing projects incorporating advanced water solutions that drive sustainability, enhance operational efficiency, and support economic growth, reflecting our dedication to addressing global water challenges.

We proudly serve our communities, laying the foundation for sustainable economic prosperity and a thriving environment. By investing in cutting-edge water solutions and expanding our infrastructure, we have reinforced our water sustainability leadership and contribution to the UAE's Water Security Strategy 2036.

With this momentum, we are on track to break our regional record of recycling 80% of treated wastewater for utilisation across Abu Dhabi, with a clear target of reaching 100% as we shape a resilient and sustainable water future for 2025 and beyond.

”

ENG. AHMED AL SHAMSI
CHIEF EXECUTIVE OFFICER,
TAQA WATER SOLUTIONS

OPERATIONAL REVIEW

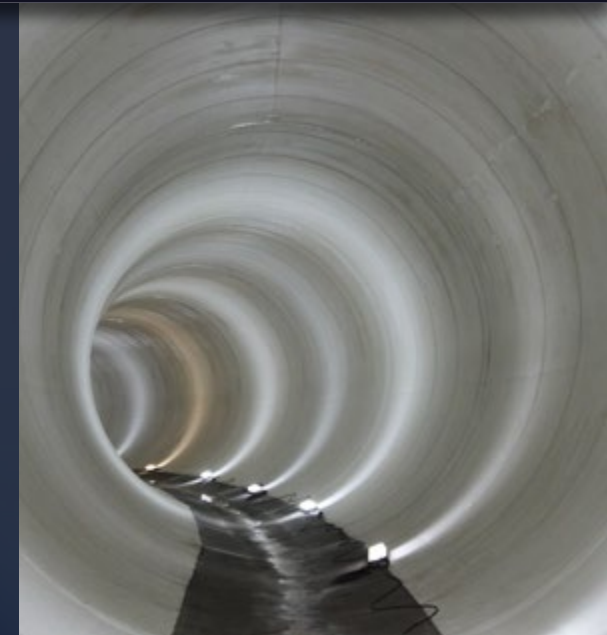


OPERATIONAL PERFORMANCE

VOLUME OF WASTEWATER TREATED (m³)



ASSET AVAILABILITY



TAQA Water Solutions launches AED 95 million project to develop SCADA System

TAQA Water Solutions has awarded an AED 95 million project in December 2024 to develop a comprehensive Supervisory Control and Data Acquisition (SCADA) system across its treatment infrastructure, anchored by a new, centralised control facility. The project aims to drive environmental sustainability to enhance operational efficiency, reduce the company's carbon footprint, and improve wastewater treatment capacity by approximately 20%.

At the core of this project is a state-of-the-art SCADA system. The technology enables integrated, real-time monitoring and control of TAQA Water Solutions' extensive network using over 2,000 high-performance sensors, transmitters and instruments. The project will link all plants in the Emirate of Abu Dhabi, with 91% of TAQA Water Solutions' wastewater collection and treatment assets benefiting from this integration. By analysing and processing data gathered from across the emirate, the upgraded SCADA system enables the company to identify trends, monitor remote sites, and receive real-time event notifications.

Key benefits of the centralised SCADA system upgrade include AI Smart monitoring for enhanced operational efficiency and reduced carbon emissions of treatment plants by up to 13%. The system aims to deliver a 12% reduction in maintenance costs and lower energy consumption, with total annual savings of more than AED 10 million. The project seeks to strengthen security with the latest cybersecurity measures and physical security enhancements.

International consortium led by TAQA Water Solutions signs agreement to develop largest wastewater treatment plant in Uzbekistan

A consortium comprising TAQA Water Solutions, Marubeni Corporation, and Suez, has signed a joint development agreement in August 2024, with the Ministry of Investment, Industry and Trade of Uzbekistan, and Uzsvtaminot JSC for the development of a wastewater treatment plant in Tashkent, Uzbekistan.

The project, which is valued at more than \$1 billion, will be capable of producing 1.5 million cubic metres of treated water per day, is the largest of its kind in Uzbekistan and the wider Commonwealth of Independent States (CIS). The construction of the project is expected to begin in 2026, with the plant

scheduled to be fully operational by 2030. Upon completion, the facility will serve approximately three million people in Tashkent and surrounding cities and replace the two existing wastewater treatment plants in Salar and Bektimir.

Wastewater management project in Al Bahia and Al Sadr

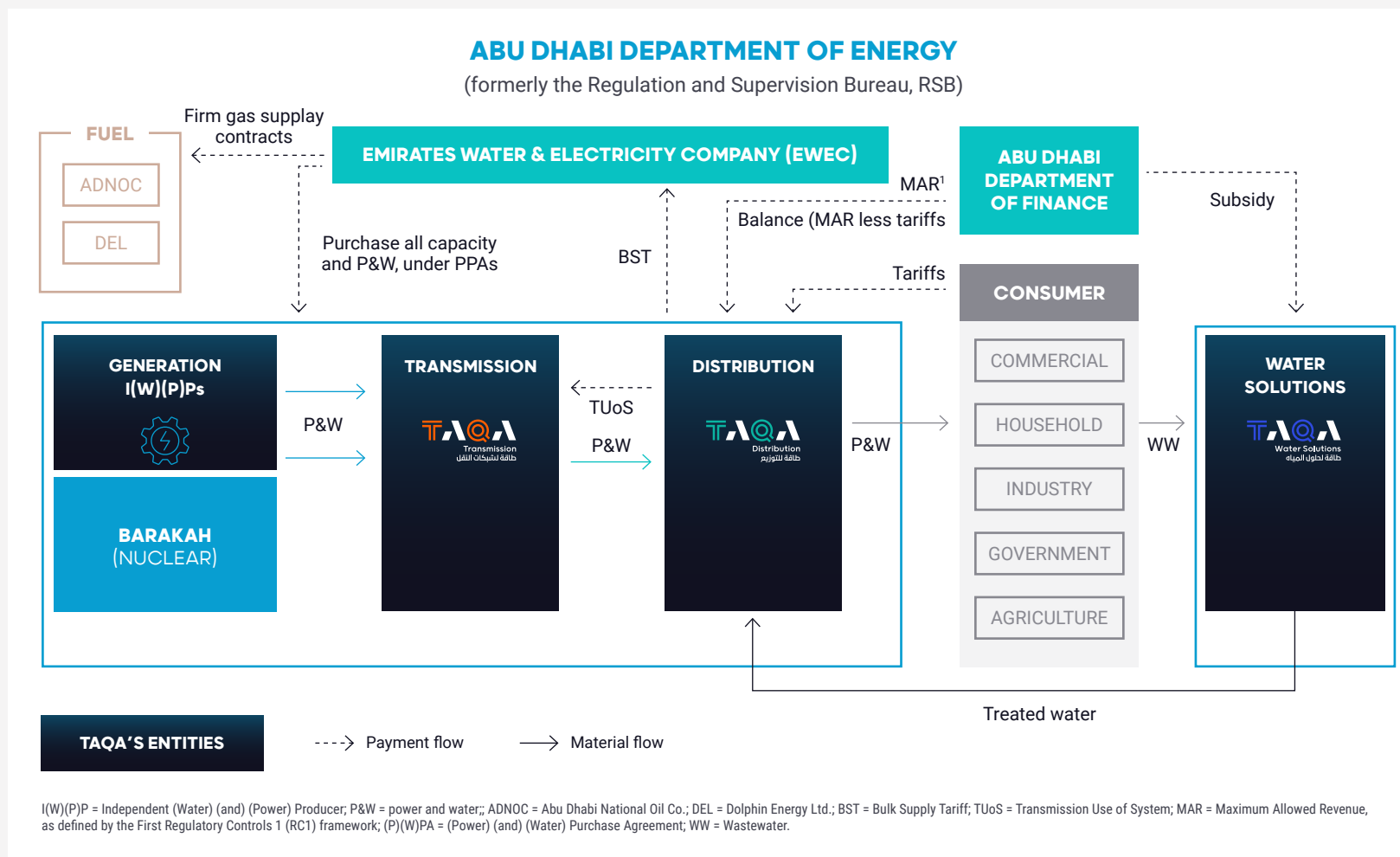
In September 2024, TAQA Water Solutions announced an AED 150 million wastewater management project in Al Bahia and Al Sadr. The project will see the development of a 9.5-kilometre-deep gravity-driven line along with the decommissioning of a number of pumping stations, as a result, minimising energy consumption and reducing carbon emissions. This asset enhancement scheme will significantly increase overall hydraulic capacity to 120,000 m³/day, effectively serving the needs of the rapidly developing areas in Al Bahia and surrounding areas such as Al Sader, Al Shaliela, and Taweelah.

Developed in close collaboration with key stakeholders including Al Dar, Abu Dhabi Housing Authority, and the Department of Municipalities and Transport, the project demonstrates the power of collaboration in achieving long-term sustainability and resource management efficiency in Abu Dhabi.

OPERATIONAL REVIEW

ABU DHABI POWER AND WATER SECTOR FLOWS

TAQA is integral to the power and water system and collaborates closely with the Department of Energy (DoE) Abu Dhabi, the system planner EWEC, and other governmental bodies.



The power and water sector is entirely funded by end consumer tariffs (set by the Government) and a government 'other operating revenue', both of which are collected by TAQA Distribution. Together, they make up the revenues stipulated by the DoE's regulatory framework. TAQA Distribution procures power and water from EWEC, to whom bulk supply tariffs (BSTs) are paid. Transmission Use of System (TUoS) fees are paid by the TAQA Distribution companies to TAQA Transmission, for the transmission of power and water dispatched by generators in Abu Dhabi. In return for the generation capacity made available to EWEC, TAQA-owned generators are paid capacity-based payments (or output-based payments for solar PV) as per long-term contractual agreements with EWEC. Fuel is procured and provided by EWEC through contractual agreements with both the generators and fuel suppliers.

OPERATIONAL REVIEW

OIL AND GAS (O&G)

TAQA's Oil and Gas business includes , production, processing and sale of oil and natural gas in Canada, UK and Netherlands. TAQA operates gas storage facilities in the Netherlands and is progressing decommissioning of the offshore installation in the UK.²²

PORTFOLIO²³

Canada

- Operating asset acreage with large resource potential
- Net production in 2024: 76.5 mboe/day

United Kingdom

- Late-life offshore operations and decommissioning
- Net production in 2024: 22 mboe/day

Netherlands

- Two strategic gas storage facilities: Gas Storage Bergermeer (GSB) and Piek Gas Installation (PGI)
- Net production in 2024: 2.9 mboe/day

²² TAQA is not involved in unconventional production such as tar sands, wells below 1,500 meters water depth (ultra deepwater), assets in the Arctic, coalbed methane extraction and extra heavy oil.

²³ Excluding Iraq which is no longer in the portfolio.



OPERATIONAL REVIEW



STRATEGIC PRIORITIES

01

Canada: Deliver safe and reliable operations whilst maximising value and achieving operational excellence

02

UK: Efficient delivery late life assets operations and decommissioning program

03

Netherlands: Maintain high Gas Storage assets availability and support Europe's energy security needs



“

In 2024, TAQA's Oil and Gas business delivered safe and efficient operations across all the assets. In Canada, the successful delivery of projects and infrastructure solutions allowed optimizations of operating costs and sustaining production.

In the Netherlands, the gas storage assets guaranteed security of gas supply to the country and our customers. In the UK, cessation of production from the Northern North Sea assets was achieved, and we are progressing with the decommissioning plans.

”

FRANCO POLO
CHIEF EXECUTIVE OFFICER,
OIL & GAS

OPERATIONAL REVIEW



OPERATIONAL PERFORMANCE

Net Production (Mboe/d)

CANADA



NETHERLANDS



UNITED KINGDOM



GROUP TOTAL



Oil and Gas average production volumes decreased to 101.4 million barrels of oil equivalent per day (Mboe/d), a 5.9% decline compared to the same period last year²⁴.

This reduction was primarily driven by the decommissioning activities in the UK, which reduced its production by close to 32% in 2024 when compared to 2023. The production in Canada increased by 5% compared to 2023. The share of oil in the O&G portfolio reduced to 30% in 2024, down from 35% in 2023 and from 44% in 2020²⁵.

In 2024, TAQA O&G reached key milestones in portfolio transformation, divesting non-core assets, advancing decommissioning project execution, and enhancing infrastructure to optimise operations.

In the third quarter of 2024, TAQA completed the sale of its 47.4% interest in the Atrush oil field located in the Kurdistan Region of Iraq to General Exploration Partners.

In 2024, TAQA UK marked several key milestones in its decommissioning journey. Four of TAQA UK's Northern North Sea platforms – Tern, North Cormorant, East Brae and Cormorant Alpha – all achieved cessation of production (CoP). The Tern Platform reached CoP in March 2024, after 35 years of production. The North Cormorant platform ceased production in June, ending 42 years of operations and a legacy of 467 million barrels of oil produced. In September, Cormorant Alpha also reached cessation after 45 years of production.

In the Netherlands, onshore gas production from TAQA's Bergen II Concession ended in November, marking 50 years since production first began in the Dutch Alkmaar region. TAQA has also been progressing engineering studies and the plan of activities required to convert an offshore field and facilities currently operated by the company into CO₂ injection and storage for the Porthos Project.

In Canada, the construction of the Caroline Compressor Station is on track for completion by March 2025, an important step in TAQA North's strategy to maximise its owned gas processing capacity and enhance profitability. The project follows the successful restart of the Bearberry Gas Plant in 2023, which enabled the company to reduce reliance on third-party facilities and associated costs.

²⁴ Excluding Iraq

²⁵ Including Iraq for comparative purposes, which was present in the portfolio in 2020

BUSINESS RESILIENCE

ENTERPRISE RISK MANAGEMENT

GRI 2-25, 201-2, 418-1

TAQA's Risk Function encompasses enterprise risk, business continuity, health, safety, security and environment (HSSE), and cyber security. The Function is responsible for supporting businesses and other functions in identifying, assessing, and managing risks across the organisation.

For more information on health and safety, please refer to the [Sustainability chapter](#) of the report.

RISK MANAGEMENT FRAMEWORK

TAQA's Risk Management system is structured to provide a comprehensive framework for identifying, evaluating, and addressing risks across all levels of the organisation, including operations, management, and the Board.

TAQA's risk management framework is designed to enable the organisation to remain resilient, compliant, and well positioned for sustainable growth within an evolving energy landscape. The framework is anchored by an Enterprise Risk department established at the Group level, supported by risk facilitators across operational entities. This structure fosters a cohesive network of risk practitioners.

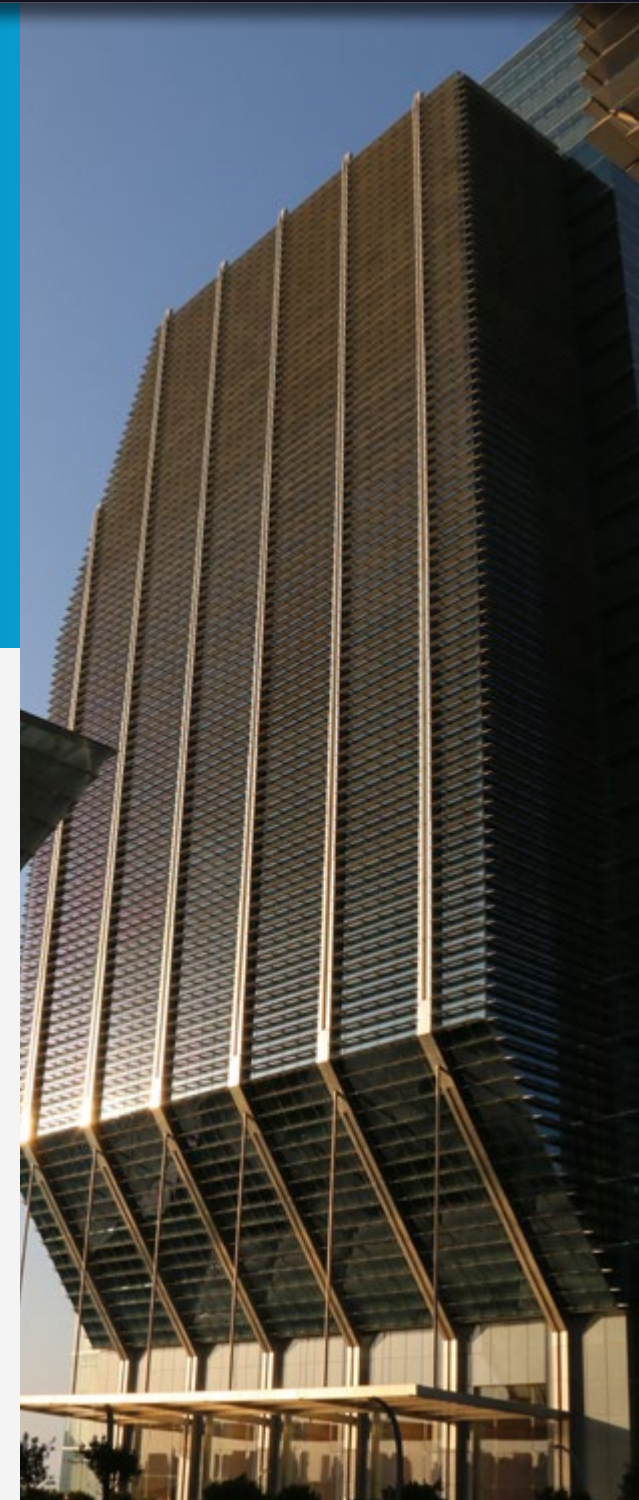
The primary objectives of the risk management framework are to:

1. Enhance the organisation's capacity to identify, evaluate, and manage risks in alignment with its strategic, operational, and financial goals;
2. Promote a proactive risk-aware culture throughout the organisation, embedding risk management into key decision-making processes;
3. Enable effective mechanisms for risk management, monitoring, and reporting across all levels;

4. Deliver assurance to stakeholders that significant risks are effectively identified, controlled, and managed.

The framework outlines TAQA's approach to:

1. **Understanding the Risk Environment:**
Enabling the effective identification and assessment of risks;
2. **Managing Risks:**
Establishing and confirming appropriate responses and measures to address identified risks;
3. **Monitoring and Evaluating Risks:**
Continuously assessing specific risks, evaluating the effectiveness of risk management measures and improvement actions, and determining if additional measures are required;
4. **Risk Reporting:**
Ensuring that risks and their management are communicated to the relevant levels within the organisation.



BUSINESS RESILIENCE



We believe that effective risk management is critical for sustainable long-term growth and value creation. Throughout 2024, we continued to strengthen our approach to how we manage risk, embedding measures that safeguard our operations, assets, and stakeholders, and enable us to be a sector leader.

By deepening risk awareness throughout the organisation, we enhance our ability to manage risks, navigate uncertainties and seize new opportunities. As we move into 2025, our focus remains on being a trusted operator and disciplined investor, shaping a resilient, agile, and future-ready business that thrives in a dynamic environment.



STEPHEN WACKERLE
CHIEF RISK OFFICER



The successful implementation of TAQA's risk management system and framework depends on coordinated activities at three levels within the organisation:

01

OPERATIONAL LEVEL

Departments and businesses are responsible for identifying, assessing, and managing risks within their respective areas.

They are tasked with:

- Integrating risk management into daily operations and key decision-making processes;
- Implementing risk management strategies and plans;
- Monitoring risks and their management;
- Complying with laws, regulations and standards;
- Reporting risk-related matters to higher organisational levels.

02

MANAGEMENT LEVEL

The management team supervises risk management activities across the organisation, ensuring alignment with overall business objectives.

Their responsibilities include:

- Providing guidance on risk priorities;
- Allocating resources for effective risk management;
- Monitoring the effectiveness of risk management measures;
- Embedding risk management into key business processes;
- Escalating risks when required.

03

BOARD LEVEL

The Board of Directors and its committees offer governance and strategic oversight for risk management.

Their key roles involve:

- Ensuring the alignment of the risk management framework with the company's strategic goals and risk appetite;
- Approving risk management policies;
- Monitoring significant risks and overseeing their management;
- Ensuring resources are in place to manage risks effectively.

These three interconnected levels work together to establish a robust and effective risk management system, supporting TAQA's long-term sustainability, resilience, and growth.

At TAQA, leaders of each operational and functional entity are accountable for managing risks within their areas of responsibility. With support from the ERM department, these leaders maintain business-specific risk registers. Risks are escalated within the reporting line based on their severity and likelihood, ensuring they receive appropriate management attention.

BUSINESS RESILIENCE

TAQA employs the **Three Lines Model** to define clear and distinct roles and responsibilities for risk management across the Group:

1

FIRST LINE

Operational and functional teams are directly responsible for identifying, assessing, and managing risks within their respective areas. They implement risk management measures and resource accordingly to ensure day-to-day activities align with the organisation's risk management framework.

2

SECOND LINE

Amongst others, the Enterprise Risk, HSE and Ethics and Compliance departments provides oversight, guidance, and support for risk management practices. It develops and maintains the risk management framework, monitors compliance, and assists operational leaders in assessing and addressing risks.

3

THIRD LINE

The Internal Audit function offers independent assurance by evaluating the effectiveness of risk management practices and the robustness of the control environment. Refer to the Corporate Governance chapter for further details on Internal Audit at TAQA.

This structured approach enables systematic risk management, supporting TAQA's objectives for safety, resilience, compliance, and sustainable growth.

In addition to day-to-day risk management conducted within businesses and functions, and the consideration of risks and their management in key business decision-making processes, risk assessments are conducted at least twice-yearly under the direction and guidance of the Enterprise Risk department, encompassing all TAQA businesses, functions and operating companies.

Risks are examined using a cause, event, and consequence methodology, and assessed for impact and likelihood based on defined criteria to enable consistent evaluation and prioritisation. The Board of Directors, Executive Management Team, and Audit Committee regularly review and discuss the consolidated

Group risks and TAQA's overall risk profile, ensuring that significant risks are effectively monitored, addressed, and aligned with the organisation's strategic objectives. The Board of Directors and Audit Committee receive an update of TAQA's risk profile at each meeting.

To enhance its risk management framework, TAQA has introduced additional lines of assurance, including periodic activities that include:

- Reviews and monitoring of efficiency, effectiveness, and conformance to standards conducted by specific second line functions;
- Site visits to discuss and observe conformance with requirements and site operating behaviours;
- Deployment of risk facilitators to support self-verification of risk management and reporting;
- Assessments of compliance carried out by stakeholders and regulators;
- Independent evaluations by external auditors on specific external and internal reports.



BUSINESS RESILIENCE

PRINCIPAL RISKS

The risk assessments conducted in 2024 identified the key risks outlined below, along with the corresponding summary of risk management measures:

Principal risks	Key risks	Risk management measures
Strategic and Financial		
Strategy Execution and Financial Delivery	<ul style="list-style-type: none"> Delivering growth Longevity of production agreements Replacement of generation, production and reserves 	<ul style="list-style-type: none"> Implementation planning and review Strategy, M&A and Business Development expertise Engagement with off-takers Growth and development pipelines Execution of M&As, JVs and partnerships
Market Environment	<ul style="list-style-type: none"> Commodity prices Interest rates Foreign exchange rates Competition Supply chain 	<ul style="list-style-type: none"> Fixed price commodity contracts Hedging commodities and foreign exchange exposure Fixed rate debt and interest rate swaps
Liquidity and Cash Delivery	<ul style="list-style-type: none"> Funding Customer or other receipts Credit ratings 	<ul style="list-style-type: none"> Funding planning and review Liquidity management, cashflow forecasts and stress testing Customer service and collections management
Political and Societal	<ul style="list-style-type: none"> Regional stability Geopolitical developments 	<ul style="list-style-type: none"> Country screening, assessments and reviews New country entry reviews Government support and diplomatic engagement
Climate Change and Sustainability	<ul style="list-style-type: none"> Environmental, Social and Governance (ESG) developments Physical climate change effects Energy transition 	<ul style="list-style-type: none"> Low carbon power and water champion ambition Renewables growth, investment in new technologies ESG strategy and implementation roadmap Contribution to local development

Principal risks	Key risks	Risk management measures
Strategic and Financial		
Organisational Capability	<ul style="list-style-type: none"> Attracting, developing and retaining talent Alignment of resource capacity and capability 	<ul style="list-style-type: none"> Recruitment expertise Competitive market positioning Performance based evaluation People development programmes Employee engagement
Technology and Digital Infrastructure	<ul style="list-style-type: none"> Obsolescence Technology and digital infrastructure as an enabler 	<ul style="list-style-type: none"> Digital and innovation strategies Business continuity management and disaster recovery plans Information Technology (IT) and Operational Technology (OT) infrastructure security and reliability management Legacy upgrades and associated programme delivery
Cyber Security	<ul style="list-style-type: none"> Cyber breach Loss of information Loss of operations 	<ul style="list-style-type: none"> Systems and architecture management and reviews Application of standards Detection, monitoring, prevention, response and recovery capabilities Government agency engagement and expertise Cyber expertise and development
Partners, Suppliers and Contractors	<ul style="list-style-type: none"> Partner alignment Supplier dependencies Contractor management 	<ul style="list-style-type: none"> Partner engagement and management Supplier and contractor due diligence Performance and compliance monitoring
Brand and Reputation	<ul style="list-style-type: none"> Brand value and presence 	<ul style="list-style-type: none"> Unified brand Communications expertise Stakeholder engagement

BUSINESS RESILIENCE

Principal risks	Key risks	Risk management measures
HSSE & Operational		
Project Execution	<ul style="list-style-type: none"> Timely and cost-efficient project delivery Quality and performance of delivered assets 	<ul style="list-style-type: none"> Selective EPC engagement and contractual arrangements Project management capabilities and development
Operational Reliability	<ul style="list-style-type: none"> Ageing assets Equipment reliability Operations and Maintenance (O&M) performance and quality of work 	<ul style="list-style-type: none"> Inspection, maintenance, and testing programmes Operator selection and contracted O&M arrangements O&M capability development
People Safety	<ul style="list-style-type: none"> Safety at work Community and public safety 	<ul style="list-style-type: none"> Commitment to Operational Excellence, TAQA's HSSE Management System Safety standards and practices Standardised work procedures and operation manuals Leadership and safety culture Learning and continuous improvement
Asset Integrity	<ul style="list-style-type: none"> Spills Fires or explosions 	<ul style="list-style-type: none"> Process safety management, systems and processes Inspection and maintenance programmes Prevention of loss of containment and energy releases Operational hazard management
Crisis Management and Recovery	<ul style="list-style-type: none"> Critical business disruptions Catastrophic events Natural disasters 	<ul style="list-style-type: none"> Crisis management and incident response plans Business continuity management plans and resiliency Tests and exercises

During 2024, a new Governance, Risk, and Compliance (GRC) tool was piloted at TAQA headquarters, incorporating key Group risks into a centralised platform. This tool streamlines risk management reporting and monitoring. Specialised risk training was conducted to help equip key personnel with the skills required to use the tool effectively.

Principal risks	Key risks	Risk management measures
HSSE & Operational		
Physical Security	<ul style="list-style-type: none"> Malicious acts, including terrorism, sabotage, and theft Regional instability, conflict, and unrest 	<ul style="list-style-type: none"> Protective security management system, including monitoring Security capabilities and intelligence resources Security incident response and crisis management plans
Regulation and Compliance		
Management Systems	<ul style="list-style-type: none"> Adequacy of policies and procedures Internal control breaches 	<ul style="list-style-type: none"> Continuous improvement and embedding of policies, standards, and procedures Systematic reviews and assessments
Compliance with Laws and Regulations	<ul style="list-style-type: none"> Compliance Business ethics Changes in laws and regulations 	<ul style="list-style-type: none"> Legal and regulatory expertise, competence, and monitoring Code of Ethics and Business Conduct, and associated policies Corporate governance and compliance enforcement processes Training, awareness, and attestation Independent whistleblowing process and facility
Liabilities and Commitments	<ul style="list-style-type: none"> Decommissioning Litigation, fines, and penalties Acquisitions and disposals 	<ul style="list-style-type: none"> Decommissioning strategy, planning, and implementation monitoring Legal resources and expertise (internal and external) Due diligence, contractual reviews, and advisory services Regulatory engagement
Reporting	<ul style="list-style-type: none"> Accurate and complete external reporting 	<ul style="list-style-type: none"> Management review and engagement

New risk management standards were introduced in 2024, documenting existing practices and replacing the previous Enterprise Risk Management (ERM) procedure. These updated standards incorporate best practices, streamline requirements, and enhance risk management expectations for TAQA's operated and non-operated activities.

BUSINESS RESILIENCE

CYBER SECURITY

TAQA's cyber security department, hosted within the Risk function, sets rules and principles for effective security of TAQA's digital architecture whilst actively monitoring the cyber security landscape within the organisation.

The team establishes and enables a secure cyber environment that protects TAQA's personnel, assets, information, and operations, which includes ensuring the organisation is prepared to respond effectively to serious cyber incidents.

TAQA has established a comprehensive suite of policies and standards as part of its governance documentation. The cyber security team works with the businesses and other functions to embed these documented requirements and maintain conformance. Real-time monitoring of key expectations enables prioritisation and early intervention.

The cyber security team carries out various security assessments from both technical and governance perspectives across the Group. A managed Security Operations Centre service provides further real-time monitoring of TAQA's higher risk digital landscape, which includes coverage of vulnerability assessments and the digital asset infrastructure.

A formal cyber security incident response plan is in place and tested, which has been extensively integrated within TAQA's Security Operations Centre and disseminated to all operating companies. Cyber risks and their management are identified, assessment and monitored at quarterly Cyber Security Steering Committee meetings.

TAQA experienced no significant cyber security incidents during the reporting period.

Cyber security awareness and training programmes are mandated for all employees on an annual basis. In 2023 and 2024, over **87% of employees across the Group completed cyber security training.**

As part of the vendor onboarding process, a thorough cyber security vetting procedure is implemented. Vendors are required to report any cyber security breaches that could affect TAQA within a specified timeframe. Additionally, TAQA's Legal function reviews vendor contracts to adapt to evolving business and regulatory requirements.

TAQA continues to invest in cyber security tools and services to keep pace with the rapidly changing threat landscape and to effectively manage the risk of significant cyber breaches.

TAQA'S COMPLIANCE WITH GENERAL DATA PROTECTION REGULATION (GDPR) RULES

As part of TAQA's Group Ethics and Compliance (E&C) programme, the Data Protection Policy outlines the requirements and standards expected of Group personnel to comply with relevant Data Protection Laws, including GDPR, across all jurisdictions in which TAQA operates, while employing best practices. The Information Technology (IT) department is responsible for establishing the security control environment based on the policies and procedures set by the cyber security and E&C departments, and it addresses any breaches identified by the Legal function or other functions or businesses.

Further information on data protection can be found in the [Corporate Governance chapter](#).



BUSINESS RESILIENCE

PROTECTIVE SECURITY

GRI 410-1

The TAQA Group Protective Security (PS) team is hosted within the HSSE department in the Risk function. It sets the standards and principles for protective security and monitors the physical security landscape across TAQA's embedded security teams, managers, and security focal points.



The team develops and helps to maintain a secure environment to protect TAQA's people, assets, information, and operations and establish organisational preparedness to respond to serious incidents, including to maintain business continuity should such events occur.

TAQA's HQ PS team enables compliance with international and national security requirements, including critical national energy infrastructure requirements applicable across the Group. In the UAE, compliance with elements of the Department of Energy Cyber Security Framework and Abu Dhabi Monitoring and Control Centre measures is maintained, which forms part of the team's governance and compliance role.

The Group Protective Security Management Standard (PSMS) details seven key components to deliver TAQA's Protective Security requirements:

- Appoint individuals with a protective security single point of accountability
- Complete an annual security risk assessment
- Deliver security management plans
- Develop security response plans and procedures
- Implement security awareness and education programmes

- Implement minimum baseline Protective Security measures
- Maintain security notification and reporting

In addition, compliance is expected with the following Ethics & Compliance requirements:

- The Group Information Security Policy
- Group Code of Ethics and Business Conduct and TAQA Group Ethics and Compliance policies.

The PSMS is embedded across TAQA's operating companies and conformance is part of line management's expectations. In addition to the PSMS, a suite of PSMS documents provide requirements, guidance and compliance measures on implementing the minimum expectations based upon a risk-prioritised methodology. As part of continuous improvement in 2024, a new standard was developed and issued for Group-wide implementation focussed on security at TAQA offices. Through ongoing engagement, routine visits, business-led key performance indicators (KPIs) and governance and compliance activities, PS activities are managed throughout the Group. Progress reporting is reviewed quarterly at HSSE Committee Meetings.

Investment in a leading security management tool commenced in 2024 to enable digital recording of key sites and activities. The tool includes security risk assessments, security management plans, surveys, security reporting and guard force management. In 2024, TAQA's Internal Audit (IA) undertook a comprehensive audit of the Transmission and Distribution businesses, with findings and management plans agreed across the teams.

05 SUSTAINABILITY

- 87 ESG Strategy**
 - 87 Ambition
 - 89 Governance
 - 91 Performance
 - 92 Sustainable Investments
 - 93 Integration of ESG and Climate Risks
- 96 Managing Our Resources**
 - 96 Energy and Emissions
 - 103 Water
 - 107 Waste
 - 109 Biodiversity
 - 112 Supply Chain
- 114 Growing With Our People**
 - 114 Occupational Health and Safety
 - 120 Employee Development
 - 124 Diversity and Equal Opportunity
 - 130 Human Rights
 - 132 Community Engagement
 - 134 Customer Experience

This chapter is part of TAQA's 2024 Integrated Report. For full context, it should be reviewed alongside the complete report. For more information on reporting scope and boundary, please refer to the [Appendix](#).

ESG STRATEGY

AMBITION

GRI 2-22, 3-1, 3-2, 3-3

TAQA's ESG Strategy is a cornerstone of its commitment to sustainable growth and its ambition to achieve net zero emissions by 2050. The ESG Strategy, announced in 2022, defines key focus areas and ambitions across the environmental, social, and governance pillars, and has played a pivotal role in aligning the company with its 2030 corporate goals.

TAQA'S ESG STRATEGY



ENABLERS

OPERATING MODEL

Embed ESG into the governance structure.

STAKEHOLDER ENGAGEMENT

Communicate regularly with stakeholders locally, regionally, and globally on ESG matters.

CAPITAL ALLOCATION FRAMEWORK

Incorporate ESG into investment decisions.

KPIs INTEGRATION

Include ESG metrics in the Group scorecard and Executive Management's incentive schemes.

ESG STRATEGY

TAQA remains steadfast in its support of the United Nations Sustainable Development Goals (UNSDGs), aligning its initiatives with the goals most relevant to the utilities and energy sector.

ALIGNMENT WITH THE UN SDGs

Energy and Utilities Sector Focus



ESG Strategy Focus



Supportive of all other SDGs



TAQA'S MATERIAL ESG TOPICS

While the ESG Strategy serves as a key framework for the prioritisation of TAQA's sustainability efforts, broader ESG topics that are material to the industry and operations are also addressed by the company.

In 2024, it conducted a structured and inclusive materiality assessment exercise to identify the most pressing ESG topics for its operations and stakeholders. This process involved formal surveys and engagement with internal and external stakeholders, including senior leadership. The exercise resulted in a set of 25 material topics that reflect the core impact areas of TAQA's business and provide a refined focus for the ESG initiatives moving forward.

To ensure its ESG Strategy remains impactful, TAQA refreshed its ESG Strategy's Project Management Office (PMO) initiatives in 2024, focusing on promoting efficiencies and value creation across the pillars while driving measurable improvements.



ENVIRONMENT

- GHG Emissions
- Low Carbon Product Portfolio
- Water and Effluents Management
- Energy Efficiency and Resource Use
- Supply Chain Sustainability and Responsible Procurement
- Waste and Circular Economy
- Demand Side Management
- Other Air Emissions and Pollutants
- Biodiversity



SOCIAL

- Occupational Health and Safety
- Availability, Reliability and Customer Experience
- Access and Affordability
- Diversity and Equal Opportunity
- Local Community Engagement and Impact
- Employee Practices and Employee Development
- Fair Pay and Executive Compensation
- Human Rights



GOVERNANCE

- Corporate Governance
- Regulatory Compliance
- Business Ethics
- Data Privacy and Security
- Business Model Resilience
- Transparency, Accountability and Reporting
- Emergency and Risk Management
- Stakeholder Management

ESG STRATEGY

GOVERNANCE

GRI 2-14

TAQA's approach to managing material ESG topics is underpinned by a governance structure and operating model that is integrated across all levels of the organisation. This ensures effective tracking and advancement of the Group's ESG and Net Zero strategies. With ESG governance positioned at the highest level of leadership under the Board's guidance, TAQA demonstrates its strong commitment to sustainability.

SUSTAINABILITY GOVERNANCE AND ORGANISATIONAL STRUCTURE



¹ These include the CSR Steering Group, HSSE Committee, HQ HSSE & Wellbeing Committee, People Committee and other working groups or interim committees established to manage ESG matters.

² Sits under the Strategy function at headquarters in Abu Dhabi.

ESG STRATEGY

Embedding Sustainability into Performance: TAQA's ESG Integration through the Group Scorecard

The Group Scorecard, which also serves as the GCEO's performance scorecard, integrates ESG-related targets that directly influence variable compensation across all levels of the organisation—from the GCEO and Executive Management to employees.

These ESG targets are cascaded through the scorecards of Executive Management, businesses, operational entities, functional teams, and individual employees.

Sustainability holds significant importance within the Group Scorecard, with over 40% of its weightage dedicated to ESG matters. These include greenhouse gas emissions reduction, diversity, localisation, employee engagement, water loss reduction, community impact, safety, customer experience, ESG ratings, operational reliability, innovation, and growth in sustainability-focused partnerships or low-carbon service projects.



Sustainability holds significant importance within the Group Scorecard, with over 40% of its weightage dedicated to ESG matters.



ESG STRATEGY

PERFORMANCE

TAQA's ESG ratings across major indices have steadily improved in recent years, reflecting the company's ongoing commitment to its transformation into a low-carbon power and water champion.

ESG RATINGS

 <p>2024 A</p> <hr/> <p>2020 CCC</p>	 <p>2024 18.1 (Low Risk)</p> <hr/> <p>2020 49.0 (Severe Risk)</p>
 <p>2024 B Climate Change B Water Security</p> <hr/> <p>2022 D Climate Change C Water Security</p>	 <p>2024 67th Percentile</p> <hr/> <p>2020 19th Percentile</p>

PERFORMANCE HIGHLIGHTS^{3, 4}

<h3>ENERGY AND GHG⁵</h3> <p>19% ↓ reduction in scope 1 and 2 GHG emissions as compared to base year 2019</p> <hr/> <p>37% ↓ reduction in scope 1 and 2 GHG intensity based on revenue as compared to base year 2019</p> <hr/> <p>12% ↓ reduction in scope 3 GHG emissions as compared to base year 2019</p>	<h3>SAFETY</h3> <p>41% ↓ reduction in recordable injury rate</p> <hr/> <p>55% ↓ reduction in the number of spills (uncontained)</p> <hr/> <p>84% ↓ reduction in the volume of spills (uncontained)</p>	<h3>WASTE</h3> <p>19% ↓ reduction in waste generated</p> <hr/> <p>12% ↓ reduction in fly-ash generated</p> <hr/> <p>25% ↑ increase in waste diverted towards recycling, reusing, and repurposing</p>
<h3>WATER</h3> <p>11% ↓ reduction in distribution water losses as compared to base year 2021</p> <hr/> <p>17% share of recycled water in the total water (potable and recycled) distributed</p>	<h3>PEOPLE</h3> <p>33% ↑ increase in training hours per employee</p> <hr/> <p>2% ↑ point increase in women in management positions compared to base year 2021</p>	<h3>SUPPLY CHAIN</h3> <p>AED 23.43 billion procurement spending on local suppliers</p> <hr/> <p>10%⁶ ↑ increase in procurement spending in the UAE towards ICV registered suppliers</p>
<h3>COMMUNITY</h3> <p>40% ↑ increase in community investment</p>		

³ Decrease/Increase in numbers is expressed in comparison to 2023 unless otherwise specified.
⁴ 2024 numbers include TAQA Water Solutions.
⁵ Emissions of TAQA Water Solutions have been added for all years since the base year 2019.
⁶ Excluding TAQA Water Solutions.

ESG STRATEGY

SUSTAINABLE INVESTMENTS

EMBEDDING SUSTAINABILITY IN TAQA'S INVESTMENT APPRAISAL

At TAQA, every investment is guided by the capital allocation framework, which mandates the development of detailed Investment Memoranda to ensure consistency, strategic alignment, and informed decision making. The framework is embedded with sustainability considerations, driving sustainable investment decisions, and ensuring alignment with TAQA's sustainability and net-zero goals.

The key elements of sustainability integration in the capital allocation framework are:

STRATEGIC FIT SCORING

Strategic Fit refers to the alignment of the investment with TAQA's corporate strategy. It evaluates an investment on four criteria namely Business and Technology, Market, Capability Building and Sustainability, each with a 25% weightage. The 25% allocated to sustainability is broken down as follows:

40%

Contribution to 2030 ESG strategy targets

20%

Contribution to net-zero goals

40%

Reduction in emissions intensity

RISK CATEGORY WEIGHTAGE

Sustainability contributes an additional 10% weight in the Risk category, evaluated through:

50%

Carbon price considerations

25%

Environmental risks

25%

Social risks

CARBON PRICE INTEGRATION

The framework incorporates carbon pricing in forward looking scenario analyses to assess its impact on Net Present Value (NPV), ensuring informed and sustainable investment planning decisions. In the geographies where TAQA operates or manages assets, the UK is the only market with a direct carbon price. As a result, carbon pricing is not considered in other locations.

The corporate and ESG strategies have augmented TAQA's energy transition journey which is expected to accelerate in the coming years. **A total of over AED 60 billion is expected to be invested towards energy transition projects from 2021 to 2030.**

This represents over 80% of the AED 75 billion spending plan by 2030 announced alongside 2030 target and include TAQA's investments in renewables, low carbon intensive reverse osmosis water desalination plants, and grid infrastructure that expands the share of clean energy and water in the grid.

AED 60 BILLION

80% of total spending of AED 75 billion during 2021 to 2030 towards energy transition projects.



34%

Generation



66%

Transmission & Distribution

AED 50 BILLION

i.e. two-thirds of the total spending of AED 75 billion by 2030 is considered as eligible activity⁷ under the EU taxonomy for sustainable finance.

Nearly

AED 26.7 BILLION

has been spent during 2021 to 2024, of which 86% is eligible activity under the EU taxonomy for sustainable finance.

⁷ Compared to the categories considered under energy transition, reverse osmosis and investments in water networks are not eligible under the EU taxonomy for sustainable finance.

ESG STRATEGY







INTEGRATION OF ESG AND CLIMATE RISKS

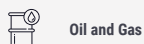
GRI 201-2

ESG and climate-related risks are integral components of TAQA’s risk management framework, recognised as Group-level risks requiring the attention of the Board and Executive Management.

The Board and its committees play a crucial role in reviewing and establishing the processes, controls, and procedures used to monitor, manage, and oversee these risks and opportunities. Similarly, the Group ERM department and the Sustainability and Climate Change department, regularly assesses emerging ESG and climate-related risks at a Group level. These risks, along with their potential impacts and management measures, are analysed in collaboration with relevant businesses and entities through operational assessments. Input from each business⁸ is integrated into the Group’s overall risk assessment, which is subsequently reported to Executive Management and the Board.

PHYSICAL RISKS

Category	Climate Risk	Impact Areas	Key risk management measures ¹⁰			
 People safety	1 Health and safety adverse impacts on staff, especially at operating sites from extreme weather events or other climate related changes*	• Injuries and/or fatalities	<ul style="list-style-type: none"> • <u>Commitment to Operational Excellence, TAQA’s HSSE Management System</u> • <u>Underlying safety standards and processes</u> • <u>Standardised work procedures and operation manuals</u> 	●	●	●
 Increased droughts	2 Damage to assets from ground settlements and potential shortage of water intake for generation plants from increased frequency and/or severity of droughts	• Operational disruptions	<ul style="list-style-type: none"> • <u>Participation in national infrastructure programmes</u> • <u>Alternative water supply technologies</u> 	●		
 Rising temperature	3 Heat-related reduction of efficiency and capacity of generation, transmission, distribution and production assets, due to seawater and/or land temperature increase	<ul style="list-style-type: none"> • Outside asset design limits • Asset ageing • Asset/equipment damage and/or failure 	<ul style="list-style-type: none"> • <u>Inspections and maintenance</u> • <u>Enhanced engineering design and processing enhancements</u> • <u>Reviews of asset technical limits</u> 	●	●	
	4 Damage to assets or access prevention to facilities from increased bushfire severity	• Operational disruptions	<ul style="list-style-type: none"> • <u>Increased natural barriers</u> • <u>Flexible production planning</u> 			●
	5 Damage to assets from extreme fog and humidity combined with dust and other fine particles	<ul style="list-style-type: none"> • Operational disruptions • Equipment damage and/or failure 	<ul style="list-style-type: none"> • <u>Inspections and maintenance</u> • <u>Review of new technologies and monitoring of asset performance</u> 	●		









* People safety is considered a risk across all physical risks.

⁸ Analysis for Water Solutions will be integrated from 2025 onwards.





⁹ Improvement actions are in Italics while the underlined measures are ongoing controls.

ESG STRATEGY

PHYSICAL RISKS (CONTINUED)

Category	Climate Risk	Impact Areas	Key risk management measures ¹⁰			
 Rising Sea Levels	6 Flooding or submersion by sea of coastal assets prevents access to facilities, due to rising sea levels	<ul style="list-style-type: none"> • Damage to coastal assets • Operational disruptions 	<ul style="list-style-type: none"> • <u>Incident monitoring and investigation</u> • <i>Construction of physical barriers</i> • <i>Enhanced engineering design and site selection</i> • <i>Enhanced drainage, pumps and water management systems</i> 	●	●	
 Increased winds and storms	7 Wind or storm damage to assets, related to the increased frequency and/or severity of extreme weather events, including from sea swells and waves	<ul style="list-style-type: none"> • Damage to PV plants and/or coastal assets 	<ul style="list-style-type: none"> • <u>Monitoring asset failure rates</u> • <u>Prioritised inspection programme</u> • <i>Enhanced engineering design</i> 	●	●	
 Increased rainfall and flooding	8 Flooding of plant or equipment, due to more frequent and intense rain events prevents access to facilities	<ul style="list-style-type: none"> • Deluge exceeds design limits • Operational disruptions 	<ul style="list-style-type: none"> • <u>Flood event preparation</u> • <u>Local municipality engagement</u> • <i>Use of drainage, pumps and water management systems</i> 	●	●	
	9 Loss of primary containment of hazardous materials		<ul style="list-style-type: none"> • <u>Emergency response planning</u> • <i>Enhanced engineering design</i> 		●	

TRANSITION RISKS

Category	Climate Risk	Impact Areas	Key risk management measures ¹⁰			
 Market (Shifting supply and demand)	1 Supply chain constraints, interruptions to supply chain and/or changes in supplier commitments	<ul style="list-style-type: none"> • Cost increase to source alternative suppliers in a competitive market • Delivery delay due to high demand 	<ul style="list-style-type: none"> • <u>Supplier and market diversification</u> • <i>Prioritisation of critical suppliers, goods and services</i> 	●	●	●
	2 Overcapacity of conventional plants and equipment due to changes in consumption and dispatch patterns	<ul style="list-style-type: none"> • Interruption to plant production • Asset ageing 	<ul style="list-style-type: none"> • Engagement with system planner or offtaker • Operating flexibility 	●		
	3 Non-renewal of Power and Water Purchase Agreement's (PWPA's) due to a changing energy mix	<ul style="list-style-type: none"> • Asset obsolescence 	<ul style="list-style-type: none"> • <u>Continued interaction with regulators and system planners or offtakers</u> • <i>Efficient asset investment to extend asset life and relevance</i> 	●		
	4 Limited availability of financing to support strategic growth	<ul style="list-style-type: none"> • Increased financing costs 	<ul style="list-style-type: none"> • <u>Green Finance Framework</u> • Renewables investment 	●		



Generation



Transmission and Distribution









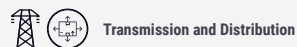
Oil and Gas

¹⁰ Improvement actions are in *Italics* while the underlined measures are ongoing controls.

ESG STRATEGY

TRANSITION RISKS (CONTINUED)

Category	Climate Risk	Impact Areas	Key risk management measures ¹⁰				
 Reputation (Damage to brand value and loss of customer satisfaction)	5	Failure to adequately address higher intensity carbon emitting operations in a timely fashion	<ul style="list-style-type: none"> Negative stakeholder sentiment Increased financing costs 	<ul style="list-style-type: none"> <u>Portfolio diversification and greater renewables share of generation</u> <u>ESG integration in capital allocation framework</u> <u>Stakeholder engagement</u> <u>Green Finance Framework</u> 	●		●
	6	Challenges in attracting and/or retaining talent to support the energy transition	<ul style="list-style-type: none"> Decreased productivity Increased employee stress 	<ul style="list-style-type: none"> <u>Human Capital programmes</u> <u>ESG strategy</u> <u>Brand positioning</u> 	●	●	●
 Policy and Legal (Existing and emerging regulation)	7	Non-compliance fines and/or breaches in environmental guidelines or regulations	<ul style="list-style-type: none"> Negative stakeholder sentiment Increased costs 	<ul style="list-style-type: none"> <u>Monitoring environmental guidelines and/or regulatory developments</u> 	●	●	●
	8	Unanticipated introduction of new or increased environmental taxes and carbon pricing	<ul style="list-style-type: none"> Increased costs 	<ul style="list-style-type: none"> <u>Investment decision making framework</u> <u>Carbon trading and hedging</u> 	●	●	●
	9	Disruptions from climate activism	<ul style="list-style-type: none"> Negative stakeholder sentiment 	<ul style="list-style-type: none"> <u>Stakeholder engagement</u> <u>Brand positioning</u> <u>Monitor developments</u> 	●		●
	10	Unanticipated introduction of new environmental regulations or regulatory limitations on assets	<ul style="list-style-type: none"> Operational disruptions 	<ul style="list-style-type: none"> <u>Monitoring regulatory developments</u> <u>Stakeholder engagement</u> 	●		●
	11	Unanticipated or developing regulations for new technologies contribute to investment uncertainty	<ul style="list-style-type: none"> Negative stakeholder sentiment Increased costs 	<ul style="list-style-type: none"> <u>Monitoring technology developments</u> <u>Appropriate technology adoption</u> 	●	●	
 Technology (Emerging technologies supporting the low carbon transition)	12	Development of low emission technologies being performed at a higher than foreseen pace and cost	<ul style="list-style-type: none"> Early retirement of technologies Increased costs 	<ul style="list-style-type: none"> <u>Strategy and business planning</u> <u>Monitor technology developments</u> <u>Stakeholder engagement including offtakers</u> <u>Engineering design enhancements</u> 	●	●	
	13	Underinvestment in new technologies or investment in new technologies that do not deliver as anticipated	<ul style="list-style-type: none"> Missed opportunities Increased costs Investment losses 	<ul style="list-style-type: none"> <u>Innovation strategy</u> <u>New technology evaluation</u> <u>Supplier engagement</u> <u>Pilot programmes for new technologies</u> 	●	●	



¹⁰ Improvement actions are in *Italics* while the underlined measures are ongoing controls.

MANAGING OUR RESOURCES

ENERGY AND EMISSIONS

GRI 302-1, 302-2, 302-3, 302-4, 302-5, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7

TAQA recognises the pivotal role of the energy sector in achieving global climate goals and is dedicated to leading the transition to a low-carbon future. Committed to supporting the UAE's Net Zero 2050 Strategy, TAQA has set a target to achieve Net Zero emissions by 2050.

To ensure measurable progress, the company established ambitious interim 2030 targets in 2022, aiming for a 25% reduction in total Scope 1 and Scope 2 Greenhouse Gas (GHG) emissions across the Group and a 33% reduction within its UAE portfolio, using 2019 as the base year. This places **TAQA as one of the few energy majors in the region to have an absolute reduction target.**



AMBITION

TAQA's targets are grounded in a detailed, bottom-up analysis of annual greenhouse gas (GHG) projections, incorporating planned emission reduction measures outlined in the company's corporate strategy and business plan.

- Progressive reduction of gas fired generation in Abu Dhabi:** A key aspect of TAQA's energy transition is the planned reduction in gas-fired generation to enable increased contributions from nuclear¹¹ and solar energy within the Abu Dhabi grid. **Abu Dhabi aims to generate 60% of its electricity from clean energy sources by 2035**, a significant rise from mere 2.5% in 2019.
- Renewable energy investments:** TAQA aims to achieve 65% renewable energy within its 150 GW global gross power generation capacity by 2030, driven by its leading shareholding in Masdar. Achieving this ambitious goal will involve an estimated investment of over AED 19 billion by 2030.
- Expansion of efficient RO technologies for water desalination:** TAQA aims to transition two-thirds of its 1,300 MIGD water portfolio to efficient RO technology by 2030, supported by an investment of approximately AED 1.5 billion. Shifting from thermal desalination to RO is a key step in decarbonising power and water systems, as RO is more efficient, cost-effective, and reduces emissions by 60–90% compared to traditional thermal desalination methods.
- Grid modernisation and expansion to increase penetration of clean energy:** TAQA plans to invest AED 40 billion between 2021 and 2030 to upgrade existing infrastructure and develop new transmission and distribution networks in the UAE. Supporting the electrification of the manufacturing and transport sectors with an increasing share of clean energy is a key lever in advancing the UAE's Net Zero ambitions.
- Oil and Gas decommissioning:** TAQA is implementing a comprehensive decommissioning plan for its late-life assets in the UK and has divested from the GHG intensive Iraq assets. These activities will not only reduce scope 1 and 2 emissions but also scope 3 category 11 (use of sold products) emissions even more significantly.

¹¹ Generation not owned by TAQA but TAQA's transmission business connects it to the grid.

MANAGING OUR RESOURCES

PERFORMANCE

SCOPE 1 AND 2 GHG EMISSIONS

TAQA's scope 1 and scope 2 GHG emissions reduced by 19% in 2024 compared to base year 2019 and by 2% compared to 2023. Nearly 99.5% contribution is from scope 1 related to stationary fuel combustion. Other scope 1 emission sources constituting the remaining 0.5% of total emissions are venting, flaring, mobile combustion, refrigerants usage, SF6 use in circuit breakers, CO₂ in fire extinguishers and fugitives. The import of energy and the associated scope 2 emissions is insignificant. In terms of breakdown of GHG, about 99% is constituted by CO₂ with the rest being CH₄, SF₆ and N₂O. Emissions associated with flaring (0.19 tCO₂e) and venting (0.16 tCO₂e) reduced by 17% and 4% respectively in 2024, compared to 2023. GHG emissions covered under carbon pricing regimes is well below 1% (only UK Emission Trading Scheme).

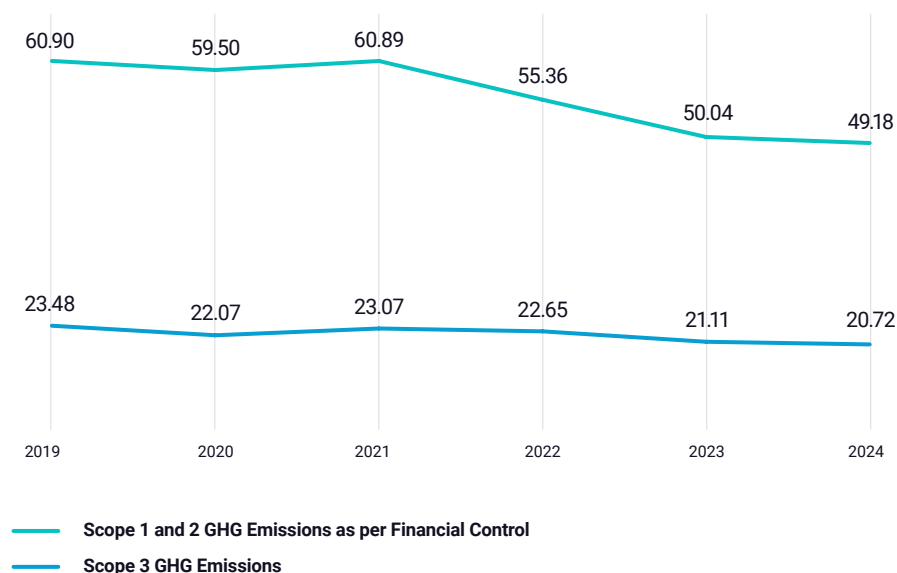
Scope 1 and 2 GHG Emissions as per Financial Control ¹² (million tCO ₂ e)	2024	2023	2022	2021	2020	2019
Scope 1 and 2	✓ 49.18	✓ 50.04	✓ 55.36	✓ 60.89	✓ 59.50	✓ 60.90
Generation UAE	30.84	32.25	37.48	42.11	42.41	42.75
Generation Int'l	16.78	16.05	16.01	16.87	15.18	16.33
Trans. And Dist.	0.11	0.08	0.05	0.07	0.19	0.15
Oil and Gas	1.36	1.60	1.72	1.75	1.63	1.59
Water Solutions	0.09	0.07	0.09	0.08	0.09	0.08
Scope 1	✓ 48.90	✓ 49.79	✓ 55.08	✓ 60.62	✓ 59.27	✓ 60.66
Generation UAE	30.84	32.25	37.48	42.11	42.41	42.75
Generation Int'l	16.63	15.93	15.89	16.73	15.09	16.20
Trans. and Dist.	0.11	0.08	0.05	0.07	0.19	0.15
Oil and Gas	1.24	1.47	1.57	1.63	1.49	1.48
Water Solutions	0.09	0.07	0.09	0.08	0.09	0.08
Scope 2	✓ 0.28	✓ 0.25	✓ 0.27	✓ 0.26	✓ 0.23	✓ 0.24
Generation UAE	0	0	0	0	0	0
Generation Int'l	0.15	0.12	0.12	0.15	0.09	0.13
Trans. and Dist.	0	0	0	0	0	0
Oil and Gas	0.13	0.13	0.16	0.12	0.14	0.10
Water Solutions	0	0	0	0	0	0

✓ Assured metric

TAQA's equity share based emissions is 38.9 million tCO₂e which is 21% lower than the emissions based on financial control.

Trend in Scope 1+2 and Scope 3 GHG Emissions

(million tCO₂e)



¹² TAQA's primary GHG consolidation approach based on which reduction targets are set. Limited assurance was obtained for total Scope 1 and 2 emissions, total Scope 1 emissions and total Scope 2 emissions for 2019-2021 and 2023-2024 by DNV UK and for 2022 by EY (in tCO₂e comprising CO₂, CH₄, N₂O, SF₆ and hydrofluorocarbons). Previous years' numbers restated (no material changes) based on portfolio changes (adjusted as per GHG Protocol) and based on outcomes from internal review and external audits. Iraq (2019 to 2024) numbers not included considering the completion of sale in Aug 2024. Scope 2 GHG emissions of UAE Generation, Transmission and Distribution, and Water Solutions are zero, as their electricity import is already counted under scope 1 of UAE Generation, from which they import electricity.

MANAGING OUR RESOURCES

PERFORMANCE (CONTINUED)

SCOPE 3 GHG EMISSIONS

Categories 3, 11 and 15 are the scope 3 categories material (based on quantity, our ability to influence, business plan projections) for TAQA. Scope 3 GHG emissions in 2024 reduced by 2% when compared to 2023 and 12% when compared to base year 2019.

The most material of TAQA's scope 3 emissions is category 11 (61% of total scope 3), which is associated with the combustion or use of the products sold by the oil and gas business. TAQA's scope 3 category 11 emissions have reduced by 6% and 15% compared to 2024 and base year 2019 respectively, reflecting our decommissioning progress in the UK. Category 11 emissions are expected to further reduce going forward, in line with the progress of decommissioning plan in the UK.

The category 3 emissions (24% of total scope 3) have reduced by 20% in 2024 compared to base year 2019, due to the reduction in gas-based generation in the UAE. The emissions are expected to reduce further in the coming years due to the Abu Dhabi grid's energy transition and the expected reduction in ADNOC's GHG intensity supported by TAQA's HVDC interconnection project. Category 15 emissions (15% of total scope 3) increased due to the start of production by the F3 gas-fired plant in the UAE.

Scope 3 GHG (million tCO ₂ e)	2024	2023	2022	2021	2020	2019
Category 3	4.90	5.02	5.43	6.13	5.87	6.14
Category 11	12.80	13.68	14.82	14.59	13.84	15.01
Category 15	3.01	2.42	2.41	2.35	2.37	2.33
Total	✓ 20.72	✓ 21.11	22.65	23.07	22.07	23.48

✓ Assured metric

GHG INTENSITY

TAQA's GHG intensity based on revenue reduced by 8% in 2024 compared to 2023. Compared to the base year of 2019, the reduction is 37%. This reduction reflects how well TAQA is growing financially while ensuring the impact on environment is reduced.

In terms of scope 1+2 GHG intensity based on electricity generation, the Group performance has marginally declined, as the forced outages of international assets impacted efficiency. However, the intensity of UAE based assets showed an improvement.

Scope 1+2+3 GHG intensity based on electricity generation has improved across both UAE and international assets. This is primarily driven by TAQA and Masdar's efforts in increasing renewable energy generation both in the UAE and globally. TAQA's scope 1+2+3 GHG intensity for electricity generation is also lower than its scope 1+2 GHG intensity for generation.

The trend of GHG intensity for desalinated water supplied from 2019 to 2024 is a clear indication of how the increase in penetration of reverse osmosis is improving the energy and GHG intensity. Compared to the GHG base year of 2019, the improvement is close to 26%. Despite the reduction in load factor of co-generation plants, intensity figures have remained nearly the same in last two years.

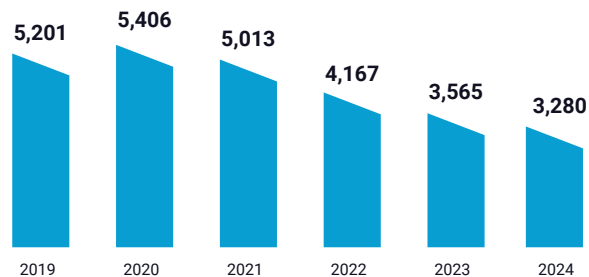
GHG intensity of oil and gas production reduced by over 9% in 2024 when compared to 2023, because of the implementation of several optimisation projects across the portfolio.



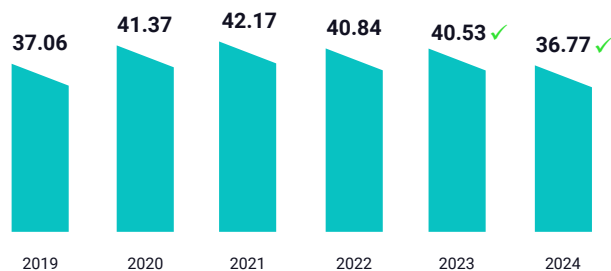
MANAGING OUR RESOURCES

PERFORMANCE (CONTINUED)

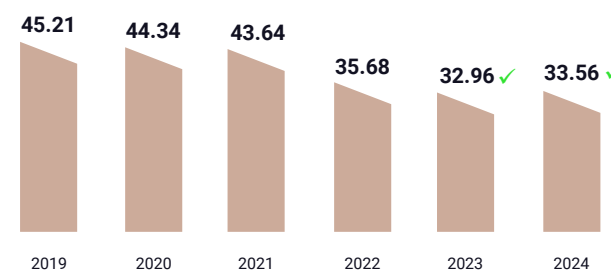
GHG Intensity - Revenue¹³
(tCO₂e/million US\$)



GHG Intensity - Oil & Gas¹⁴
(tCO₂e/mboe)



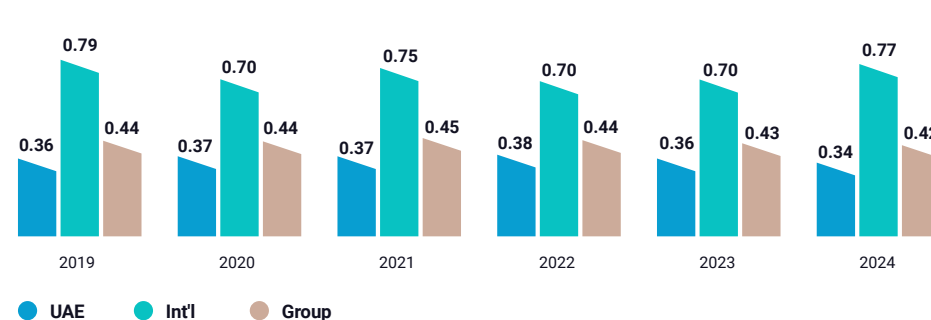
GHG Intensity - Desalinated Water Supplied
(tCO₂e/MIG)



Scope 1+2 Emission Factor - Electricity
(tCO₂e/MWh)



Scope 1+2+3¹⁵ Emission Factor - Electricity
(tCO₂e/MWh)



✓ Assured metric

¹³ Excluding the divestments/sale (Red Oak, Iraq) as per GHG Protocol. GHG Intensity includes scope 1 and 2.

¹⁴ Excluding Iraq.

¹⁵ Scope 3 is the category 15 investment emissions which includes contribution from our associates or equity investments such as Masdar, Al Dhafra PV2, F3, Jubail, Lakefield and Sohar. Denominator includes only the proportionate electricity generation based on TAQA's effective stake.

MANAGING OUR RESOURCES

EMISSION REDUCTION INITIATIVES

TAQA has made significant progress in decarbonisation locally and globally by making substantial investments in renewables and strategic partnerships, particularly in addressing emissions from hard-to-abate industrial sectors. Guided by the Group 2030 Strategy, TAQA remains focused on reducing emissions across its diverse asset portfolio.

	2024	2023	2022	2021	2020	2019
Total Energy Consumption within TAQA Group (TJ)¹⁶	503,361	532,732	587,050	649,033	711,991	722,998
= Non-renewable fuel consumed	762,917	809,652	897,218	985,066	1,021,841	1,039,713
+ Renewable fuel consumed	-	-	-	-	-	-
+ Electricity, heating, cooling, and steam purchased for consumption	1,397	1,278	1,451	1,300	1,228	1,142
+ Self-generated electricity, heating, cooling, and steam, which are not consumed	-	-	-	-	-	-
- Electricity, heating, cooling, and steam sold	260,682	278,198	311,619	337,334	311,078	317,857

¹⁶ Restatement to account for internal review and external audit (GHG) recommendations. Boundary includes entities under financial consolidation approach for GHG.

GENERATION

TAQA's Generation business contributes to about 97% of Group's total scope 1 and scope 2 GHG emissions, with the share of UAE and international GHG emissions in the Group being 63% and 34% respectively.

Generation business emissions have reduced in 2024 by 2% and 19% when compared to 2023 and base year 2019 respectively, mirroring the same trend as overall Group emissions.

The reduction in Generation business emissions is primarily due to the changing energy mix in Abu Dhabi system. Due to this, **UAE Generation emissions have reduced by 27% in 2024 compared to base year 2019,** against at target of 33% reduction by 2030. The share of clean energy (nuclear and solar) in the Abu Dhabi system's energy mix has grown from nearly 3% in 2019 to 43% in 2024, while the share of gas has declined from 97% to 57% over

the same period. TAQA's solar plants, Noor PV1 and Al Dhafra PV2, together with Masdar's renewable energy projects in Abu Dhabi generated a total of 6,855 GWh of electricity in 2024, accounting for 6.3% of the total electricity generated in Abu Dhabi system.

Fujairah F1 operates a heat reclaimer project, which enhances energy efficiency by producing additional low-pressure steam and reducing natural gas usage. F1 also completed the reverse osmosis decoupling from thermal generation project in the, where 30 MIGD of water is now produced without the reliance on any thermal unit. Three gas turbine units of F2 were upgraded, providing more flexibility to the grid, by being more responsive to the needs of the transmission system during low-demand periods. Taweelah A1, until its decommissioning in

2021, operated waste heat recovery plan which also contributed to enhance the energy efficiency post base year 2019.

The total GHG emissions of international emissions increased by 5% in 2024 compared to 2023, primarily due to the maintenance related forced outages which has impacted the energy efficiency and GHG intensity. Morocco's generation reduced by nearly 2%, where TAQA implemented equipment upgrade project, which reduced auxiliary electricity consumption by 7,800 MWh, i.e. 1.1%. The production in India increased by 37% whereas Ghana faced forced outages reducing its production by 42% compared to 2023. Ghana's waste heat recovery project continues to contribute to emission reduction.

The share of coal in TAQA's gross generation capacity has reduced from nearly 10% in 2020 to just 4% in 2024. The share of coal revenue out of the total group revenue is only 2.3%, without considering fuel pass through.

MANAGING OUR RESOURCES

EMISSION REDUCTION INITIATIVES (CONTINUED)

TRANSMISSION AND DISTRIBUTION

TAQA's Transmission and Distribution business contributes minimally to the Group's overall carbon footprint, accounting for just over 0.2% of total Scope 1 and 2 emissions. The emissions increased in 2024 when compared to 2023, due to the increased operational efforts during adverse weather conditions and due to increase in infrastructure projects.

In terms of emission reduction, the focus lies in minimising environmental impact through targeted initiatives. This includes transitioning to SF6-free technologies like Blue GIS (80% Nitrogen, 20% Oxygen) and G3 (5% C4-FN, 80% Oxygen, 15% Carbon Dioxide) in Gas-Insulated Switchgear. Proactive measures such as regular leak detection and repair, gas consumption monitoring, and root cause analysis of leaks are implemented to ensure operational efficiency and environmental responsibility. Additionally, a growing proportion of electric vehicles (EVs) have been added to its fleet with the installation of electric chargers to support the transition. Furthermore, TAQA prioritise reducing electricity and water losses across its networks, minimising the need for additional generation and associated emissions.

TAQA Transmission plays a vital role as sustainability business partner, in connecting UAE's high GHG intensive sectors the grid powered by cleaner energy, thereby reducing stakeholders' GHG emissions. Some of these initiatives include connecting nuclear energy, ADNOC's facilities and aluminium sector to the grids (power and water grids based on the project type). These projects play a vital role in meeting UAE's emission reduction targets committed to the UN Climate Change as part of its Nationally Determined Contributions (NDCs). As highlighted in the previous chapter, TAQA Distribution provides energy performance contracting and demand side management services to its customers, as part of Abu Dhabi's DSM strategy.

OIL AND GAS

The total **scope 1 and 2 GHG emissions of O&G business reduced by 14% in 2024 in comparison to 2023**, contributed by the energy optimisation projects and the decommissioning in the UK. **GHG intensity reduction of 9% compared to last year reflects the operational efficiency improvements achieved by the business.**

Canada implemented carbon capture and sequestration projects at the Crossfield Gas Plant between 2019 to 2024. Air-fuel ratio controllers have been implemented on rich-burn engines to reduce GHG emissions. Direct inspection and maintenance programme and fugitive emissions management plans are in place to manage and reduce fugitive emissions. The conversion from sulphur recovery to acid gas injection project at the East Crossfield Gas Plant and the non-core disposition transactions completed in earlier years continue to contribute roughly around 150,000 tCO₂e reduction annually in Canada. Between 2019 and 2022, TAQA North undertook the challenge of replacing approximately 1,750 high vent rate methane driven pneumatic devices with modern, highly efficient low vent

rate alternatives. This initiative reduced TAQA North's annual GHG emissions by approximately 80,000 tCO₂e.

TAQA Netherlands overhauled gas compressors at their P15 Complex, allowing operations to consolidate from two compressors to one. Completed in September 2023, this optimisation cut GHG emissions by approximately 27,000 tCO₂e annually. Additional reductions were achieved at storage facilities due to lower activity levels and reduced injection requirements, further supporting TAQA's emissions reduction efforts.

In the UK, the focus has been on effective decommissioning of late life assets which has contributed to the reduction in scope 3 category 11 emissions by 6% and 15% respectively, when compared to 2024 and base year 2019. Complying with the Energy Savings Opportunity Scheme (ESOS) regulations, annual energy assessments are conducted, and Asset-Specific Emission Reduction Action Plans (ERAPs) are implemented. High Efficiency Particulate Arresting (HEPA) filters have been installed to improve combustion efficiency.

WATER SOLUTIONS

The share of Water Solutions' GHG emissions in TAQA's scope 1 and 2 emissions is limited to below 0.2%.

However, they play a crucial role in providing recycled water to the customers whose potable water consumption is reduced, thereby reducing the need of water generation powered by thermal means. **Currently 17% of water supplied to the customers in Abu Dhabi consists of recycled water out of the total potable and recycled water supplied.**

TAQA Water Solutions has implemented several energy and emission reduction initiatives to enhance sustainability and operational efficiency across Abu Dhabi. One of the key advancements is the commencement of implementation of an AI-powered SCADA system, which provides detailed insights into consumption patterns, enabling the optimisation of pumping regimes and the identification of opportunities for Variable Frequency Drive (VFD) implementation. To further improve energy efficiency, capacitor banks have been installed in the Sewage Treatment Plant (STP) to enhance the power factor.

MANAGING OUR RESOURCES

AIR EMISSIONS

TAQA manages its non-GHG air emissions by integrating advanced technologies and implementing stringent protocols to minimise the release of harmful local pollutants.

TAQA is committed to maintaining Nitrogen Oxide (NO_x) and Sulfur Oxide (SO_x) emissions within permissible limits, with all operational sites adhering to regional regulations and standards to support cleaner air quality and mitigate environmental impacts.

To further this commitment, TAQA has established an Air Quality Standard to mitigate the impact of its operations on air quality. This standard defines minimum requirements, including systems and procedures, for all entities to adopt, ensuring the reduction of air emissions and their potential effects on air quality.

In Abu Dhabi, the Environment Agency Abu Dhabi (EAD) Agency has established air quality monitoring to safeguard the well-being of residents and the environment. In alignment with these efforts, TAQA employs advanced technologies such as electrostatic precipitators, high-efficiency baghouses, flue gas desulphurisation (FGD) systems, and the use of low-sulphur fuel alternatives, among other pollution control measures, to minimise emissions.

TAQA's UAE Generation assets align with EAD guidelines by employing stringent quality assurance and control methods. All activities at air monitoring stations, including maintenance, calibration, and operations, are meticulously documented. Continuous Emission Monitoring Systems (CEMS) are widely utilised across plants to ensure consistent monitoring and recording of air emissions. At a majority of the plants, boilers are upgraded with low-NO_x burners.

In Morocco, efforts to advance air emissions control are underway with the installation of gas desulphurisation devices, and gas and dust analysers. Meanwhile, in India, TAQA has retrofitted its fly ash disposal systems and is actively preparing for the potential installation of a FGD plant. In Ghana, emission control efforts focus on operating gas turbines with water injection to manage NO_x emissions.

In the Netherlands, TAQA is aligning with the EU Methane Regulation by increasing the frequency of fugitive emission measurements. While in Canada, TAQA is retrofitting two reciprocating engines with air-fuel ratio controllers – a project slated for completion by early 2025. In the UK, TAQA is optimising operations during decommissioning by implementing live flare gas calculations and process enhancements to further minimise emissions.

These initiatives and planned investments demonstrate TAQA's commitment to reducing air emissions through innovative technologies, enhancing regulatory compliance, and implementing strategic improvements across its global operations.

Air Emissions (tonnes) ¹⁷	2024	2023
Nitrogen oxide (NO _x)	16,972	16,311
Sulfur oxide (SO _x)	84,845	71,961
Volatile organic compounds (VOCs)	781	1,111
Particulate matter (PM10)	3,463	3,502
Hazardous air pollutants (HAP) emissions	1,159	1,478

¹⁷ Restatements made based on results of internal reviews.



MANAGING OUR RESOURCES

ISO CERTIFICATIONS

TAQA is committed to maintaining the highest standards of operational excellence by aligning its management systems with globally recognised best practices. TAQA's Commitment to Operational Excellence (COE), follows the International Organisation for Standardisation (ISO) Standards structure and incorporates guidance from the International Association of Oil and Gas Producers (IOGP) and the Energy Institute (EI).

ISO Coverage		
ISO 14001	ISO 9001	ISO 45001
100%	91%	86%

In addition to ISO 9001 (Quality), 14001 (Environment) and 45001 (Occupational Health & Safety); several TAQA entities hold additional ISO certifications. These include ISO 50001 for energy management, ISO 10002 and ISO 10004 for customer satisfaction, ISO 55001 for asset management, ISO 22301 for business continuity, ISO 27001 for information security, ISO 31000 for risk management, ISO 37301 for compliance management, ISO 26001 for social responsibility, ISO 17025 for laboratory competence, Publicly Available Specification (PAS) 2080 for carbon management in infrastructure, and National Emergency Crisis and Disasters Management Authority (NCEMA) 7000 for crisis and emergency management. These certifications reinforce TAQA's structured approach to performance, risk mitigation, and continuous improvement across its global operations.

WATER

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

TAQA's approach focuses on optimising water use, reducing wastage, and enhancing efficiency across the entire value chain and all of its operations. Water and effluent performance are monitored through key performance indicators across all businesses, with outcomes reviewed during Management Review meetings. The Group-wide Water and Wastewater Management Standard, provide a framework for achieving optimal performance.

Aligned with TAQA's Corporate and ESG Strategies, the Group aims for two-thirds of its 1,300 MIGD water capacity portfolio to use energy-efficient RO technology by 2030. TAQA also target a 25% reduction in water distribution losses (non-revenue water) by 2030 from 2021 levels. The recent acquisition of SWS Holding (now TAQA Water Solutions) enhances synergies across the water value chain, delivering greater value for TAQA and its stakeholders.

WATER USE

The Group primarily withdraws seawater for desalination, along with minimal usage in thermal power generation and oil and gas extraction. In the UAE, nearly 100% of the water required for cooling and condensing in power generation is sourced from desalinated distilled seawater. While some UAE assets, along with international power generation and oil and gas facilities, utilise groundwater and freshwater sources, the volumes are negligible compared to the seawater withdrawals by the UAE's desalination assets.

	2024	2023
Water consumed (MIG) ¹⁸	✓ 261,748	✓ 262,515

✓ Assured metric



¹⁸ Nearly 100% of the water produced is supplied to the Abu Dhabi grid consumers, with minimal water consumed within facilities themselves. Total water withdrawal in 2024 is approximately close to 3.95 million MIG and the water discharge being 3.69 million MIG, these being dominated by desalination processes.

MANAGING OUR RESOURCES

DECOUPLING WATER PRODUCTION FROM ELECTRICITY GENERATION

The UAE’s power and water sectors are interconnected due to the energy-intensive processes required to supply potable water in a desert environment. This system is primarily driven by cogeneration facilities, which simultaneously produce power and desalinated water, optimising fuel use compared to standalone production methods. In these facilities, waste heat from gas turbines is harnessed to produce steam, which is then used to generate additional power and desalinated water.

While water demand remains relatively stable throughout the year, electricity demand surges by about fourfold or more during the summer compared to winter. This imbalance reduces efficiency for a cogeneration-dominated system, increasing GHG emissions.

Desalination through RO has proven to be a viable solution for independent water production, offering a significant reduction in fuel requirements and associated GHG emissions—up to 60% to 90% lower compared to traditional methods. Furthermore, RO enables more effective system planning by mitigating the effects of seasonal demand fluctuations and reducing interdependence between water and electricity production. GHG Intensity section discussed earlier in the chapter highlights the **improvement in GHG intensity for desalinated wate supplied, which is nearly 26% compared to base year 2019.**

Aligned with the strategic direction of the Abu Dhabi Department of Energy (DoE) and EWEC’s system planning, TAQA remains committed to supporting the decoupling of water production from electricity generation. This approach enhances production efficiency while contributing to GHG emission reductions.

MANAGING TRANSMISSION AND DISTRIBUTION LOSSES (NON-REVENUE WATER)

TAQA follows the International Water Association’s (IWA) definition of non-revenue water for baselining and monitoring purposes, which is calculated as the difference between system input volume and billed authorised consumption. TAQA is dedicated to implementing best practices and launching initiatives across its water value chain to minimise distribution losses. Compared to the 25% reduction by 2030 target for water distribution, **TAQA Distribution has achieved 11% reduction till end of 2024 compared to the base year 2021.** This is on back of implementation of smart metering projects, advanced maintenance programs and by improving the network monitoring with the help of technology. TAQA’s transmission water losses of 2.66% is comparable to leading benchmarks globally.

	2024	2023
Water distribution losses (non-revenue water)	10.75%	11.16%



MANAGING OUR RESOURCES

WASTEWATER AND EFFLUENT MANAGEMENT

TAQA is committed to adhering to local regulations and international standards while implementing innovative practices to treat, recycle, and reuse wastewater. These efforts reflect its dedication to responsible resource management and the continuous improvement of water quality across its operations.

TAQA Water Solutions is at the forefront of innovative wastewater management, aligning with Abu Dhabi's Integrated Water Resources Management (IWRM) Plan to safeguard water resources for future generations. The company has undertaken critical projects to reduce salinity, enhance water quality, and optimise resource utilisation, including the 1.9 million m³ per day water treatment at Al Wathba Pumping Station. Key initiatives include the rehabilitation of sewer systems and the construction of advanced Recycled Water Polishing Plants, designed to meet or exceed stringent standards set by the Department of Energy. These measures ensure that recycled water is of the highest quality, suitable for various applications, including agriculture, cooling, and industry usage.

Furthermore, TAQA Water Solutions is working to achieve 100% utilisation of recycled water, well ahead of 2030, by commissioning new pipelines in collaboration with TAQA Distribution.

TAQA Morocco demonstrates its commitment through its advanced treatment plants that handle wastewater and oil-laden water, ensuring compliance with international standards such as World Bank criteria. Treated water is tested by approved independent laboratories and recycled for purposes such as watering green spaces. Over 3,000m³ have been recycled in 2024, thereby eliminating the need for the equivalent amount of fresh water.

Similarly, Shuweihat S1 employs a segregated approach to effluent management, collecting oily and chemical wastewater in specialised systems for treatment, and monitoring these streams periodically to ensure regulatory compliance. Additionally, facilities like Taweelah B mitigate wastewater risks through comprehensive treatment systems and monitoring, including oil spill detection buoys and regular effluent analysis to meet stringent quality standards.



MANAGING OUR RESOURCES



GLOBAL WATER AWARDS (GWA) LONDON: AWARDED TO TAQA WATER SOLUTIONS FOR WATER REUSE PROJECT OF THE YEAR.

The project successfully met recycling targets by producing 909,000 m³ of treated wastewater per day for reuse. This achievement was driven by transformation initiatives, including a wastewater network monitoring program that utilized advanced scanning, monitoring, and inspection technologies to quickly identify issues across the infrastructure. These efforts helped protect ecosystems and promote water sustainability by reducing wastage and contamination. In its first year, the program achieved a 40% reduction in the salinity of recycled water.



AI-POWERED SCADA SYSTEM TO ENHANCE OPERATIONAL EFFICIENCY

TAQA Water Solutions has launched an AED 95 million AI-powered SCADA system to enhance sustainability and operational efficiency across Abu Dhabi's wastewater infrastructure. The system will integrate 91% of TAQA Water Solution's assets, enabling real-time monitoring of over 13,000 km of infrastructure, 43 treatment plants, and 260 pumping stations. Key benefits expected include a 20% increase in treatment capacity, 13% carbon emission reduction, AED 10 million in annual cost savings, and enhanced cybersecurity. This project was announced at the IDRA World Congress 2024.

RAINWATER HARVESTING AT TAQA NEYVELI (INDIA)

TAQA Neyveli has implemented effective rainwater harvesting practices to support sustainable water management. With 12 borewells meeting the plant's water needs and a 52,000m³ reservoir providing three to four days of operational water storage, the facility emphasises groundwater conservation.

Four rainwater harvesting systems within the plant boundary actively recharge the groundwater, contributing to the replenishment of natural water resources. Additionally, the natural water reservoir that stores the rainwater helps recharge the ground water table naturally, ensuring long-term resource availability. Periodic monitoring of the groundwater table helps in identifying potential changes that require early mitigation.

MANAGING OUR RESOURCES

WASTE

GRI 306-1, 306-2, 306-3, 306-4, 306-5

Across operations, TAQA prioritises the responsible management of waste through reduction, reuse, and recycling initiatives that align with international standards and regulatory requirements. By adopting a proactive approach to waste management, it aims to contribute to a cleaner environment, safeguard ecosystems, and support a circular economy.

To ensure proper handling and treatment, TAQA categorises its waste into hazardous and non-hazardous types. Waste is sorted on-site and sent to authorised third-party contractors for recycling or safe disposal. Hazardous waste, which requires more stringent management, is securely stored at dedicated facilities before being treated by specialised, regulator-approved companies.

Waste Data	2024	2023
Waste generated (tonnes) ^{19, 20}	412,332	508,767
Waste diverted from disposal by recycling, reuse, repurposing (tonnes)	34,921	27,944
Waste directed to landfills (tonnes)	377,411	480,822

TAQA has made strides in waste management through the implementation of best practices and process optimisations. Total waste generated has decreased by 19% compared to 2023, while the proportion of hazardous waste²¹ has been reduced to 42%, marking a 15% improvement from the previous year. Additionally, strengthened recycling efforts have led to a 25% increase in waste recovery, alongside a 22% reduction in landfill disposal, reinforcing TAQA's commitment to sustainable waste practices.

TAQA has made significant progress in recycling fly ash, a by-product of the coal-fired plants, achieving a 92% recycling rate across its operations, up from 55% in 2022. In 2024, the company generated 669,142 tonnes of fly ash, marking a 12% and 22% reduction compared to 2023 and 2022, respectively.

TAQA's operations in the UAE fully align with Tadweer's (Center of Waste Management established by the Government of Abu Dhabi) guidelines, ensuring waste segregation at the source and disposal via Tadweer-authorised service providers. Operating companies actively work to minimise landfill contributions and promote recycling, even in day-to-day office activities, supporting a more sustainable approach to waste management.



Prevent adverse safety and environmental impacts caused by improper handling, storage, transportation, or disposal of waste.

Promote efficient waste management by applying the 3R's principle: Reduce, Reuse, Recycle.

Ensure full compliance with statutory requirements for recording and tracking waste management activities.

NON-HAZARDOUS WASTE AND HAZARDOUS WASTE MANAGEMENT STANDARD

TAQA's Non-Hazardous Waste and Hazardous Waste Management Standard outlines the minimum expectations for effective waste management practices across TAQA entities. This standard encompasses systems and procedures designed to promote responsible waste management while minimising risks to human health and the environment.

The document emphasises several key components, including:

- General Waste Management Requirements
- Waste Classification

- Waste Storage and Handling
- Selection and Oversight of Waste Service Providers
- Reporting and Recordkeeping
- Compliance and Monitoring Strategies
- Employee Training
- Emergency Planning
- Addressing Significant Changes or New Developments
- A Guide List of Hazardous and Non-Hazardous Waste
- The Waste Hierarchy
- The Circular Economy Model of Production and Consumption

¹⁹ Excludes fly ash. Restatements made based on results of internal reviews.

²⁰ 2023 data does not include TAQA Water Solutions

²¹ TAQA is currently working with its operating companies on the classification of hazardous and non-hazardous waste.

MANAGING OUR RESOURCES

WASTE REDUCTION INITIATIVES

TAQA has implemented a variety of waste reduction initiatives across its operations to drive sustainability and ensure compliance with regulatory standards.

Most of the facilities focus on waste segregation at the source to enhance recycling and reuse, supported by robust procedures and employee training programmes. Notable initiatives include:

TAWEELAH RO



Launched a creative recycling initiative, transforming old oil barrels into waste recycling bins placed across the facility.

MOROCCO



Supplied ash, a byproduct from its operations, to cement factories for usage.

UK



Set out waste management plans at each of its offshore platforms, setting annual targets and monitoring progress through regular audits.

CANADA



Employed remediation techniques to reduce contaminated soil sent to landfills. This included the use of ozone oxidation and vapour extraction. Bioremediation techniques also proved to be successful in reducing the amount of soil sent to landfill.



MANAGING OUR RESOURCES

BIODIVERSITY

GRI 304-1, 304-2, 304-3, 304-4

TAQA works to minimise the impact of operations on ecosystems and ensures responsible environmental stewardship.

Its approach includes conducting comprehensive Environmental and Social Impact Assessments (ESIAs) for new and expansion projects as applicable, particularly focusing on species classified as 'critically endangered', 'vulnerable', or 'threatened'. In jurisdictions where biodiversity is part of regulatory compliance, TAQA works in close collaboration with relevant stakeholders to meet and exceed requirements.

TAQA take proactive measures to mitigate the effects of activities like abstraction of water from the sea, land reclamation and pipeline installations, obtaining the necessary approvals and employing strategies to minimise disruption to the natural state. Additionally, as part of its commitment to marine conservation, TAQA is exploring innovative solutions to manage brine discharge from desalination processes, aiming to protect marine ecosystems and biodiversity.

2²²

Total number of 'vulnerable' species with habitats in areas affected by the operations

20

Total number of 'least concern' species with habitats in areas affected by the operations

²² Species classified as 'vulnerable' include Cod and Spurdog.

By integrating biodiversity considerations into its decision-making processes, TAQA aims to balance operational needs with the preservation of the natural environment.

BIODIVERSITY STANDARD

TAQA's Biodiversity Standard defines the fundamental requirements that operating companies must adhere to, including the creation of systems and procedures to identify, mitigate, and manage impacts on biodiversity and ecosystems. It encompasses the following key components:

-  **Biodiversity Background**
-  **Key Considerations**
-  **Conducting Biodiversity Studies**
-  **Baseline Reporting**
-  **Consultation**
-  **Incorporating Biodiversity into New Projects**
-  **Implementing Mitigation Measures**
-  **Integrating Biodiversity into the Operational Environmental Management System**
-  **Examples of Significant Biodiversity Features**

BIODIVERSITY CONSERVATION INITIATIVES

The Group prioritises safeguarding terrestrial and marine ecosystems by conducting Environmental Health and Safety Impact Assessments (EHSIA) and performing comprehensive ecological evaluations. To protect marine life, TAQA implements engineered solutions such as bubble barriers, intake nets, and screening systems while regularly monitoring these systems to safely release any trapped wildlife back into their natural habitats. Land-based initiatives include installing wildlife fencing to prevent accidental entry and protecting sea turtle nests through beach patrols, cleaning activities, and careful monitoring during the hatching season.

TAQA also tracks bird activity and nesting on its assets, ensuring biodiversity considerations in future operations. These efforts, supported by habitat restoration programmes, waste management initiatives, and environmental assessments, reflect TAQA's dedication to fostering sustainable ecosystems and ensuring minimal ecological impact.

MANAGING OUR RESOURCES

BIODIVERSITY CONSERVATION INITIATIVES (CONTINUED)

REVERSE OSMOSIS PLANTS

Systems and processes in place to ensure the treated brine is carefully managed before being released into the sea. Water quality is continuously monitored using dedicated buoys.

GHANA

To address potential impacts on aquatic life, a monthly Fish Impingement Monitoring (FIM) programme is implemented in coordination with the Ghana Fisheries Commission. Furthermore, the temperature of water discharged from the cooling system is strictly controlled, maintaining a maximum increase of 3°C to minimise thermal impacts on marine biodiversity.

WATER SOLUTIONS

Its efforts include using treated water for agriculture across Abu Dhabi and Al Ain, with plans to expand greenhouse applications to maximise impact. Regular land cleanup activities, complemented by community awareness campaigns, educate the public about the interconnectedness of human activities and ecosystems.

TAQA Water Solutions conducts initiatives such as beach cleaning activities and has also embarked on an afforestation project to plant 1,000 Ghaf trees in Al Wathba.



MANAGING OUR RESOURCES



PROTECTING ENDANGERED MARINE TURTLES AT TAWEELAH

TAQA's Al Taweelah Power & Water Production Complex has been recognised for its ongoing efforts to rescue and rehabilitate endangered marine turtles in collaboration with the EAD. Since 2013, rescue efforts at Taweelah have resulted in the successful recovery of 750 turtles, safeguarded under UAE Federal Laws 23 and 24 of 1999 and the IOSEA Marine Turtle Memorandum of Understanding. After their rescue, the turtles undergo rehabilitation under the supervision of the EAD and Abu Dhabi Aquarium. This collaborative process ensures their health is restored before they are released back into the sea.



AL WATHBA WETLAND RESERVE

TAQA Water Solutions plays a pivotal role in the conservation of the Al Wathba Wetland Reserve, a site that has earned the classification by Ramsar Convention on Wetlands and is the first legally protected area in Abu Dhabi. Located in the southern part of the Emirate, the reserve depends on approximately 2,000m³ of treated water supplied daily by TAQA Water Solutions from the Al Mafrqa sewage treatment plan.

This symbiotic relationship ensures the sustainable coexistence of the wetland and the treatment plant, where treated effluent serves as a vital water source, supporting the wetland's ecosystem, while the reserve's thriving biodiversity

highlights the critical role of sustainable wastewater management.

Transforming from a coastal salt flat into a vibrant network of natural and man-made lakes, the wetland is now home to over 250 bird species, including up to 4,000 Greater Flamingos during migration seasons, 37 plant species, and diverse aquatic life. Recognised on the IUCN Green List of Protected Areas in 2018, Al Wathba exemplifies TAQA Water Solutions' commitment to biodiversity preservation through innovative resource management and environmental stewardship.



MANAGING OUR RESOURCES

SUPPLY CHAIN

GRI 204-1, 308-1, 308-2, 414-1, 414-2

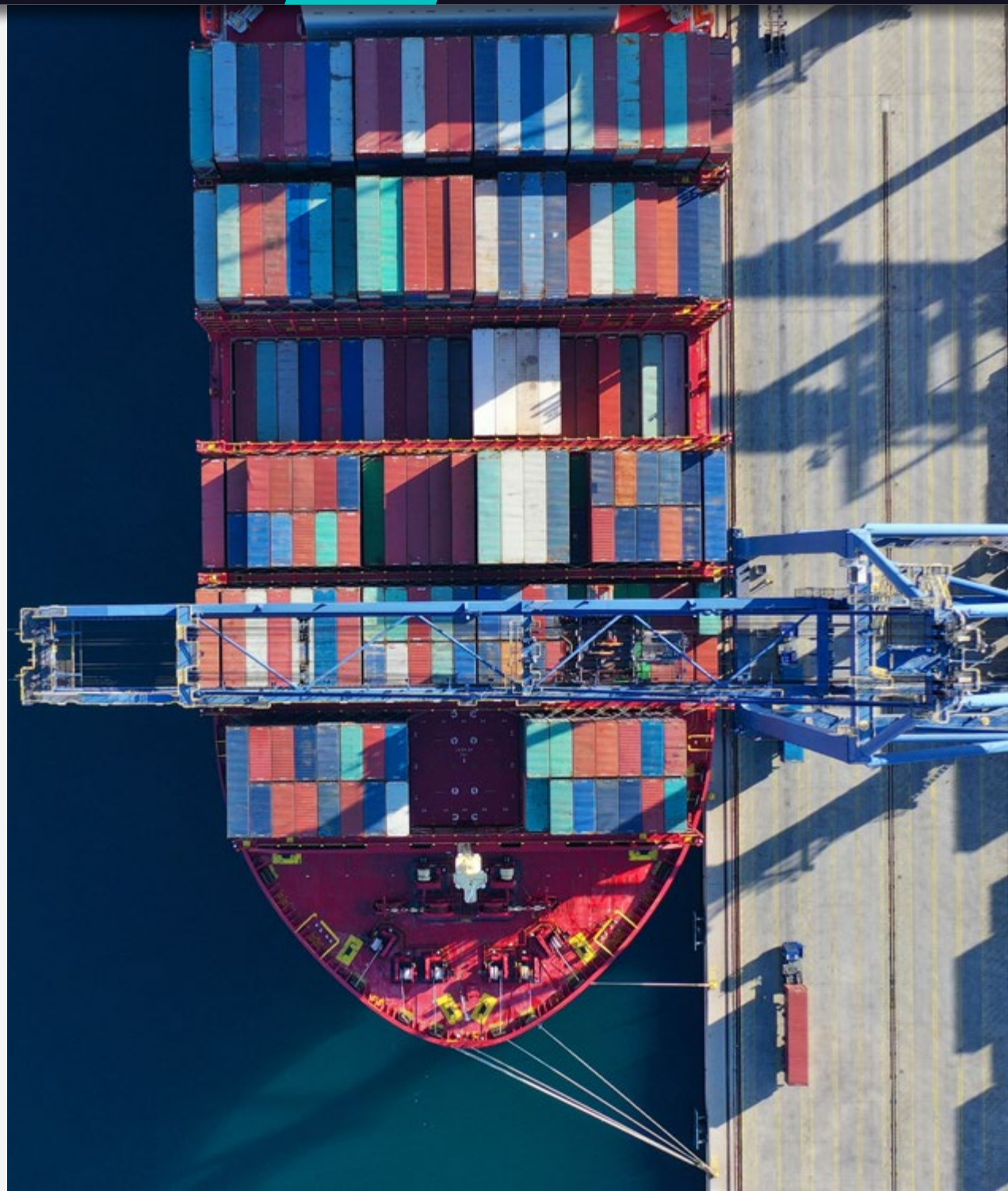
TAQA aims to build supplier relationships on integrity, transparency, and social and environmental responsibility, as outlined in the Group policies and performance metrics.

Regular audits by TAQA's Internal Audit team ensure compliance and robust supplier management. With around 5,000+ active suppliers globally, TAQA's supply chain spans the Middle East, Europe, North America, Ghana, India, Iraq, and Morocco, supporting various functions and departments.

SUPPLIER ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

As part of Group-wide standards, the supply chain teams across all operations work exclusively with suppliers who comply with the Business Partner Code of Conduct. This Code sets clear ethical requirements, including adherence to anti-corruption regulations, ethical business practices, social responsibility, and environmental care. It also addresses critical areas such as human rights, fair employment practices, modern slavery, child labour, and health and safety. It is worth noting that TAQA Distribution is also a member of the Chartered Institute of Procurement and Supply.

To uphold compliance, TAQA implements a pre-qualification questionnaire to evaluate potential suppliers before onboarding. TAQA also utilises an automated third-party due diligence tool to screen suppliers against key compliance criteria. This tool identifies any potential concerns, such as adverse media coverage, criminal prosecutions, or any previous non-compliance with modern slavery laws. In addition, the tool enables TAQA to request enhanced ESG-related due diligence reports.



MANAGING OUR RESOURCES

LOCAL SOURCING

As a flagship company in Abu Dhabi, TAQA plays an active role in driving local economic growth, promoting Emiratisation, and attracting talent to the UAE.

This commitment extends to its supply chain practices globally, where TAQA prioritises local procurement and contracting opportunities in the regions where it operates. By doing so, it not only stimulates local economic growth but also achieves cost efficiencies, minimises logistical challenges, and streamlines transportation processes.

In 2024, TAQA directed 95% of its procurement spending to local suppliers, up from 94% in 2023. The total number of local suppliers engaged also increased from 4,091 to 4,207, reinforcing TAQA's commitment to strengthening local supply chains and supporting economic growth.



PROCUREMENT SPENDING on local suppliers (billion AED)	
2024	2023
23.43 ²³	10.41

SHARE OF PROCUREMENT SPENDING ON LOCAL SUPPLIERS OUT OF THE TOTAL SPENDING (%)	
2024	2023
95% ²³	94%

TOTAL NUMBER OF LOCAL SUPPLIERS ENGAGED	
2024	2023
4,207 ²³	4,091

TAQA remain committed to engaging with ICV (In Country Value)-certified suppliers in the UAE to support the local economy. 98% of procurement spending in the UAE which amounts to nearly AED 16.34 billion was towards ICV registered suppliers. Considering the weighted ICV impact scores of each supplier, approximately 41% (i.e. AED 6.7 billion) of this expenditure effectively contributed to the local economy of the UAE.

ICV Performance²⁴

Percentage of PROCUREMENT SPENDING in the UAE towards ICV-registered suppliers (%)	
2024	2023
98%	88%

Total PROCUREMENT SPENDING in the UAE towards ICV registered suppliers (billion AED)	
2024	2023
16.34	5.20

Percentage impact of the PROCUREMENT EXPENDITURE on the local economy of UAE ²⁵	
2024	2023
41%	37%



²⁴ ICV Performance applicable to UAE operational control boundary (Transmission, Distribution, and HQ) excluding Water Solutions.
²⁵ Weighted average of procurement spending on ICV registered suppliers with their respective ICV score indicating their level of localisation.

²³ TAQA Water Solutions' numbers included in 2024, not in previous years.

GROWING WITH OUR PEOPLE

OCCUPATIONAL HEALTH AND SAFETY

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

Safe is TAQA’s foremost value, comprising people and process safety, with occupational health and safety serving as a fundamental pillar of our ESG strategy. This reflects the company’s unwavering commitment to safeguarding the well-being of its employees, contractors, and communities. TAQA strives for continuous improvement in health and safety practices through ongoing training and awareness, transparent reporting, proactive prevention measures, and a robust management system aligned with international standards.



GROWING WITH OUR PEOPLE

GOVERNANCE

TAQA's commitment to health and safety is underpinned by its Group Health, Safety, Security, and Environment (HSSE) Policy and a robust Group-wide HSSE Management System, known as the 'Commitment to Operational Excellence' (COE).

The COE, along with its supporting documents, sets minimum standards for operating companies, covering safety leadership expectations, risk management, key health and safety metrics, compliance, performance, and audits, while allowing the implementation of local management systems to meet specific regulatory requirements. It applies to the entire organisation, including contractors, ensuring comprehensive coverage. COE self-assessments are performed by operating companies at least every three years to ensure ongoing alignment with Group standards. Independent internal audits of Group and operating company HSSE Management Systems are conducted based on risks identified and agreed upon by the Audit Committee.

TAQA's health and safety governance structure includes a dedicated Group HSSE Committee, chaired by the GCEO and MD. The HSSE Committee meets quarterly, inter alia, to review HSSE performance, evaluate the outcomes of significant incident investigations, and help enable the effective implementation of lessons learned across all businesses. It oversees and intervenes on ongoing improvement initiatives and transformation efforts to align with TAQA's commitment to operational excellence.

Each business has its own Health and Safety Committee, which convenes regularly as determined by each business' leadership (e.g. monthly or bi-monthly). These committees ensure balanced representation from HQ management, business leadership, and HSSE specialists to provide a platform for collaboration and alignment. By reporting to the Group HSSE Committee, these sub-Committees help maintain consistency with TAQA's health, safety, security, business continuity, and environmental standards.

TAQA's COE and HSSE Committees are supported by policies, procedures and standards that provide detailed requirements across the aspects of occupational health and safety. In 2024, four new HSSE standards were introduced, with additional standards planned, reinforcing the Group's commitment to continuously enhancing health and safety governance.

HSSE STANDARDS

Document Management Standard for HSSE Standards

Driving Standard

Lifting Standard

Management of Change Standard

Safe Working Standard – Electrical

Ground Disturbance Standard

Process Safety Standard

Project HSE Review Standard

Contractor HSE Management Standard


Effective Handover Standard


HSE Incident Investigation Standard


HSE Incident Report Standard

Control of Work Standard

Group Health Management Standard 

Group Environmental Management System Standard 

Group Office Security Standard 

Group HSE Assurance Standard 



New



GROWING WITH OUR PEOPLE

HAZARD IDENTIFICATION, RISK ASSESSMENT (HIRA) AND INCIDENT INVESTIGATION

At TAQA, incident prevention is prioritised to manage health, safety, environmental, and people and process safety, risks effectively, maintaining residual risks As Low As Reasonably Practicable (ALARP). Systematic hazard identification and risk assessments are conducted to evaluate both the likelihood and consequences of risks, with prevention, detection, control, and mitigation measures implemented throughout the operational lifecycle. These efforts are guided by results mapped on a risk matrix and reinforced through a culture of continuous improvement.

Risks are evaluated using the risk matrix, and control measures are assessed for effectiveness, with findings thoroughly discussed and examined at various levels of the organisation. Internal HSSE teams generally facilitate these discussions, sharing insights periodically with senior management of operational sites for comprehensive review and informed decision-making.

Workers are actively encouraged to report incidents, unsafe acts or conditions, and near misses, from the time they join the organisation during inductions, at HSSE events, and by engaging with line managers. Incidents are thoroughly investigated to identify root causes, with an emphasis on preventing recurrence through targeted corrective actions and system enhancements. Building on these findings, TAQA responds promptly by collaborating with shareholders and site management to develop and implement a comprehensive remedial action plan.

Reporting is facilitated by digital systems and TAQA has initiated the implementation of a new incident investigation tool and associated training, to enhance investigation processes. To ensure a strong reporting culture, expected safety behaviours are reinforced through corporate governance, leadership HSSE site visits, oversight of reported incidents, incident investigations, HR policies, and access to TAQA's Group Ethics and Compliance Hotline.

Enhanced HSSE management oversight continues to be implemented across projects, while lessons learned from incidents are shared organisation-wide to strengthen safety practices and avoid recurrence.

	2024 ²⁶	2023
HSSE inspections	45,955	43,287
HSSE Audits	271	318
Leadership Site Visits (operating company Managing Director (MD), MD-1, MD-2)	2,519	2,176

GLOBAL HSSE FORUM

In November 2024, TAQA hosted the 2nd Global HSSE Leads Forum in the UK, bringing together 28 HSSE Leads and representatives from its HQ, businesses, and operating companies.

The forum provided an opportunity to share common challenges, review performance insights, and share priorities for 2025. It featured process safety training and practical demonstrations, reinforcing TAQA's focus on operational excellence and management of major accident hazards. A significant milestone announced during the forum was the **formal appointment of a Group Medical Officer.**



²⁶ TAQA Water Solutions' numbers included in 2024, not in previous years.

GROWING WITH OUR PEOPLE

OVERSIGHT OF NON-OPERATED ASSETS

TAQA conducts regular HSSE reviews across both operated and non-operated assets to establish baselines for HSSE management, assess safety culture and drive continuous improvement.

For the non-operated assets, which mainly are the IWPPs (Independent Water and Power Producers), TAQA continues to advance its HSSE transformation programme, launched in 2022. In 2024, a programme of shareholder assurance site visits was conducted to review progress against site HSSE improvement plans and verify actions closures. To enhance collaboration and engagement, TAQA established an IWPP HSSE Network, facilitating stronger connections between shareholders, key stakeholders, and generation assets across the UAE. **Seven network meetings** were held in 2024, with extensive participation and attendance, supporting HSSE management efforts and safety culture improvements.

Additionally, TAQA implemented Generation HSSE leadership site visits across non-operated assets and under-construction projects to increase TAQA's visibility and involvement in HSSE. **Over 40 leadership site visits were conducted**, further reinforcing the company's commitment to risk management and safety performance.



HEALTH AND SAFETY TRAINING AND AWARENESS

The COE places a strong emphasis on the careful selection and ongoing development of TAQA's workforce, including employees and contractors equally, to ensure a safe working environment. Commitment to health and safety is demonstrated through a comprehensive range of training programmes:

MANDATORY INDUCTION TRAINING:

Applicable for all new employees and contractors as part of onboarding, to set HSSE expectations and ensure foundational knowledge of health and safety principles, practices and key hazards are understood.

AD-HOC TRAINING AND AWARENESS SESSIONS:

Led by certified instructors or HSSE professionals to educate employees and contractors about TAQA safety protocols, location hazards, and collaborative HSSE practices.

SUPPLEMENTARY SESSIONS AND WORKSHOPS:

Addressing specific risks and reinforcing a culture of safety and continuous improvement.

ROLE SPECIFIC TRAINING AND CERTIFICATION:

External training provided for specialist and key operational roles, which are refreshed at set frequencies.

In addition to the above activities, training needs are identified as required for key personnel at both the business and operating company levels, with training matrices outlining key requirements as part of the training and competency procedures.

GROWING WITH OUR PEOPLE

PERFORMANCE

Group Recordable Injury Rate (RIR) of 0.32 at the end of 2024 represents a reduction in RIR from 0.54 in 2023, with corresponding activity levels (i.e., manhours) increasing by approximately 15%. Of the 13 Lost Time Injuries (LTI) reported in 2024, four occurred in Oil and Gas (O&G), four in Water Solutions (WS), one in Generation, and four in Transmission and Distribution (T&D).

Regrettably, a fatal accident occurred at one of TAQA's distribution companies in August. An independent investigation was conducted to establish root causes, identify lessons learnt and develop specific actions for implementation and improvement. Safety stand-downs were initiated across operations to reinforce TAQA's commitment to safety.

Nine reportable spills were recorded as of the end of 2024 compared to the 20 recorded in the previous year. Total spill volume released was 2,906 litres, down from 18,257 litres in 2023.



INDICATOR	2024 ²⁷	2023
PEOPLE		
Fatality	✓ 1 ²⁸ ✓	0
Recordable Injuries	✓ 29	31
Recordable Injury Rate – (Incident/1 million hours)	✓ 0.32 ✓	0.54
Lost Time Injuries	✓ 13 ✓	18
Restricted Work Injuries	7	9
Medical Treatment Injuries	4	4
First Aid Injuries	137	116
Near Misses	457	310
Manhours Employee (million hours)	17.01	15.89
Manhours Contractors (million hours)	61.89	41.49
PROCESS SAFETY AND ENVIRONMENT		
Spills (less than one barrel) – uncontained	✓ 4 ✓	13
Spills (greater than one barrel) – uncontained	✓ 5 ✓	7
Spills – contained	20	23
Volume of Spills (litres) – uncontained	✓ 2,906 ✓	18,257
Loss of Process Containment	54	100
Electrical Energy Releases	9	5
Critical Incidents	2	0
High Potential Incidents	5	5
Fire Incidents	14	12
Gas Release Incidents	1	36

✓ Assured metric



²⁷ TAQA Water Solutions' numbers included in 2024, not in previous years.

²⁸ Fatality caused by contact with live electrical components.

GROWING WITH OUR PEOPLE

PERFORMANCE (CONTINUED)

AWARDS



International Safety Award 2024

- Awarded to TAQA Water Solutions by the British Safety Council.

Royal Society for the Prevention of Accidents (RoSPA) Gold Award

- Awarded to TAQA Water Solutions for excellence in occupational health and safety management.

RoSPA President's Award

- Awarded to TAQA Transmission for outstanding health and safety performance. TAQA Transmission received this award for the 10th consecutive year.

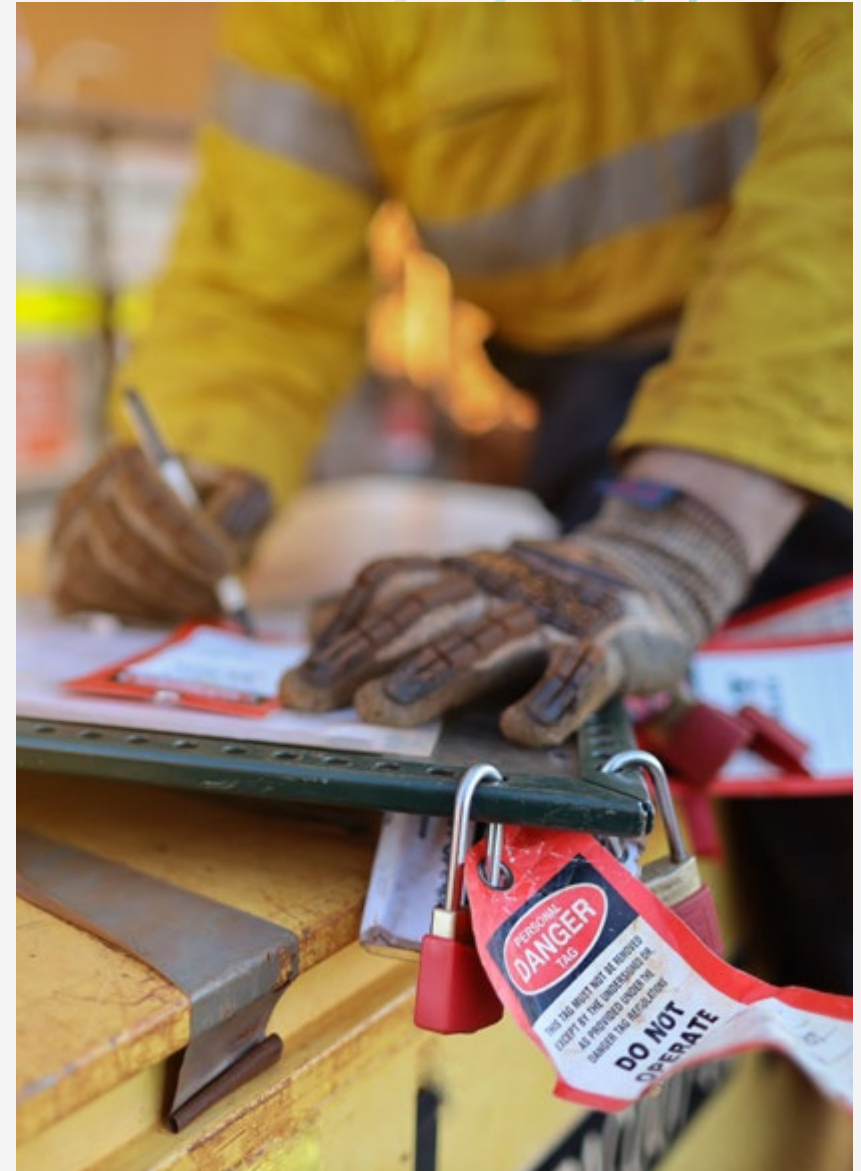
RoSPA Gold Medal

- Awarded to TAQA Transmission for the health and safety performance of contractors and consultants.

T&D continued improvements in HSE leading indicators and proactive reporting. New and upgraded HSE standards, particularly in contractor HSE governance, were implemented. However, the fatality in August highlighted the need to maintain focus on operational discipline, vigilance and continuous improvement, especially for TAQA's contracted workforce, in an operating environment that experienced fewer recordable incidents.

Generation continued to strengthen HSE reporting, performance and leadership culture. The reporting of HSE observations increased ahead of expectations and actions associated with the 2024 HSE improvement plans were completed across all the Generation operated assets. All operations continued to deliver the annual HSE improvement plans with common focus areas targeting contractor management, leadership engagement, process safety, crisis and emergency management, HSE culture, and control of work.

A specialist safety and risk review of the O&G operating companies was completed in 2023. Improvements were identified and action plans were completed in 2024. The O&G business continues to strengthen the safety awareness and culture in all its operations recording improved safety and environmental performances in both RIR, and reportable spills compared to the same period in 2023. This progress underscores TAQA's pursuit of excellence in safeguarding both its workforce and the environment.



GROWING WITH OUR PEOPLE

EMPLOYEE DEVELOPMENT

GRI 2-7, 2-8, 201-3, 401-1, 401-2, 401-3, 402-1, 404-1, 404-2, 404-3

TAQA aspires to be an employer of choice, recognising that its employees are essential to achieving its long-term growth and success.

In response to the challenges of today's competitive talent landscape, TAQA has enhanced its human resources strategies to prioritise both the development of its current workforce and the recruitment of skilled professionals.

As of December 31, 2024, TAQA's workforce comprised 7,423 Full-Time Employees (FTEs) globally, excluding those at non-operated assets.

NUMBER OF FTEs

2024	2023
7,423 ²⁹	6,852

LOCAL REPRESENTATION

As a company established in Abu Dhabi, TAQA remains committed to being a catalyst in transforming the UAE into a leading global economic player by nurturing the next generation of Emirati leaders. Its initiatives aim to prepare young Emiratis for a rapidly evolving global economy, as well as enhancing, retaining, and upskilling the national workforce.

By the end of 2024, **UAE nationals represented 55% of employees across TAQA's headquarters and UAE-based operating companies**, up from **51% in 2023 and 2022**. TAQA actively champions local recruitment across all its operating entities, ensuring that a majority of the workforce comprises of local talent in alignment with its commitment to national workforce development. Key initiatives driving this progress include the ETLAQ Graduate Programme at HQ and ETLAQ Technician Programme at TAQA's Transmission and Distribution businesses, which encourages local technical students to pursue careers within the companies by providing tailored development opportunities, mentorship, and hands-on industry exposure.



BUILDING EMIRATI AND YOUNG TALENT

TAQA's flagship ETLAQ Graduate Programme is a 12-month initiative designed to develop UAE Nationals for careers within the power and water sector. The programme provides a structured, hands-on introduction to the industry, equipping fresh local graduates with the necessary skills to excel professionally. Upon completing the programme, graduates transition into full-time roles within one of TAQA's entities. **Over the past four years, 256 graduates have successfully completed the programme and embarked on impactful careers within the Group.**

In 2024, the programme welcomed its fourth cohort, consisting of **54 trainees, 31 of which were females**. These were allocated across TAQA HQ and its Transmission and Distribution companies.

Building on the success of the ETLAQ Graduate Programme, TAQA Distribution and TAQA Transmission, with support from the Department of Energy (DoE), launched the ETLAQ Technician Programme to attract and develop skilled Emiratis for technical and operational roles. Successfully introduced in December 2024, the programme welcomed **53 candidates** who will join TAQA's Distribution and Transmission businesses to begin a professional development journey. Upon successful completion of the training programme, participants will transition into permanent roles within TAQA.

²⁹ TAQA Water Solutions (641) included in 2024 only.

GROWING WITH OUR PEOPLE

EMPLOYEE BENEFITS, RECOGNITION AND WELLBEING

EMPLOYEE BENEFITS

TAQA is committed to ensuring fair and competitive compensation and benefits for its employees across the globe. Through regular peer and regional benchmarking exercises, TAQA strives to align its practices with industry standards, fostering a culture of equity, fairness, and employee satisfaction. Its dedication to employee well-being is reflected in the comprehensive benefits offered to its workforce in the UAE, which include:

<p>Competitive compensation in the sector</p>	<p>Health and life insurance benefits</p>	<p>Other Allowances may support for:</p> <ul style="list-style-type: none"> Housing Transportation Annual discretionary performance bonuses School support fees Annual air ticket allowances Social allowances for national employees Health club
<p>End-of-service benefits</p>	<p>Pension schemes</p>	
<p>Retirement plans, and contribution schemes</p>	<p>Lifestyle programmes</p>	
<p>Going beyond statutory minimums for maternity and paternity leave, including flexible hours</p>		
		

EMPLOYEE RECOGNITION

Recognising employees for hard work and dedication is crucial to fostering a motivated and engaged workforce, directly contributing to the success of the organisation. TAQA understands the importance of celebrating its employees' achievements and regularly implements recognition programmes to honour exceptional performance across the Group.

Some examples of recognition initiatives include:

Monthly and Quarterly Recognition Awards at both the GCEO and Executive Management levels, celebrating employees who go above and beyond their roles and demonstrate exceptional alignment with TAQA's values.

Employee and Team Recognition programmes in each business, where outstanding individuals and teams are acknowledged for their contributions to successful projects and improving work processes.

Building on Excellence (BOE) Awards, celebrating employees who exemplify TAQA values, with one winner selected for each value annually.

Loyalty Awards, recognising employees' continuous service at ten-year intervals.

Monthly Coffee Mornings where employees are recognised for their recent achievements, with awards presented by the Business CEO.

Star of the Month, Thank You Letters, Appreciation Letters, Safety awards, and other recognition efforts to celebrate the achievements of its workforce.

GROWING WITH OUR PEOPLE

EMPLOYEE WELLBEING

TAQA places great emphasis on employee well-being, recognising its importance to a thriving and productive workforce. It actively implements diverse initiatives across its regions, including the establishment of dedicated health and wellbeing steering groups and task forces, collaborations with strategic partners, and the introduction of creative programmes. The Wellbeing Steering Group at HQ is dedicated to promoting the physical, mental, and social well-being of employees.

Through the Employee Assistance Programme (EAP), support is offered to employees and their families, covering areas such as financial, nutritional, psychological, and mental health. This free, confidential service is available 24/7, ensuring accessible and anonymous assistance whenever needed. Mental health remains a key focus for TAQA across its global operations. On World Mental Health Day, group-wide communications are shared to raise awareness, providing employees with information about available resources and support measures to promote mental well-being.

WELLBEING INITIATIVES ACROSS TAQA	
 SOCIAL AND WELLBEING INITIATIVES	 SAFETY AND PHYSICAL HEALTH
Sports/Wellbeing activities	Padel tennis, cycling, football
Meditation sessions	
Mental Health Programme	Mental Health Champions training Mental Health First Aid training Mental Health Advocate training
Family days	
Periodic 'Wellness Days' to highlight benefits and resources available to employees and contractors	
Wellness training to promote employee wellbeing and resilience	
Awareness sessions on work-life balance and personal development	
Back to school flexible hours policy	
	General health screenings
	Flu vaccination campaigns
	Breast cancer awareness and screening
	Availability of healthy eating options such as fruits and locally made protein bars and snacks
	Office Greening
	Heart Health Campaign
	Blood Donation Campaign
	Awareness sessions on topics such as heat exposure safety and healthy weight management

EMPLOYEE ENGAGEMENT SURVEY RESULTS

Participation

87%
(+1% compared to 2023)

Engagement

73%
(+10% compared to 2023)

Survey Follow-up

61%
(+6% compared to 2023)

The 2024 employee engagement survey results will guide TAQA's initiatives in 2025 and going forward to enhance employee satisfaction and foster a positive organisational culture.

One of the survey's key questions focused on the implementation of results, with the score showing improvement this year. Currently, 61% of employees acknowledge effective actions taken following last year's survey, with employee wellbeing receiving the highest positive feedback. In 2025, the focus remains on recognition, employee wellbeing, and ensuring visible actions are taken at the Group, operating company, and team levels in response to survey feedback.

GROWING WITH OUR PEOPLE

EMPLOYEE CAPABILITY BUILDING

TRAINING AND EDUCATION

Employee training and development are key to enhancing skills, fostering innovation, and ensuring long-term stability. Since 2022, the Training Needs Analysis (TNA) programme has become an annual practice, helping identify essential competencies for each role in collaboration with Executive Management and employees. This has enabled the delivery of targeted technical and behavioural training courses, offering both in-person and online learning opportunities, including certifications from renowned institutions.

In addition to TNA, TAQA's HR teams design programmes to nurture talent across functions, focusing on leadership and technical skills to meet future project needs. For senior leaders, bespoke executive programmes are delivered in partnership with top business schools. Additionally, online learning platforms provide employees with accessible, continuous learning opportunities, reinforcing TAQA's commitment to professional growth.

In line with these efforts, TAQA recorded over 330,000 training hours in 2024, marking a 33% increase in training hours per employee compared to 2023. This growth reflects the company's ongoing investment in upskilling its workforce through targeted learning initiatives, ensuring employees are equipped with the necessary technical and leadership capabilities to drive future success.

TRAINING HOURS PER EMPLOYEE

2024	2023
46.82	35.0

TRAINING HOURS³⁰

2024	2023
331,707 ³¹	225,232

³⁰ Excluding Canada.

³¹ TAQA Water Solutions' 2024 training hours are 30,583.

³² Performance review process is applicable for employees with over three months of tenure.

³³ All eligible employees across TAQA HQ and its operating companies undergo performance and career development reviews.

TAQA'S PERFORMANCE REVIEW CYCLE^{32, 33}

Start of Calendar Year

Define objectives and goals for the year

Throughout the Calendar Year

Engage in regular feedback conversations and discuss progress against the objectives and goals

End of the Calendar Year

Final review of outcomes and appraisal based on performance through the year

SUCCESSION PLANNING

By identifying critical roles and implementing robust processes, TAQA proactively prepares for potential personnel changes, enabling seamless transitions and minimising disruptions. At TAQA, these critical roles have been identified across the Group, and as a result enhanced succession planning processes have been implemented.

All TAQA operating companies across the globe prioritise succession planning for critical roles, ensuring leadership stability and readiness. These processes identify high-potential talent and enrol them in targeted leadership and development programmes, equipping them with the skills needed to succeed in key critical positions.



As TAQA continues to evolve and grow, our commitment to operational excellence, sustainability, and people remains unwavering. In 2024, we strengthened our corporate framework to enhance efficiency, collaboration, and long-term value creation. By fostering an employee-centric culture, empowering our people, and driving responsible business practices, we are ensuring that TAQA remains a leading utility player.



**HAMAD AL HAJERI,
CHIEF CORPORATE
OFFICER**



GROWING WITH OUR PEOPLE

DIVERSITY AND EQUAL OPPORTUNITY

GRI 202-1, 405-1, 405-2

Diversity and equal opportunity are integral to TAQA's workplace culture and are key to the ESG strategy, demonstrating its dedication to building an inclusive and equitable workplace. Through tailored programmes, TAQA strives to foster an environment where every employee can thrive and make meaningful contributions to its shared goals.

GENDER DIVERSITY

As part of the ESG Strategy, TAQA has set a target to achieve **30% representation of women in management positions by 2030**, underscoring its dedication to gender equality.

Across the Group, entities are implementing initiatives to enhance the representation of women, particularly in management roles. These efforts are guided by a mandate from headquarters and principles aimed at advancing the status of women across the organisation. Key initiatives include training programmes, leadership and mentorship opportunities, targeted recruitment strategies, and policy enhancements to support working parents.

Throughout 2024, TAQA implemented various initiatives to foster women's advancement, encourage a positive work-life balance, and strengthen career development opportunities. Some of the notable initiatives are highlighted below:

- **Leadership Development and Training:**

Introduction of programmes to build women's managerial capabilities, including a leadership accelerator programme for selected women and continued participation in the Noora initiative.

- **Recruitment and Representation:**

Implementation of targeted recruitment strategies to increase the representation of women in leadership positions, alongside encouraging inclusive internal recruitment practices for women.

- **Supportive Policies and Practices:**

Reviewing of workplace policies to promote a family-supportive environment based on a benchmarking with the Parent Friendly Label requirements.

- **Workshops and Events:**

Organisation of workshops and events aimed at empowering women, including dedicated sessions for skill-building and leadership development. International Women's Day, Emirati Women's Day and International Day of Families were celebrated.

- **Dedicated Female Spaces:**

Establishment of physical spaces dedicated to women, including areas for social gatherings and facilities for nursing among other needs.

- **Flexible Working Arrangements:**

Flexible working options were made available to employees, enabling them to manage their contracted hours with greater ease.

- **Compressed Working Week:**

Employees were encouraged to adopt a compressed working schedule at select offices to enhance work-life balance.

- **Shared Parental Leave:**

TAQA UK promoted equal shared parental leave, ensuring partners receive the same pay as maternity leave.

- **Fertility Leave:**

Support was extended to employees in select offices undergoing fertility treatments, addressing both emotional and logistical challenges.

- **Annual Leave Purchase Scheme:**

Employees were given the option to purchase additional leave in select offices to further support their personal needs.

- **Enhanced Carers Leave:**

Extended leave was made available for employees with caregiving.

GROWING WITH OUR PEOPLE



WOMEN'S COUNCIL

TAQA's dedication to advancing women in the workforce is augmented by the Women's Council, a platform for fostering proactive female participation across the organisation. Guided by a well-defined governance structure, the council has developed a range of programmes across four pillars to support women internally and in the communities where we operate.

1. GROWTH AND PROSPERITY
2. CULTURE AND ENVIRONMENT

3. HEALTH AND WELLBEING
4. COMMUNITY OUTREACH

Initially established at TAQA HQ and TAQA Water Solutions, Women's Councils have now been formed at TAQA Transmission and TAQA Distribution, amplifying the impact of this council across the organisation. Some of the significant initiatives of the Women's Council in 2024 include:

- **Networking and Awareness Initiatives:** Organised networking activities at key events like World Utilities Council (WUC), International Women's Day, and Ramadan projects, aimed at promoting women's empowerment.
- **Support and Development Programmes:** Programmes such as mentorship, health and wellbeing initiatives, and community

outreach focus on supporting women within TAQA and enhancing their personal and professional growth.

- **Space and Facility Upgrades:** Implemented upgrades to female spaces, ensuring a more inclusive and supportive environment for women in the organisation.
- **Meaningful Engagement:** Through panel discussions at key events, and the Challengers Programme, the Women's Council has fostered meaningful discussions on energy sector challenges and sustainability.



GROWING WITH OUR PEOPLE



CHALLENGER PROGRAMME

The Challenger Programme, under the patronage of the Ministry of Human Resources and Emiratisation, was launched by Emirates Global Aluminium (EGA) in partnership with Aurora 50. TAQA was one of the first companies to join the Challenger Programme, along with seven other industrial companies in the UAE.

The Programme unites traditionally male-dominated industrial companies in the UAE to accelerate progress on gender diversity, recognising its role in driving business performance. Through collaboration, networking, and advocacy, the programme fosters knowledge sharing, builds support networks, and promotes inclusive workplace practices. By addressing challenges, raising awareness, and championing success stories, it aims to create a more equitable and diverse industrial sector.

In 2024, TAQA contributed to the Challenger Programme and will continue the participation in 2025 across three key working groups:

1. SUPPORTIVE POLICIES

2. WORKPLACE CULTURE AND ENVIRONMENT

3. FEMALE LEADERSHIP AND FUTURE TALENT PIPELINE



GROWING WITH OUR PEOPLE

GENDER DIVERSITY (CONTINUED)

WOMEN IN WORKFORCE (%)

2024 ³⁴	2023
23%	20%

WOMEN IN MANAGEMENT³⁵ (%)

2024 ³⁴	2023
18%	17%

TAQA continues to make progress in workforce diversity and talent growth. Women in the workforce have **increased from 20% to 23%**, with women in management rising from **16% in base year 2021 to 18% in 2024**. Total hires grew by 15%, reflecting the Group's commitment to attracting top talent. With a **6.4% turnover rate in 2024**, TAQA remains focused on retaining and developing its workforce. TAQA strives to achieve equality in gender pay, recognising it as a vital aspect of fostering an equitable workplace. Comprehensive HR reviews are regularly conducted to identify and address disparities, ensuring that policies are consistently updated and aligned across all entities. In 2024, annual merit-based salary increments were introduced across the Group, reinforcing TAQA's dedication to eliminating gender-based differences in pay and entitlements.

FTEs HIRED BY GENDER

MALE	
2024	2023
390	359

FEMALE	
2024	2023
184	137

TOTAL	
2024 ³⁴	2023
574	496

TURNOVER BY GENDER

MALE	
2024	2023
387	298

FEMALE	
2024	2023
74	77

TOTAL	
2024 ³⁴	2023
461	375

GENDER PAY

TAQA strives to achieve equality in gender pay, recognising it as a vital aspect of fostering an equitable workplace. Comprehensive HR reviews are regularly conducted to identify and address disparities, ensuring that policies are consistently updated and aligned across the Group.

Gender Pay ³⁶	2024	2023
Average female to male employees	0.67	0.68



³⁴ TAQA Water Solutions' numbers included in 2024, not in previous years.

³⁵ Management Positions = Males and Females in "Manager" and above, typically linked to Grade 5 and above in HQ and international operating companies, and Grade 15 and above in transmission and distribution operating companies.

³⁶ Data based on Total Gross Compensation for HQ employees only. Restatements have been made to account for internal reviews.

GROWING WITH OUR PEOPLE

AGE DIVERSITY

Youth represent a dynamic force, driving innovation and progress at TAQA, bringing fresh perspectives and energy to the organisation. With 43% of TAQA's UAE employees under the age of 35, this demographic is pivotal in shaping the company's future.

The **Youth Council** in the UAE, and similar forums at international entities, are focused on empowering future leaders by equipping them with the necessary skills and knowledge. In 2024, the new Youth Council Cohort was announced, empowering the next generation of talent within the Group.

The Council drives initiatives across TAQA around three main pillars:

- Knowledge and Innovation
- People and Culture
- Stakeholder Engagement

Some of the prominent initiatives launched by the Youth Council include:



YOUTH ENGAGEMENT PROGRAMMES

Initiatives fostering leadership and active youth participation, such as the Youth Energy Forum at the World Utilities Congress (WUC).



EMPOWERING FUTURE LEADERS

Programmes designed to equip the next generation with the skills and knowledge required to lead in the energy sector.



GLOBAL EXPOSURE

Participation in international platforms like the COP29 and Water, Energy, Technology, and Environment Exhibition (WETEX).



SUMMER STUDENT AND INTERNSHIP PROGRAMMES

Participation in career fairs at local universities to attract students for its summer student and internship positions.

FTEs by Age Group	2024 ³⁶	2023
Under 30	11%	8%
31-50	68%	68%
Above 50	21%	24%

Hired by Age Group	2024 ³⁶	2023
Under 30	287	276
31-50	249	97
Above 50	38	123
Total	574	496

Turnover by Age Group	2024 ³⁷	2023
Under 30	42	132
31-50	280	161
Above 50	139	82
Total	461	375

Number of Nationalities at TAQA	2024
	70

³⁷ TAQA Water Solutions' numbers included in 2024, not in previous years.

GROWING WITH OUR PEOPLE



PEOPLE OF DETERMINATION

Creating an inclusive environment for People of Determination (PoD) is essential to fostering diversity, innovation, and equity within an organisation. TAQA is dedicated to providing equal opportunities in recruitment, training, and career growth for PoD employees, ensuring they thrive in a supportive workplace.

TAQA actively engages with PoD employees to learn from their experiences and continuously improve its practices, fostering stronger partnerships with key organisations to promote inclusivity.

In collaboration with the Emirates Rural Council, TAQA sponsored events and programmes dedicated to People of Determination. TAQA is proud to have sponsored the UAE delegation to the Paris 2024 Paralympic Games as well as the "We Can" initiative at the Abu Dhabi Marathon for PoD, reinforcing its commitment to inclusion and empowerment.

Across the Group, TAQA's operating companies have also launched various initiatives to support PoD:

- **TAQA Water Solutions** has implemented measures to enhance accessibility, including fully accessible buildings, designated parking, customised workstations, and dedicated work placement programmes such as internships to attract and support PoD individuals.
- **TAQA UK** has joined the Disability Confident Scheme, a government initiative that encourages employers to adopt inclusive hiring practices and improve the recruitment, retention, and development of individuals with disabilities or health conditions.
- **TAQA Morocco** has partnered with organisations such as Bab Rayan Association, AMH Group, and AMSAT, which promote education, social inclusion, and support for People of Determination.

TAQA's initiatives reaffirm its dedication to promoting an equitable society, celebrating health and sustainable lifestyles, and showcasing the incredible contributions of PoD individuals to its communities.

GROWING WITH OUR PEOPLE

HUMAN RIGHTS

GRI 2-30, 406-1, 407-1, 408-1, 409-1, 411-1

TAQA demonstrates a strong commitment to human rights by embedding these principles within its Code of Ethics & Business Conduct, which extends to suppliers and business partners.

The Code not only meets legal requirements but also strives to operate with the highest levels of ethics and integrity. It outlines the principles and responsibilities its personnel are expected to uphold, including fostering equitable and inclusive representation across all operations as part of its zero-discrimination policy. Furthermore, the Code strictly prohibits practices such as child labour, human trafficking, and modern slavery, ensuring the company maintains the highest standards against human rights violations while promoting the wellbeing of its workforce, environment, and communities.

TAQA rigorously screens its partners through the Business Partner Due Diligence software, conducting checks against media sources and databases for any evidence of forced labour. A forced labour questionnaire is included in the Know Your Customer (KYC) process, with a risk level automatically assigned to each business partner. This proactive approach reinforces TAQA's zero-tolerance policy against human rights violations.

At TAQA UK, the supply chain team utilises industry-leading tools to ensure robust due diligence and compliance with modern slavery legislation. These tools facilitate thorough assessments of prospective suppliers and contractors, and enhance the screening process by conducting advanced checks, including reviews for adverse media and criminal prosecutions. Suppliers and contractors who fail to meet the required standards are excluded from the selection process. To maintain the effectiveness of these measures, TAQA UK periodically reviews its supplier assessment systems.



100%
Percentage of employees
trained on the topic of
human rights (2022 –
2024)

TAQA ensures its employees are well-informed about human rights through targeted training programmes, equipping them to recognise and address potential issues. It emphasises the importance of speaking up, as such employees and other stakeholders are informed about the Group Speaking-up Policy, which provides clear guidance on raising concerns about suspected violations of laws, regulations, or internal policies. This commitment is further reinforced by a third party managed, anonymous helpline (helpline.taqa.com), which is available in multiple languages, enabling individuals to confidentially report concerns related to human rights abuses.

Over the past four years, TAQA has maintained a clean record with no reported incidents of child or forced labour, underscoring its dedication to upholding the highest ethical standards across its global operations and value chain.



GROWING WITH OUR PEOPLE

HUMAN RIGHTS (CONTINUED)

As a signatory to the United Nations Global Compact (UNGC), TAQA reaffirms its commitment to implementing practices that ensure compliance with human rights.



TAQA ensures that along with its regional operations each of its international companies operates in full compliance with the laws and regulations of their respective jurisdictions.

This includes adherence to specific legal requirements regarding collective bargaining, union representation, and labour rights, demonstrating its commitment to respecting workers' rights as defined by respective local legislation. Across TAQA, 15% of employees are covered by worker organisations or trade unions.

TAQA upholds compliance with labour laws across all its operations, including adhering to minimum hiring age regulations, as mandated by respective local legislations. This commitment is further reflected in the tailored approaches of its regional operations, such as TAQA UK and TAQA Canada, which address jurisdiction-specific requirements and engage meaningfully with local communities.

In Canada, TAQA complies with the Alberta Human Rights Act, the Occupational Health and Safety Act, and the Employment Standards Code, which set minimum workplace standards. These efforts are supported by a suite of workplace policies, including the Maternity and Parental Leave Policy, Equal Opportunity Employment Policy, Workplace Violence Prevention Policy, Short and Long-Term Disability Policies, Harassment Prevention Policy, and Vacation Policy. Additionally, Code of Ethics & Business Conduct, the Business Partner Due Diligence Policy, and the Business Partner Code of Conduct specifically address issues such as child labour, human trafficking, and modern slavery³⁸. Together, these policies ensure TAQA operates in Canada alignment with

workplace standards and laws, fostering a safe, inclusive, and supportive environment.

Regular engagement is maintained with Indigenous Communities whose traditional lands intersect with TAQA's operating areas in Western Canada. These First Nations Communities hold traditional land rights on public lands where TAQA develops its assets. Alberta's regulatory process requires consultation with First Nations about potential impacts on their land rights from development activities. TAQA adheres to these requirements and has established a First Nation Sustainability Committee to oversee engagement, ensuring their rights and concerns are integrated into operational decisions.

In the UK, TAQA aligns with the Human Rights Act 1998 and the UK Modern Slavery Act 2015³⁹, reflecting its dedication to preventing slavery and human trafficking. It has a robust policy in place to comply with the Modern Slavery Act and publishes an annual statement, approved by its Board, on both its website and the UK Government's portal, as required by law.

³⁸ TAQA Canada – Fighting Against Forced Labour and Child Labour in Supply Chain Acts.

³⁹ TAQA UK – Modern Slavery Statement.

GROWING WITH OUR PEOPLE

COMMUNITY ENGAGEMENT

GRI 413-1, 413-2

TAQA's ESG strategy prioritises Local Community Engagement, with a focus on education equality and the environment.

By concentrating on these areas, the company maximises its impact while ensuring strong governance and accountability in its Corporate Social Responsibility (CSR) initiatives.

To enhance the management and governance of TAQA's local community initiatives, a CSR Impact Assessment Framework was developed in 2024. This framework enables TAQA to evaluate the impact of its initiatives within the identified focus areas, allowing for informed decision-making when prioritising programmes and projects to activate each year. Additionally, the framework introduces new layers of governance, with reviews by the Strategy and Finance teams, in addition to the existing Board and Management Sustainability Committee reviews, ensuring that all initiatives align with the ESG Strategy and adhere to budgeting processes.

In 2024, TAQA's CSR initiatives played a vital role in enhancing the company's community relations and advancing the ESG strategy. Focused on delivering measurable impacts across its geographic areas of operation, its CSR investments aligned closely with the UN Sustainable Development Goals, addressing 13 out of 17 SDGs.

TAQA'S 2024 CSR INITIATIVES WERE ALIGNED WITH UN SDGS, COVERING 13 OUT OF 17



In 2024, TAQA's community investment amounted to **AED 30.19 million, which is an increase of 40% from 2023** (excluding one-off donation to Morocco earthquake and COP28 related spending). Compared to the base year 2021, the community investment figures increased by nearly **4.3 times**. Community investment expressed as a share of Group revenue increased in 2024.

Community investment	2024 ⁴⁰	2023
Community investment ⁴¹ (million AED)	30.19	21.50 ⁴²
Community investment as a share of Group revenue	0.055%	0.042%

⁴⁰ 2024 data includes TAQA Water Solutions (1.04 million AED).

⁴¹ Include voluntary donations plus investment of funds in the broader community aligned with GRI definition.

⁴² Exclude one-off donation towards Morocco earthquake and COP28 related sponsorships.

GROWING WITH OUR PEOPLE

COMMUNITY ENGAGEMENT (CONTINUED)

Some of the notable CSR projects in 2024 include:

UAE



Biodiversity projects such as mangrove plantation and preservation of coral reefs in collaboration with the Environment Agency Abu Dhabi (EAD).

Research Centres: Collaborated with New York University Abu Dhabi (NYUAD) and Khalifa University working on research projects related to sustainability and innovation.

Youth Education: Collaborated with Khalifa University and Department of Education and Knowledge in Abu Dhabi (ADEK) schools to deliver programmes like the TAQA Junior Sustainability Programme and STEM Club, focusing on sustainability, ESG reporting, and STEM innovation in water and power.

Workforce Empowerment: Partnered with government entities to provide educational support for low-income and unemployed groups, empowering them to join the workforce.

Supported village development development through the Emirates Rural Council, sponsored events and programmes for People of Determination, and contributed to the Social Investment Fund ("MAAN").

NETHERLANDS



Supported cultural events with the Energy Challenges programme, which focuses on energy-saving initiatives in schools.

MOROCCO



Health and Education Programmes: Launched initiatives such as mobile medical caravans with the Sheikh Zayed Ibn Soltan Foundation, dental care for orphaned children and elderly individuals, and sponsoring low-income students through the Jadara Foundation.

Disaster Relief and Community Support: Follow up initiatives building on the contributions to the national earthquake fund in response to one of the worst natural disasters in 2023.

UK



Community and Education Support: Launched initiatives such as Community Fund, TechFest (STEM programmes), Engineering Development Trust (Industrial Cadets), Project Search (employability for young adults), and Aberdeen Football Club Community Trust (Community Cup).

Environmental and Conservation Efforts: Continued support for GreenPower Challenge, Aberdeen Science Centre (Engineering Club), River Dee Trust (river conservation), and the Northeast Scotland Biodiversity Partnership (pollinator project), as well as support for East Grampian Coastal Partnership (local clean-up).

CANADA



Community Investment: Prioritised safety, children and youth, mental health, and women in need through charitable donations to not-for-profit organisations.

Provided donations to the Alberta Children's Hospital, field donations, employee programme match/ sponsorship, support for events and initiatives, and the First Nations Fund.

GHANA



Disaster Relief: Collaborated with District Assemblies to ensure targeted community programmes and made donations to communities impacted by the Akosombo Dam Spillage. TAQA created provision of potable water by boring several wells.

Community Development: Kramar Scholarship, support for flood victims, renovation of Shama Kumasi Basic School, and refurbishment of Aboadze Community Library.

GROWING WITH OUR PEOPLE

CUSTOMER EXPERIENCE

GRI 416-1, 416-2

Delivering a positive customer experience is a core priority for TAQA, reflecting its commitment to providing essential services responsibly and sustainably.

For the Distribution business, this focus is particularly critical as it directly serves commercial, retail, and individual users. By ensuring reliable access, affordability, and safeguarding customer health and safety, it builds trust, strengthens community relationships, and reinforces its dedication to meeting the needs of its customers while supporting long-term sustainability.

Disconnections from water services ⁴³		
Year	Residential	Commercial
2024	21,850	16,783
2023	21,339	14,931

Disconnections from electricity services		
Year	Residential	Commercial
2024	28,819	47,763
2023	29,934	41,980

⁴³ Increase in water and electricity disconnections in 2024 due to extreme weather events.

ACCESS AND AFFORDABILITY

Ensuring universal access to affordable energy and water is essential for sustainable development and reducing socio-economic inequalities.

TAQA is committed to providing reliable and cost-effective access to these vital resources, fostering equitable growth and enhancing quality of life. TAQA's commitment is reflected in implementing initiatives that are aligned with the Department of Energy's policies and regulations:

Payment arrangement plans:

Available for customers facing challenges to ensure timely payments.

Budget billing plans:

Enables customers to pay a fixed monthly amount aligned with their financial planning and average monthly consumption

Subsidies for low-income families:

Specially designed tariffs allowing to reduce the tariff consumption up to a specified limit.

Subsidies for social card holders in the UAE:

Provides reduced tariff water and electricity within daily consumption thresholds. Beyond these limits, tariffs remain significantly lower than those for non-social card holders.

Special tariffs for specific industrial customers as part of the 'Electricity Tariff Incentive Programme (ETIP): Supports the private industrial sector by enhancing economic impact and productivity through subsidised electricity tariffs.

TAQA Distribution's disconnection policy strictly prohibits the disconnection of residential customers from June to September, aligning with the summer months. This policy is designed to safeguard public health and wellbeing, ensuring uninterrupted access to electricity and water during the period of extreme heat and high humidity prevalent in the UAE.

TAQA Distribution has in place a range of initiatives to enhance customer experience. These include:

- Simplification of all communication bills, letters, and messages to ensure clarity for customers.
- Sending communication in the customer's preferred language, either English or Arabic.
- Contact centres and social media channels providing support in both English and Arabic.
- Regular social media posts for public awareness on safety, efficiency and demand side management.
- Dedicated service for elders and People of Determination to assist in managing transactions.
- Arrangements for employees to visit customers who are unable to visit a branch for support.
- Availability of agents trained in sign language for video chats with customers, if needed.
- During planned shutdowns, customers registered as needing life support services are not disconnected and are provided with alternative arrangements.

The full tariff guide is available [here](#) in TAQA Distribution website.

GROWING WITH OUR PEOPLE

MAINTAINING CUSTOMER RELATIONSHIPS

TAQA Distribution operates dedicated contact centres to efficiently address customer complaints, ensuring concerns are promptly relayed to the relevant teams for resolution. Regular customer surveys are conducted to gauge satisfaction levels, enabling continuous improvement of services and offerings tailored to meet customer needs.

Distribution	2024	2023
Customer Service Delivery front-line	91.76%	98.70%
Customer Wait Time in minutes front-line	4:17	4:12
Timely issuance of customer bills back-end	97.92%	98.20%

Demonstrating its dedication to excellence in customer satisfaction, **TAQA Water Solutions has achieved ISO 10004:2018 Monitoring and Measuring Customer Satisfaction and ISO 10002:2018 Customer Complaints Handling, aligning with Customer Satisfaction Quality Management System.**

TAQA Distribution's Customer Service team received an award for "Best Life Moment" at the Abu Dhabi Effortless Customer Experience Awards.



CUSTOMER HEALTH AND SAFETY

Customer health and safety is paramount at TAQA, with 100% of its power and water services undergoing health and safety assessments. Stringent protocols for water production ensure compliance with the Water Quality Regulations (WQR) and standards set by the World Health Organisation (WHO) and the Abu Dhabi Department of Energy (DoE). From desalination to disinfection, TAQA Transmission and Distribution businesses use durable materials, conduct chemical trials, and maintain robust monitoring and reporting systems to guarantee water safety and quality.

TAQA's Consumer Protection Policy prioritises the rights and welfare of energy and water consumers, focusing on data privacy, service continuity, and support for vulnerable customers. Additionally, its transmission and distribution companies adhere to DoE frameworks, including rigorous water quality testing before and during network transmission, ensuring only compliant water reaches consumers. Performance indicators like supply pressure are consistently monitored to ensure safe, reliable delivery and mitigate risks, reflecting TAQA's commitment to excellence in customer health and safety.

Water Quality Statistics	Distribution		TAQA Water Solutions
	2024	2023	2024
Number of water quality sampling tests	57,840	57,817	30,876
Water quality testing frequency compliance	100%	99.85%	<100%
Average water quality compliance	98.35%	97.63%	98.30%
Physical parameters compliance	98.85%	97.43%	98.26%
Microbial parameters compliance	100%	100%	98.54%

06

CORPORATE GOVERNANCE

- 137 Introduction
- 138 Implementation of Governance Guide
- 140 Group Corporate Governance Framework and Structure
- 145 Board of Directors
- 156 Board Committees
- 166 Executive Management
- 168 Internal Control Framework
- 175 External Auditor
- 176 Stakeholder and Investor Relations

1. INTRODUCTION

This Report has been prepared in compliance with the requirements of our market regulator, the United Arab Emirates ("UAE") Securities and Commodities Authority's ("SCA") Chairman's Decision No. 3 of 2020 on the Joint Stock Companies Governance Guide and Decision no. (2/RM) of 2024 (together, the "Governance Guide"). The Report is also informed by international standards such as the Global Reporting Initiatives ("GRI"), the Organisation for Economic Co-operation and Development ("OECD") Corporate Governance Principles, and the Global Governance Principles issued by the International Corporate Governance Network ("ICGN").

GOVERNANCE ADVANCEMENTS IN 2024

The Board is committed to adopting the highest standards of corporate governance across TAQA and its subsidiaries (the "Group") and continuously identifying opportunities for improvements in TAQA's governance practices. In 2024, TAQA continued to enhance its Group corporate governance framework to support its strategic growth and operational expansion. Some notable achievements are as follows:

1. **Development of corporate governance functional operating model:** Following the establishment of a distinct corporate governance as a department under Group legal during 2023, a detailed operating model was developed to clarify its role and functional mandate, ensuring a harmonised approach towards implementation of such mandate across the Group.

2. **Subsidiary governance enhancements:** TAQA continued its journey to enhance and harmonise subsidiary governance practices as part of a wider phased exercise – the current phase included the roll-out of guidelines on corporate governance considerations for mergers and acquisitions transactions.
3. **Guidance for the development of governance documents:** Considering the changes to the Group's organisation structure and operating model, a guidance note setting out revised workflows for the issuance and amendment of policies, procedures and other corporate governance documents was rolled out across the Group, pending an ongoing review and update to related policies and procedures. The guidance also embeds the role of the governance department as an assurance body.

THIS REPORT

This Report provides an overview of TAQA's corporate governance related information and practices for the period from 1 January 2024 to 31 December 2024. It has been published on the Abu Dhabi Exchange ("ADX") website and the Company's website.



Mohamed Hassan Al

Mohamed Hassan Alsuwaidi

Chairman of the Board of Directors

Mansour Mohamed AlMulla

Mansour Mohamed AlMulla

Chairman of the Audit Committee

Hamad Al Hammadi

Hamad Abdulla Al Hammadi

Chairman of the Nomination and Remuneration Committee

Wael Nabulsi

Wael Nabulsi

Executive Director, Internal Audit¹

¹ The Executive Director of Internal Audit provides assurance over the Company's internal control system.

2. IMPLEMENTATION OF GOVERNANCE GUIDE

In 2024, the Company substantively maintained its existing governance framework and focused on evolving and enhancing its governance practices, policies and procedures, including those relating to board governance and ethics and compliance.

Below is the summary of the key policies adopted by the Group:

01

BOARD NOMINATION AND APPOINTMENT POLICY

This policy governs the nomination and appointment process of the Board, in line with regulatory requirements. Specifically, it establishes the process for identifying, evaluating and appointing candidates to the Board to ensure effective governance and strategic oversight. The Nomination and Remuneration Committee oversees the selection process, including the evaluation of candidates based on relevant criteria such as qualifications, experience, diversity, independence, eligibility and alignment with Company values, ensuring that the Board has the requisite structure and composition to support achievement of the Company's strategic objectives.

02

BOARD ASSESSMENT AND EVALUATION POLICY

This policy establishes a structured process for reviewing the performance and effectiveness of the Board, its committees and individual Board members, incorporating the requirements of applicable regulation and best practice. The policy requires an assessment to be conducted annually which is overseen by the Nomination and Remuneration Committee. The assessments, which are conducted with the support of an external party at least once every three years, evaluate factors such as board composition, leadership, decision making, oversight and alignment with corporate strategy. The results from such assessments inform Board member development, succession planning, and governance enhancements. Findings are reviewed by the Board and necessary actions are taken to strengthen overall performance and alignment with best governance practices.

03

BOARD REMUNERATION POLICY

Board remuneration plays a significant role in attracting, retaining, and motivating highly qualified Board members who provide strategic oversight and decision-making. A well-structured remuneration policy aligns Board interests with the company's long-term goals, ensuring they act in the best interest of shareholders and stakeholders. This policy outlines the principles and structure for compensating Board members in a manner that ensures Board compensation is fair, transparent, performance driven and aligned with the Company's long-term objectives, shareholder interests and regulatory requirements.

Continued on the next page

2. IMPLEMENTATION OF GOVERNANCE GUIDE

04

SUBSIDIARY DIRECTOR APPOINTMENT AND REMUNERATION POLICY

This policy establishes a unified framework for selecting and compensating directors serving on a subsidiary's board to ensure alignment with the Group's strategic objectives and governance standards.

05

INSIDER TRADING POLICY

The policy outlines the rules and procedures designed to prevent Board members, Executive Management, employees and other insiders from trading in the Company's securities (or those of third parties with whom they may be engaging with as part of their role within the Group) based on material non-public information. The policy requires that insiders refrain from buying or selling the Company's securities (or encouraging others to do so) when they possess confidential market-moving information, and it specifically restricts trading during blackout periods. It also mandates pre-clearance of trades in certain circumstances, provides guidance on how to handle inside information responsibly, and imposes strict disciplinary actions for violations, ensuring compliance with securities laws and maintain public trust.

06

CONFLICT OF INTEREST POLICY

Conflicts of interest arise when an individual's personal interest, relationships or affiliations interfere or appear to interfere with professional duties and responsibilities. TAQA has developed a policy to ensure that decisions are made in the best interest of the Company, free from personal, financial or other external influences that could compromise objectivity. This policy defines the process to identify a conflict of interest, ensuring that all actual, potential or perceived conflict of interest are disclosed and how they are to be effectively managed.

07

GROUP PROCEDURE FOR APPOINTMENT OF EXTERNAL AUDITOR (NON-AUDIT SERVICES)

The independence and objectivity of the external auditor are fundamental to maintaining trust in the Company's financial reporting. TAQA has developed a procedure to regulate the engagement of external auditors for non-audit services, ensuring that their independence is not compromised.

3. GROUP CORPORATE GOVERNANCE FRAMEWORK AND STRUCTURE

GRI 2-9

3.1 CORPORATE GOVERNANCE FRAMEWORK

The Board recognises that applying good governance practices is critical to safeguarding stakeholder interests, facilitating effective decision-making, creating value and enabling long-term positive corporate performance. The following principles underpin the four governance pillars of the organisation:

PRINCIPLES OF CORPORATE GOVERNANCE FRAMEWORK



RESPONSIBILITY

Setting the tone-at-the-top with active supervision/monitoring and evaluation



ACCOUNTABILITY

Ensuring effective risk management through employing a system of checks and balances, segregation of duties and accountability for actions (or inaction) by executives



EQUITY

Equitable treatment of all shareholders



TRANSPARENCY AND FAIR DISCLOSURE

Accurate, timely communication of material matters to relevant stakeholders



CORPORATE GOVERNANCE PILLARS



LEADERSHIP AND STRATEGY



STAKEHOLDER AND SHAREHOLDER MANAGEMENT



COMMUNICATION AND REPORTING PROTOCOLS



INTERNAL CONTROL ENVIRONMENT

3. GROUP CORPORATE GOVERNANCE FRAMEWORK AND STRUCTURE

3.2 OVERVIEW OF GROUP GOVERNANCE DEPARTMENT

PURPOSE, VISION AND MISSION FOR GOVERNANCE



PURPOSE

Fostering a robust governance framework that aligns with corporate vision, achieves business goals, upholds organisational values, ensures oversight and adequate controls, and drives continuous improvements.



VISION

To lead with integrity and innovation, ensuring that our governance practices promote sustainable growth, stakeholder engagement and a resilient organisational structure.



MISSION

Driving governance excellence across the Group.

GROUP GOVERNANCE FUNCTIONAL STRATEGY



PARENT COMPANY GOVERNANCE

- Corporate Governance Model and Framework
- Board and Board Committee Governance
- Governance Forums
- Governance Advisory and Transactional Support
- Governance Assurance Audits



DELEGATION OF AUTHORITIES

- Group Delegation of Authority
- Group Reserved Matters
- Implementation and Compliance Management



SUBSIDIARY GOVERNANCE

- Subsidiary Governance Model and Framework
- Entity Incorporation Management
- Subsidiary Board / Committee Oversight
- Subsidiary Reporting
- Advisory and Transactional Support



GOVERNANCE REPORTING AND ENABLERS

- Policies and Procedures Framework
- Governance Knowledge Management System
- Internal Governance Reporting Requirements and Disclosures

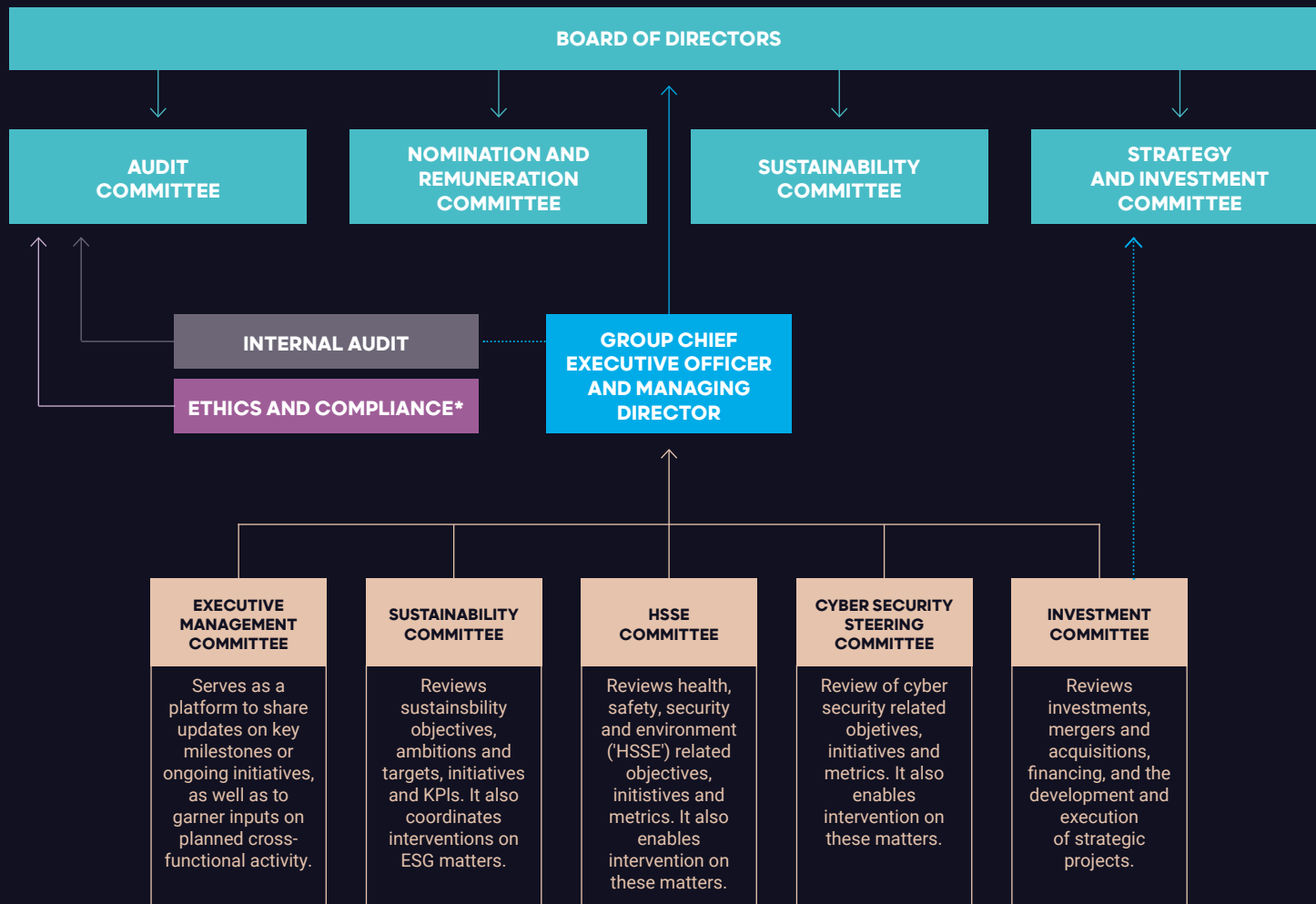
3. GROUP CORPORATE GOVERNANCE FRAMEWORK AND STRUCTURE

3.3 CORPORATE GOVERNANCE STRUCTURE

The Company has developed a corporate governance structure which aligns with and supports business needs.

At the levels of the Board and Executive Management, the Company has instituted various forums dedicated to reviewing specific matters to ensure each matter is given appropriate attention, scrutiny and feedback from relevant internal stakeholders. Each forum has a well-defined mandate, a carefully considered composition and clearly outlined responsibilities. In 2024, the Board approved separating the Internal Audit and Risk departments to fully delink internal audit function from other departments, with a direct administrative reporting to the Group Chief Executive Officer and Managing Director, bolstering its role as an independent function.

An overview of TAQA's key governance structure is as represented below:



● Board and Board Committees ● Group Chief Executive Officer & Managing Director ● Management Committee ● Independent Function ● Department
 → Functional/direct reporting Administrative reporting

* Compliance Officer administratively reports to the Chief Legal Officer.

3. GROUP CORPORATE GOVERNANCE FRAMEWORK AND STRUCTURE

3.4 SUBSIDIARY GOVERNANCE

TAQA's Board and its Executive Management place strong emphasis on ensuring the continued enhancement of governance structures and practices applicable to its subsidiaries.

In 2024, this included the review of TAQA's subsidiary governance framework which aims to achieve the following objectives:

- foster strategic alignment;
- promote business agility and synergy;
- deploy requisite oversight controls and provide stakeholder assurance;
- enable operational efficiency;
- define performance monitoring; and
- support long-term value creation.



3. GROUP CORPORATE GOVERNANCE FRAMEWORK AND STRUCTURE



In 2024, as part of implementing TAQA's subsidiary governance framework, the following key projects were undertaken:

Governance integration of TAQA Water Solutions (formerly known as Sustainable Water Solutions) as a wholly owned subsidiary.



In 2024, TAQA successfully acquired TAQA Water Solutions. Following the acquisition, a governance integration workstream was activated with the aim to achieve the following objectives:

- To ensure seamless integration of TAQA Water Solutions' management and board governance into relevant Group practices;
- To align TAQA Water Solutions' subsidiary governance practices with the principles outlined in TAQA's subsidiary governance framework; and
- To review and update the corporate governance documents of TAQA Water Solutions to reflect the Group's governance standards, ensuring consistency across the organisation.

In order to achieve the aforementioned objectives, the following activities were undertaken:

- A comprehensive review of the current governance structure of TAQA Water Solutions was conducted, aligning it with the expectations and structure established by TAQA to ensure effective governance.

- An examination of TAQA Water Solutions' delegation of authority framework to ensure consistency and coherence with the Group delegation of authority.
- The existing corporate governance policies and procedures of TAQA Water Solutions were reviewed and streamlined to meet Group corporate governance requirements while respecting the operational nuances specific to TAQA Water Solutions.
- An evaluation of the document control mechanisms was undertaken, focusing on the formulation of policies and procedures.

Furthermore, the Governance team at TAQA worked closely with stakeholders from TAQA Water Solutions' management team which resulted in deployment of efficient governance practices, promoted operational synergy, and enhanced oversight. TAQA Water Solutions' Internal Audit department now functionally reports to the Group's internal audit function, ensuring operational independence, and providing assurance. Moreover, personnel from TAQA Water Solutions were introduced to and granted access to Group's ethics and compliance policies, including the helpline.

TAQA BOARD EXCELLENCE PROGRAMME - COHORT 1

TAQA successfully hosted the first cohort of its board excellence programme which took place over two days in February 2024. It targeted employees appointed to subsidiary boards and was delivered in partnership with INSEAD. The objective of the programme was to provide insights and tools to support subsidiary board members in carrying out their roles and responsibilities in an effective manner and in line with the Group's expectations.

The board excellence programme offered participants valuable insights, which included as follows:

- A broader understanding of board governance, roles, and responsibilities, with a focus on global best practices.
- Valuable insights into frameworks designed to enhance strategic thinking and decision-making at subsidiary board level.
- A deeper comprehension of compliance requirements and corporate governance expectations.

- Enhanced awareness of boardroom dynamics, stakeholder management, and the importance of constructive debate in decision-making.
- Improved capability to assess, mitigate, and oversee risks effectively within subsidiary boards.
- Strengthened leadership competencies and reaffirmed the understanding of accountability as board members.

4. BOARD OF DIRECTORS

GRI 2-10, 2-11, 2-12, 2-13, 2-14, 2-16, 2-17, 2-18, 2-19

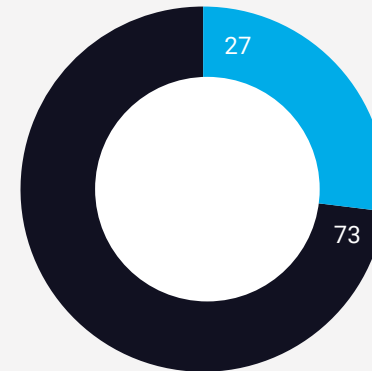
4.1 THE ROLE OF THE BOARD

The Board serves as the driving force behind the Company's success, steering its strategic direction and shaping its corporate culture. With a focus on governance, risk management, and financial integrity, the Board ensures that every decision aligns with TAQA's long-term vision.

The Board charter sets out in detail the Board's specific responsibilities relating to strategy, risk management, the integrity of financial reporting, governance, internal controls and compliance, Executive Management's remuneration review and succession planning. The Board charter is reviewed annually to ensure its continued relevance and alignment with TAQA's governance requirements as well as applicable laws and regulations.

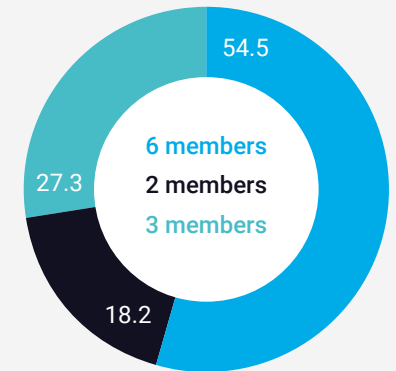
The Board of Directors is composed of eleven (11) members and is chaired by H.E. Mohamed Hassan Alsuwaidi, with Mr. Khalifa Sultan Al Suwaidi serving as Vice Chairman. There were no elections held in 2024 and as such there were no changes to the Board composition.

Gender Diversity (%)



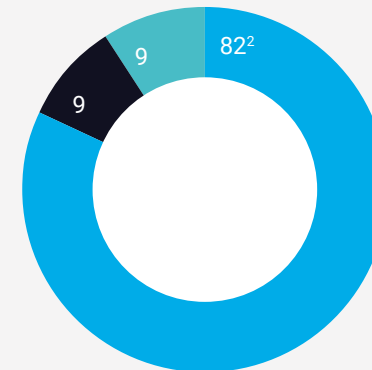
- Female
- Male

Board Tenure (%)



- Under two years
- Between two to four years
- Over four years

Board Composition (%)



- Independent Non-Executive Director
- Non-Executive Director
- Executive Director

Average Age



49.3 Years

² In line with Governance Guide as applicable to TAQA

4. BOARD OF DIRECTORS

4.2 PROFILE OF BOARD MEMBERS

H.E. MOHAMED HASSAN ALSUWAIDI

Chairman, Non-Executive,
Independent Board Member,
elected to the Board in 2019,
elected Chairman in 2020



NATIONALITY:

UAE

COMMITTEES:

None

AREAS OF EXPERTISE:

Utilities, Infrastructure and Technology, Finance, Strategy and Investments

CAREER, EXPERIENCE AND QUALIFICATION:

His Excellency Mohamed Hassan Alsuwaidi is the Minister of Investment of the UAE and serves as the Managing Director and Chief Executive Officer at Abu Dhabi Developmental Holding Company (ADQ).

Prior to joining ADQ, His Excellency garnered extensive experience across multiple sectors during his tenure with Mubadala Investment Company, where he held several investment management positions covering sectors such as metals and mining, real estate, hospitality, infrastructure, technology and agriculture. His Excellency has experience in banking and finance from his tenures with Union National Bank, Abu Dhabi Ship Building and the General Secretariat of the Abu Dhabi Executive Council.

His Excellency holds a Bachelor's degree in Accounting from United Arab Emirates University.

OTHER DIRECTORSHIPS:

- Chairman, Non-Executive Director – Abu Dhabi Ports Company PJSC (AD Ports)
- Chairman, Non-Executive Director and Member of Audit Committee – Emirates Nuclear Energy Corporation
- Second Vice Chairman, Non-Executive Director – Aldar Properties.
- Non-Executive Director and Member of Investment Committee – Abu Dhabi Pension Fund.
- Non-Executive Director – Advanced Technology Research Council
- Non-Executive Director – Al Dahra Holding
- Non-Executive Director – Emirates Investment Authority
- Non-Executive Director – XRG

MR. KHALIFA SULTAN AL SUWAIDI

Vice Chairman, Non-Executive,
Independent Board Member,
elected to the Board in 2020,
elected Vice Chairman in 2023



NATIONALITY:

UAE

COMMITTEES:

Strategy and Investment Committee (Chair)

AREAS OF EXPERTISE:

Strategy and Investments, Energy (Oil and Gas)

CAREER, EXPERIENCE AND QUALIFICATION:

Mr. Khalifa Al Suwaidi is a Managing Partner at Lunate and brings over 23 years of experience to the firm. In his position as Managing Partner, he oversees Lunate's fund investments, partnerships and strategy and is a member of the firm's Investment Committee, Supervisory Committee and Board of Directors.

Prior to co-founding Lunate, he served as the Chief Executive Officer of Abu Dhabi Growth Fund, managing more than \$35 billion in assets primarily across private market strategies. Previously, he held the position of Group Chief Investment Officer at ADQ. He has also held several senior managerial positions at Mubadala Investment Company and Abu Dhabi National Chemical Company.

Mr. Al Suwaidi holds a Bachelor's degree in Business Administration from California State University in the United States. He also has an Executive Master's degree in Business Administration with distinction from Zayed University.

OTHER DIRECTORSHIPS:

- Chairman, Non-Executive Director – Agthia Group
- Vice Chairman, Non-Executive Director – Abu Dhabi Ports Company PJSC (AD Ports)
- Non-Executive Director – Etihad Airways

4. BOARD OF DIRECTORS

MR. ABDULAZIZ ABDULLA AL HAJRI

Non-Executive,
Independent Board Member,
elected to the Board in 2023



NATIONALITY:
UAE

COMMITTEES:
Audit Committee; Nomination and Remuneration Committee

AREAS OF EXPERTISE:
Operations, Energy (Oil and Gas), Strategy and Investments

CAREER, EXPERIENCE AND QUALIFICATION:
Mr. Abdulaziz Al Hajri is an accomplished executive with 34 years of experience in leading downstream businesses in the Oil and Gas sector. He has a compelling track record in executive management, operations and technical services within Abu Dhabi National Oil Company (ADNOC) and its group of companies. Before retiring in April 2021, he was ADNOC's Executive Director of Downstream, responsible for the gas, refining and petrochemicals businesses. Al Hajri also served as the Chief Executive Officer of Abu Dhabi Polymers Company Ltd (Borouge) from 2007 until 2016.

Mr. Al Hajri holds a Bachelor's degree of Science in Chemical Engineering from the University of Texas in the United States.

OTHER DIRECTORSHIPS:

- Non-Executive Director and Member of Executive Committee and Audit and Risk Committee – ADNOC Distribution PJSC
- Non-Executive Director – ADNOC Refining
- Non-Executive Director – Borouge PLC
- Non-Executive Director, Chairman of Audit Committee, Member of Strategy and Investment Committee and Member of ESG Committee – Emirates Steel Arkan PJSC

MR. MANSOUR MOHAMED ALMULLA

Non-Executive,
Independent Board Member,
elected to the Board in 2021



NATIONALITY:
UAE

COMMITTEES:
Audit Committee (Chair), Nomination and Remuneration Committee

AREAS OF EXPERTISE:
Finance, Mergers and Acquisitions, Energy (Oil and Gas), Strategy and Investments

CAREER, EXPERIENCE AND QUALIFICATION:
Mr. Mansour Mohamed AlMulla is the Deputy Group Chief Executive Officer at Abu Dhabi Developmental Holding Company (ADQ). He is responsible for the growth and development of companies within the Food and Agriculture, Transport and Logistics, Financial Services and Real Estate Investments clusters. Mr. AlMulla ensures these entities align with ADQ's mandate of unlocking value and generating sustainable financial returns for Abu Dhabi. Prior to his current role, Mr. AlMulla was Managing Director and Chief Executive Officer at EDGE Group. Previously, he was Chief Investment Officer for Alternative Investments and M&A at ADQ and also served as the CFO of the Petroleum & Petrochemicals Platform at Mubadala.

Mr. AlMulla holds a Bachelor's degree in Business Administration (Information Systems) from Portland State University, United States.

OTHER DIRECTORSHIPS:

- Vice Chairman, Non-Executive, Independent Director and Chairman of the Strategy and Investment Committee – Etihad Airways PJSC
- Non-Executive, Independent Director and Chairman of Nomination and Remuneration Committee, Member of Strategy and Investment Committee – Abu Dhabi Ports Company PJSC (AD Ports)
- Non-Executive, Independent Director and Chairman of Investment and Planning Committee – Etihad Rail Company PJSC
- Non-Executive, Independent Director and Chairman of Audit and Risk Committee, Insider Trading Committee, Member of Strategy and Risk Mitigation Committee – Abu Dhabi Aviation Company PJSC
- Non-Executive, Independent Director and Member of Audit and Risk Committee, Nomination and Remuneration Committee – Abu Dhabi Global Markets (ADGM)

MR. HAMAD ABDULLA AL HAMMADI

Non-Executive,
Independent Board Member,
elected to the Board in 2021



NATIONALITY:
UAE

COMMITTEES:
Nomination and Remuneration Committee (Chair);
Strategy and Investment Committee; Sustainability Committee

AREAS OF EXPERTISE:
Strategy and Investments, Energy (Oil and Gas)

CAREER, EXPERIENCE AND QUALIFICATION:
Mr. Hamad Al Hammadi is Deputy Group Chief Executive Officer of ADQ. Hamad is responsible for the growth and development of companies within the Energy and Utilities, Healthcare and Life Sciences, Sustainable Manufacturing and Infrastructure and Critical Minerals clusters. Al Hammadi ensures these entities align with ADQ's mandate of unlocking value and generating sustainable financial returns for Abu Dhabi. Prior to his current role, Mr. Al Hammadi was Chief Executive Officer of Energy and Utilities and Sustainable Manufacturing at ADQ. Previously, he was Head of Greenfield Investments in the utilities vertical at Mubadala Investment Company, where he successfully spearheaded high-profile projects across the utilities, industry and financial services sectors.

Mr. Al Hammadi holds a Bachelor's degree in Business Administration (Accounting and Finance) from the Higher Colleges of Technology in the UAE.

OTHER DIRECTORSHIPS:

- Chairman, Non-Executive Director – Pure Health Holding PJSC
- Chairman, Non-Executive Director and Member of Growth Committee – Emirates Water and Electricity Company (EWEC)
- Chairman, Non-Executive Director – EMSTEEL
- Vice Chairman, Non-Executive Director – Emirates Nuclear Energy Corporation
- Non-Executive Director – TA'ZIZ ADNOC JV
- Non-Executive Director – Modon Holding P.S.C

4. BOARD OF DIRECTORS

MS. IMAN ABDULGHAFOOR AL QASIM

Non-Executive,
Independent Board Member,
elected to the Board in 2023



NATIONALITY:
UAE

COMMITTEES:
Audit Committee; Nomination and Remuneration Committee

AREAS OF EXPERTISE:
Human Capital

CAREER, EXPERIENCE AND QUALIFICATION:

Ms. Iman Al Qasim serves as Executive Vice President, Human Capital, at Emirates Global Aluminium (EGA). She has held this role since November 2020. Ms. Iman is an accomplished leader with global experience in fostering high performance, team focused cultures and environments. Prior to her role in EGA, she served as the Group HR Director of Emirates National Oil Company and held senior leadership roles in Mubadala Investment Company, Dolphin Energy, and General Motors.

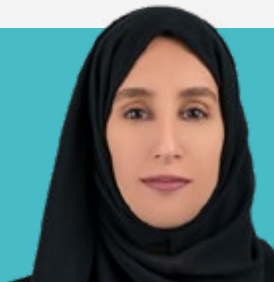
Ms. Al Qasim holds a Master's degree in Business Administration from the University of Bath, United Kingdom, and a Bachelor of Science from the American University of Sharjah.

OTHER DIRECTORSHIPS:

- Non-Executive Director and Chairperson of Remuneration Committee, Member of ESG Committee – E7 Group
- Non-Executive Director and Chairperson of Nomination and Remuneration Committee – Aramex
- Executive Director – EGA – America
- Executive Director – EGA, Guinea Alumina Corporation

MS. MOUZA SAEED AL ROMAITHI

Non-Executive,
Independent Board Member,
elected to the Board in 2023



NATIONALITY:
UAE

COMMITTEES:
Audit Committee

AREAS OF EXPERTISE:
Information Technology and Cyber Security

CAREER, EXPERIENCE AND QUALIFICATION:

Ms. Mouza Al Romaithi currently serves as the Director, Information and Cybersecurity at Abu Dhabi Developmental Holding Company (ADQ). She has over 16 years of experience in leading and strategising information and security transformation projects. Prior to her role at ADQ, Ms. Mouza held various senior leadership positions at Louvre Abu Dhabi, Abu Dhabi Systems and Information Centre and Emirates Identity Authority.

Ms. Al Romaithi holds a Master of Science in Information Technology (specialisation in cyber security) and a Bachelor of Science degree in Information Technology (networking systems) from Zayed University, Abu Dhabi.

OTHER DIRECTORSHIPS:

- Non-Executive Director, member of Audit Committee and Member of Nomination and Remuneration Committee – Pure Health Holding PJSC
- Non-Executive Director – Emirates Nuclear Energy Corporation

MS. SAMIA TOUFIC BOUAZZA

Non-Executive,
Independent Board Member,
elected to the Board in 2023



NATIONALITY:
Lebanese

COMMITTEES:
Sustainability Committee (Chair)

AREAS OF EXPERTISE:
Investments and Communications

CAREER, EXPERIENCE AND QUALIFICATION:

Ms. Samia Toufic Bouazza is the Group Chief Executive Officer and Managing Director of Multiply Group where she leads the strategic development of the company, oversees its growing investment portfolio of high-return businesses and ensures the sustainable growth of the Group's subsidiaries.

Ms. Bouazza holds a Bachelor's degree in Political Science and Public Administration from the American University of Beirut. She also holds several specialised executive certifications from Harvard Business School and the University of Cambridge.

OTHER DIRECTORSHIPS:

- Non-Executive Director – Emirates Driving Company
- Non-Executive Director – Arena Events Group
- Non-Executive Director – Selphagy Therapeutics
- Keystone Member of Friends of Abu Dhabi Art

4. BOARD OF DIRECTORS

DR. KLAUS-DIETER MAUBACH

Non-Executive,
Independent Board Member,
elected to the Board in 2023



NATIONALITY:

German

COMMITTEES:

Strategy and Investment Committee; Sustainability Committee

AREAS OF EXPERTISE:

Utilities, Energy (Oil and Gas), Strategy and Investments

CAREER, EXPERIENCE AND QUALIFICATION:

Dr. Klaus-Dieter Maubach was Chief Executive Officer of Uniper until March 2023. Prior to assuming this position, he was Chairman of the Supervisory Board of Uniper and a member of the Board of Directors of Fortum. He has held various senior leadership positions in the past. For example, he served as CEO of the Encavis AG, board member of E.ON SE, and CEO of E.ON Energie AG.

Dr. Maubach studied Electrical Engineering at the University of Wuppertal and received his Doctorate in 1994.

OTHER DIRECTORSHIPS:

None

MR. CHRISTOPHER GEOFFREY FINLAYSON

Non-Executive Board Member,
elected to the Board in 2023



NATIONALITY:

United Kingdom

COMMITTEES:

Strategy and Investment Committee; Sustainability Committee

AREAS OF EXPERTISE:

Utilities, Energy (Oil and Gas), Strategy and Investments

CAREER, EXPERIENCE AND QUALIFICATION:

Mr. Christopher Geoffrey was formerly the Chairman of Siccar Point Energy and of Interoil Corporation. He is a former Chief Executive Officer of BG Group, following a 33-year career with Shell. Mr. Finlayson holds a Bachelor's degree in Physics and Geology from the University of Manchester, UK.

OTHER DIRECTORSHIPS:

Non-Executive Director and Chairman – TGS ASA

MR. JASIM HUSAIN THABET

Executive Board Member,
elected to the Board in 2019



NATIONALITY:

UAE

COMMITTEES:

None

AREAS OF EXPERTISE:

Utilities, Energy (Oil and Gas), Operations, Strategy and Investments

CAREER, EXPERIENCE AND QUALIFICATION:

Mr. Jasim Husain Thabet serves as TAQA's Group Chief Executive Officer and Managing Director, a role he has held since July 2020. Elected to TAQA's Board of Directors in 2019, he is an energy industry veteran with more than two decades of experience.

Prior to his role at TAQA, he served as CEO and MD of ADPower, where he leveraged the company's portfolio of assets throughout the value-chain to support the transformation of the power and water sector in the UAE. He has also served as CEO of the National Central Cooling Company PJSC (Tabreed), where he drove capacity expansion and revenue growth.

Mr. Thabet holds a Bachelor of Engineering in Mechanical Engineering from Saint Martin's University in the United States.

OTHER DIRECTORSHIPS:

- Non-Executive Director and Member of Audit, Risk and Compliance Committee – Etihad Airways PJSC
- Non-Executive Director and Member of Strategy and Investment Committee and Audit and Risk Committee – Abu Dhabi Ports Company PJSC
- Non-Executive Director and Member of Sustainability and Strategy and Investment Committee – Abu Dhabi Future Energy Company (Masdar)

4. BOARD OF DIRECTORS

4.3 SHARE DEALINGS OF BOARD MEMBERS

In compliance with the SCA's regulations, the Ethics and Compliance Office manages the Restricted Persons Register ("Register"), which captures the holdings and transactions of restricted persons and their related persons in relevant Group securities.

Quarterly reviews of the Register is carried out by the Ethics and Compliance Office, in conjunction with the Investor Relations department and Board Secretary, to ensure that the Register is kept up-to-date and to monitor compliance with the insider trading policy and applicable laws and regulations. The Register is made available to the SCA and ADX as required.

The following table shows the Company shares held by the current members of the Board. There was no trading conducted by Board Members, their spouses or children in Company shares during 2024.

Board Member	Number of Shares held (as of 31 December 2024)	Total sale transactions	Total purchase transactions
H.E. Mohamed Hassan Alsuwaidi	-	-	-
Mr. Khalifa Sultan Al Suwaidi	-	-	-
Mr. AbdulAziz Abdulla Al Hajri	124	-	-
Mr. Mansour Mohamed AlMulla	-	-	-
Mr. Hamad Abdulla Al Hammadi	-	-	-
Ms. Iman Abdulghafoor Al Qasim	-	-	-
Ms. Mouza Saeed Al Romaithi	6,000	-	-
Ms. Samia Toufic Bouazza	-	-	-
Dr. Klaus-Dieter Maubach	-	-	-
Mr. Christopher Geoffrey Finlayson	-	-	-
Mr. Jasim Husain Thabet	-	-	-

4. BOARD OF DIRECTORS

4.4 BOARD AND BOARD COMMITTEE TRAINING

The Board training sessions provide an opportunity for the Board members to appreciate and discuss industry trends, operational challenges, international practices, and market dynamics.

In 2024, the following training sessions were delivered to the Board and each of the Board committees. Session details, including the speakers, key topics and themes are set out below:

Relevant Forum	Event Format	Concerned Speaker / Facilitator	Topic and Key Themes
Board	Virtual Session	<ul style="list-style-type: none"> Ferdinand Varga, MD and Senior Partner – Boston Consulting Group (BCG) Tamer Obeid, MD and Partner – BCG Konark Singh, MD and Senior Partner – BCG Michael McKissack, Partner – BCG Dr. Leonid Zhukov, Vice President, Data Science – BCG 	<p>The training session focused on the transformative role of Artificial Intelligence (AI), emphasising its evolution, practical applications, and implications in today's age. Below is a summary of the key points discussed:</p> <ul style="list-style-type: none"> Introduction of AI and its significance: The evolution and progression of AI technologies. Integration of AI in everyday applications. Emerging trends and advancements shaping AI. Potential risks, and ethical considerations in AI. Use of AI in the utilities sector: Application of AI across the energy lifecycle: generation, transmission, distribution, and retail. Significant potential for AI to improve performance across corporate functions which includes legal, marketing, sales etc. Implications of AI surge on energy demand <ul style="list-style-type: none"> Expanding investments in data centers within the Middle East. Rise in energy consumption pattern due to AI and data-intensive applications requiring high intensity of computation. Challenges for provision of power for data centres.
Audit Committee	Virtual session	<ul style="list-style-type: none"> Antoine Abinader, Acting Director Finance – Transmission and Distribution (T&D) 	The session centred on financial reporting by entities in relation to price control period 2 (RC2) applicable to T&D among other aspects
		<ul style="list-style-type: none"> Robin Nuttal, Expert Partner – McKinsey Francesco Parente, Associate Partner – McKinsey 	The session covered ESG reporting and climate related matters.
Nomination and Remuneration Committee	Virtual Session	<ul style="list-style-type: none"> Richard Guest, Partner in charge, UAE – Heidrick and Struggles (H&S) Dr. Jay Bevington, Partner, Middle East – H&S Shaloo Kakkar Kulkarni, Partner, Middle East – H&S Antone Honoré, Principal, Middle East – H&S 	The session centred on the topic of succession planning in the age of impact. It covered global trends and provided valuable insights into succession planning, as well as examining themes that influence the effectiveness of Board involvement in succession-related matters.
Strategy and Investment Committee	Virtual Session	<ul style="list-style-type: none"> Ferdinand Varga, MD and Senior Partner – BCG Souhail Cherqaoui-Fassi, MD and Partner – BCG Tamer Obeid, MD and Partner – BCG Michael McKissack, Partner – BCG 	The session covered various aspects with respect to drivers of data centre growth, recent trends in data centre investments, implications for the power market.
Sustainability Committee	Virtual Session	<ul style="list-style-type: none"> Tim Mohin, Partner and Director – BCG Maria Agostini, Principal – BCG 	The session covered the latest trends in ESG and impact on value creation, ESG perception and stakeholder landscape; positioning of leading entities; Board's role in driving ESG ambitions, considering recent developments and ESG reporting requirements

4. BOARD OF DIRECTORS

4.5 ACTIVITIES OF THE BOARD

The Board assumes overall responsibility for the oversight and management of the Company as set out in the Board charter, which among other matters recognises their role, responsibilities, functions and powers, both collectively and individually.

During 2024, the Board considered and took decisions in relation to numerous general business matters in line with the Group policy on delegation of authority. The Board held six (6) meetings during 2024, a summary of matters considered at such meetings (including relevant attendance records) are set out in the table below:

No	Date of Board meeting	Key Matters Presented	H.E. Mohamed Alsuwaidi	Mr. Khalifa Al Suwaidi	Mr. AbdulAziz Al Hajri	Mr. Mansour AlMulla	Mr. Hamad Al Hammadi	Ms Iman Al Qasim	Ms. Mouza Al Romaihi	Ms. Samia Bouazza	Dr. Klaus-Dieter Maubach	Mr. Christopher Finlayson	Mr. Jasim Thabet
1	13 February 2024	<ul style="list-style-type: none"> FY-23 Audited Consolidated Financial Statements – Approval FY-23 Management Report – Update 2023 Group Scorecard Outturn – Approval 2024 Group Scorecard – Approval 2023 Year End Risk Review – Approval Annual General Assembly Matters – Endorsement 2023 Payment of Final Dividends – Endorsement 2024 Statutory Auditor Appointment – Endorsement 	P	P	P	P	P	P	P	P	P	P	P
2	06 March 2024	<ul style="list-style-type: none"> 2023 TAQA HQ Board and Board Committee Remuneration – Endorsement TAQA Employee Performance Bonus 2023 – Approval 	P	P	P	P	P	P	P	P	P	P	P
3	08 May 2024	<ul style="list-style-type: none"> New Project – Approval 	P	Proxy	P	P	P	P	P	P	P	P	P
4	14 May 2024	<ul style="list-style-type: none"> Q1 2024 Financial Statements – Approval First interim dividend payment – Approval Group Risks – Update 	P	P	P	P	P	P	P	P	P	P	P
5	13 August 2024	<ul style="list-style-type: none"> Q2 2024 Financial Statements – Approval Interim dividend payment – Approval Q2 2024 Group Scorecard – Update Group Risks – Update 	P	P	P	P	P	P	P	Proxy	P	P	P
6	13 November 2024	<ul style="list-style-type: none"> Q3 2024 Financial Statements – Approval Interim dividend payment – Approval Quarterly Reforecast for 2024 – Update Q3 YTD – 2024 Group Scorecard – Update External Auditor Appointment 2025 – Endorsement 2025 Budget and 5 Year Plan – Approval Masdar Renewables – Business Update Group Risks – Update 	P	P	P	P	P	P	P	P	P	P	P
Meetings attended *			6/6 (100%)	6/6 (100%)	6/6 (100%)	6/6 (100%)	6/6 (100%)	6/6 (100%)	6/6 (100%)	6/6 (100%)	6/6 (100%)	6/6 (100%)	6/6 (100%)

4. BOARD OF DIRECTORS

4.6 COMMUNICATION OF CRITICAL CONCERNS

The Board receives a periodic management report covering vital business updates and an update of the Company's Group Risks and key internal and external developments at each Board meeting as a matter of course.

These reports highlight critical issues, facilitating discussion and resolution during Board meetings as necessary. This process serves as a way for the Board to stay informed and address concerns promptly, ensuring the continued health of the business. A similar reporting process is also followed for the Executive Management, providing key updates across the Group on a periodic basis. TAQA has a detailed and systematic grievance mechanism in place to record, monitor and report on any of the stakeholders' grievances, concerns, and suggestions, ensuring that these are resolved in a structured manner.

4.7 BOARD EFFECTIVENESS AND EVALUATION

The Board evaluation is a key part of the Company's commitment to good governance, promoting transparency, accountability, and continuous improvement.

It enables the Board to identify areas for enhancement and ensures continued alignment with best practices. In line with this, the Nomination and Remuneration Committee ("NRC") commissioned an externally facilitated Board evaluation for 2024, led by Egon Zehnder. The evaluation focused on four main areas:

- Board composition (diversity, skillset, experience, and attributes);
- Board agenda;
- Board operations and dynamics; and
- Board committees (composition and reporting to the Board).

The evaluation process included observing Board meetings, circulating questionnaires, and conducting structured interviews to assess efficiency, decision-making impact, and the relationship between the Board and management across multiple dimensions, which among other matters included strategy, risk management, Board committee performance and stakeholder engagement.

The evaluation followed three phases:

- **Phase I:** Establishing approach and key discussion issues
- **Phase II:** Individual meetings with Board members
- **Phase III:** Finalising and presenting findings.

The evaluation report was presented and discussed at the Board meeting held on 12 February 2025, noting recommendations and action plan.

4. BOARD OF DIRECTORS

4.8 BOARD REMUNERATION

Board Member remuneration, including committee fees, is governed by the Company's articles of association and the Board Remuneration Policy.

The Board recommends a lump sum payment, which is endorsed by the Nomination and Remuneration Committee and Board and presented to shareholders for approval at the General Assembly.

For the financial year ending 31 December 2024, the Board will recommend the remuneration (including committee fees) at its meeting on 6 March 2025, for approval by the General Assembly scheduled to be held on 13 March 2025.



We are committed to upholding the highest standards of governance, compliance, and ethical integrity in all aspects of our operations. Our legal and governance frameworks are core pillars supporting our resilience and success. By fostering a culture of transparency and accountability, we ensure that our growth is both responsible and sustainable, while maintaining the trust and confidence of our stakeholders.



MOHAMMAD SHARAFI
CHIEF LEGAL OFFICER AND
BOARD SECRETARY

4.9 BOARD SECRETARY

The position of the Board Secretary is integral to the successful operation of the Board. The Board Secretary supports the functioning of the Board and serves as a critical link between the Executive Management and the Board.

The Board Secretary's role is not just administrative, but also strategic, playing a crucial part in upholding and advancing governance standards across the Group. The Board Secretary is supported by a qualified team of professionals who bring expertise in various aspects of corporate governance, regulatory compliance, and Board governance.

The Board Secretary's key responsibilities include:

- **Documentation and Record-Keeping:** The Board Secretary documents and accurately prepares records of Board decisions, including Board meeting minutes and written resolutions.
- **Governance Guidance and Consultation:** The Board Secretary serves as a key advisor to the Board on corporate governance matters. He provides insights and guidance on matters related to Board Member duties as well as broader corporate governance issues.
- **Conflict of Interest Management:** Taking into account best governance practices, the Board Secretary assists Board Members in identifying and managing potential conflicts of interest.
- **Board Assessment and Evaluation Support:** The Board Secretary is a key participant in the Board assessment process and facilitates evaluation process, including the analysis of outputs and implementation of enhancement opportunities.

The appointment and termination of the Board Secretary are matters exclusively reserved for the Board.

Mohammad Adnan Sharafi serves as TAQA's Chief Legal Officer and Board Secretary, a position he has held since July 2020. He oversees TAQA's Group legal function, governance and ethics and compliance departments. Prior to his role with TAQA, Mr. Sharafi served as the General Counsel of Abu Dhabi Power Corporation in addition to nearly 12 years at Mubadala Investment Company advising on major M&A transactions, utilities development projects and other transactions covering the energy, industrial and financial sectors. Mr. Sharafi also worked at Clifford Chance LLP's offices in London and Dubai.

Mr. Sharafi is qualified to practice law as a Solicitor of the Supreme Court of England and Wales and holds a Post-Graduate Diploma in Legal Practice from the College of Law, London as well as a Bachelor of Laws (Hons) from the University of Westminster, London.

**MOHAMMAD
ADNAN SHARAFI
BOARD SECRETARY**



4. BOARD OF DIRECTORS

4.10 DELEGATION OF AUTHORITY

The Board approved the Group Policy on Delegation of Authority (“Group DOA”) which sets out a comprehensive matrix of authorities, namely, the authorities of TAQA’s shareholders and the Board; the authorities delegated by the Board to the Board Committee; and the authorities delegated to the Executive Management to run the administration and affairs of TAQA Group. Effective from 1 January 2025, the respective level 2 delegation of authority matrices were revised to account for changes, specifically following the merger of its distribution companies and consequential establishment of distinct Distribution and Transmission business verticals.

Key features of the Group DOA are presented below:

GUIDING PRINCIPLES

GOVERNANCE

Authorities take into account the Group’s operating model, best corporate governance practices and Board oversight requirements, applicable laws, regulations and constitutional documents (such as articles of association and joint ventures agreements).

OPERATING MODEL

Authorities are cascaded based broadly on the Group’s operating model for controlled and non-controlled subsidiaries across the Group.

FINANCIAL MATERIALITY

Authorities’ financial thresholds are based on analysis of Group’s growth ambition, revenue and investment targets in line with the Board approved business plan, along with a value versus volume analysis of financial transactions.

AUTHORITIES

STRATEGIC AUTHORITIES

- Governance
- Business Development
- Mergers and Acquisitions
- Strategy and Performance Reporting

HUMAN RESOURCES AUTHORITIES

- Appointments
- Remuneration
- Manpower Planning
- Talent Management

FINANCIAL AUTHORITIES

- Supply Chain
- Project Management
- Legal
- Treasury
- Budgeting
- Accounting

AUTHORITY HOLDERS

TAQA GROUP

- Shareholders
- Board of Directors
- Board Committees
- Management and Management Committees

BUSINESS UNITS³ INCLUDING OPERATING COMPANIES

- Business Unit Chief Executive Officers

³ As at 31 December 2024, each of the Generation, Transmission and Distribution, Oil and Gas and Sustainable Water Solutions were considered as business units.

5. BOARD COMMITTEES

The Board is empowered to establish Board Committees. In doing so, the Board delegates certain functions to the Board committees without abdicating its own responsibilities.

Board Committees serve as an effective mechanism for distributing work among Board Members by organising responsibilities into focused groups, allowing for deeper engagement, specialised oversight, and efficient decision-making. This delegation structure ensures that the Board can effectively govern without being overwhelmed by operational details.

TAQA's Board has constituted four (4) committees:

the Audit Committee, Nomination and Remuneration Committee, Strategy and Investment Committee and Sustainability Committee, each with detailed charters that define their roles, responsibilities and authorities.



5. BOARD COMMITTEES



5.1 AUDIT COMMITTEE

The Audit Committee (“AC”) plays an important role in assisting the Board in its oversight responsibilities, particularly with respect to the effectiveness of TAQA’s internal control system.

This includes:

- Assessing the approach to the management of financial and operational risks;
- Ensuring the integrity of financial reporting;
- Ensuring compliance with the regulatory and legal environment;
- Overseeing the risk management function, internal audit function, the ethics and compliance office, and the external auditor.

The AC’s remit is further detailed in its charter, which is reviewed annually and can be viewed on the Company’s website. In accordance with the charter, AC shall be comprised of a minimum of three non-executive Board Members, of which the majority are to be independent. All members of the AC are expected to have knowledge of financial and accounting matters.

MR. MANSOUR ALMULLA

Chairperson
(Non-Executive, Independent)



MR. ABDULAZIZ AL HAJRI

Member
(Non-Executive, Independent)



MS. IMAN AL QASIM

Member
(Non-Executive, Independent)



MS. MOUZA AL ROMAITHI

Member
(Non-Executive, Independent)



The Chairperson of the Audit Committee acknowledges his responsibility for implementing the requirements and functions set out in its charter including review of the Committee’s methods of operation to ensure its effectiveness.

5. BOARD COMMITTEES



REPORT FROM THE AUDIT COMMITTEE CHAIRPERSON

In accordance with the requirements of the Governance Guide, a detailed account of the significant activities and matters reviewed and monitored by the Audit Committee in 2024 are set out below:

Financial statements and Related party transactions

As part of the quarterly endorsement of financial results and statements, the AC held discussions with the management and External Auditors on significant matters highlighted for the relevant quarter, along with their joint conclusion on such matters. During 2024 significant matters included:

- 2023 impairment and write offs accounting
- Recognition of maximum allowed revenue (MAR)
- Classification of held for sale assets – TAQA Iraq
- Consolidation of acquired assets – TAQA Water Solutions
- UAE corporate income tax

As a part of reviewing and endorsing the financial statements, the AC reviews all transactions entered with related parties, further details of which are set out in the notes to the Company's 2024 audited annual consolidated financial statements.

Monitoring External Auditor's appointment, effectiveness, and independence

The AC monitors the independence and effectiveness of the external audit process, which is accomplished through quarterly confirmations of independence provided by the External Auditor, along with regular updates to the Committee on the audit process and annual plan. All engagements for non-audit related services are approved by the AC.

Review of medium and high-risk reports issued by Internal Audit and identification of the causes of weakness/failure:

Internal Audit submits quarterly reports to the AC for review, which includes the following:

- An overview of internal audit results for the quarter including processes audited, number of controls tested and audit findings in terms of numbers and ratings. In addition, audit conclusions for every audit engagement are incorporated within the update. Audit results for each audit engagement are presented and discussed during AC meetings; and
- Executive summaries for the results of each audit report/engagement.

Further, the AC has access to all Internal Audit reports and results via a dedicated e-platform.

Corrective action plan in the event of internal control deficiencies

A quarterly action tracking process is in place to validate the implementation status of management actions resulting from internal audits. This process includes validating completed actions and justifying any delays. Overdue actions are assessed based on risk exposure and presented to the AC, including risk ranking, aging, and expected completion dates.

5. BOARD COMMITTEES



COMMITTEE MEETING ACTIVITY AND ATTENDANCE RECORDS

No.	Date of Meeting	Key Matters Presented	Attendance of Committee Members			
			Mr. Mansour AlMulla	Mr. AbdulAziz Al Hajri	Ms. Iman Al Qasim	Ms. Mouza Al Romaiithi
1	09 February 2024	<ul style="list-style-type: none"> Q4 and 2023 Financial Results and Statements – Endorsement In-Camera Session with the External Auditor 2024 External Auditor Reappointment – Endorsement Use of External Auditors for Non-Audit Services – Approval Q4 2023 and Annual Internal Audit – Update Internal Audit Charter – Approval 2023 Group Risks – Update Audit Committee Charter – Endorsement 2023 Audit Committee Performance Report – Approval Compliance Programme – Update Single and Sole Source Procurement Report – Update 	P	P	P	P
2	13 May 2024	<ul style="list-style-type: none"> Q1 2024 Financial Results and Statements – Endorsement Use of External Auditors for Non-Audit Services – Approval Q1 2024 Internal Audit – Update Group Risks – Update Compliance Programme – Update Single and Sole Source Procurement Report – Update 	P	P	P	P
3	12 August 2024	<ul style="list-style-type: none"> Q2 2024 Financial Results and Statements – Endorsement 2024 External Audit Plan – Approval In-Camera Session with the External Auditor Group Risks – Update 	P	P	P	P
4	23 September 2024	<ul style="list-style-type: none"> Q2 2024 Internal Audit – Update 2024 Internal Audit Plan Changes – Approval Compliance Programme – Update Single and Sole Source Procurement Report – Update 	P	P	P	P
5	12 November 2024	<ul style="list-style-type: none"> Q3 2024 financial results and statements – Endorsement Use of external auditors for non-audit services – Approval 2025 External Auditor appointment – Endorsement Group Risks – Update 	P	P	P	P
6	26 November 2024	<ul style="list-style-type: none"> Q3 2024 Internal Audit – Update 2025 Internal Audit Plan, Organisation and Budget – Approval In-Camera Session with Internal Audit Compliance Programme – Update Single and Sole Source Procurement Report – Update 	P	P	P	P
Meetings attended			6/6 (100%)	6/6 (100%)	6/6 (100%)	6/6 (100%)

5. BOARD COMMITTEES



5.2 NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (“NRC”) assists the Board in fulfilling its oversight responsibilities with respect to:

- Ascertaining the appropriate composition of the Board, based on its collective knowledge, skills, experience, and diversity needs;
- Endorsing the nomination of suitable candidates for election to the Board and its Committees;
- Assessing performance of the Board, Board Committees, each Board Member and the Executive Management; and
- Endorsing the remuneration policy, strategy, and guidelines for the Group.

The NRC’s remit is further detailed in its charter which is reviewed annually and can be viewed on the Company’s website.

NOMINATION AND REMUNERATION COMMITTEE MEMBERS

MR. HAMAD AL HAMMADI

Chairperson
(Non-Executive, Independent)



MR. ABDULAZIZ AL HAJRI

Member
(Non-Executive, Independent)



MS. IMAN AL QASIM

Member
(Non-Executive, Independent)



MR. MANSOUR ALMULLA

Member
(Non-Executive, Independent)



The Chairperson of the Nomination and Remuneration Committee acknowledges his responsibility for implementing the requirements and functions set out in the NRC charter including review of the Committee’s methods of operation to ensure its effectiveness.

5. BOARD COMMITTEES



COMMITTEE MEETING ACTIVITY AND ATTENDANCE RECORDS

No.	Date of Meeting	Key Matters Presented	Attendance of Committee Members			
			Mr. Hamad Al Hammadi	Mr. Mansour AlMulla	Mr. AbdulAziz Al Hajri	Ms. Iman Al Qasim
1	06 February 2024 (9:30 am)	<ul style="list-style-type: none"> 2023 Employee Engagement Survey – Update Nomination and Remuneration Committee Charter – Endorsement 	P	P	P	P
2	06 February 2024 (2:00 pm)	<ul style="list-style-type: none"> 2023 Group and Operating Companies Performance and Scorecard – Endorsement 2024 Group and Operating Companies Scorecard outturn – Endorsement 	P	P	P	P
3	04 March 2024	<ul style="list-style-type: none"> TAQA Board remuneration and Board committee fees 2023 – Endorsement TAQA Performance Bonus 2023 – Endorsement 	P	P	P	P
4	01 October 2024	<ul style="list-style-type: none"> Special Project – Endorsement TAQA N & N-1 Succession Planning – Approval 	P	P	P	P
Meetings attended			4/4 (100%)	4/4 (100%)	4/4 (100%)	4/4 (100%)

P – Present

5. BOARD COMMITTEES



5.3 STRATEGY AND INVESTMENT COMMITTEE

The Strategy and Investment Committee ("SIC") plays an important role for the Board in its review, and endorsement of the following:

- Group strategy and strategic initiatives relating to each business line;
- Business development activities, such as mergers and acquisitions, greenfield and brownfield development, and disposals of assets and business;
- Proposals for capital expenditure;
- Financing activities of the Group
- Annual budget and business plans; and
- Significant procurement activity.

The SIC also monitors the implementation of strategies, investments, disposals or other strategic initiatives approved by the Board. The SIC's remit is further detailed in its charter, which is reviewed annually and can be viewed on the Company's website.

STRATEGY AND INVESTMENT COMMITTEE MEMBERS

**MR. KHALIFA
AL SUWAIDI**

Chairperson
(Non-Executive, Independent)



**MR. HAMAD
AL HAMMADI**

Member
(Non-Executive, Independent)



**MR. CHRISTOPHER
FINLAYSON**

Member
(Non-Executive)



**DR. KLAUS-DIETER
MAUBACH**

Member
(Non-Executive, Independent)



The Chairperson of Strategy and Investment Committee, acknowledges his responsibility for implementing the requirements and functions set out in the Committee's charter including review of the Committee's methods of operation to ensure its effectiveness.

5. BOARD COMMITTEES



COMMITTEE MEETING ACTIVITY AND ATTENDANCE RECORDS

No.	Date of Meeting	Key Matters Presented	Attendance of Committee Members			
			Mr. Khalifa Al Suwaidi	Mr. Hamad Al Hammadi	Mr. Christopher Finlayson	Dr. Klaus Maubach
1	22 January 2024	<ul style="list-style-type: none"> 2024 Forward guidance – Endorsement 2023 Dividend declaration – Endorsement 	P	P	P	P
2	06 February 2024	<ul style="list-style-type: none"> 2023 Group and Operating Companies Performance and Scorecard Outturn – Endorsement 2024 Group Scorecard – Endorsement 	P	P	P	P
3	25 April 2024	<ul style="list-style-type: none"> TAQA North New Programme for Commodity Price Risk Management – Endorsement Masdar Renewables – Special Project – Final Investment Decision – Endorsement 	P	P	P	P
4	07 May 2024	<ul style="list-style-type: none"> Special Project – Endorsement 	NP	P	P	P
5	06 June 2024	<ul style="list-style-type: none"> Northern North Sea Decommissioning – Endorsement 	P	P	P	P
6	11 July 2024	<ul style="list-style-type: none"> Masdar Renewables – Special Project – Endorsement Masdar Renewables: Bid Submission – Endorsement 	P	P	P	P
7	16 July 2024	<ul style="list-style-type: none"> Special Project (binding offer) – Approved 	P	P	P	P
8	12 September 2024	<ul style="list-style-type: none"> Masdar Renewables (binding offer submission) – Endorsement TAQA Bratani – Decommissioning Status – Update 2024 Corporate Bond issuance – Endorsement 	P	P	P	P
9	01 October 2024	<ul style="list-style-type: none"> 2024 Corporate Bond Issuance – Approval 	NP	P	P	P
10	29 October 2024	<ul style="list-style-type: none"> 2025 TAQA Business Plan – Endorsement 	P	P	P	P
Meetings attended			8/10 (80%)	10/10 (100%)	10/10 (100%)	10/10 (100%)

P – Present; NP – Not Present

5. BOARD COMMITTEES



5.4 SUSTAINABILITY COMMITTEE

The Sustainability Committee (“SC”) supports the Board on ESG matters. In particular, the Committee reviews the following:

- The Group’s ESG and net-zero strategy;
- ESG strategy implementation and reporting activities; and
- Performance on material ESG topics and related activities.

The Committee’s remit is further detailed in its charters, which is reviewed annually and can be viewed on the Company’s website.

SUSTAINABILITY COMMITTEE MEMBERS

**MS. SAMIA TOUFIC
BOUAZZA**

Chairperson
(Non-Executive, Independent)



**MR. HAMAD
AL HAMMADI**

Member
(Non-Executive, Independent)



**DR. KLAUS-DIETER
MAUBACH**

Member
(Non-Executive, Independent)



**MR. CHRISTOPHER
FINLAYSON**

Member
(Non-Executive)



The Chairperson of the Sustainability Committee acknowledges her responsibility for implementing the requirements and functions set out in its charter including review of the Committee’s methods of operation to ensure its effectiveness.

5. BOARD COMMITTEES



COMMITTEE MEETING ACTIVITY AND ATTENDANCE RECORDS

No.	Date of Meeting	Key Matters Presented	Attendance of Committee Members			
			Ms. Samia Bouazza	Mr. Hamad Al Hammadi	Dr. Klaus Maubach	Mr. Christopher Finlayson
1	01 February 2024	<ul style="list-style-type: none"> 2023 ESG Performance Review – Update ESG Trends, 2024 Priorities and Targets – Update Committee Performance Review – Endorsement 	P	P	P	P
2	12 June 2024	<ul style="list-style-type: none"> Scope 3 – Benchmark, Baseline, Assurance – Update Scope 3 Projections and Improvement Measures – Update 	P	P	P	P
3	26 November 2024	<ul style="list-style-type: none"> ESG Ratings and Improvement Areas – Update GHG Projections – Update Internal Carbon Pricing – Update CSR Impact Assessment Framework – Endorsement 	NP	P	P	P
Meetings attended			2/3 (67%)	3/3 (100%)	3/3 (100%)	3/3(100%)

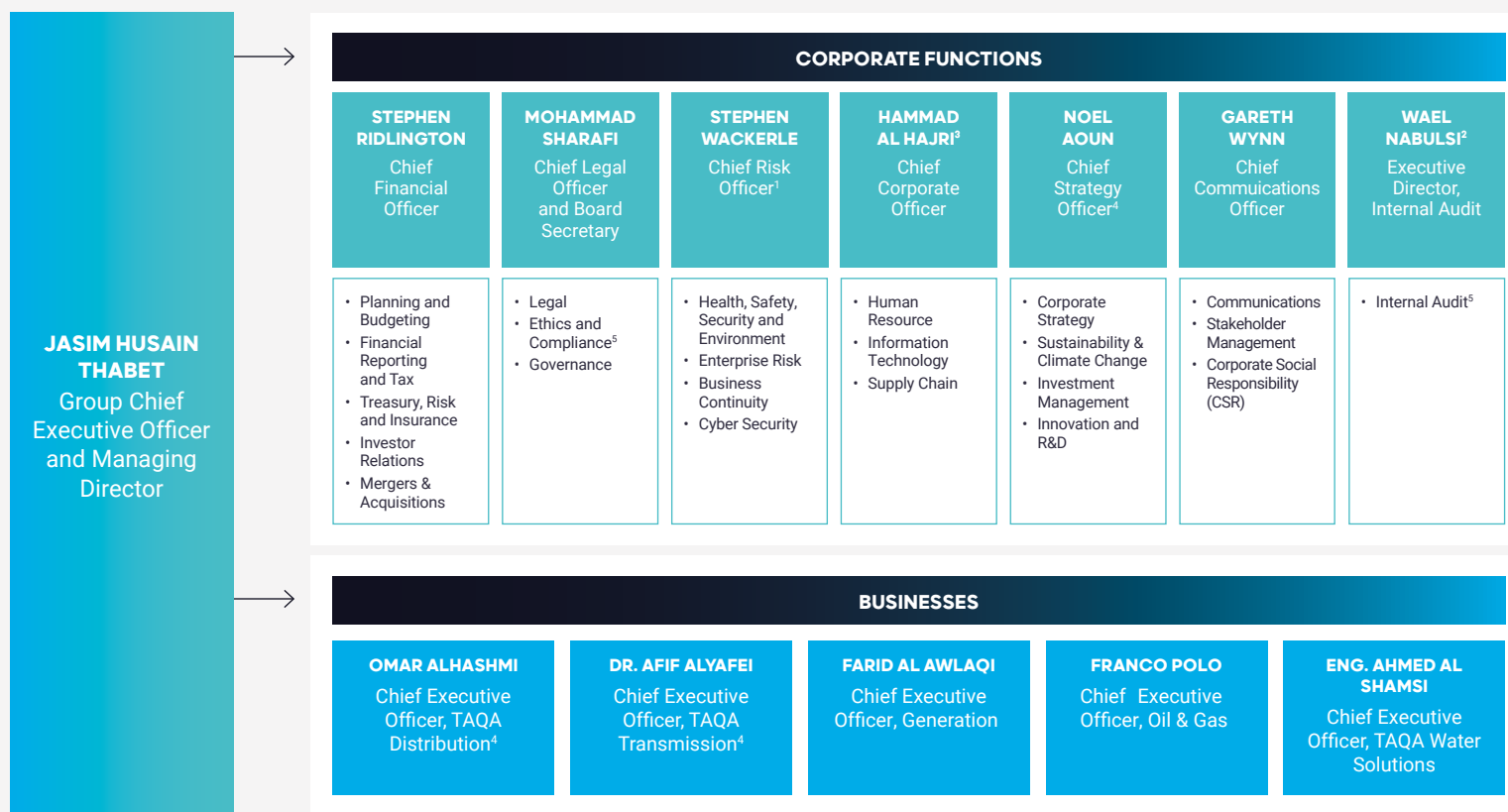
P – Present; NP – Not Present

6. EXECUTIVE MANAGEMENT

GRI 2-19, 2-20, 2-21

The Executive Management is responsible for overseeing TAQA's daily operations, and diligently exercising the authorities delegated to it by the Board, in accordance with established governance practices, rules and regulations to ensure effective execution of strategic initiatives, efficient management of organisational resources, and attainment of overall performance objectives.

TAQA'S EXECUTIVE LEADERSHIP



¹ Change of title with effect from 15 July 2024.

² As of 15 July 2024; internal audit function administratively reports to the Group Chief Executive Officer and Managing Director.

³ Wael Nabulsi was appointed as Executive Director, Internal Audit with effect from 1 August 2024.

⁴ Was preceded by Nabil Almssabi until 31 December 2024.

⁵ Change of title with effect from 1 January 2025.

⁶ Ethics and compliance and internal audit functionally report into the Audit Committee.

6. EXECUTIVE MANAGEMENT

6.1 EXECUTIVE MANAGEMENT REMUNERATION

The remuneration of the Executive Management Team (“EMT”) is determined based on a market benchmarking exercise conducted by an independent third-party consultant. The remuneration is endorsed by the NRC before receiving final approval from the Board. Further, employment contracts include provisions for claw back and malus for all EMT members.

The ESG targets are embedded within both short-term and long-term performance objectives, ensuring alignment with the Group’s strategy and annual corporate scorecards.

The table below outlines the remuneration provided to the EMT during 2024.

Position	Date of Appointment	Total Salary and Allowances paid in 2024 (AED)*	Any other benefits for 2024 or payable in the future (AED)#
Group Chief Executive Officer and Managing Director	01 July 2020	4,134,438	10,601,048
Chief Financial Officer	01 July 2020	2,436,381	4,079,590
Chief Legal Officer	01 July 2020	2,061,531	4,202,538
Chief Risk Officer ⁴	01 July 2020	1,580,643	2,990,307
Chief Executive Officer, Oil & Gas ⁷	01 July 2020	2,463,123	5,715,753
Chief Executive Officer, Generation ⁷	01 July 2020	2,299,759	4,434,980
Chief Executive Officer, Transmission & Distribution ⁷	01 July 2020	2,316,234	4,681,423
Chief Strategy Officer ⁷	01 July 2020	1,825,440	3,376,336
Chief Communications Officer	03 January 2021	1,580,163	2,839,957
Chief Corporate Officer ⁵	05 September 2021	1,819,107	3,564,216
Executive Director, Internal Audit	01 August 2024	1,640,443 ⁹	1,465,805

	2024	2023
Ratio of annual total compensation for the Group CEO to the median annual total compensation for all employees (excluding the CEO) ⁸	12.25	11.95

* Salaries and Allowances include basic salary, housing allowance, mobile allowance, transportation allowance for all. For UAE Nationals, this also includes child allowance, social allowance, supplementary allowance and supplementary housing allowance.

Benefits include variable bonus, partial payment for Long Term Incentive Plan, fitness benefits and annual vacation travel allowance.

⁴ Change of title with effect from 15 July 2024.

⁵ Was succeeded by Hamad Al Hajri with effect from 1 January 2025.

⁷ Change of title with effect from 01 January 2024.

⁸ Boundary limited to HQ only.

⁹ For a period of 12 months.

7. INTERNAL CONTROL FRAMEWORK

GRI 2-15, 2-23, 2-24, 2-26, 2-27, 205-1, 205-2, 205-3, 206-1, 415-1, 418-1

The internal control framework ensures that TAQA maintains robust internal controls, effective risk management, compliance with laws and regulations, and adherence to corporate governance standards.

The Board and Audit Committee oversee its effectiveness, ensuring alignment with best practices.

Key objectives of the internal control system:

1. Implement and oversee Enterprise Risk Management (“ERM”) processes, fostering a strong risk culture while assessing and mitigating significant risks.
2. Embed reviewing and monitoring processes, controls, and procedures designed to maintain the integrity of the Group’s accounting and financial records along with ensuring the safeguarding of the Company’s assets, the efficient utilisation of its resources, and the protection of shareholders’ interests.
3. Establish a governance framework, reinforce internal controls, and promote corporate culture and values from the top.
4. Maintain an independent Internal Audit function.
5. Ensure adherence to applicable laws and regulatory requirements, staying updated on relevant changes.

The Company’s internal controls are embedded within policies, procedures and systems that have been formally adopted, and are actively managed and implemented across various areas such as ERM, Internal Controls over Financial Reporting, Related Party Transactions and Ethics and Compliance amongst others.

7.1 RISK ASSESSMENT AND ENTERPRISE RISK MANAGEMENT

The risk management framework defines the ERM process, associated methodologies, reporting requirements and responsibilities that apply across all entities of the Group.

The framework differentiates entities in which TAQA exercises operational control and those assets in which TAQA influences activities as a non-operating participant. The Company’s dedicated Enterprise Risk function designs and helps enable implementation of the risk management methodologies and processes and is responsible for supporting its implementation across the Group by businesses and functions. The ERM function helps ensure that a consistent and systematic approach for the identification, assessment, management, monitoring and reporting of risks is effectively carried out. Refer to the Business Resilience section for further details on TAQA’s ERM function, framework and processes.

The Audit Committee regularly reviews TAQA Group Risks and their risk assessments and management responses developed by the business functions to ensure the effectiveness of the ERM. In addition to regular Group Risk updates associated with internal and external developments, the Enterprise Risk function facilitates twice-yearly reviews of the Groups risks, which are presented to the Executive Management Team, Audit Committee and TAQA Board of Directors. These reviews identify current and emerging risks that have the potential to impact the Group’s strategic objectives and performance. The findings serve as a foundation for developing management plans designed to manage risks and to help ensure that they are maintained within acceptable limits and reduced through additional actions where appropriate.

Details of the principal risks identified from the most recent reviews, and of the actions being taken to manage or mitigate them, can be found in the [Business Resilience](#). More information about the principal Group-level climate and ESG risks can be found in the [ESG Strategy](#) section.

7. INTERNAL CONTROL FRAMEWORK

7.2 INTERNAL CONTROLS OVER FINANCIAL REPORTING

TAQA has implemented a system of Internal Controls over Financial Reporting (“ICFR”), that is in compliance with best practice as set by the Committee of Sponsoring Organisations (COSO) framework.

The control environment and related controls cover, among other elements, provide multiple layers of reviews of all significant financial reporting information to ensure accurate information flows.

The Company has policies and procedures to maintain the integrity of financial statements and non-financial information. It also carries out a periodic ICFR review to secure reasonable assurance that the Company’s financial statements are reliable and address risks, if any, related to financial reporting. These policies are compliant with the requirements of the Abu Dhabi Accountability Authority’s (ADAA) Regulation No. 1 of 2017 regarding internal control oversight and evaluation.

In addition, the Company’s external auditor, Deloitte & Touche (M.E.), carried out an assurance engagement of ICFR. As part of this engagement, Deloitte & Touche (M.E) evaluated the Group’s system of internal controls to the extent considered necessary to meet the requirements of the International Standard on Assurance Engagements (ISAE) 3000, issued by the International Auditing and Assurance Standards Board.

7.3 RELATED PARTY TRANSACTIONS

Details of all transactions with companies and entities that fall within the definition of a related party under the Governance Guide or the International Accounting Standards 24, are disclosed in notes to the Company’s 2024 audited annual consolidated financial statements.

7. INTERNAL CONTROL FRAMEWORK

7.4 INTERNAL AUDIT

Internal Audit function provides independent, objective assurance over TAQA's risk management and internal control systems, in addition to consulting activities designed to add value and improve TAQA's operations.

Internal Audit function assists the Group in accomplishing its objectives by providing a systematic, disciplined approach to evaluating and enhancing the effectiveness of risk management, internal control, and governance processes.

The Internal Audit function applies a cyclical risk-based approach to identify areas to be audited. It carries out an annual Group risk assessment to develop its audit plan, taking into

consideration factors such as ERM risks, business materiality, key performance indicators and input from process owners.

Internal Audit reports functionally to the Audit Committee and administratively to the Group Chief Executive Officer and Managing Director. It provides quarterly updates on audit plan implementation, results and actions tracking status. Internal Audit confirms its independence annually to the Audit Committee and its mandate is governed by its charter and manual that are updated regularly. The Internal Audit scope covers the Group.

Highlights of the activities conducted by the Internal Audit Function during 2024

- Successfully integrated the operations of TAQA Water Solutions' Internal Audit team.
- Launched and implemented its Continuous Audit Monitoring audit plan across various key business processes.
- Conducted a total of 46 assurance audits, covering 145 processes and tested 725 associated controls, across the Group.
- Conducted maturity assessments for ESG and Information Security processes at selected businesses and operating companies. All resulting recommendations and associated management actions were subject to a quarterly follow-up monitoring and reporting process to ensure the timely close-out of audit actions.
- Achieved a "Generally Confirms" certification, the highest rating on the IIA's external quality assurance review scale, by the UAE's Internal Auditors Association as part of an external quality assurance review facilitated by TAQA's Shareholder.
- Organised a panel discussion on "Cybersecurity Assurance in the Utilities Industry" at the World Utilities Congress 2024, in collaboration with the UAE Internal Audit Association' Energy and Utilities sub-group.

Wael Nabulsi is the Executive Director of Internal Audit at TAQA, a role he has held since September 2015. He has over 22 years of experience in internal audit, risk management, and corporate governance. Previously, he was Chief Internal Auditor at Dolphin Energy and held managerial roles at Ernst & Young. He holds an Executive MBA from INSEAD, a Bachelor's degree in Accounting, and certifications in internal audit: CIA, risk management: CRIM, and corporate governance: DipCorpGov

WAEI NABULSI
EXECUTIVE
DIRECTOR,
INTERNAL AUDIT



7. INTERNAL CONTROL FRAMEWORK

7.5 ETHICS AND COMPLIANCE

An essential component of effective corporate risk management and internal control is fostering a culture that upholds high ethical and professional standards, both within the organisation and in its engagements with external stakeholders.

The Ethics and Compliance (“E&C”) Office is responsible for developing and implementing a comprehensive E&C programme across the Group that covers policy development, awareness and training activities, disclosures, and conflict management amongst other elements.

The compliance officer functionally reports to the Audit Committee and has direct access to the Board to deal with matters independently and in confidence when needed. The compliance officer administratively reports to the Chief Legal Officer and provides updates to the Audit Committee on a quarterly basis. These updates provide an overview of progress made in respect of various compliance initiatives, ongoing/completed investigations (including summaries of significant cases), and other matters of relevance.

ETHICS AND COMPLIANCE POLICIES AND PROCEDURES

A brief overview of TAQA’s key E&C policies and procedures is set out below:



Code of Ethics and Business Conduct

Sets the foundation of the Group’s ethical and behavioural culture and the relevant principles Group personnel are expected to uphold.



Business Partner Code of Conduct

Sets out the ethical standards and behaviour the Group expects from its business partners.



Speaking-up Policy

Sets out the process for raising questions, concerns, and submitting reports about suspected violations of applicable laws, regulations, and/or breaches of the Group’s policies. This policy also sets out how the E&C Office handles reported concerns and emphasises the Group’s zero-tolerance approach to retaliation against anyone raising a concern in good faith. The Group offers the option for personnel (and any third-party) to raise concerns anonymously through the confidential helpline (accessible via helpline.taqa.com), which is open to internal and external stakeholders. All matters raised to the E&C Office are thoroughly investigated and any substantiated cases result in corrective and/or disciplinary actions.



Anti-Bribery and Corruption and Anti-Fraud Policy

Sets out the Group’s zero tolerance approach to bribery, corruption, and fraud, including stringent requirements around dealing with public officials, and the disclosures and prior approvals required for gifts, hospitality, and entertainment in line with best practice and applicable laws and regulations.



Data Protection Policy

Sets out the requirements the Group and Group personnel must follow to adequately protect and process personal data including how personal data is collected, used, stored, disclosed, and disposed of correctly, in line with applicable laws and regulatory requirements.



Data Retention Policy

This policy provides guidance on retention requirements for TAQA’s data assets, defining the appropriate duration for retaining various types of data and the conditions under which they should be stored.



Business Partner Due Diligence Policy

Sets out the requirements and processes to be followed for conducting appropriate risk-based due diligence on business partners and third parties before onboarding them and throughout the business relationship.



Anti-Money Laundering and Counter-Terrorism Financing Policy

Sets out the requirements in relation to identifying and preventing money laundering and terrorist financing, the severe consequences for failing to do so, and stresses the importance of keeping accurate books and records.



Sanctions and Trade Controls Policy

Sets out the applicable sanctions and trade control requirements, the importance of sanctions screening and how to prevent breaches of sanctions and trade control laws and regulations.

7. INTERNAL CONTROL FRAMEWORK



Competition Policy

The Competition Policy includes provisions around promoting fair competition and prohibiting anti-competitive behaviour, which includes abuse of a dominant position, price fixing, market division, group boycotts, exclusive dealing arrangements and any agreement or sharing of confidential information which may restrict or limit trade.

Further, in 2024, the Group's E&C Office implemented new procedures to develop, enhance and streamline aspects of its data privacy programme and management of third-party risks. Specifically, TAQA launched seven (7) new procedures:

Record of Processing Activity (RoPA)

This procedure maintains an inventory of personal data processing activities, covering the entire data lifecycle to identify and mitigate risks.

Data Protection Impact Assessment (DPIA)

This procedure identifies and evaluates risks associated with any major projects, systems, or processes involving personal data.

Data Subject Request (DSR)

This procedure manages requests made by data subjects regarding their personal data. This can include requests to access, correct, or delete the data.

Personal Data Breach Management

This procedure logs, investigates and manages personal data breaches, and ensuring timely notification to relevant parties while minimising risks to data subjects and Group.

Data Transfer Impact Assessment (TIA)

This procedure assesses risks associated with a cross-border personal data transfer, ensuring adequate legal and technical safeguards and measures are in place.

Business Partner Due Diligence and Third-Party Screening

This procedure identifies, assesses and screens business partners and third parties against adverse media, sanctions and privacy compliance.

Privacy Notice

This procedure develops and maintains privacy notices to inform data subjects about how their personal data is collected, used, shared, and protected by TAQA Group, in compliance with applicable laws and regulations.

ETHICS AND COMPLIANCE TRAINING

Training and awareness activities form a core component of TAQA's E&C programme. The E&C Office offers targeted training based on identified needs and risk levels. Each year, a mandatory comprehensive E&C training is rolled out, which all personnel within the Group are required to complete. This online training employs a scenario-based approach to immerse participants in realistic ethical dilemmas they might face in their roles.

In 2024, all personnel at TAQA Group (including Executive Management) received comprehensive E&C training, ensuring coverage across all levels of the organisation. The total participation in 2024 was 100%. The annual training included content to address emerging risks and establish best practice, as well as additional modules focusing on real-world scenarios and interactive elements informed by internal risk-based assessments. Post completion of training, all personnel confirmed their awareness and compliance with the E&C policies, including a requirement to disclose any gifts, entertainment, and hospitality (in line with the Anti-Bribery and Corruption and Anti-Fraud policy), as well as any holdings of TAQA Group securities. Additionally, the E&C Office conducted 51 risk-area training sessions (covering 8 distinct topics) across the Group during 2024.

7. INTERNAL CONTROL FRAMEWORK

ANTI-CORRUPTION INCIDENT REPORTING

Incidents of corruption	2024	2023
Number of confirmed incidents of corruption	0	0
Number of confirmed incidents of bribery	0 ✓	0
Number of incidents of corruption where employees were dismissed	0	0
Number of incidents of corruption where contracts with business partners were terminated or not renewed due to violations related to corruption	0	0
Percentage of entities across TAQA that were assessed for risks related to corruption	100%	100%

ANTI-COMPETITIVE BEHAVIOUR INCIDENT REPORTING

Incidents of Anti-Competitive Behaviour	2024	2023
Number of legal actions pending or completed regarding anti-competitive behaviour and violations of anti-trust and monopoly legislations	0 ✓	0

✓ Assured metric

POLITICAL CONTRIBUTIONS

TAQA does not make political contributions nor engages in lobbying activities. Any political contributions and lobbying made on behalf of TAQA would need to be disclosed to the E&C Office for prior review and approval. In 2020-2024 no such monetary or in-kind contributions were made. The Code of Ethics and Business Conduct requires that any personal political activities that TAQA employees carry out should be kept separate from TAQA. TAQA employees are instructed to ensure that their personal political activities are not linked to anyone engaged in terrorism or criminal activities and do not cause any reputational damage to TAQA.

DATA BREACH MANAGEMENT

As an organisation with global reach, TAQA adheres to applicable data protection laws, which include, but are not limited to, the UAE Personal Data Protection Law, the EU General Data Protection Regulation, the ADGM Data Protection Regulation, and the UK Personal Information Protection and Electronic Documents Act. These laws outline the principles and requirements for data privacy and protection. The legal departments and respective data privacy officers at TAQA's operation in UAE, as well as in Canada and Europe, have established internal policies and agreements that address personal data protection, processing, and transfer.

Additionally, TAQA is in the process of implementing a comprehensive group-wide Data Privacy framework. TAQA's data privacy and security policies, standards, and procedures are designed to extend protections to our customers as well.

Complaints	2024	2023
Total number of complaints received concerning breaches of customer privacy from outside parties and substantiated by the organisation	0	0
Total number of complaints received concerning breaches of customer privacy from regulatory bodies	0	0
Total number of identified leaks, thefts, or losses of customer data	0	0

The Group data privacy and security policies, standards and procedures extend to our customers as well in compliance with, the UAE National Electronic Security Authority (NESAs) standards as well as the UAE Department of Energy's ("DoE") Cyber Security Framework, which incorporates 188 security controls to mitigate cybersecurity threats.

7. INTERNAL CONTROL FRAMEWORK

Highlights of the activities conducted by the E&C Office during 2024

- Increased awareness on the process to raise concerns:** The E&C Office increased awareness around the process for stakeholders to raise concerns by conducting extensive training and awareness sessions across the Group. These sessions emphasised the importance of speaking up, provided insights into specific risk areas, and provided guidance on the procedure to access Group helpline.
- TAQA Generation – Independent Water and Power Plants (IWPPs):** The IWPPs consist of project companies that are wholly owned and controlled by TAQA, and the Operating and Maintenance (O&M) companies, which are typically majority-owned and managed by third-party partners. To minimise the frequent overlap in roles and personnel between the project and O&M companies, a unified E&C programme was implemented.
- Third Party Screening:** The E&C Office has upgraded the Due Diligence system “Vantage” for the Group, streamlining the process and enhancing risk assessment accuracy. The new version features advanced analytics and reporting for better insights into business partner risks. Additionally, the E&C Office has performed over one hundred enhanced due diligence reviews to support M&A, JVs, and transactions, focusing on mitigating ethics and compliance risks.
- Ethics & Compliance Week at TAQA North:** The E&C Office spent a week at TAQA North’s facilities in Canada, raising awareness about the compliance program, responding to queries and engaging with key stakeholders across the organisation to emphasise the importance of building and maintaining a strong ethical and compliant culture.
- A more focused approach to training:** To ensure the effective dissemination and consistent understanding of the Group’s expectations outlined in its E&C policies, the E&C Office conducted over 51 risk-area training sessions across the Group, covering 8 distinct topics: Anti-Bribery and Corruption, Conflicts of Interest, the Helpline, Business Partner Due Diligence, Sanctions, Export Controls, Confidentiality and Data Privacy.

Abdul Rahman Al Jaabari, Director, Ethics and Compliance, is appointed as the Compliance Officer of the Company and oversees and manages the E&C Office. He holds a Bachelor’s in Economics and Political Science from the University of Arizona, a Masters of Studies in Law, E&C from the University of Colorado, and several accreditations such as Certified Fraud Examiner (CFE), Certified Leadership Professional in Ethics and Compliance, and Certified Compliance and Ethics Professional (CCEP-1).



**ABDUL RAHMAN
AL JAABARI
DIRECTOR, ETHICS
AND COMPLIANCE**

8. EXTERNAL AUDITOR

The Audit Committee maintains regular quarterly engagements with the external auditors, a practice that underscores the importance of independent financial oversight.

Additionally, the Audit Committee occasionally conducts in-camera sessions with the external auditor. These sessions are crucial as they provide an opportunity for the Audit Committee to gather independent insights on financial reporting and other issues, in the absence of management.

TAQA has an established policy governing the engagement of external auditors for both audit and non-audit related services. This policy is designed to safeguard the independence of our external auditors by restricting their involvement in services that could potentially compromise their impartiality. Furthermore, TAQA adheres to the regulations set forth by the Abu Dhabi Accountability Authority regarding the appointment and mandatory rotation of auditors, ensuring compliance and maintaining high standards of audit integrity and transparency.

8.1 DETAILS OF EXTERNAL AUDITOR

Deloitte & Touche (M.E.) has been TAQA's external auditor since 1 July 2020.

Deloitte & Touche (M.E.) is a member firm of Deloitte Touche Tohmatsu Limited (DTTL) and is the first Arab professional services firm established in the Middle East region. Deloitte is among the region's leading professional services firms, providing audit, tax, consulting, and financial advisory services through 23 offices in 15 countries with more than 7,000 partners, directors and staff.

Below are the details and breakdowns of the external audit fees and other service fees incurred during 2024 for the Company:

Name of audit firm for the period (1 January 2024 – 31 December 2024)	Deloitte & Touche (M.E.)
Name of audit partner	Farhad Aklas
Number of years served by the audit partner as an external auditor for the Company	Two (2)
Number of years served by the audit firm as an external auditor for the Company	Five (5)
Total fees for auditing the financial statements of 2024	AED 2,480,000 (including quarterly reviews)
Fees and costs of special services other than auditing and reviewing the financial statements for 2024	AED 1,377,188
Other audit services in relation to internal controls over financial reporting (ICFR)	AED 403,260

Deloitte & Touche (M.E.) issued an unqualified audit opinion on annual consolidated financial statements for the year ended 31 December 2024.

9. STAKEHOLDER AND INVESTOR RELATIONS

9.1 STAKEHOLDER ENGAGEMENT AND COMMITMENT TO THE ENVIRONMENT AND COMMUNITIES

Please refer to Chapter 5 – Sustainability of the Integrated Report for details in relation to cash and in-kind contributions made by the Company during the year 2024 towards the local community development and environmental conservation

9.2 MANAGING AND ENGAGING WITH INVESTORS

TAQA's Investor Relations (IR) function leads all engagement activities with the company's global investor base, ensuring transparent dissemination of financial and related non-financial information.

The IR team's activities are governed by a set of defined policies and procedures to ensure fair treatment of all investors. The aim of these policies is to create effective channels for dealing with investors and market requests in a timely manner.

The IR function is the primary contact point for investors and analysts and routinely communicates with these stakeholders through announcements on ADX, sharing of relevant information on the Company's website, quarterly results calls, conference calls, road shows, capital market days, and other activities directed at investors, analysts, and the financial media. A regularly updated investor presentation is the main document utilised for engagement with the investor community, which is also made available on TAQA's website.

High quality investor and analyst events are scheduled regularly to allow Executive Management to engage existing and potential investors and provide visibility to the broader market. In 2024, eight non-deal roadshows were completed across America, Europe, and Asia, in addition to the company's participation in six regional and international conferences. Over 100 investors were engaged in the process. In addition to the above, investors are frequently engaged by the IR function and management team to host reverse roadshows and address any outstanding questions related to TAQA on a one-to-one basis.

A proactive investor engagement programme during 2024 allowed for the issuance of a dual-tranche bond via same-day transaction without the need for a specific deal roadshow.

9. STAKEHOLDER AND INVESTOR RELATIONS

9.3 GROUP INVESTOR RELATIONS POLICY

TAQA has adopted a Group Investor Relations Policy to establish the key principles for communicating material information to investors, analysts, and other stakeholders within the capital markets where TAQA's securities are listed.

Through this policy the Company aims to be perceived as transparent, accessible, reliable, and professional by the financial community. It outlines the strategy and objectives for market disclosures, as well as the roles, responsibilities, practices, and guidelines of the Investor Relations function for evaluating related operational processes.

The objectives of this policy with respect to the Company is as mentioned below:

- Provide a comprehensive level of information to the financial markets on an equal basis, and ensure that relevant, accurate, clear, balanced, orderly and timely information is made available to the capital markets in support of regular trading and fair pricing of the Company's securities;
- Ensure compliance with applicable laws, rules and regulations including the applicable regulations for companies listed on the ADX,

London Stock Exchange and Irish Stock Exchange as applicable;

- Operate and make disclosures in accordance with relevant corporate governance principles and the Governance Rules of ADX as applicable;
- Strive to ensure relevant disclosures are disseminated simultaneously and made publicly available on a timely basis through the ADX data dissemination system and on the Company's website.
- Ensure the Group has a high-quality investor and analyst programme of events to allow the Company's executives to communicate relevant information; and
- Ensure that relevant information including stakeholder feedback is channelled back from the capital markets and investors to the Board and the Company's executives.

The IR function is headed by Mr. Asjad Yahya, who has over 19 years of work experience with regional and international firms. His career is comprised of a mix of sell-side and buy-side roles with investment banks and family offices. In his last role prior to TAQA, he headed investor relations for a healthcare firm that was ranked in the FTSE-100 index at the time. Asjad completed his Master's in Business Systems from Monash University (Australia). He is a CFA® Charterholder.

CONTACT DETAILS:

Direct telephone number: +971-2-6914637;

Mobile number: +971-56-2190975;

Email: asjad.yahya@taqa.com.



ASJAD YAHYA
VICE PRESIDENT,
INVESTOR
RELATIONS

9. STAKEHOLDER AND INVESTOR RELATIONS

9.4 TAQA'S SHAREHOLDERS

The table below sets out the Group's major shareholders, defined as those holding 5% or more of the Company's share capital as of 31 December 2024:

Abu Dhabi Power Corporation (ADPower)	Multiply Group PJSC (and its associated companies)
101,229,022,960 Number of shares held	8,196,721,311 Number of shares held
90.034% % of the shares held of Company's capital	7.2902% % of the shares held of Company's capital

The distribution of the Company's shareholding by both investor type and category as of 31 December 2024 is presented below. Government ownership includes that of ADPower (a corporate entity) and follows the transfer of the DoE's share (a direct government entity) in the Company to ADPower in 2019. ADPower is a wholly owned subsidiary of Abu Dhabi Development Holding Company (ADQ), one of the wholly owned strategic investment companies of the Abu Dhabi Government.

Shareholder category	Individuals	Companies	Government	Total
National	0.64%	8.72%	90.58%	99.94%
Arab	0.02%	0.01%	0.00%	0.03%
Foreigner	0.02%	0.01%	0.00%	0.03%
Total	0.68%	8.74%	90.58%	100.00%

A further breakdown by number of shares held is presented below. TAQA's free float, away from ADPower's majority strategic stake, is tightly held by UAE individuals reflecting the privatisation process that took place in 2005.

Shares owned (shares)	Number of shareholders	Number of shares held	Shares held (% of capital)
Less than 50,000	91,725	76,911,095	0.1%
From 50,000 to less than 500,000	820	122,911,804	0.1%
From 500,000 to 5,000,000	169	215,967,211	0.2%
More than 5,000,000	51	112,018,459,890	99.6%

Statement of the comparative performance with the general market index and sector index. The figure below sets out TAQA's share price performance for 2024 compared to ADX General Index, ADX Energy Index, and the ADX Utility Index.



9. STAKEHOLDER AND INVESTOR RELATIONS

The following table sets out the closing price and the high and low share prices of TAQA's shares at the end of each month during 2024.

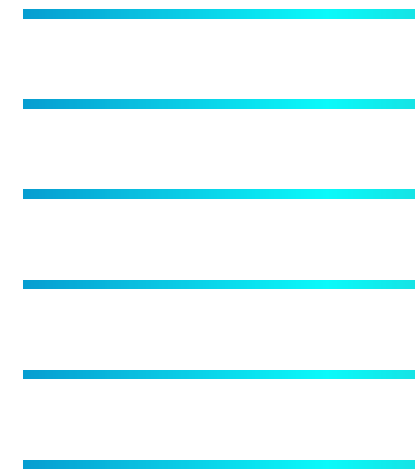
Month (2024)	Highest closing share price (AED)	Lowest closing share price (AED)	Closing price (AED, end of month)
January	3.380	3.140	3.150
February	3.200	2.990	3.050
March	3.430	3.000	3.000
April	3.110	2.730	2.790
May	3.030	2.510	2.600
June	3.150	2.590	3.150
July	3.060	2.720	2.730
August	2.740	2.530	2.530
September	3.200	2.520	3.200
October	3.180	2.750	2.840
November	2.940	2.790	2.910
December	3.510	2.890	3.510

9.5 GENERAL ASSEMBLY

The Company held its Annual General Assembly (AGM) with its shareholders on 14 March 2024. The following matters were presented to the shareholders for approval, and all were duly approved:

- Authorise the Board to adopt any resolution or take any action to implement the Ordinary and Special Resolutions adopted by the General Assembly;
- Approve the annual report and accounts and external auditors report for the financial year ending 31 December 2023;
- Approve the recommendation for payment of final cash dividend as per the approved dividends policy of the Company, and approve the interim dividends declared in 2023;
- Approve the Board's remuneration; and
- Release the members of the Board of Directors and External Auditors from liability for their activities for the financial year ended 31 December 2023, and Appoint the External Auditors of the Company for the 2024 financial year.

No further general assemblies were held during 2024. All shareholders voted electronically at the 2024 AGM.



07

FINANCIAL STATEMENTS

- 181 Directors' Report
- 182 Independent Auditor's Report to the Shareholders
- 187 Consolidated Statement of Profit or Loss
- 187 Consolidated Statement of Comprehensive Income
- 188 Consolidated Statement of Financial Position
- 190 Consolidated Statement of Changes in Equity
- 191 Consolidated Statement of Cash Flows
- 193 Notes to the Consolidated Financial Statements

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors present their report together with the consolidated audited financial statements of Abu Dhabi National Energy Company PJSC ("TAQA", the "Company" or the "Group"), and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2024.

Board of Directors:

The directors of the Company are:

Chairman: H.E. Mohamed Hassan Alsuwaidi

Vice chairman: Mr. Khalifa Sultan Al Suwaidi

Members: Mr. Mansour Mohamed AlMulla

Mr. Hamad Abdulla Al Hammadi

Mr. Jasim Husain Thabet

Mr. AbdulaAziz Abdulla Al Hajri

Ms. Iman Al Qasim

Ms. Mouza Saeed Al Romaiti

Ms. Samia Bouazza

Dr. Klaus-Dieter Maubach

Mr. Christopher Geoffrey Finlayson

Principal activities:

The principal activities of the Group are power and water generation, transmission and distribution, upstream and midstream oil and gas operations and sustainable water solutions.

Review of business:

During the year, the Group reported revenue of AED 55,162 million (2023: AED 51,717 million). TAQA's share of profit for the year was AED 7,068 million (2023: AED 16,647 million).

The Board of Directors approved interim dividends of AED 0.021 per share to the shareholders in respect of the first nine months of 2024 and was in line with shareholder-approved dividend policy.

On 12 February 2025, the Board of Directors proposed a final and variable dividend of AED 2,361 million, being AED 0.021 per share for the year ended 31 December 2024. The interim (AED 0.021 per share), final (AED 0.014 per share) and variable (AED 0.007 per share) dividends are subject to shareholder approval at the General Assembly meeting in March 2025.

Release:

The Directors release management and the external auditors from liability in connection with their duties for the year ended 31 December 2024.

for the Board of Directors

H.E. Mohamed Hassan Alsuwaidi

Chairman of the Board

Abu Dhabi National Energy Company PJSC (TAQA)

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABU DHABI NATIONAL ENERGY COMPANY PJSC

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Abu Dhabi National Energy Company PJSC (the "Company") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the applicable requirements of Abu Dhabi Accountability Authority (ADAA) Chairman Resolution No. 88 of 2021 Regarding financial statements Audit Standards for the Subject Entities. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are the matters that, in our professional judgment, are of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABU DHABI NATIONAL ENERGY COMPANY PJSC (CONTINUED)

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

KEY AUDIT MATTER

Impairment of intangible assets with indefinite useful lives

The Group has AED 4,755 million of intangible assets with indefinite useful lives as disclosed in Note 14.

The Group includes certain Distribution companies in the United Arab Emirates which have license agreements with the Department of Energy ("DOE"). These licenses can only be revoked by DOE after a 25-year notice period. As no notice has been served, these licenses are considered to be intangible assets with indefinite useful lives.

In accordance with IAS 36 Impairment of Assets ("IAS 36"), an entity is required to test intangible assets with indefinite useful lives for impairment at least annually irrespective of whether there is any indication of impairment.

An impairment is recognized in the consolidated statement of financial position when the recoverable amount is less than the carrying amount in accordance with IAS 36. The determination of the recoverable amount is based on discounted future cash flows.

We considered the impairment of intangible assets with indefinite useful lives to be a key audit matter, given the method for determining the recoverable amount and the significance of the balance in the Group's consolidated financial statements. In addition, the recoverable amounts are based on the use of key assumptions, estimates or assessments made by management, in particular future cash flow projections, the estimate of the discount rates and long-term growth rates. Management determined that the recoverable amount of the intangibles assets with indefinite useful life was in excess of its carrying amount and consequently no impairment charge has been recognised in the consolidated statement of profit or loss.

Refer to Note 14 in the consolidated financial statements for more details relating to this matter.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

We assessed the design of relevant controls over the process of determining the allowance for impairment of intangible assets with indefinite useful lives and determined if they had been appropriately implemented. These controls included, inter alia, the following:

- Controls over the accuracy and completeness of the impairment assessment models; and
- Controls over management's annual preparation of the impairment assessment, including calculations performed and estimates applied.

In addition, we also performed the following substantive audit procedures:

- Engaged our internal valuation specialists to assess the appropriateness of the impairment model for each license agreement;
- Evaluated whether the impairment model used by management to calculate the value in use of each cash-generating unit complies with the requirements stipulated in IAS 36;
- Assessed the impairment assessment models provided by management for each license agreement to determine whether they are reasonable and supportable;
- Assessed the discount rates and Weighted Average Cost of Capital calculated by management and used in the impairment assessment models;
- Challenged the growth rates and the completeness and reasonableness of other key cash flow assumptions used in the impairment models;
- Performed sensitivity analysis over the key estimates applied by management to ascertain the extent of change in those assumptions that either individually or collectively would be required for an additional impairment charge;
- Assessed the mathematical accuracy of the impairment models;
- Agreed the results of the impairment models to the amounts reported in the consolidated financial statements; and
- Assessed the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.

KEY AUDIT MATTER

Revenue from transmission and distribution of power and water, and sewerage services

The Group has recognised revenue of AED 36,970 million from transmission and distribution of power and water, and sewerage services for the year ended 31 December 2024, as disclosed in Notes 3.2 and 3.4 to the consolidated financial statements.

Revenue is subject to Maximum Allowed Revenue ("MAR") for electricity, potable and recycled water calculated in accordance with a formula as defined in the License and Regulatory Control mechanisms document issued by the Department of Energy (DoE). Other operating revenue in respect of sales of power and water for the year is based on the difference between MAR and revenue billed to customers for the supply and distribution of water and electricity and sewage services.

We focused on this area as the other operating revenue calculations are subject to significant judgements, interpretations and assumptions in respect of the definition of notified items, the determination of certain allowable deductions, performance indicators and derogation charges.

The MAR calculation is also subject to change from time to time when Regulatory Control mechanisms provided by the DOE are amended or as clarifications are received from the DOE.

Accordingly, the computation of the other operating revenue for the year ended 31 December 2024 is considered to be a key audit matter.

The critical accounting estimates made and judgements applied by management are disclosed in Note 2.3 and further details about the other operating revenue are disclosed in note 3.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

We assessed the design of relevant controls over the process of determining the other operating revenue and determined if they had been appropriately implemented and operating effectively. These controls included, inter alia, the following:

- Manual controls over the recognition of other operating revenue; and
- Controls over the accuracy and completeness of the other operating revenue calculation.

In addition, we also performed the following substantive audit procedures:

- Reperformance of management's calculation of other operating revenue;
- Agreed the inputs used by management to those stipulated in Regulatory Control 2 (RC 2);
- Agreed the adjustments in the Price Control Return to actual amounts;
- Evaluated the report of management's expert on the revenue drivers and agreed details in the report to schedules used in the revenue analysis;
- Agreed the pass-through charges to invoices and supporting schedules;
- Examined the relevant communications with DOE;
- Agreed the regulated and unregulated revenue for sales of water and electricity to the revenue calculation used in the other operating revenue; and
- Assessed the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABU DHABI NATIONAL ENERGY COMPANY PJSC (CONTINUED)

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Other Information

The Board of Directors and management are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of this auditor's report, and the Annual Report 2024, which will be made available to us after the auditor's report date. The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report for 2024, if we conclude that there is a material misstatement therein, we will be required to communicate the matter to those charged with governance and consider whether a reportable irregularity exists in terms of the auditing standards, which must be reported.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the applicable provisions of the articles of association of the Company and the U.A.E. Federal Law No. 32 of 2021, and for such internal control as management determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABU DHABI NATIONAL ENERGY COMPANY PJSC (CONTINUED)

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the applicable requirements of ADAA Chairman's Resolution No. 88 of 2021 Regarding financial statements Audit Standards for the Subject Entities will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs and the applicable requirements of ADAA Chairman Resolution No. 88 of 2021 Regarding financial statements Audit Standards for the Subject Entities, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABU DHABI NATIONAL ENERGY COMPANY PJSC (CONTINUED)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the U.A.E. Federal Law No. 32 of 2021, we report that for the year ended 31 December 2024:

- We have obtained all the information we considered necessary for the purposes of our audit;
- The consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the U.A.E. Federal Law No. 32 of 2021;
- The Group has maintained proper books of account;
- The financial information included in the Directors' report is consistent with the books of account of the Group;
- The Group has not purchased or invested in any shares during the financial year ended 31 December 2024, except as disclosed in Notes 15 and 32;
- Note 6 to the consolidated financial statements of the Group discloses social contributions made during the financial year ended 31 December 2024;
- Note 29 to the consolidated financial statements discloses the material related party transactions, balances, and the terms under which they were conducted; and
- Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 December 2024 any of the applicable provisions of the U.A.E. Federal Law No. 32 of 2021 or of its Articles of Association which would materially affect its activities or its financial position as at 31 December 2024.

Further, as required by the Resolution of the Chairman of the Abu Dhabi Accountability Authority No. (88) of 2021 pertaining to Auditing the Financial Statements of Subject Entities, we report that based on the procedures performed and information provided to us, nothing has come to our attention that causes us to believe that the Group has not complied, in all material respects, with any of the provisions of the following laws, regulations and circulars as applicable, which would materially affect its activities or the consolidated financial statements as at 31 December 2024:

- Law of establishment; and
- Relevant provisions of the applicable laws, resolutions and circulars organising the Group's operations.

Deloitte & Touche (M.E.)

Mohammed Khamees Al Tah
Registration No. 717
12 February 2025
Abu Dhabi
United Arab Emirates

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31 DECEMBER	
		2024 AED million	2023 AED million
CONTINUED OPERATIONS			
REVENUES			
Revenue from generation of power and water	3.1	12,415	12,715
Revenue from transmission and distribution of power and water	3.2	34,491	30,954
Revenue from oil and gas	3.3	5,777	8,048
Revenue from water solutions	3.4	2,479	-
		55,162	51,717
COST OF SALES			
Operating expenses	4	(32,439)	(29,973)
Depreciation, depletion and amortisation	5	(9,944)	(9,212)
		(42,383)	(39,185)
GROSS PROFIT			
General and administrative expenses	6	(2,861)	(2,334)
Finance costs	7	(3,079)	(2,872)
Net foreign exchange loss		(38)	(55)
Interest income		542	498
Gain on recognition of an investment	16	-	10,784
Dividend income from an investment		612	298
Other income	8	551	389
Share of results of associates and joint ventures	15	384	191
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		8,890	19,431
Income tax expense	9	(1,623)	(2,629)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		7,267	16,802
DISCONTINUED OPERATIONS			
Profit after tax for the year from discontinued operations	35	66	18
PROFIT FOR THE YEAR		7,333	16,820
Attributable to:			
Equity holders of the parent		7,068	16,647
Non-controlling interests		265	173
PROFIT FOR THE YEAR		7,333	16,820
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from continuing operations		0.06	0.15
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from continuing operations and discontinued operations	10	0.06	0.15

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31 DECEMBER	
		2024 AED million	2023 AED million
PROFIT FOR THE YEAR		7,333	16,820
OTHER COMPREHENSIVE (LOSS) INCOME			
<i>Items that may be reclassified to statement of profit or loss in subsequent periods:</i>			
Changes in fair values of derivative instruments in cash flow hedges		276	81
Share of other comprehensive (loss)/income of joint ventures and associates		(220)	44
Exchange differences arising on translation of overseas operations		(202)	66
		(146)	191
<i>Items not to be reclassified to statement of profit or loss in subsequent periods:</i>			
Remeasurement gain on defined benefit plans		42	6
Changes in fair value of investments carried at fair value through OCI	16	1,611	1,074
		1,653	1,080
NET OTHER COMPREHENSIVE INCOME FOR THE YEAR		1,507	1,271
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		8,840	18,091
Attributable to:			
Equity holders of the parent		8,428	17,918
Non-controlling interests		412	173
		8,840	18,091

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31 December 2024 AED million	31 December 2023 AED million
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	12	134,942	115,876
Operating financial assets	13	6,601	7,573
Intangible assets	14	14,297	15,597
Investment in and loans to associates and joint ventures	15	16,025	8,209
Investment carried at fair value through other comprehensive income	16	13,469	11,858
Deferred tax assets	9	5,616	6,098
Derivative financial instruments	31	638	354
Other assets	17	1,568	1,054
		193,156	166,619
CURRENT ASSETS			
Inventories	18	2,695	3,202
Amounts due from related parties	29	3,573	1,904
Operating financial assets	13	1,220	1,213
Accounts receivable, prepayments and other receivables	19	6,630	5,927
Income tax prepaid		853	527
Derivative financial instruments	31	74	229
Cash and bank balances	20	8,612	14,077
		23,657	27,079
Assets classified as held for sale	35	-	942
TOTAL ASSETS		216,813	194,640

	Notes	31 December 2024 AED million	31 December 2023 AED million
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Share capital	21	112,434	112,434
Merger reserve	22	(55,437)	(56,443)
Statutory reserve	22	4,152	3,445
Retained earnings		31,275	18,168
Foreign currency translation reserve		(253)	(51)
Cumulative changes in fair value of derivatives in cash flow hedges		3,905	3,996
Cumulative changes in fair value of investments		2,685	1,074
		98,761	82,623
Non-controlling interests	23	5,968	6,361
Loans from non-controlling interest shareholders in subsidiaries	24	95	111
Total non-controlling interests, including loans		6,063	6,472
TOTAL EQUITY		104,824	89,095

TABLE CONTINUED ON THE FOLLOWING PAGE

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31 December 2024 AED million	31 December 2023 AED million
NON-CURRENT LIABILITIES			
Interest bearing loans and borrowings	25	54,972	55,442
Deferred tax liabilities	9	2,343	2,417
Asset retirement obligations	26	12,198	13,471
Derivative financial instruments	31	333	342
Other liabilities	27	3,121	2,547
		72,967	74,219
CURRENT LIABILITIES			
Accounts payable, accruals and other liabilities	28	23,992	19,205
Interest bearing loans and borrowings	25	9,152	6,211
Amounts due to related parties	29	4,518	4,588
Bank overdrafts	20	5	3
Income tax payable		1,246	906
Derivative financial instruments	31	109	67
		39,022	30,980
Liabilities directly associated with assets classified as held for sale	35	-	346
		111,989	105,545
TOTAL LIABILITIES		111,989	105,545
TOTAL EQUITY AND LIABILITIES		216,813	194,640

To the best of our knowledge, the financial information included in these consolidated financial statements fairly presents in all material respects the financial condition, results of operation and cash flows of the Group as of, and for, the periods presented therein. The consolidated financial statements were approved by the Board of Directors on 12 February 2025 and signed on its behalf by:

CHAIRMAN OF THE
BOARD OF DIRECTORS

CHAIRMAN OF THE
AUDIT COMMITTEE

GROUP CHIEF EXECUTIVE OFFICER
& MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

Attributable to equity holders of the parent

	Share capital AED million	Merger reserve AED million	Statutory reserve AED million	Retained earnings AED million	Foreign currency translation reserve AED million	Cumulative changes in fair value of derivatives AED million	Cumulative changes in fair value of investments AED million	Total AED million	Non-controlling interests AED million	Loans from non-controlling interest shareholders in subsidiaries AED million	Total equity AED million
Balance at 1 January 2023	112,434	(56,443)	1,780	9,002	(117)	3,871	-	70,527	7,297	165	77,989
Profit for the year	-	-	-	16,647	-	-	-	16,647	173	-	16,820
Other comprehensive income for the year	-	-	-	6	66	125	1,074	1,271	-	-	1,271
Total comprehensive income for the year	-	-	-	16,653	66	125	1,074	17,918	173	-	18,091
Dividends (note 36)	-	-	-	(5,907)	-	-	-	(5,907)	(840)	-	(6,747)
Transfer to reserves	-	-	1,665	(1,665)	-	-	-	-	-	-	-
Group ownership modification	-	-	-	85	-	-	-	85	(269)	-	(184)
Repayment of loans	-	-	-	-	-	-	-	-	-	(54)	(54)
Balance at 31 December 2023	112,434	(56,443)	3,445	18,168	(51)	3,996	1,074	82,623	6,361	111	89,095
BALANCE AT 1 JANUARY 2024	112,434	(56,443)	3,445	18,168	(51)	3,996	1,074	82,623	6,361	111	89,095
Profit for the year	-	-	-	7,068	-	-	-	7,068	265	-	7,333
Other comprehensive income/(loss) for the year	-	-	-	42	(202)	(91)	1,611	1,360	147	-	1,507
Total comprehensive income/(loss) for the year	-	-	-	7,110	(202)	(91)	1,611	8,428	412	-	8,840
Dividends (note 36)	-	-	-	(4,610)	-	-	-	(4,610)	(848)	-	(5,458)
Share capital reduction	-	-	-	-	-	-	-	-	(184)	-	(184)
Disposal of an entity (note 35)	-	1,006	-	(1,006)	-	-	-	-	-	-	-
Transfer of entities under common control (note 34)	-	-	-	12,320	-	-	-	12,320	227	-	12,547
Transfer to reserves	-	-	707	(707)	-	-	-	-	-	-	-
Repayment of loans	-	-	-	-	-	-	-	-	-	(16)	(16)
BALANCE AT 31 DECEMBER 2024	112,434	(55,437)	4,152	31,275	(253)	3,905	2,685	98,761	5,968	95	104,824

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31 December 2024 AED million	31 December 2023 AED million
OPERATING ACTIVITIES			
Profit before tax from continuing operations		8,890	19,431
Profit before tax from discontinued operations	35	66	18
		8,956	19,449
Adjustments for:			
Depreciation, depletion and amortisation	5	9,985	9,253
Finance costs	7	3,079	2,873
Share of results of associates and joint ventures	15	(384)	(191)
Other movements		246	535
Gain on recognition of an investment	16	-	(10,784)
Interest income		(542)	(498)
Dividend income from an investment		(612)	(298)
Revenue from operating financial assets	13	(1,498)	(1,565)
		10,274	(675)
Working capital changes:			
Inventories		212	233
Accounts receivables and prepayments		1,470	883
Amounts due from related parties		(589)	(144)
Amounts due to related parties		(1,077)	459
Accounts payable, accruals and other liabilities		(368)	453
Income tax paid		(1,000)	(1,567)
Asset retirement obligation payments	26	(1,589)	(1,002)
Cash received from operating financial assets	13	1,923	2,029
		(1,018)	1,344
Net cash generated from operating activities		18,212	20,118

	Notes	31 December 2024 AED million	31 December 2023 AED million
INVESTING ACTIVITIES			
Transfer of entities under common control – cash and cash equivalents in acquired entities	34	463	-
Consideration paid for an acquired entity	34	(862)	-
Purchases of property, plant and equipment	12	(8,416)	(5,086)
Purchases of intangible assets	14	(24)	(139)
Purchase of share in a subsidiary		-	(204)
Receipts from associates and joint ventures		305	312
Interest received		542	498
Dividend income from an investment		612	298
Advance to a related party	15	(8,028)	(1,731)
Other movements		(196)	(138)
Net cash used in investing activities		(15,604)	(6,190)

TABLE CONTINUED ON THE FOLLOWING PAGE

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31 December 2024 AED million	31 December 2023 AED million
FINANCING ACTIVITIES			
Interest bearing loans and borrowings received	25	10,163	11,999
Repayments of interest-bearing loans and borrowings	25	(8,721)	(12,127)
Repayments of Islamic loans	25	–	(92)
Payments of lease liabilities		(214)	(193)
Interest paid		(2,707)	(2,930)
Dividend paid to non-controlling interest shareholders		(896)	(900)
Dividend paid to shareholders		(4,610)	(5,907)
Repayment of loans to non-controlling interest shareholders		(29)	(54)
Payment of share capital reduction to non-controlling interest shareholders		(184)	–
Amounts due to related parties	34	(879)	–
Net cash used in financing activities		(8,077)	(10,204)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(5,469)	3,724
Net foreign exchange difference		(41)	8
Cash and cash equivalents at 1 January	20	13,878	10,123
Restricted cash movement	20	14	23
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	20	8,382	13,878

Significant non-cash transactions:

In the year ended 31 December 2024, assets with a value of AED 411 million (31 December 2023: AED 753 million) and AED 397 million (31 December 2023: AED 265 million) were respectively transferred to TAQA Transmission (formally Abu Dhabi Transmission & Despatch Company PJSC) and TAQA Distribution (formally Abu Dhabi Distribution Company PJSC AED 343 million and Al Ain Distribution Company PJSC AED 54 million). These amounts have not been reflected in the 'Purchases of property, plant and equipment' in the consolidated statement of cash flows as they were transferred at nil cost to the companies, however the amounts have been recorded within 'Property, plant and equipment' on the consolidated statement of financial position.

In the year ended 31 December 2023, an equity investment with a fair value of AED 10,784 million at initial recognition was transferred to Abu Dhabi National Energy Company PJSC (TAQA). This represents a 5% holding of the total issued share capital of ADNOC Gas plc, an entity listed on the Abu Dhabi Securities Exchange (ADX). This amount has not been reflected in the consolidated statement of cash flows, however the amount has been recorded on the consolidated statement of financial position. Further details are provided in note 16.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2024

1 CORPORATE INFORMATION

Abu Dhabi National Energy Company PJSC (“TAQA” or the “Company”) was established on 21 June 2005 pursuant to the provisions of Emiri Decree number 16/2005 as a public joint stock company.

TAQA is a subsidiary of Abu Dhabi Power Corporation (“ADPC”) and is listed on the Abu Dhabi Securities Exchange. ADPC’s ownership represents 90.0% of the entire issued share capital of TAQA. Of the remainder, 5.1% is held by Norm Commercial Investments – One Person Company and 4.9% by other shareholders including the public. ADPC is a 100% owned by Abu Dhabi Developmental Holding Company (“ADQ”).

TAQA is a diversified utilities and energy company with power and water generation, transmission and distribution, and sustainable water solutions assets in the UAE. TAQA operates internationally across the energy value chain from upstream and midstream oil and gas through to power generation.

TAQA’s registered head office is at 25th Floor, Al Maqam Tower, Abu Dhabi Global Market Square, PO Box 55224, Abu Dhabi, United Arab Emirates.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The consolidated financial statements of TAQA have been prepared on the historical cost basis except for assets and liabilities measured at fair value in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the applicable requirements of the UAE Federal Law No. 32 of 2021.

These consolidated financial statements have been presented in United Arab Emirates Dirhams (AED). All values are rounded to the nearest million (AED million) except where otherwise indicated.

As at 31 December 2024, retained earnings of the Group are AED 31,275 million (2023: AED 18,168 million). As at 31 December 2024, the current liabilities of the Group exceed its current assets by AED 15,365 million (2023: AED 3,901 million). The consolidated financial statements have been prepared on a going concern basis. The Group has sufficient short to medium term liquidity through the Group’s undrawn committed borrowing facilities (note 20) to meet ongoing commitments and therefore it is concluded that adequate support is available to evidence that the going concern assumption is appropriate for the preparation of the 2024 consolidated financial statements.

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime has become effective for accounting periods beginning on or after 1 June 2023. The Cabinet of Ministers Decision No. 116 of 2022 (widely accepted to be effective from 16 January 2023) specified the threshold of taxable income to which the 0% UAE CT rate would apply, and above which the 9% UAE CT rate would apply. It is widely considered that this would constitute ‘substantive enactment’ of the UAE CT Law for the purposes of IAS 12, the objective of which is to prescribe the basis for accounting for Income Taxes.

Current taxes should be measured at the amount expected to be paid to or recovered from the tax authorities by reference to tax rates and laws that have been enacted or substantively enacted, by the end of the any reporting period. Since no taxes were expected to be paid to or recovered from the tax authorities for the periods ended prior to 31 December 2023, no current tax was accounted for in the financial periods ended before 31 December 2023. Since the Group is expected to pay tax in accordance with the provision of the UAE CT Law on its operational results with effect from 1 January 2024, current taxes have been accounted for in the consolidated financial statements for the year beginning from 1 January 2024.

Deferred taxes should be measured by reference to the tax rates and laws, as enacted, or substantively enacted, by the end of the reporting period, that are expected to apply in the periods in which the assets and liabilities to which the deferred tax relates are realized or settled. As the UAE CT Law was ‘substantively enacted’ as at 31 December 2023 for the purposes of IAS 12, the Group considered the application of IAS 12 and any requirements for the measurement and recognition of deferred taxes (if any) for the financial periods ended post 1 June 2023. Based on an assessment conducted by the Group’s management, of the potential impact of the UAE CT Law on the balance sheet, the Group considered that taxable temporary differences arise in respect of Purchase Price Allocation (PPA) adjustments carried on the Group’s consolidated balance sheet and relating to corporate transaction in prior accounting periods. The Group has assessed a potential deferred tax liability in the amount of AED 1,198 million and relating to the PPA attributable to UAE-based Group entities. No other potential deferred tax assets or liabilities have been identified at 31 December 2023.

On 15 March 2024, the UAE Ministry of Finance released a Consultation document on implementation of the OECD Base Erosion and Profit Shifting (BEPS) Pillar II (Minimum tax), which sets out a top-up tax liability calculated based on the principles in the Pillar II model rules. The Consultation was closed for comments on 10 April 2024 and is awaiting further announcements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.1 BASIS OF PREPARATION (continued)

The Group is headquartered in the UAE and is within the scope of the OECD BEPS Pillar II model rules. The Group has operations in countries where Pillar II legislation was in effect during 2024 (e.g., Netherlands, Canada, and United Kingdom). The Group has performed a preliminary assessment of its potential exposure to Pillar II income taxes in these countries and has considered the relief provided in the OECD guidance such as the Transitional Country by Country Reporting Safe Harbour (TCSH). The Group expects to meet the TCSH relief in majority of the relevant jurisdictions, in particular Netherlands, Canada, and United Kingdom and therefore, it does not have any significant exposure to Pillar II income taxes in 2024. The Group's effective tax rate is expected to increase in 2025 due to implementation of Pillar II legislation in UAE and other jurisdictions. In the absence of further guidance in UAE, the expected impact in 2025 cannot be reasonably estimated at this time. The Group continues to monitor the legislative activity and potential impact of Pillar II on its future financial performance.

On 23 May 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 12 Income Taxes (Amendments). The Amendments address concerns related to accounting and reporting of the Pillar II income taxes. These Amendments are applicable for annual periods beginning on or after 1 January 2023. The Amendments introduce a mandatory temporary exception from recognizing and disclosing deferred taxes related to Pillar II when the legislation is enacted. The Group has applied this mandatory exception to recognizing and disclosing information about deferred tax assets and liabilities arising from Pillar II income taxes.

2.2 MATERIAL ACCOUNTING POLICIES

Basis of consolidation

These consolidated financial statements incorporate the financial statements of TAQA and entities controlled by TAQA – its subsidiaries (together referred to as the "Group"), made up to 31 December 2024. Control is achieved when the Group:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Group has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the

investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not its voting rights in an investee are sufficient to give it power, including:

- the size of its holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by it, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that it has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when it loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the period are included in income statement from the date the Group gains control until the date when it ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income/(loss) are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 – Income taxes and IAS 19 – Employee benefits respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is tested for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Common Control

Acquisition of controlling interest in entities that are under common control of the Shareholder which lack commercial substance and are based on a decision by the Shareholder are accounted for in accordance with the pooling of interest method of accounting using predecessor values method. The consolidated financial statements of the combined entities are presented as if the business had been combined from the date when the combining entities were first brought under common control without restating and presenting the prior period. The assets and liabilities are accounted for at carrying amounts previously recorded in the books of the transferor. The components of equity of the acquired entities are added to the same components within the Group's equity. Any transaction cost paid for acquisition is recognised directly in equity.

Acquisition of controlling interest in entities that are under common control of the Shareholder which have commercial substance are recorded using the acquisition method.

Fair value measurement

The Group measures certain financial instruments, such as, derivatives, and certain non-financial assets, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The group categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within Level 1 for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modification to observable related market data or the Group's assumption about pricing by market participants.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue from contracts with customers is recognised when or as the Group satisfies a performance obligation by transferring control of a promised good or service to a customer. The transfer of control usually coincides with title passing to the customer and the customer taking physical possession.

When, or as, a performance obligation is satisfied, the Group recognises as revenue the amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount of consideration to which the Group expects to be entitled. The transaction price is allocated to the performance obligations in the contract based on standalone selling prices of the goods or services promised.

The different revenue streams of the Group and the timing of revenue recognition in respect of each revenue stream are mentioned below:

a) Revenue from transmission and distribution of power and water

The Group has a transmission system that consists of various transmission lines and transformers that link power stations to the distribution system. The transmission network primarily transports bulk power and water to the distribution networks. The Group also provides infrastructure services for the transmission system network.

The Group earns revenue from licensed and unlicensed activities, using certain assets that are shared between these activities, and other assets that are solely dedicated to unlicensed activities. Licensed activities represent operations and transactions relating to the transmission of power and water within the Emirate of Abu Dhabi, which are charged to TAQA Distribution (formally ADDC and AADC which are both Group companies). These transactions are eliminated as intra-group transactions and not reported in these consolidated financial statements post the effective date of the merger transaction, i.e. 1 July 2020. Unlicensed activities represent operations and transactions relating to transmission of power and water to Federal Electricity and Water Authority and Sharjah Electricity and Water Authority, which are charged to Emirates Water and Electricity Company (EWEC).

Transmission use of system charges from shared assets (licensed activities)

Revenue from Transmission Use of System (TUOS) charges is calculated in accordance with the formula in the licensed activities document issued by the DoE, under the licenses issued to the Company by DoE for the transmission of water and electricity from generation and desalination plants to the distribution companies and comprise the costs for the provision of shared transmission network services at delivery points to the distribution companies.

Revenue from TUOS charges is recognised upon the delivery of electricity and water.

As per the terms of the License revenue from TUOS charges cannot exceed the maximum allowed electricity and water revenue calculated in accordance with a formula as defined in the License and price control as regulated by the DoE in accordance with the License and correspondence relating to Regulatory Control (RC).

System charges from solely dedicated assets (unlicensed activities)

The service charges for the transmission of water and electricity to other emirates from solely dedicated assets are based on the specific transmission charge calculated with reference to the costs associated with operating relevant dedicated assets. Such revenue is also recognised upon the delivery of electricity and water.

Revenue from supply and distribution of power and water

The Group also earns revenue from supply and distribution of power and water in the region of Abu Dhabi. Revenue is subject to Maximum Allowed Revenue ("MAR") calculated in accordance with a formula as defined in the License document issued by DoE.

Revenue earned from supply business includes charges recoverable from customers for the supply of power and water within the Group's distribution. Revenue is recognised at the point in time when the units of power and water are supplied to customers and includes an estimate of the value of the units supplied to customers between the date of the last meter reading and the reporting date. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur based on accumulated historical experience of the Group.

When the Group satisfies a performance obligation by transferring a promised good or service, the Group has earned a right to consideration from the customer and, therefore, has a contract asset in the form of account receivable.

Revenue from connection and meter installation fees

Revenue from connection and meter installation fees includes income earned from customers for installation of meters and other related equipment. These charges are recognised in profit or loss when the connection is activated.

Revenue from water coupons and prepaid cards

Revenue from prepaid cards represents charges received from the customers for the sale of water coupons and prepaid cards. These charges are recognised in the statement of profit or loss at the time when units of water are distributed to the customers against these prepaid cards.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

a) Revenue from transmission and distribution of power and water (continued)

Other operating revenue

Other operating revenue in respect of sale of power and water for the period are based on the difference between MAR and revenue billed to customers for the supply and distribution of water and electricity.

Revenue is recognised at the point in time when the units of power and water are supplied to customers and includes an estimate of the value of the units supplied to customers between the date of the last meter reading and the reporting date.

b) Revenue from generation of power and water

The Group earns revenue from sale of power and water. The revenue recognition of the Group's power and water business is as follows:

- Where the Group determines that the Power and Water Purchase Agreement (PWPA)/Power Purchase Agreement (PPA) meets the financial asset model requirements for service concession arrangements (explained under material accounting policy on 'Service concessions'), consideration receivable is allocated by reference to the relative fair values of the services delivered.
- Operating revenue is recognised as the service is provided and finance revenue is recognised using the effective interest rate method on the financial asset.
- Where the Group determines that the PWPA/PPA contains an operating lease, capacity payments are recognised as operating lease rental revenue on a systematic basis to the extent that capacity has been made available to the offtaker during the period. Those payments, which are not included as capacity payments (e.g. fuel revenue), are recognised as revenue in accordance with the contractual terms of the PWPA/PPA.
- Energy and water payments are recognised as revenue at the point in time when the contracted power and water capacity is provided to the offtaker.
- Fuel revenue represents reimbursements from the offtakers in the power and water subsidiaries at market prices for fuel consumed in power generation in accordance with the terms of the power and water purchase agreements and the power purchase agreements. Fuel revenue is recognised as and when fuel is consumed in the production of power and water.

c) Revenue from oil and gas

Revenue from the sale of oil and gas is recognised at the point in time when control of the product is transferred to the customer, which is generally when the product is physically transferred into a vessel, pipe or other delivery mechanism and the customer accepts the product.

The Group's sales of oil and gas are priced based on market prices and where necessary adjusted for a quality differential based on the American Petroleum Institute (API) gravity of the oil and gas sold.

Lifting or offtake arrangements for oil and gas produced by certain of the Group's jointly owned assets are such that each participant may not receive and sell its precise share of the overall production in each period. The resulting imbalance between cumulative production entitlement and cumulative sales attributable to each participant at a reporting date represents 'underlift' or 'overlift'. Underlift and overlift are valued at market value and included within current assets and current liabilities respectively. Movements during an accounting period are adjusted through cost of sales such that gross profit is recognised on an entitlements basis.

Gas storage

The revenue from gas storage is recognised over time as the service is provided and accepted by customers.

d) Revenue from water solutions

The Group earns revenue from sewerage services in region of Abu Dhabi. Revenue is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over goods or services to its customers.

Revenue is subject to Maximum Allowed Revenue ("MAR") for sewerage services calculated in accordance with a formula as defined in the license document issued by the Department of Energy (DoE). Revenue is recognised at a point in time in line with the provision of the sewerage services.

Revenue from sewerage services

The Group earns revenue from provision of sewerage services in the Emirates of Abu Dhabi. Revenue is subject to Maximum Allowed Revenue (MAR). Revenue is recognised at a point in time in line with the provision of the sewerage services. When the Group satisfies a performance obligation by transferring a promised good or service, the Group has earned a right to consideration from customer and, therefore, has a contract asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Government grants

Grants that compensate the Group for the cost of an asset are initially recognised as a deferred government grant at fair value when there is reasonable assurance that a grant will be received and the Group will comply with the conditions associated with the grant. Subsequently, these grants are recognised in profit or loss on a systematic basis over the useful life of the associated asset.

Government grants that are receivable as compensation for expenses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in the consolidated statement of profit or loss in the period in which they become receivable. The benefit of a government loan at a concessional rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts.

Taxes

a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date, in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

b) Deferred income tax

Deferred income tax assets and liabilities are measured using enacted or substantively enacted income tax rates as at the balance sheet date that are anticipated to apply to taxable income in the years in which temporary differences are anticipated to be recovered or settled. Changes to these balances are recognised in profit or loss or in other comprehensive income/(loss) in the period they occur.

The Group recognises the financial statement impact of a tax filing position when it is probable, based on the technical merits, that the position will be sustained upon audit. The Group assesses possible outcomes and their associated probabilities. If the Group determines payment is probable, it measures the tax provision at the best estimate of the amount of tax payable.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred income tax asset to be recovered.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Foreign currency translation

For the purpose of these consolidated financial statements, the UAE Dirhams (AED) is the presentation currency of the Group.

In individual subsidiaries, joint ventures and associates, transactions in foreign currencies are initially recorded in the functional currency of those entities at the spot exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot exchange rate at the reporting date. Any resulting exchange differences are included in the profit or loss, unless hedge accounting is applied. Non-monetary assets and liabilities, other than those measured at fair value are not retranslated subsequent to initial recognition.

In these consolidated financial statements, the assets and liabilities of foreign operations are translated into AED at the rate of exchange prevailing at the reporting date and their income statements are translated at the weighted average exchange rates on a monthly basis. The exchange differences arising on the translation are recognised in other comprehensive income/(loss) and accumulated in the foreign currency translation reserve within equity. On disposal of a foreign operation, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results, assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

Under the equity method, an investment is carried on the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the entity, less distributions received and less any impairment in value of the investment. Loans advanced to equity-accounted entities that have the characteristics of equity financing are also included in the investment on the Group's statement of financial position. The Group's statement of profit or loss reflects the Group's share of the results after tax of the equity-accounted entity, adjusted to account for depreciation, amortisation and any impairment of the equity-accounted entity's assets based on their fair values at the date of acquisition. The Group's statement of comprehensive income includes the Group's share of the equity-accounted entity's comprehensive income/(loss). The Group's share of amounts recognised directly in equity by an equity-accounted entity is recognised directly in the Group's statement of changes in equity.

Unrealised gains on transactions between the Group and its equity-accounted entities are eliminated to the extent of the Group's interest in the equity-accounted entity.

The Group assesses investments in equity-accounted entities for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication of impairment exists, the carrying amount of the investment is compared with its recoverable amount, being the higher of its fair value less costs of disposal (FVLCD) and value in use (VIU). If the carrying amount exceeds the recoverable amount, the investment is written down to its recoverable amount.

Interests in joint operations

A joint operation is a joint arrangement whereby parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

Certain of the Group's activities in the oil and gas segment are conducted through joint operations where the partners have a direct ownership interest in and jointly control the underlying assets of the joint operation. The Group accounts for its share of the jointly controlled assets, any liabilities it has incurred, its share of any liabilities jointly incurred with other partners, income from the sale or use of its share of the joint operation's output, together with its share of the expenses incurred by the joint operation, and any expenses it incurs in relation to its interest in the joint operation.

Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date. The arrangement is assessed for whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

a) Group as a lessee – Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Leases (continued)

b) Group as a lessee – Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

c) Group as a lessor – Finance leases

Leases where the Group transfers substantially all the risks and benefits of ownership of the asset are classified as financial leases. The amounts due from the lessee are recorded in the consolidated statement of financial position as financial assets and are carried at the amount of the net investment in the lease after making provision for expected credit losses.

d) Group as a lessor – Operating leases

Leases where the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

The useful lives of intangible assets are assessed to be either finite or indefinite. Amortisation for intangible assets with finite lives is calculated on a straight-line basis as follows:

- Computer software 3 years
- Power & water purchase agreements 1 – 22 years
- Reacquired connection rights 1 – 8 years
- Power & water distribution licences Indefinite

The expected useful lives of intangible assets are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the intangible asset is derecognised.

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to definite is made on a prospective basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Oil and natural gas exploration, evaluation and development expenditure

a) Exploration & evaluation costs – capitalisation

Pre-license costs and geological and geophysical exploration costs incurred prior to obtaining the rights to explore are recognised in profit or loss when incurred. Exploration licences are recognised as an exploration and evaluation ("E&E") asset. The cost of that licence includes the directly attributable costs of its acquisition. Examples of such costs may include non-refundable taxes and professional and legal costs incurred in obtaining the licence. Costs incurred after the rights to explore have been obtained, such as geological and geophysical costs, drilling costs, appraisal and development study costs and other directly attributable costs of exploration and evaluation activity, including technical and administrative costs for each exploration asset, are capitalised as intangible E&E assets. E&E costs are not amortised prior to the conclusion of appraisal activities.

At completion of appraisal activities if technical feasibility is demonstrated and commercial reserves are discovered then, following development sanction, the carrying value of the relevant E&E asset is reclassified as a development and production ("D&P") asset. This category reclassification is only performed after the carrying value of the relevant E&E asset has been assessed for impairment, and where appropriate, its carrying value adjusted. If commercial reserves are not discovered at the completion of appraisal activity of each asset and it is not expected to derive any future economic benefits, the E&E asset is written off to profit or loss.

b) Development costs

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including unsuccessful development or delineation wells, is capitalised within oil and gas properties.

Property, plant and equipment

a) Property, plant and equipment – general

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. The present value of the expected cost for the decommissioning obligation of an asset at the end of its useful life is included in the cost of the respective asset if the recognition criteria for a provision are met. Depreciation is calculated so as to write off the cost of property, plant and equipment over the expected useful economic lives of the assets concerned. If significant parts of an item of property, plant and equipment have different useful lives, these significant parts are

accounted for as separate items (major components) of property, plant and equipment. The estimated useful lives of assets as follows:

- Buildings, equipment and plant and machinery – 3 to 68 years (Depreciation: Straight line basis)
- Plant spares – 5 to 40 years (Depreciation: Straight line basis)
- Right of use assets – 1 to 5 years / Lower of useful life and lease term (Depreciation: Straight line basis)
- Oil and gas properties – Unit of production (Depreciation: Unit of production basis)
- Strategic tunnel enhancement program – 80 years (Depreciation: Straight line basis)

The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each reporting date, with the effect of any changes in estimate accounted for a prospective basis.

The cost of spare parts held as essential for the continuity of operations and which are designated as strategic spares are depreciated on a straight line basis over their estimated operating life. Spare parts used for normal repairs and maintenance are expensed when issued.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period the asset is derecognised.

b) Property, plant and equipment – oil and gas properties

Oil and gas properties in the development and production phase ("D&P" assets) and other related assets are stated at cost, less accumulated depreciation and accumulated impairment losses (net of reversal of previously recognised impairment losses, if any). The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation and the estimate of the decommissioning obligation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Oil and gas properties are depreciated on a unit-of-production basis over the proved and probable ("2P") reserves of the field concerned. The unit-of-production rate for the amortisation of field development costs takes into account expenditures incurred to date, together with estimated future development expenditure. Depreciation on oil and gas properties does not commence until the commencement of production from the property.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

c) Property, plant and equipment – major maintenance and repairs

Expenditure on major maintenance refits or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset or part of an asset that was separately depreciated and is now written off is replaced and it is probable that future economic benefits associated with the item will flow to the group, the expenditure is capitalised. Where an asset or part of an asset was not separately considered as a component, the replacement value is used to estimate the carrying amount of the replaced asset (or asset part) which is immediately written off.

Inspection costs associated with major maintenance programs are capitalised when the recognition criteria are met and amortised over the period to the next inspection. Day to day servicing and maintenance costs are expensed as incurred in profit or loss.

d) Property, plant and equipment – capital work in progress

Capital work in progress is included in property, plant and equipment at cost on the basis of the percentage completed at the reporting date. The capital work in progress is transferred to the appropriate asset category and depreciated in accordance with the above policies when construction of the asset is completed and commissioned.

Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal (FVLCD) and its value in use (VIU). Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In the case of VIU calculations, assumptions are also made regarding the cash flows from each asset's ultimate disposal. In determining FVLCD, recent appropriate market transactions are taken into account, if available.

If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators. Impairment losses are recognised in the statement of profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date to determine whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

For the purpose of E&E asset impairment testing, cash generating units are grouped at the operating segment level. An impairment test performed in the E&E phase therefore involves grouping all E&E assets within the relevant segment with the development & production (D&P) assets belonging to the same segment. The combined segment carrying amount is compared to the combined segment recoverable amount and any resulting impairment loss identified within the E&E asset is written off to profit or loss. The recoverable amount of the segment is determined as the higher of its FVLCD and its VIU.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Inventories

Inventories of oil and oil products, which represent production from oil and gas facilities of the Group which are tanked at storage facilities awaiting sale, are valued at market value.

All other items of inventory are valued at the lower of cost, determined on the basis of weighted average cost, and net realisable value. Costs are those expenses incurred in bringing each item to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Deferred income

This represents the value of property, plant and equipment received as a grant and is recognised as income over the period necessary to match with the related costs of property, plant and equipment which are subject to compensation.

Customer and meter deposits

Customer and meter deposits from electricity and water customers are recognised as liability when they are received and are normally settled at the time of disconnecting the customer from the Group's distribution network.

Service concessions

The Group accounts for service concession arrangements under IFRIC 12 when the following conditions are met:

- the grantor (usually a government entity) controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price; and
- the grantor (usually a government entity) controls – through ownership, beneficial entitlement or otherwise – any significant residual interest in the infrastructure at the end of the term of the arrangement.

In view of the above, concession infrastructure that does not meet the requirements of IFRIC 12 is presented as property, plant and equipment. Under IFRIC 12, the operator's rights over the plant operated under concession arrangements are accounted for based on the party primarily responsible for payment:

- the "intangible asset model" is applied when users have primary responsibility to pay for the concession services; and
- the "financial asset model" is applied when the grantor has the primary responsibility to pay the operator for the concession services.

Where the grantor guarantees the amounts that will be paid over the term of the contract (e.g. via a guaranteed internal rate of return), the financial asset model is used to account for the concession infrastructure, since the grantor is primarily responsible for payment. The financial asset model is used to account for Build, Operate and Transfer (BOT) contracts entered into with the grantor. The Group recognises financial assets from service concession arrangements in the statement of financial position as operating financial assets at amortised cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 – Revenue from Contracts with Customers.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the Group recognises the difference as follows:

- When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- In all other cases, the difference is deferred and the time of recognition of deferred day one profit or loss is determined individually. It is either amortised over life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

a) Financial assets (continued)

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 – Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. The detailed accounting treatment of derivatives is described in the accounting policy of derivative financial instrument and hedging activities. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Cash and short-term deposits

Cash and short-term deposits in statement of financial position comprise of cash at banks and on hand and short term deposits with an original maturity of three months or less. For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - the Group has transferred substantially all the risks and rewards of the asset, or
 - the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

a) Financial assets (continued)

Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. The Group measures loss allowances at an amount equal to lifetime ECL, except for those financial instruments on which the counter-party has an investment grade credit rating or credit risk has not increased significantly since their initial recognition, in which case 12-month ECL is measured. 12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after reporting date.

The Group uses a provision matrix to calculate ECLs for financial assets. The provision rates are calculated based on estimates including the probability of default (PD) and the loss incurred in default positions (LGD). These estimates are allocated by assessing the counterparty credit ratings. The Group calibrates the matrix to adjust the provision rates with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are projected to change then the historical default rates are adjusted. At every reporting date, the counterparty credit ratings are updated and changes in the forward-looking estimates are analysed. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For debt instruments at FVOCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default,
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group employs statistical models to analyse the data collected and generate estimates of PD of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Group.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, and all the efforts for collection of the receivables are exhausted. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the consolidated profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

a) Financial assets (continued)

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the PD, loss given default (LGD) (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the PD and LGD is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

b) Financial liabilities

Initial recognition and measurement

At initial recognition, the Group measures a financial liability not classified as FVTPL, at its fair value minus transaction costs that are incremental and directly attributable to the acquisition or issue of the financial liability. Transaction costs of financial liabilities carried at FVTPL are expensed in profit or loss.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at FVTPL

Financial liabilities subsequently measured at amortised cost

The Group measures financial liabilities that are not held-for-trading and are not designated as at FVTPL at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the finance costs in the statement of profit or loss.

Financial liabilities subsequently measured at FVTPL

The Group measures financial liabilities that are classified as held for trading, i.e. if they are incurred for the purpose of repurchasing in the near term, at FVTPL. This category also includes derivative financial instruments, including separated embedded derivatives, entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Financial guarantee contracts and loan commitments issued by the Group are also designated by the Group as financial liabilities at FVTPL. Gains or losses on financial liabilities at FVTPL are recognised in profit or loss.

Derecognition

The Group derecognises financial liabilities when the obligation is discharged, cancelled or expires. Any difference between carrying value of financial liability extinguished and the consideration paid is recognised in profit or loss.

c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

d) Derivative financial instruments and hedge accounting

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps. Further details of derivative financial instruments are disclosed in note 31.

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Hedge accounting

At the inception of a hedge relationship that qualifies for hedge accounting, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

d) Derivative financial instruments and hedge accounting (continued)

Hedge accounting (continued)

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line of the statement of profit or loss relating to the hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the consolidated statement of comprehensive income and accumulated under the heading of changes in fair values of derivative instruments in cash flow hedges. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit or loss, and is included in the other income line item.

Amounts previously recognised in other comprehensive income/(loss) and accumulated in equity are reclassified to the profit or loss in the periods when the hedged item is recognised in profit or loss,

in the same line of the statement of profit or loss as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income/(loss) and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income/(loss) and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Employees benefits

a) Annual leave and leave passage

An accrual is made for estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the end of the reporting period.

b) End of service benefits

Defined contribution plans

The Group provides end of service benefits to certain employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. With respect to its UAE national employees, the Group makes contributions to the Abu Dhabi Retirement Pensions and Benefits Fund calculated as a percentage of the employees' salaries. Where the Group's obligations are limited to these contributions made to pension and benefit funds, these contributions are expensed on a monthly basis and paid when due.

Defined benefit plans

The cost of defined benefit pension plans and other post employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. The cost of providing benefits under defined benefit plans is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income/(loss) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 MATERIAL ACCOUNTING POLICIES (continued)

Provisions

a) General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects the time value of money and where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

b) Asset retirement obligations (ARO) / decommissioning liability

Certain subsidiaries have legal obligations in respect of site restoration and abandonment of their power generation and water desalination assets and oil and gas properties at the end of their useful lives (decommissioning costs). The Group records a provision for the site restoration and abandonment based upon estimated costs at the end of their useful lives. Accordingly, a corresponding asset is recognised in property, plant and equipment. Decommissioning costs are recorded at the present value of expected costs to settle the obligations using estimated cash flows and are recognised as part of the cost of each specific asset. The cash flows are discounted at a rate that reflects the risks specific to the decommissioning liability. The accretion is expensed as incurred and recognised in the statement of profit or loss as a finance cost. The estimated future costs of the asset retirement obligation are reviewed annually and adjusted as appropriate. Changes to provisions based on revised costs estimates or discount rate applied charges are added to or deducted from the cost of the relevant asset.

c) Production bonuses

Under the terms of the relevant production sharing arrangements, the Group's European (TAQA Bratani and TAQA Energy) and North American (TAQA North) oil and gas assets are entitled to its participating share in hydrocarbon production based on the Group's working interest. The Group's oil assets in the Kurdistan region of Iraq (TAQA Atrush) are entitled to its participating interest in the crude oil production based on the Group's participating interest.

For the Group's investment in TAQA Atrush, the production sharing contract contains a legal obligation for production bonuses to be paid to the Kurdistan Regional Government when certain production targets are achieved. The Group records a provision for these bonuses when it is probable that an outflow of resources

embodying economic benefits will be required to settle the obligation. This is assessed based on the Group's share of proved and probable reserves under the production sharing contract. On 7 August 2024, the Group formally completed the sale of the Atrush block.

Contingencies

From time to time, the Group receives claims in the ordinary course of business. Liabilities and contingencies in connection with these matters are periodically assessed based upon the latest information available, usually with the assistance of lawyers and other specialists. A liability is accrued only if an adverse outcome is more likely than not and the amount of the loss can be reasonably estimated. If one of these conditions is not met, the claim is disclosed as a contingent liability, if material. The actual outcome of a claim may differ from the estimated liability and consequently may affect the financial performance and position of the Group.

Non-current assets held for sale and discontinued operations

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification. When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale. When the Group is committed to a sale plan involving disposal of an investment in an associate or, a portion of an investment in an associate, the investment, or the portion of the investment in the associate, that will be disposed of is classified as held for sale when the criteria described above are met. The Group then ceases to apply the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operation,
- Is part of a single co-ordinated plan to dispose of a separate major line of business,
- Or geographical area of operations or is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are present as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3 MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant judgements in applying accounting policies

The management has made the following judgements, which have the most significant effect on the amounts recognised in these consolidated financial statements:

Revenue recognition – Connection and supply of water and electricity

Significant judgement was exercised in determining whether the connection and supply of water/electricity are considered to be two distinct performance obligations as that can have a considerable impact on how the related revenue is recognised. Management considered the detailed criteria of IFRS 15 Revenue from Contracts with Customers along with a variety of factors including, but not limited to, the connection and supply agreements, tariffs charged, etc.

In light of the facts and circumstances, management believes that connection and supply are two distinct performance obligations, hence revenue should be recognised as and when each one of the obligations are satisfied. For connection fees, the obligation is fulfilled once the connection is complete after which the Group has the right to receive consideration in full. As a result, revenue related to connection charges is recognised upon initiation of the connection at a point in time. Since the obligation of supply of water/electricity is fulfilled as the product/service is provided, related revenue is also recognized at a point in time upon supply. Conversely if the connection and supply were considered to be one performance obligation, the related connection charges would be deferred over the useful life of the assets installed to provide the connection.

Power and Water Purchase Agreements

a) Service concession agreements

Some of the Group's foreign subsidiaries have entered into Power Purchase Agreements ("PPA") with offtakers in countries where they are operating. Management has determined these arrangements to be service concession arrangements under IFRIC 12 – Service Concession Arrangements by applying the requirements of the interpretation to the facts and circumstances in each location. The Group's domestic (United Arab Emirates) subsidiaries have also entered into long term Power and Water Purchase Agreements ("PWPA") and PPAs with EWEC. Based on the terms of the PWPAs/PPAs, management has determined that EWEC does not control any residual interest in the respective plants at the end of the term of the PWPAs/PPAs and therefore does not consider the PWPAs/PPAs to fall within the scope of IFRIC Interpretation 12 Service Concession Arrangements.

b) Operating lease commitments – Subsidiaries as lessor

As mentioned above, the Group's domestic subsidiaries have entered into PWPAs/PPAs. Under the PWPAs/PPAs, the subsidiaries receive payment for the provision of power and water capacity, whether or not the offtaker EWEC requests power or water output ("capacity payments"), and for the variable costs of production ("energy and water payments"). The Group has determined the PWPAs/PPAs are lease arrangements as management considers that the Group retains the principal risks and rewards of ownership of the plants, based on management's estimate of the useful life and residual value of the assets, and so accounts for the PWPAs/PPAs as operating leases. An estimate of the useful life of the asset and residual value is made and reviewed annually. The effects of changes in useful life are recognised prospectively, over the remaining life of the asset. When there are amendments to the PWPAs/PPAs, management reconsiders whether the Group continues to retain the principal risks and rewards of ownership of the plants.

Equity or liability classification

Interest free loans are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangement and criteria of IAS 32. Unsecured amounts without defined interests and repayment terms are treated as equity contribution.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3 MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Significant judgements in applying accounting policies (continued)

Capitalisation of project costs

a) Transmission network

In determining the timing of recording of assets and commencing the depreciation, management has considered the principles laid down in IAS 16 – Property, Plant and Equipment, the time of the completion of the commissioning and the time when the asset is ready for its intended use i.e. it is probable that economic benefits will flow to the Group and assets are operational and under the use of the Group.

Project costs, related to the transmission network of the Group, capitalised under capital work in progress are transferred to the relevant category of property, plant and equipment when the following criteria are met:

- a) the distribution network is connected to the transmission network,
- b) the project capitalisation form is approved by the asset management directorate, and
- c) the provisional acceptance certificate is issued to the contractor.

Any revision in the engineer's estimates are adjusted prospectively with the recorded project costs. The Group recognises funded transmission and despatch projects once the respective work is completed, all the regulatory approvals are obtained from the Regulation and Supervision Bureau, the transmission and despatch asset transfer agreements are signed and the transmission and despatch assets are made available for use. The Group signed a Memorandum of Understanding (MOU) with the transferor in prior years. The MOU states that the transferor bears the risks and title to transmission and despatch project construction assets until successful completion of the commissioning of the respective stage. Accordingly, management has determined that the transfer of these transmission and despatch project construction assets have not taken place in accordance with the accounting policies of the Group, MOU's and asset transfer agreement.

b) Major development projects – Distribution assets

In determining the timing of recording of these distribution assets which are received from various developers and commencing the depreciation, management has considered the principles laid down in IAS 16, the time of completion of commissioning and the time when the assets are ready for its intended use i.e. it is probable that economic benefits flow to the Group given its exclusive distribution license and the distribution assets are operational and under the use of the Group.

During the year, management has considered the detailed criteria of IAS 16 and reviewed the transfer agreements and the correspondences with developers and consultants of these projects to obtain the justification for their recognition in the Group's consolidated financial statements. Management believes that these distribution assets meet the conditions mentioned in IAS in terms of capitalising these distribution assets and consequently depreciating them from the date when these distribution assets were available for use.

Capitalisation of staff costs

Management determines whether the Group will recognise an asset from the staff costs incurred to fulfil a project if such costs meet all the following criteria:

- a) the costs relate directly to a project that the Group can specifically identify;
- b) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and
- c) the costs are expected to be recovered.

Such staff costs will be amortised on a systematic basis over the useful life of the asset recognised.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3 MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Significant judgements in applying accounting policies (continued)

Assessment of fair value of investments carried through other comprehensive income

On 15 February 2023, the Group signed a Share Transfer Deed with Abu Dhabi National Oil Company PJSC ("ADNOC"), whereby ADNOC transferred 5% shares in ADNOC Gas plc to the Group without any consideration. This transfer was a recognition of the long-standing strategic partnership between the two companies, actively collaborating in the past and continuing to work closely to drive the energy transition in the UAE, with a focus on renewable energy and other low-carbon solutions.

In the absence of any specific conditions or any current or future obligations stipulated in the Share Transfer Deed, management have assessed all relevant facts to reach a judgement on the appropriate timing of recognition of the receipt of shares as a gain in the profit and loss statement. Management have concluded that it is appropriate to consider it to relate to achievements of the partnership to date, and account for the one-time gain in the consolidated profit or loss within "gain on recognition of an investment" on receipt.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (please see policy for financial assets sections in Note 2.2). The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment testing of non-financial assets

Management determines at each reporting date whether there are any indicators of impairment relating to the Group's property, plant and equipment and intangible assets including exploration and evaluation assets, power (and water) purchase agreements and distribution licenses. A broad range of internal and external factors are considered as part of the indicator review process.

The Group's impairment testing for non-financial assets is based on calculating the recoverable amount of each cash generating unit or group of cash generating units being tested. Recoverable amount is the higher of value in use (VIU) and fair value less costs of disposal (FVLCD). VIU for relevant cash generating units is derived from projected cash flows as approved by management and do not include restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset base of the cash generating unit being tested. FVLCD for relevant cash generating units is generally derived from discounted cash flow models using market based inputs and assumptions. Recoverable amount is most sensitive to commodity price assumptions, regulatory framework regimes, foreign exchange rate assumptions, inflation and discount rates used in the cash flow models.

Estimation of oil and gas reserves

Oil and gas reserves and resources used for accounting purposes are estimated using internationally accepted methods and standards. The Group's annual oil and gas reserves and resources review process includes an external audit process conducted by appropriately qualified parties. All reserve estimates are subject to revision, either upward or downward, based on new information, such as from development drilling and production activities or from changes in economic factors, including product prices, contract terms or development plans. In general, changes in the technical maturity of hydrocarbon reserves resulting from new information becoming available from development and production activities have tended to be the most significant cause of annual revisions. Changes in oil and gas reserves are an important indication of impairment or reversal of impairment and may result in subsequent impairment charges or reversals as well as affecting the unit-of-production depreciation charge in the profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3 MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Key sources of estimation uncertainty (continued)

Provision for decommissioning

Decommissioning costs will be incurred by the Group at the end of the operating life of certain of the Group's facilities and properties. The ultimate decommissioning costs or asset retirement obligations are uncertain and cost estimates can vary in response to many factors including changes to relevant legal requirements, the emergence of new restoration techniques or experience at production sites. The expected timing of expenditure can also change, for example in response to changes in laws and regulations or their interpretation, and/or due to changes in commodity prices. The provision is most sensitive to commodity price assumptions, foreign exchange rate assumptions, inflation and discount rates used in the cash flow models.

Allowance for expected credit losses

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- a) An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- b) Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- c) An actual or expected significant deterioration in the operating results of the debtor;
- d) Significant increases in credit risk on other financial instruments of the same debtor;
- e) An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Allowance for slow moving and obsolete inventories

Management assess loss (if any) on items of inventory on account of slow moving and obsolescence on a regular basis. In determining whether provision for obsolescence should be recorded in profit or loss, the Group makes judgements as to whether there is any observable data indicating that there is a future consumption of the item. Based on the factors, management has identified inventory items as slow moving and obsolete to calculate the allowance for slow moving and obsolete inventories.

Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived based on quoted prices from active markets, their fair value is determined using valuation techniques including discounted cash flows models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Income taxes

The Group recognises the net future tax benefit to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant assumptions related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions in future periods.

Useful lives of property, plant and equipment

Management determines the estimated useful lives of property, plant and equipment. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and the future depreciation charge is adjusted where management believes that the useful lives differ from previous estimates. During the year ended 31 December 2024 and 2023, the Group has revised the estimated useful lives of certain items in property, plant, and equipment effective within the Transmission & Distribution and Water Solutions operating segment. The cumulative financial effect of this reassessment, assuming the assets are held until the end of their useful lives, is a decrease in depreciation expense of AED 573 million (2023: AED 231 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3 MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Key sources of estimation uncertainty (continued)

Other operating revenue – Transmission & Distribution

Other operating revenue for sales of water and electricity is calculated as the difference between its Maximum Allowed Revenue (MAR) determined in its Regulatory Control Framework (issued by the DoE) and revenue relating to supply and distribution of water and electricity from its customers. Accordingly, the Group recognised this revenue for supply and distribution of water and electricity based on those rights and rewards that are confirmed during the period.

Sewerage services revenue – Water Solutions

The revenue from sewerage services is calculated as the difference between Maximum Allowed Revenue (MAR) and the regulated revenue. MAR is calculated in accordance with a formula as defined in the license document (issued by the DoE) that includes inputs stipulated by RC2. Inputs include management's estimates of capital allowance accruals calculated as per the mechanism provided in RC2.

Unbilled revenue

The Group estimates the amount of unbilled consumption individually for each customer account based on historical meter readings. Unbilled consumption is calculated based on the average consumption for the period between the date of the last meter reading and the year end.

2.4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024.

- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) (effective from 1 January 2024).
- Non-current Liabilities with Covenants (Amendments to IAS 1) (effective from 1 January 2024).
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) (effective from 1 January 2024).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1) (effective from 1 January 2024).

These amendments had no material impact on the consolidated financial statements of the Group for the current and prior years but may affect the accounting for future transactions or arrangements.

2.5 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS BUT NOT YET EFFECTIVE

The Group has not early adopted the following standards, interpretations or amendments that have been issued but not yet effective. These are not expected to have any material impact on the Group's consolidated financial statements.

- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date not yet decided).
- Lack of Exchangeability (Amendments to IAS 21) (effective from 1 January 2025).
- Amendments to the SASB standards to enhance their international applicability (effective from 1 January 2025).
- Annual improvements to IFRS Accounting Standards – Volume 11 (effective from 1 January 2026).
- Amendments IFRS 9 and IFRS 7 classification and measurement of financial instruments (effective from 1 January 2026).
- IFRS 18 Presentation and Disclosures in Financial Statements (effective from 1 January 2027).
- IFRS 19 Presentation without Public Accountability: Disclosures (effective from 1 January 2027).
- IFRS S1 General requirements for Disclosure of Sustainability-related Financial Information (effective date not yet decided by the regulator in the United Arab Emirates).
- IFRS S2 Climate-related Disclosures (effective date not yet decided by the regulator in the United Arab Emirates).

There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued that would be expected to have a material impact on the consolidated financial statement of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

3 REVENUE

3.1 Revenue from generation of power and water

	31 DECEMBER	
	2024 AED million	2023 AED million
Operating lease revenue	5,939	5,672
Revenue from operating financial assets (note 13)	1,498	1,565
Energy payments and other related revenue	1,775	1,693
Fuel revenue*	2,664	3,208
Others	539	577
	12,415	12,715

* Fuel revenue represents reimbursements from the offtakers of the power and water subsidiaries for fuel consumed in power generation in accordance with the terms of the power and water purchase agreements and the power purchase agreements.

All revenue from generation of power and water is recognised at a point in time, with the exception of revenue from operating financial assets and development fee revenue within "other revenue" which is recognised over time.

3.2 Revenue from transmission and distribution of power and water

	31 DECEMBER	
	2024 AED million	2023 AED million
TUOS charges for unlicensed activities	1,069	1,078
Revenue from supply and distribution of power and water	15,557	15,017
Distribution connection and meter installation fees	331	285
Water coupons	92	81
Other operating revenue	17,442	14,493
	34,491	30,954

Other operating revenue for sales of water and electricity is calculated as the difference between its Maximum Allowed Revenue ("MAR") determined in its Regulatory Control Framework (issued by the DoE) and revenue relating to supply and distribution of water and electricity from its customers. Accordingly, the Group recognised this revenue relating to supply and distribution of water and electricity based on those rights and rewards that are confirmed during the year. The computation of MAR is subject to Regulatory Control Mechanisms provided by DoE which are amended over the years and revenue is subject to judgements, interpretations and assumptions in respect of notified items, allowable deductions, performance incentives and correction factors.

All revenue from transmission and distribution of power and water is recognised at a point in time.

3.3 Revenue from oil and gas

	31 DECEMBER	
	2024 AED million	2023 AED million
Gross oil and gas revenue	5,049	7,035
Less: royalties	(266)	(334)
	4,783	6,701
Gas storage revenue	686	1,076
Net processing income	169	195
Others	275	250
	5,913	8,222
Oil and gas net revenue in discontinued operations (note 35)	(136)	(174)
	5,777	8,048

All revenue from oil and gas is recognised at a point in time, with the exception of gas storage revenue which is recognised over time.

3.4 Revenue from water solutions

	31 DECEMBER	
	2024 AED million	2023 AED million
Sewerage services	2,479	-

Revenue is subject to Maximum Allowed Revenue ("MAR") for sewerage services, calculated in accordance with the formula as defined in the License and Regulatory Control mechanisms document (issued by the DoE).

The computation of MAR is subject to Regulatory Control Mechanisms provided by DoE which are amended over the years and revenue is subject to judgements, interpretations and assumptions in respect of notified items, allowable deductions, performance incentives and correction factors

All revenue for sewerages services is recognised at a point in time.

Revenue from sewerage services commenced with TAQA Water Solutions (formerly Sustainable Water Solutions Holding Company (SWS Holding)) being transferred under the common control of the Company (note 34).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

4 OPERATING EXPENSES

	31 DECEMBER	
	2024 AED million	2023 AED million
Salaries and related expenses	2,368	1,866
Repairs, maintenance and consumables used	3,023	3,158
Bulk supply tariff (note 29)	21,652	18,851
Fuel expenses	2,675	3,309
Charges by operating and maintenance contractors	982	887
Oil and gas operating costs	514	650
Transportation costs	323	453
Insurance costs	191	189
Expected credit loss movements	414	430
Others	315	261
	32,457	30,054
Operating expenses in discontinued operations (note 35)	(18)	(81)
	32,439	29,973

5 DEPRECIATION, DEPLETION AND AMORTISATION

	31 DECEMBER	
	2024 AED million	2023 AED million
Depreciation of property, plant and equipment and depletion of oil and gas assets (note 12)	8,732	8,002
Amortisation of intangible assets (note 14)	1,253	1,251
	9,985	9,253
Depreciation, depletion and amortisation in discontinued operations (note 35)	(41)	(41)
	9,944	9,212

6 GENERAL AND ADMINISTRATIVE EXPENSES

	31 DECEMBER	
	2024 AED million	2023 AED million
Salaries and related expenses	1,778	1,751
Professional fees and business development expenses	973	529
IT and communications	285	209
Corporate social contributions	3	3
Others	501	482
	3,540	2,974
Cost recoveries from JV partners	(668)	(607)
	2,872	2,367
General and administrative expenses in discontinued operations (note 35)	(11)	(33)
	2,861	2,334

7 FINANCE COSTS

	31 DECEMBER	
	2024 AED million	2023 AED million
Finance costs relating to bonds and global medium term notes	1,264	1,402
Finance costs relating to interest bearing loans and borrowings and Islamic loans	1,531	1,164
Interest credit on interest rate swaps	(215)	(170)
Asset retirement obligations accretion expense (note 26)	442	449
Lease liability interest	57	28
	3,079	2,873
Finance costs in discontinued operations (note 35)	-	(1)
	3,079	2,872

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

8 OTHER INCOME

	31 DECEMBER	
	2024 AED million	2023 AED million
Deferred income – grant released	41	45
(Loss) gain on sale of land, oil and gas and other assets	(3)	11
Asset retirement obligation relief deed income	56	30
Fines, penalties and compensation	18	25
Claim settlement	77	–
Revenue diversity function	70	–
Insurance claim	38	–
Other	254	278
	551	389

9 INCOME TAX

The major components of income tax expense (credit) for the years ended 31 December 2024 and 2023 are:

	31 DECEMBER	
	2024 AED million	2023 AED million
Consolidated profit or loss		
<i>Current income tax:</i>		
Current income tax charge	1,371	1,072
Adjustment in respect to income tax of previous years	(144)	(56)
<i>Deferred income tax:</i>		
Relating to origination and reversal of temporary differences	444	317
Adjustment in respect to deferred tax of previous years	(15)	98
Relating to enactment of UAE corporate income tax*	(33)	1,198
<i>Other tax related expenses:</i>		
Pillar II income taxes	–	–
	1,623	2,629

* The deferred income tax expense for the year ended 31 December 2023 of AED 1,198 million related to the initial recognition of a deferred tax liability in respect of Purchase Price Allocation (PPA) adjustments carried on the Group's consolidated statement of financial position and attributable to certain UAE-based Group entities. While the PPA adjustments related to a corporate transaction completed in prior accounting periods, the deferred tax liability arises due to the introduction of the UAE CT Law in the UAE, and on the basis that the UAE-based entities to which those PPA adjustments are attributed should be subject to UAE CT in the future.

The reconciliation between tax expense (credit) and the product of accounting profit including discontinued operations profit multiplied by the applicable statutory tax rate for the years ended 31 December 2024 and 2023 is as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
Profit before tax	8,956	19,449
Non-taxable profit (including income in non-taxable jurisdictions)	(66)	(15,637)
Total taxable profit	8,890	3,812
Applicable tax charge at statutory rates – weighted average of 25% (2023: 52%)	1,820	1,998
Adjustment in respect to income tax of previous years	(144)	(56)
Adjustment in respect to deferred income tax of previous years	(15)	98
Relating to enactment of UAE corporate income tax	(33)	1,198
Withholding taxes	15	28
Tax incentives	–	(14)
Special production taxes on upstream activities	(161)	(70)
Tax effect on non deductible expenses	(53)	(187)
Other	194	(366)
Income tax expense reported in the profit or loss	1,623	2,629

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

9 INCOME TAX (continued)

Deferred tax

Deferred income tax at 31 December relates to the following:

	Consolidated statement of financial position		Consolidated statement of profit or loss	
	2024 AED million	2023 AED million	2024 AED million	2023 AED million
<i>Deferred tax assets:</i>				
Temporary difference on property, plant and equipment	204	454	268	288
Temporary difference arising on asset retirement obligations	3,633	3,794	97	175
Tax losses	871	743	(146)	(33)
Petroleum revenue tax temporary differences	978	1,231	241	113
Others	(70)	(124)	(55)	(35)
	5,616	6,098	405	508
<i>Deferred tax liabilities:</i>				
Temporary difference on property, plant and equipment	1,161	1,301	(32)	(48)
Relating to enactment of UAE corporate income tax	1,165	1,198	(33)	1,198
Others	17	(82)	(12)	(47)
	2,343	2,417	(77)	1,103

Based on the latest available forecast of future profits, the Group has determined AED 1,906 million of tax losses (2023: AED 2,390 million) are unlikely to be utilised in the foreseeable future. Hence, no deferred tax benefit has been recognised, though these losses remain available for offset against future taxable profits. Unutilised tax losses of AED nil (2023: nil) will expire in the next five year period.

10 BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

Basic earnings per share amounts are calculated by dividing earnings for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the earnings attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year, adjusted for the effects of dilutive instruments.

The following reflects the profit and share data used in the earnings per share computations:

	31 DECEMBER	
	2024	2023
Profit for the year attributable to equity holders of the parent from continuing and discontinued operations (AED million)	7,068	16,647
Weighted average number of ordinary shares issued (million)	112,434	112,434
Basic earnings per share from (AED)	0.06	0.15

No figure for diluted earnings per share has been presented as the Group has not issued any instruments which would have an impact on earnings per share when exercised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

11 OPERATING SEGMENT INFORMATION

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM), and for which discrete financial information is available. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer (CEO) of TAQA.

For this purpose, the Group is organised into business units based on their geography, products and services, and has four reportable operating segments as follows:

- Power and Water Generation Segment
- Power and Water Transmission & Distribution Segment
- Oil and Gas Segment
- Water Solutions Segment (note 34)

Power and Water Generation Segment

This segment is engaged in generation of electricity and production of desalinated water for supply in UAE and generation of electricity in Morocco, India, Ghana, and Saudi Arabia. It also includes investments in joint ventures and associates which hold a number of assets focused in renewable energy and sustainable development in various countries.

Power and Water Transmission & Distribution Segment

This segment is engaged in transmission and distribution of water and electricity from the generation and desalination plants in the UAE.

Oil and Gas Segment

This segment is engaged in Upstream and Midstream oil and gas activities in Canada and Netherlands and Upstream oil and gas activities in United Kingdom and Kurdistan, Iraq.

Water Solutions Segment

This segment is engaged in overseeing the operation and maintenance of waste water facilities, as well as managing water collection, treatment, supply, and sewerage services in the UAE. A portion of revenue is earned from the Power and Water Transmission & Distribution segment.

Several operating segments have been aggregated to form the above reportable operating segments which are provided below:

Power and Water Generation – UAE	}	Generation
Power and Water Generation – Others		
Power and Water Transmission & Distribution – UAE	}	Transmission & Distribution
Oil and Gas – North America		
Oil and Gas – Europe	}	Oil & Gas
Oil and Gas – Iraq		
Water Solutions – UAE	–	Water Solutions

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on 'profit or loss for the period' as detailed in the following table. Interest bearing loans and borrowings and Islamic loans except for the subsidiaries with project financing arrangements are managed on a group basis and are not allocated to operating segments.

The majority of the Group's revenues, profits, and assets relate to its operations in the United Arab Emirates.

Investment in certain associates with activities other than the reportable operating segments and investments carried at fair value through other comprehensive income are managed on a group basis and are therefore not allocated to operating segments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

11 OPERATING SEGMENT INFORMATION (continued)

The following table presents revenue and profit information for the Group's operating segments:

	Transmission & Distribution AED million	Generation AED million	Water Solutions AED million	Oil & Gas AED million	Adjustments, eliminations & unallocated AED million	Consolidated AED million
YEAR ENDED 31 DECEMBER 2024						
Revenue from external customers	34,491	12,415	2,479	5,777	-	55,162
Operating expenses	(23,937)	(5,132)	(774)	(2,618)	22	(32,439)
Depreciation, depletion, and amortisation	(3,524)	(4,496)	(753)	(1,189)	18	(9,944)
GROSS PROFIT	7,030	2,787	952	1,970	40	12,779
General and administrative expenses	(1,374)	(468)	(121)	(218)	(680)	(2,861)
Finance costs	(3)	(1,570)	(127)	(440)	(939)	(3,079)
Net foreign exchange (losses) gains	-	(33)	-	19	(24)	(38)
Share of results of associates and joint ventures	-	440	-	-	(56)	384
Other income	280	225	(3)	86	(37)	551
Interest income	164	185	21	161	11	542
Dividend income from an investment	-	-	-	-	612	612
Income tax expense	(370)	(518)	(64)	(578)	(93)	(1,623)
Profit from discontinued operations	-	-	-	66	-	66
PROFIT FOR THE YEAR	5,727	1,048	658	1,066	(1,166)	7,333
Non-controlling interests	-	(233)	(32)	-	-	(265)
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	5,727	815	626	1,066	(1,166)	7,068

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

11 OPERATING SEGMENT INFORMATION (continued)

	Transmission & Distribution AED million	Generation AED million	Water Solutions AED million	Oil & Gas AED million	Adjustments, eliminations & unallocated AED million	Consolidated AED million
YEAR ENDED 31 DECEMBER 2023						
Revenue from external customers	30,954	12,715	-	8,048	-	51,717
Operating expenses	(20,950)	(5,180)	-	(3,862)	19	(29,973)
Depreciation, depletion, and amortisation	(3,624)	(4,515)	-	(1,102)	29	(9,212)
GROSS PROFIT	6,380	3,020	-	3,084	48	12,532
General and administrative expenses	(1,280)	(406)	-	(177)	(471)	(2,334)
Finance costs	(3)	(1,629)	-	(393)	(847)	(2,872)
Net foreign exchange gains (losses)	-	38	-	13	(106)	(55)
Share of results of associates and joint ventures	-	182	-	-	9	191
Other income	180	171	-	50	(12)	389
Interest income	154	160	-	138	46	498
Gain on recognition of an investment	-	-	-	-	10,784	10,784
Dividend income from an investment	-	-	-	-	298	298
Income tax (expense) credit	(1,036)	(454)	-	(1,408)	269	(2,629)
Profit from discontinued operations	-	-	-	18	-	18
PROFIT FOR THE YEAR	4,395	1,082	-	1,325	10,018	16,820
Non-controlling interests	-	(173)	-	-	-	(173)
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	4,395	909	-	1,325	10,018	16,647

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

11 OPERATING SEGMENT INFORMATION (continued)

The following table presents segment assets and liabilities of the Group's operating segments:

	Transmission & Distribution AED million	Generation AED million	Water Solutions AED million	Oil & Gas AED million	Adjustments, eliminations & unallocated AED million	Consolidated AED million
AT 31 DECEMBER 2024						
Property, plant and equipment	84,740	26,318	18,569	5,347	(32)	134,942
Operating financial assets	-	7,821	-	-	-	7,821
Investment in associates, joint ventures and related balances	797	15,020	-	-	208	16,025
Intangible assets	4,755	9,473	1	68	-	14,297
Investments carried at FVOCI	-	-	-	-	13,469	13,469
Deferred tax assets	-	10	-	5,558	48	5,616
Other assets	6,150	9,801	632	1,876	6,184	24,643
SEGMENTAL ASSETS	96,442	68,443	19,202	12,849	19,877	216,813
SEGMENTAL LIABILITIES	19,654	35,636	6,531	14,412	35,756	111,989
OTHER DISCLOSURES AT 31 DECEMBER 2024						
Additions – property, plant and equipment	3,994	2,340	797	1,062	-	8,193
Additions – intangible assets	-	-	1	18	5	24

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

11 OPERATING SEGMENT INFORMATION (continued)

	Transmission & Distribution AED million	Generation AED million	Water Solutions AED million	Oil & Gas AED million	Adjustments, eliminations & unallocated AED million	Consolidated AED million
AT 31 DECEMBER 2023						
Property, plant and equipment	82,913	28,075	-	4,905	(17)	115,876
Operating financial assets	-	8,786	-	-	-	8,786
Investment in associates, joint ventures and related balances	797	7,109	-	-	303	8,209
Intangible assets	4,755	10,710	-	132	-	15,597
Investments carried at FVOCI	-	-	-	-	11,858	11,858
Deferred tax assets	-	-	-	5,996	102	6,098
Other assets	4,995	9,092	-	1,726	11,461	27,274
Assets classified as held for sale	-	-	-	942	-	942
SEGMENTAL ASSETS	93,460	63,772	-	13,701	23,707	194,640
Liabilities directly associated with assets Classified as held for sale	-	-	-	346	-	346
SEGMENTAL LIABILITIES	20,403	36,776	-	16,385	31,981	105,545
OTHER DISCLOSURES AT 31 DECEMBER 2023						
Additions – property, plant and equipment	3,676	716	-	1,332	2	5,726
Additions – intangible assets	-	-	-	124	15	139

The accounting policy information about operating segments is the same as that described as part of the material accounting policy information.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

11 OPERATING SEGMENT INFORMATION (continued)

Geographical information

The following tables present revenue, certain asset information relating to the Group based on geographical location of the subsidiaries at 31 December:

	UAE AED million	North America AED million	Europe AED million	Africa AED million	Others AED million	Total AED million
2024						
Revenue	45,128	2,078	3,699	3,893	364	55,162
Non-current assets	145,377	4,076	1,231	6,463	261	157,408
2023						
Revenue	39,013	2,618	5,431	4,483	172	51,717
Non-current assets	128,315	3,957	1,399	7,415	227	141,313

Non-current assets for this purpose consist of property, plant and equipment, operating financial assets, intangible assets and other assets.

Other information

The Group has one major customer that contributed more than 10% towards the Group's revenue during the year ended 31 December, as presented in the following table:

	Transmission & Distribution AED million	Generation AED million	Water Solutions AED million	Oil & Gas AED million	Adjustments, eliminations & unallocated AED million	Consolidated AED million
2024						
Customer 1	804	8,165	-	-	-	8,969
	804	8,165	-	-	-	8,969
2023						
Customer 1	1,095	7,901	-	-	-	8,996
	1,095	7,901	-	-	-	8,996

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

12 PROPERTY, PLANT AND EQUIPMENT

	Buildings, equipment and plant and machinery AED million	Oil and gas assets AED million	Capital spares AED million	Capital work in progress AED million	Right of use assets AED million	Total AED million
2024						
COST:						
AT 1 JANUARY 2024	189,325	20,431	278	12,212	993	223,239
Transfer of entities under common control (note 34)	32,199	-	173	717	-	33,089
Additions	3,544	1,055	108	4,448	262	9,417
Revision of ARO	(13)	128	-	-	-	115
Disposals of assets	(856)	(2,098)	(16)	(26)	(53)	(3,049)
Transfers	2,192	-	-	(1,781)	-	411
Exchange adjustment	(249)	(181)	-	3	(1)	(428)
AT 31 DECEMBER 2024	226,142	19,335	543	15,573	1,201	262,794
DEPRECIATION AND DEPLETION:						
AT 1 JANUARY 2024	89,792	16,241	169	-	698	106,900
Transfer of entities under common control (note 34)	14,363	-	167	-	-	14,530
Charge for the year (note 5)	7,350	1,082	38	-	262	8,732
Disposals of assets	(726)	(1,800)	(8)	-	(21)	(2,555)
Transfers	(8)	-	8	-	-	-
Exchange adjustment	64	180	-	-	1	245
AT 31 DECEMBER 2024	110,835	15,703	374	-	940	127,852
NET CARRYING AMOUNT: AT 31 DECEMBER 2024	115,307	3,632	169	15,573	261	134,942

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

12 PROPERTY, PLANT AND EQUIPMENT (continued)

	Buildings, equipment and plant and machinery AED million	Oil and gas assets AED million	Capital spares AED million	Capital work in progress AED million	Right of use assets AED million	Total AED million
2023						
COST:						
AT 1 JANUARY 2023	186,702	19,066	244	9,792	860	216,664
Additions	936	1,252	30	3,370	138	5,726
Revision of ARO	-	281	-	-	-	281
Disposals of assets	(113)	(258)	-	-	(6)	(377)
Transfers	1,699	-	4	(948)	-	755
Exchange adjustment	101	90	-	(2)	1	190
AT 31 DECEMBER 2023	189,325	20,431	278	12,212	993	223,239
DEPRECIATION AND DEPLETION:						
AT 1 JANUARY 2023	83,036	15,482	147	-	460	99,125
Charge for the year (note 5)	6,787	948	23	-	244	8,002
Disposals of assets	(69)	(264)	(1)	-	(6)	(340)
Exchange adjustment	38	75	-	-	-	113
AT 31 DECEMBER 2023	89,792	16,241	169	-	698	106,900
PPE classified as held for sale (note 35)	-	(463)	-	-	-	(463)
NET CARRYING AMOUNT: AT 31 DECEMBER 2023	99,533	3,727	109	12,212	295	115,876

Property, plant and equipment with a carrying amount of AED 24,956 million (2023: AED 27,537 million) are pledged as security for the related loans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

12 PROPERTY, PLANT AND EQUIPMENT (continued)

Oil and gas assets - impairment approach and key assumptions

The calculation of recoverable amount for oil and gas assets is based upon the following key assumptions:

- Reserve and resource volumes;
- Inflation rates;
- Cash flows relating to gas storage;
- Discount rates;
- Foreign exchange rates; and
- Commodity prices.

It is management's view that the impairment calculations are not materially sensitive to reasonable possible changes in the assumptions. In the impairment calculations, assumptions are also made regarding the cash flows from each asset's ultimate disposal.

Reserve and resource volumes

Reserve and resource volumes form the basis of the production profiles within the discounted cash flow models. The Group's annual oil and gas reserves (proved, probable and possible) and resources review process includes an external audit process conducted by appropriately qualified parties. Where significant, the contingent resources within a segment are also reviewed and reported on. The data generated for each field and location takes into consideration the development plans approved by senior management and reasonable assumptions that an external party would apply in appraising the assets.

Inflation rates

Estimates are obtained from published indices for the countries from which products and services are originated, as well as data relating to specific commodities. Forecast figures are used if data is publicly available. The Company assumed inflation rates of 2% in perpetuity (2023: 2% to 4%).

Cash flows relating to gas storage

Cash flows relating to gas storage are based on assumptions on delivery capacity, injection capacity, working volumes and expected availability. The assumptions are supported by non-binding expressions of interests on demand for working volumes.

Discount rates

Discount rates used reflect the estimated weighted average cost of capital rates for potential acquirer group companies developed for each of the locations. The assets are valued on a FVLCD methodology and therefore post-tax discount rates ranging from 4.3% to 8.6% (2023: 4.3% to 20.0%), were used to calculate the recoverable amounts at the reporting date.

Foreign exchange rates and commodity prices

A summary of the 2024 key assumptions are provided below:

	2025	2026	2027	2028	2029
COMMODITY PRICES					
WTI (US\$/bbl) ⁽¹⁾	65.00	65.00	65.00	65.00	65.00
AECO (US\$/mmbtu) ⁽¹⁾	1.80	2.20	2.30	2.30	2.40
Brent (US\$/bbl) ⁽¹⁾	70.00	70.00	70.00	70.00	70.00
Summer/Winter gas spread (Euro/MWh)	2.50	2.50	2.50	2.50	2.50
COMMODITY PRICES					
CAD\$/US\$	1.34	1.34	1.34	1.34	1.34
EUR/US\$	0.90	0.90	0.90	0.90	0.90
GBP/US\$	0.80	0.80	0.80	0.80	0.80

⁽¹⁾ Prices are escalated at 2% thereafter.

Power and water assets - impairment approach and key assumptions

The recoverable amount for power and water assets is based on FVLCD. In determining FVLCD, a discounted cash flow valuation model was used, incorporating market based assumptions. The key assumptions for FVLCD calculations are outlined below together with the approach management has taken in determining the value to ascribe to each. Management believes it is appropriate to use cash flow forecasts over such periods due to the long term power and water purchase agreements associated with the facilities.

The calculation of FVLCD for power and water generation assets is most sensitive to the following assumptions:

- Future cash flows throughout the term of the current PWPAs;
- Inflation rates; and
- Discount rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

12 PROPERTY, PLANT AND EQUIPMENT (continued)

Power and water assets - impairment approach and key assumptions (continued)

Future cash flows throughout the term of the current PWPAs

The Group's expected future cash flows have been estimated based on work performed by an internal expert. In doing so, management has considered key trends in the relevant power and water sectors and the recovery of the residual values.

Inflation rates

Estimates are obtained from published indices for the countries from which products and services are originated. Forecast figures are used if data is publicly available. The Group assumed inflation rates of 2% in perpetuity (2023: 2% to 5%).

Discount rates

Discount rates used represent the current market assessment of the risks specific to the assets, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The assets are valued using a FVLCD methodology, future cash flows are discounted using post-tax rates ranging from 3.9% to 10.0% (2023: 3.9% to 10.0%).

13 OPERATING FINANCIAL ASSETS

The movement in operating financial assets is as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
At 1 January	8,786	9,170
Recognised during the year (note 3.1)	1,498	1,565
Consideration received during the year	(1,923)	(2,029)
Movement in expected credit loss (ECL) provision	(436)	(65)
Exchange (losses) gain recognised in the consolidated income statement	(104)	145
	7,821	8,786

Analysed in the consolidated statement of financial position as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
Non-current portion	6,601	7,573
Current portion	1,220	1,213
	7,821	8,786

TAQA manages three concession contracts as defined by IFRIC 12, mainly covering electricity generation. The foreign subsidiaries, namely TAQA Morocco (formerly Jorf Lasfar Energy Company SCA (JLEC)), TAQA Neyveli Power Company Pvt Ltd (Neyveli) and Takoradi International Company (Takoradi), have entered into power purchase agreements (PPA) with offtakers in the countries where they are operating. Under the PPA the foreign subsidiaries undertake to make available, and the offtakers undertake to purchase, the available net capacity of the plant for a period of time in accordance with various agreed terms and conditions as specified in the PPA as follows:

TAQA Morocco:

The subsidiary had the right of possession for the site and the plant units (units 1 to 4) for a period of 30 years ending in September 2027. On 24 January, 2021 TAQA Morocco with Office National de l'Electricité ("ONE") signed an extension to the PPA for a further 17 years from 2027 to 2044. At the end of the PPA, the ownership of the site and the plants will be transferred to the offtaker. During 2009, ONE and TAQA Morocco signed a strategic partnership agreement to extend the capacity of the plant by constructing two new units (units 5&6) with an approximate gross capacity of 350 MW each. In June 2014, the two new units were completed and a 30 year PPA ending 2044 was entered into.

Neyveli:

The subsidiary has a 30 year PPA with the offtaker ending in December 2032. On the expiry date of the PPA, the offtaker has the option to acquire the plant at a price equal to 50% of the terminal value as defined in the PPA.

Takoradi:

The subsidiary had originally signed a 25 year PPA with the offtaker ending in March 2024. On expiry date of the PPA, the plant is to be transferred to the offtaker at a nominal amount. The expansion project completed in 2015 has increased the existing 220 MW capacity to 330 MW. As a result of the expansion, the PPA term has been extended to 2039.

Operating financial assets with a carrying amount of AED 7,634 million (2023: AED 8,590 million) are pledged as security for the related borrowings in the subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

14 INTANGIBLE ASSETS

	Exploration and evaluation assets AED million	Distribution licences AED million	Power (and water) purchase agreements AED million	Connection rights AED million	Other AED million	Total AED million
2024						
COST:						
At 1 January 2024	8	4,755	14,170	676	278	19,887
Additions	3	-	-	-	21	24
Derecognised during the year	(1)	-	-	-	(68)	(69)
Exchange adjustment	(2)	-	-	-	-	(2)
AT 31 DECEMBER 2024	8	4,755	14,170	676	231	19,840
AMORTISATION:						
At 1 January 2024	-	-	3,591	675	24	4,290
Amortisation for the year (note 5)	-	-	1,233	44	19	1,296
Intercompany eliminations	-	-	-	(43)	-	(43)
AT 31 DECEMBER 2024	-	-	4,824	676	43	5,543
NET CARRYING AMOUNT: AT 31 DECEMBER 2024	8	4,755	9,346	-	188	14,297
	Exploration and evaluation assets AED million	Distribution licences AED million	Power (and water) purchase agreements AED million	Connection rights AED million	Tolling agreement and other AED million	Total AED million
2023						
COST:						
AT 1 JANUARY 2023	4	4,755	14,170	676	981	20,586
Additions	6	-	-	-	133	139
Derecognised during the year	(1)	-	-	-	(836)	(837)
Exchange adjustment	(1)	-	-	-	-	(1)
AT 31 DECEMBER 2023	8	4,755	14,170	676	278	19,887
Amortisation:						
At 1 January 2023	-	-	2,561	467	847	3,875
Amortisation for the year (note 5)	-	-	1,030	251	13	1,294
Intercompany eliminations	-	-	-	(43)	-	(43)
Derecognised during the year	-	-	-	-	(836)	(836)
AT 31 DECEMBER 2023	-	-	3,591	675	24	4,290
NET CARRYING AMOUNT: AT 31 DECEMBER 2023	8	4,755	10,579	1	254	15,597

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

14 INTANGIBLE ASSETS (continued)

Distribution licenses

The Distribution companies (DisCos) in the UAE have licence agreements with the DoE. These licenses commenced in 1999 and gave the DisCos the exclusive right to distribute power and water throughout the Emirate of Abu Dhabi. These licenses can only be revoked after a 25 year notice period. As a result, the licenses are considered as an indefinite lived intangible asset and is subject to an annual impairment test. The key assumption for the impairment calculations are detailed below and are not materially sensitive.

- **Discount rate**

The fair value of each DisCo is determined based on the discounted free cash flows and the terminal value of the respective entity. The discount rate used represent the current market assessment of the risks specific to the assets, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The post-tax rate used was 6.40% (2023: 6.40%).

- **Inflation rates**

Estimates are obtained from published indices for the countries from which products and services are originated. Forecast figures are used if data is publicly available. The Company assumed long term growth rate of 2.0% (2023: 2.0%).

Power (and water) purchase agreements (P(W)PAs)

All the I(W)PP assets in the UAE has separate P(W)PAs in place with EWEC with an average term of 25 years. Under the respective P(W)PA, each asset is entitled to sell electricity and water (as applicable) generated by the facility to EWEC at the agreed contractual prices and EWEC is obliged to make capacity payments for both electricity and water as defined in the respective contracts. The key assumptions for the power and water asset VIU calculations are outlined in note 12 together with the approach management has taken in determining the value to ascribe to each.

Connection rights

The intangible assets arose from the transfer, made by a number of the Group's subsidiaries, of certain assets to a related party in accordance with the terms of individual agreements and represent the acquisition cost of the right of connection to the transmission systems at the connection sites for a period of 1 to 8 years. The connection rights cost were amortised on a straight line basis over the same period, being the expected period of benefit.

Tolling agreement

The Group has a fuel conversion services, capacity and ancillary services purchase agreement ("Tolling Agreement") relating to the acquisition of BE Red Oak Holding LLC. Under the terms of the Tolling Agreement, the Group is entitled to the economic rights (revenue from sale of electricity, capacity payments and any other ancillary services) of a power plant located in New Jersey, USA and the Group is obligated to supply the fuel and also make certain fixed and variable payments to the operator. The tolling agreement cost is being amortised on a straight line basis over the term of the agreement. The Tolling Agreement expired on 31 August 2022 and derecognised in the year ended 2023.

The fair value of the contract is based on estimated forward commodity prices, estimated correlation of commodity prices, volatility factors, and other typical option valuation parameters over the term of the tolling contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

15 INVESTMENT IN AND LOANS TO ASSOCIATES AND JOINT VENTURES

The Group has the following investments:

	Country of incorporation ownership and operation	2024	2023
ASSOCIATES			
Massar Solutions PJSC (i)	UAE	49.0%	49.0%
Jubail Energy Company (ii)	Saudi Arabia	25.0%	25.0%
Sohar Aluminium Company LLC (iii)	Oman	40.0%	40.0%
Abu Dhabi Offshore Power Transmission Company Limited LLC (iv)	UAE	30.0%	30.0%
Mirfa Seawater Treatment and Supply Company MSTs LLC (v)	UAE	25.5%	25.5%
JOINT VENTURE			
LWP Lessee LLC (vi)	USA	50.0%	50.0%
Taweelah RO Holding Company LLC (vii)	UAE	33.0%	33.0%
Fujairah Energy Holding Company LLC (viii)	UAE	67.0%	67.0%
Dhafrah Solar Energy Holding Company LLC (ix)	UAE	67.0%	67.0%
Tanajib Cogeneration Holding Company Limited (x)	UAE	49.0%	49.0%
Abu Dhabi Future Energy Company PJSC (xi)	UAE	43.0%	43.0%
Amiral Cogeneration Holding Company PJSC (xii)	UAE	51.0%	–
Mirfa 2 RO Operations and Maintenance Company LLC (xiii)	UAE	40.0%	–
Shuweihat RO Operations and Maintenance Company LLC (xiv)	UAE	40.0%	–
Talimarjan Operations and Maintenance LLC (xv)	Uzbekistan	40.0%	–
Talimarjan Power Plant 1 LLC (xvi)	Uzbekistan	40.0%	–
Tanajib Operations and Maintenance Company (xvii)	KSA	40.0%	–
Najim Jeera Operations and Maintenance Limited (xviii)	KSA	51.0%	–
Juranah Water Reservoir Company (xix)	KSA	35.0%	–
Hydro System Operations and Maintenance Company Limited (xx)	KSA	50.0%	–

- (i) Massar Solution PJSC (formerly Al Wathba Company for Central Services PJSC) is mainly involved in the leasing and management of vehicles and equipment.
- (ii) Jubail Energy Company (“Jubail”) is involved in the generation of electricity.
- (iii) Sohar Aluminium Company LLC (“Sohar”) is involved in the construction, ownership and operation of an aluminium smelter and an associated combined cycle power plant.
- (iv) Abu Dhabi Offshore Power Transmission Company Limited LLC is involved with the transmission of electricity.
- (v) Mirfa Seawater Treatment and Supply Company MSTs LLC is involved with the development and operation of a seawater treatment plant and transportation pipelines.
- (vi) LWP Lessee LLC (“Lakefield”) is involved in wind power.
- (vii) Taweelah RO Holding Company LLC is involved in the production of desalinated water.
- (viii) Fujairah Energy Holding Company LLC is involved in the generation of electricity.
- (ix) Dhafrah Solar Energy Holding Company LLC is involved in solar power generation.
- (x) Tanajib Cogeneration Holding Company Limited is involved in the generation of electricity and water desalination.
- (xi) Abu Dhabi Future Energy Company PJSC (“Masdar”) is involved in advancing the development and deployment of renewable energy to address global sustainability challenges.
- (xii) Amiral Cogeneration Holding Company is involved in developing two new green field combined cycle gas turbine power projects.
- (xiii) Mirfa 2 RO Operations and Maintenance Company LLC will be involved in the management of a reverse osmosis desalination plant under construction.
- (xiv) Shuweihat RO Operations and Maintenance Company LLC will be involved in the management of a reverse osmosis desalination plant under construction.
- (xv) Talimarjan Operations and Maintenance LLC is involved in the management of a power plant.
- (xvi) Talimarjan Power Plant 1 LLC is involved in the generation of electricity.
- (xvii) Tanajib Operations and Maintenance Company is involved in the management of cogeneration power and water desalination plant.
- (xviii) Najim Jeera Operations and Maintenance Limited is involved in the management of an industrial steam and electricity cogeneration plant.
- (xix) Jurana Water Reservoir Company is involved in the storage, transmission and distribution of water.
- (xx) Hydro System Operations and Maintenance Company Limited is involved in the management of a water transmission and distribution system.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

15 INVESTMENT IN AND LOANS TO ASSOCIATES AND JOINT VENTURES (continued)

Despite percentage ownership other than 50%, TAQA recognises its investment in these entities as a joint venture.

Through the entity's Articles of Association and Board structure, all shareholders have equal and joint ability to direct the relevant activities of this entity.

Summary information for associates and joint ventures:

	Massar Solutions (i) AED million	Sohar Aluminium (iii) AED million	LWP Lessee (vi) AED million	Masdar (xi) AED million	Others AED million
YEAR ENDED 31 DECEMBER 2024:					
Revenue	408	3,682	169	2,485	519
Profit for the year	14	569	41	455	4
AS AT 31 DECEMBER 2024:					
Non-current assets	755	3,476	678	46,385	27,210
Current assets	399	1,582	119	12,656	2,777
Non-current liabilities	(212)	(2,196)	(732)	(23,399)	(23,568)
Current liabilities	(381)	(763)	(10)	(5,424)	(5,366)
Net assets of Associate/JV	561	2,099	55	30,218	1,053
TAQA share of net assets	275	840	27	12,994	252
Equity accounting adjustments	(67)	(166)	94	48	1,728
Classified as loans/advances	-	-	-	(9,173)	(1,791)
TAQA CARRYING AMOUNT OF INVESTMENT	208	674	121	3,869	189

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

15 INVESTMENT IN AND LOANS TO ASSOCIATES AND JOINT VENTURES (continued)

Summary information for associates and joint ventures: (continued)

	Massar Solutions (i) AED million	Sohar Aluminium (iii) AED million	LWP Lessee (vi) AED million	Taweelah RO (vii) AED million	Fujairah Energy (viii) AED million	Dhafrah Solar (ix) AED million	Masdar (xi) AED million	Others (ii.v.x) AED million
YEAR ENDED 31 DECEMBER 2023:								
Revenue	390	3,373	142	176	400	158	3,191	49
Profit/(loss) for the year	17	366	33	76	5	83	(63)	2
AS AT 31 DECEMBER 2023:								
Non-current assets	616	3,747	767	3,322	7,941	4,111	15,623	131
Current assets	397	1,396	107	249	585	798	5,632	112
Non-current liabilities	(167)	(2,437)	(826)	–	(6,406)	(3,641)	(7,186)	(65)
Current liabilities	(222)	(607)	(8)	(2,941)	(513)	(1,045)	(1,990)	(13)
Net assets of Associate/JV	624	2,099	40	630	1,607	223	12,079	165
TAQA share of net assets	306	840	20	126	643	89	5,194	41
Equity accounting adjustments	(3)	(167)	109	3	(180)	4	55	1,129
Classified as loans/advances	–	–	–	(73)	(274)	–	(1,424)	(1,105)
TAQA CARRYING AMOUNT OF INVESTMENT	303	673	129	56	189	93	3,825	65

The following entities at 31 December 2024 are included within 'Others' and are currently individually immaterial:

- Jubail Energy Company (note ii);
- Abu Dhabi Offshore Power Transmission Company Limited LLC (note iv);
- Mirfa Seawater Treatment and Supply Local Holding MSTs Company (note v);
- Taweelah RO Holding Company LLC (note vi);
- Fujairah Energy Holding Company LLC (note vii);
- Dhafrah Solar Energy Holding Company LLC (note ix);
- Tanajib Cogeneration Holding Company Limited (note x);
- Amiral Cogeneration Holding Company (note xii);
- Mirfa 2 RO Operations and Maintenance Company LLC (note xiii);
- Shuweihat RO Operations and Maintenance Company LLC (note xiv);
- Talimarjan Operations and Maintenance LLC (note xv);
- Talimarjan Power Plan 1 LLC (note xvi);
- Tanajib Operations and Maintenance Limited (note xvii);
- Najim Jeera Operations and Maintenance Limited (note xviii);

- Juranah Water Reservoir Company (note xix); and
- Hydro System Operations and Maintenance Company Limited (note xx).

The following entities at 31 December 2023 are included within 'Others' and are currently individually immaterial:

- Jubail Energy Company (note ii);
- Abu Dhabi Offshore Power Transmission Company Limited LLC (note iv);
- Mirfa Seawater Treatment and Supply Local Holding MSTs Company (note v); and
- Tanajib Cogeneration Holding Company Limited (note x).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

15 INVESTMENT IN AND LOANS TO ASSOCIATES AND JOINT VENTURES (continued)

The Group's associates and joint venture are accounted for using the equity method and the reporting dates of the associates are identical to TAQA. The following table analyses the carrying amount and share of profit and other comprehensive income of TAQA's associates and joint ventures.

	31 DECEMBER	
	2024 AED million	2023 AED million
Carrying amount of investments	5,061	5,333
Group's share of the associates' and joint ventures:		
Profit for the year	384	191
Other comprehensive (loss)/income	(220)	44
TOTAL COMPREHENSIVE INCOME	164	235

Included in the profit for the year ended 31 December 2024 is an impairment of AED 63 million on the Massar Solutions PJSC associate taken on equity accounting adjustments.

In order for the associates and joint ventures to reduce its exposure to interest rates fluctuations on loans from banks, a number of the entities have entered into an interest rate arrangements with counter-party banks for a notional amount that mirrors the draw down and repayment schedule of the loans.

The Group has the following loans and advances to associates and joint ventures.

	31 DECEMBER	
	2024 AED million	2023 AED million
Abu Dhabi Offshore Power Infra Limited LLC	797	797
Abu Dhabi Future Energy Company PJSC	9,173	1,424
Dhafrah Solar Energy Holding Company LLC	275	-
Taweelah RO Holding Company LLC	73	73
Fujairah Energy Holding Company LLC	274	274
Mirfa Seawater Treatment and Supply Local Holding MSTs Company	304	304
Others	68	4
	10,964	2,876

2024

During the year ended 31 December 2024, TAQA provided a shareholder loan of AED 7,749 million to Abu Dhabi Future Energy Company PJSC. The loan has no set repayment date and bears no interest. The proceeds of the loan will be used in connection with investments approved in accordance with the Borrower's delegation of authority. A loan of AED 275 million to Dhafrah Solar Energy Holding Company L.L.C was also provided. The loan has no set repayment date and bears no interest. The proceeds of the loan will be used to repay outstanding amounts under any external equity bridge loan agreement.

2023

During the year ended 31 December 2023, TAQA provided a shareholder loan of AED 1,424 million to Abu Dhabi Future Energy Company PJSC. The loan has no set repayment date and bears no interest. The proceeds of the loan will be used in connection with investments approved in accordance with the Borrower's delegation of authority. TAQA also provided a shareholder loan of AED 304 million to Mirfa Seawater Treatment and Supply Local Holding MSTs LLC to pay for project costs. The loan has a set repayment date and bears interest of 5.84% per annum.

An ECL provision of nil (2023: nil) is recognised against the loans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

16 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

On 15 February 2023, the Company received a 5% holding of the total issued share capital of ADNOC Gas plc for no consideration. ADNOC Gas plc is majority owned by the ADNOC group which in turn is wholly owned by the Abu Dhabi government. The fair value of the investment on initial recognition of AED 10,784 million was assessed based on the closing share price on the first day of trading on the Abu Dhabi Stock Exchange (ADX) of AED 2.81 per share and a corresponding gain was recognised in the consolidated statement of profit or loss for the year ended 31 December 2023. Based on the facts and circumstances of the transaction, management has concluded and is satisfied that the transfer of the shares is appropriately recognised in the consolidated statement of profit or loss.

At initial recognition, the Company made an irrevocable election to recognise the investment at fair value through other comprehensive income (FVOCI) and therefore subsequent gains or losses will be recognised within the statement of comprehensive income. FVOCI has been elected by the Group as this is a strategic investment and the shares are not held for trading. The impact on the consolidated financials is as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
Investments carried at fair value through other comprehensive income	13,469	11,858

The investments are recorded at fair value using the fair value techniques disclosed in note 31.3. Movement in investments in financial assets carried at fair value through other comprehensive income is as follows.

	31 DECEMBER	
	2024 AED million	2023 AED million
At 1 January	11,858	–
Additions during the year	–	10,784
Change in fair value	1,611	1,074
	13,469	11,858

An ECL provision of nil (2023: nil) is recognised against the investments.

17 OTHER ASSETS

	31 DECEMBER	
	2024 AED million	2023 AED million
Deposit receivable	65	66
Advances to contractors	860	521
Asset retirement obligation relief deed receivable	198	145
Non-current financial assets*	176	113
Others	269	209
	1,568	1,054

* On 1 January 2022, the Load and Dispatch Centre (LDC) was transferred from TAQA Transmission (formally Abu Dhabi Transmission & Despatch Company PJSC) to EWEC to manage as part of the Abu Dhabi energy network. Whilst the control of the assets has passed, TAQA Transmission retains the rights to receive future returns for the initial construction and development of these assets as part of its regulated assets base.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

18 INVENTORIES

	31 DECEMBER	
	2024 AED million	2023 AED million
Fuel and crude oil	1,568	1,633
Spare parts and consumables	2,008	2,725
	3,576	4,358
Provision for slow moving and obsolete items	(881)	(1,156)
	2,695	3,202

The cost of inventories recognised as an expense in the consolidated statement of profit or loss is AED 865 million (2023: AED 1,143 million).

Inventories with a carrying amount of AED 2,406 million (2023: AED 2,471 million) are pledged as security for loans of the UAE domestic subsidiaries and certain foreign subsidiaries in the power business. Movements in the provision for slow moving and obsolete items are as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
At 1 January	1,156	1,099
(Reversal)/charge for the year	(275)	57
At 31 December	881	1,156

19 ACCOUNTS RECEIVABLE, PREPAYMENTS AND OTHER RECEIVABLES

	31 DECEMBER	
	2024 AED million	2023 AED million
Net trade receivables (note (i))	2,736	3,135
Accrued revenue	1,855	1,657
Crude stock underlift	497	569
Deposits	22	62
Advances to suppliers	290	143
Prepaid expenses	916	564
Other receivables	314	233
	6,630	6,363
Accounts receivable and prepayments classified as held for sale (note 35)	-	(436)
	6,630	5,927

(i) Trade receivables

As at 31 December 2024, trade receivables at nominal value of AED 603 million (2023: AED 1,096 million) were impaired and provided for under the ECL mechanism. Trade receivables are non-interest bearing and are recoverable within 30 – 90 working days. Movements in the provision for impairment of receivables are as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
At 1 January	1,096	644
Expected credit loss movement for the year	(493)	452
At 31 December	603	1,096

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

19 ACCOUNTS RECEIVABLE, PREPAYMENTS AND OTHER RECEIVABLES (continued)

As at 31 December, the ageing analysis of trade receivables is as follows:

	Total AED million	Not past due AED million	PAST DUE			
			30 - 60 days AED million	60 - 90 days AED million	90 - 120 days AED million	> 120 days AED million
2024						
Net trade receivables	2,736	1,047	596	340	299	454
Expected credit loss provision	603	146	19	14	41	383
Expected credit loss rate (%)	18	-	-	-	-	-
2023						
Net trade receivables	3,135	1,024	581	362	391	777
Expected credit loss provision	1,096	210	30	17	38	801
Expected credit loss rate (%)	26	-	-	-	-	-

Subsequent to the balance sheet date, the Group collected AED 49 million (2023: AED 25 million) of balances past due for more than 120 days. Trade receivables net of provisions are expected, on the basis of past experience, to be fully recoverable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

20 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following amounts:

	31 DECEMBER	
	2024 AED million	2023 AED million
Cash at banks and on hand	4,319	3,671
Short term deposits	4,293	10,449
Cash at banks and on hand classified as held for sale (note 35)	-	(43)
Total cash and short term deposits	8,612	14,077
Restricted cash	(225)	(239)
Bank overdrafts	(5)	(3)
Cash at banks and on hand classified as held for sale (note 35)	-	43
Net cash and cash equivalents	8,382	13,878

Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. Bank overdrafts carry interest at floating rates and are secured by guarantees from certain shareholders of the subsidiaries.

At 31 December 2024, the Group had available AED 13,397 million (2023: AED 13,584 million) of undrawn committed borrowing facilities in respect of which all conditions precedent have been met.

Restricted cash at 31 December 2024 of AED 225 million (2023: AED 239 million) are required to be maintained as it relates to future decommissioning activities or operations within the Group's Oil & Gas segment.

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by Central Bank of the respective countries. Accordingly, management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the banks, the management of the Company have booked an ECL provision of AED 2 million (2023: AED 2 million) is recognised against cash and cash equivalents.

21 SHARE CAPITAL

	31 DECEMBER	
	2024 AED million	2023 AED million
Share capital	112,434	112,434

22 OTHER EQUITY

	31 DECEMBER	
	2024 AED million	2023 AED million
Statutory reserve (i)	4,152	3,445
Merger reserve (ii)	(55,437)	(56,443)

(i) Statutory reserve

As required by the UAE Federal Law No. 32 of 2021 and Article 48 of the Articles of Association of TAQA, 10% of the profit for the year is transferred to a statutory reserve. The Company may resolve to discontinue such transfers when the reserve equals 50% of the share capital. The reserve is not available for distribution.

(ii) Merger reserve

On 1 July 2020, the Company completed a transaction whereby ADPC contributed the majority of its power and water generation, transmission and distribution assets to TAQA. In this transaction, TAQA Transmission (formerly Abu Dhabi Transmission & Despatch Company PJSC (TransCo)) was determined to be the accounting acquirer (or legal acquiree) given its relative size within the combining entities and TAQA was determined to be the legal acquirer (or the accounting acquiree) which resulted in a reverse acquisition. In accordance with IFRS 3 and per the principles of reverse acquisition, the equity structure appearing in these consolidated financial statements reflects the capital structure (number of shares) of the legal acquirer (TAQA), including the shares issued by TAQA to ADPC to effect the business combination. This resulted in the creation of a 'Merger reserve' as at 1 July 2020, being the difference between the capital structure of the legal acquirer (TAQA) and the capital structure of the accounting acquirer (TAQA Transmission). During the year ended 31 December 2024, the Company disposed of TAQA Atrush (note 35) and the related merger reserve was transferred to retained earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

23 NON-CONTROLLING INTERESTS

Financial information of subsidiaries that have material non-controlling interests are provided below.

	Country of incorporation and operation	Proportion of equity interests held by non-controlling interests	
		2024	2023
Gulf Total Tractebel Power Company PJSC	UAE	40.0%	40.0%
Arabian Power Company PJSC	UAE	40.0%	40.0%
Shuweihat CMS International Power Company PJSC	UAE	40.0%	40.0%
Taweelah Asia Power Company PJSC	UAE	30.0%	30.0%
Emirates SembCorp Water and Power Company PJSC	UAE	40.0%	40.0%
Fujairah Asia Power Company PJSC	UAE	40.0%	40.0%
Ruwais Power Company PJSC	UAE	40.0%	40.0%
Emirates CMS Power Company PJSC	UAE	40.0%	40.0%
Sweihan PV Power Company PJSC	UAE	40.0%	40.0%
Shuweihat Asia Power Company PJSC	UAE	40.0%	40.0%
Mirfa International Power and Water Company PJSC	UAE	40.0%	40.0%
Al Wathba Veolia Besix Waste Water Company PJSC	UAE	40.0%	-
Al Etihad Biwater Waste Water Company PJSC	UAE	40.0%	-
Mirfa 2 RO Water Desalination Company LLC	UAE	40.0%	40.0%
Shuweihat RO Desalination Company LLC	UAE	40.0%	40.0%

During the year ended 31 December 2023, the Company acquired an additional 10% ownership stake in Taweelah Asia Power Company PJSC. All of the Group's subsidiaries that have material non-controlling interest are similar in nature. These all relate to the Group's UAE generation and water solutions subsidiaries, in which the Group have an effective 60% share. 40% is owned by various international utility companies. Therefore, the following disclosures have been provided on an aggregated basis.

	31 DECEMBER	
	2024 AED million	2023 AED million
Revenue	8,429	7,901
Profit	885	502
Other comprehensive income	330	21
Total comprehensive income	1,215	523
Profit allocated to non-controlling interests	339	189
Other comprehensive income allocated to non-controlling interests	133	4
Cash flows from operating activities	6,792	6,283
Cash flows used in investing activities	(1,810)	(232)
Cash flows used in financing activities	(4,999)	(6,198)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(17)	(147)
DIVIDENDS PAID TO NON-CONTROLLING INTERESTS	(855)	(860)
Non-current assets	38,997	39,708
Current assets	6,535	5,265
Non-current liabilities	23,549	26,033
Current liabilities	7,668	3,709
TOTAL EQUITY	14,315	15,231
Equity attributable to parent	8,684	9,249
Equity attributable to non-controlling interests	5,631	5,982

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

24 LOANS FROM NON-CONTROLLING INTEREST SHAREHOLDERS IN SUBSIDIARIES

	31 DECEMBER	
	2024 AED million	2023 AED million
S2 Offshore Holding Company	–	–
Fujairah F2 CV	–	–
Shuweihat Asia Power Investment B.V.	27	30
M Power Holding Company	59	59
Sweihaan Solar Holding Company	9	22
	95	111

The above loans are interest free, with no repayment terms and are unsecured and are subject to terms of repayment as resolved by the Board of Directors of the subsidiaries. Accordingly they have been treated as equity within NCI.

25 INTEREST BEARING LOANS AND BORROWINGS

	31 DECEMBER	
	2024 AED million	2023 AED million
Abu Dhabi National Energy Company Global Medium Term notes (note i)	30,101	27,447
Revolving credit facilities (note ii)	–	–
Abu Dhabi National Energy Company bonds (note iii)	4,152	4,222
Other subsidiaries' bonds (note iv)	8,108	8,412
Term loans (note v)	21,763	21,572
	64,124	61,653

Analysed in the consolidated statement of financial position as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
Non-current portion	54,972	55,442
Current portion	9,152	6,211
	64,124	61,653

The Group's interest bearing loans and borrowings (before purchase price allocation fair value adjustments and deducting prepaid finance costs) are repayable as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
Within 1 year	9,001	6,076
Between 1 – 2 years	5,675	5,151
Between 2 – 3 years	1,885	5,989
Between 3 – 4 years	4,694	2,383
Between 4 – 5 years	3,646	5,040
After 5 years	37,371	36,618
	62,272	61,257

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

25 INTEREST BEARING LOANS AND BORROWINGS (continued)

Changes in liabilities arising from financing activities

	1 January 2024 AED million	Cash flows (note i) AED million	Other (note ii) AED million	31 December 2024 AED million
2024				
CURRENT				
Interest bearing loans and borrowings	6,211	(6,334)	9,275	9,152
Lease liabilities	230	(214)	275	291
	6,441	(6,548)	9,550	9,443
NON-CURRENT:				
Interest bearing loans and borrowings	55,442	7,776	(8,246)	54,972
Lease liabilities	265	-	15	280
	55,707	7,776	(8,231)	55,252
	62,148	1,228	1,319	64,695

	1 January 2023 AED million	Cash flows (note i) AED million	Other (note ii) AED million	31 December 2023 AED million
2023				
CURRENT				
Interest bearing loans and borrowings	11,129	(6,538)	1,620	6,211
Islamic loans	92	(92)	-	-
Lease liabilities	125	(193)	333	265
	11,346	(6,823)	1,953	6,476
NON-CURRENT:				
Interest bearing loans and borrowings	50,484	6,410	(1,452)	55,442
Lease liabilities	443	-	(212)	231
	50,927	6,410	(1,664)	55,673
	62,273	(413)	289	62,149

(i) The cash flows relates to the net movements in interest bearing loans and borrowings and Islamic loans as detailed in the cash flow statement.

(ii) This includes reclassifications between non-current and current, prepaid finance cost accruals and payments, foreign exchange differences and fair value adjustments. In the year ended 31 December 2024 it includes interest bearing loans and borrowings from the transfer under common control of TAQA Water Solutions (formerly Sustainable Water Solutions Holding Company (SWS Holding)) (note 34).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

25 INTEREST BEARING LOANS AND BORROWINGS (continued)

Changes in liabilities arising from financing activities (continued)

(i) Abu Dhabi National Energy Company Global Medium Term Notes

Abu Dhabi National Energy Company global medium term notes are recorded at amortised cost using effective interest rates and are direct, unconditional, and unsecured obligations of TAQA. The following table summarises the terms of the notes payable net of discount/premium and transaction costs:

	Issue rate %	Effective interest rate %	Repayment date	2024 AED million	2023 AED million
CURRENT LIABILITIES					
Euro 180,000,000	97.62%	3.10%	May 2024	–	738
US \$750,000,000	99.37%	4.02%	May 2024	–	2,749
US \$750,000,000	99.95%	4.38%	April 2025	2,765	–
				2,765	3,487
NON-CURRENT LIABILITIES					
US \$750,000,000	99.95%	4.38%	April 2025	–	2,873
US \$500,000,000	99.00%	4.50%	June 2026	1,772	1,860
US \$500,000,000	104.60%	3.80%	June 2026	2,024	2,016
US \$750,000,000	99.80%	2.03%	April 2028	2,746	2,743
US \$500,000,000	99.39%	4.50%	January 2029	1,821	1,817
US \$1,000,000,000	99.96%	4.88%	April 2030	4,149	4,224
US \$900,000,000	99.29%	4.49%	October 2031	3,265	–
US \$1,000,000,000	100.00%	4.70%	April 2033	3,657	3,655
US \$850,000,000	99.24%	4.83%	March 2037	3,081	–
US \$500,000,000	100.00%	4.00%	October 2049	2,077	2,029
US \$750,000,000	100.00%	3.40%	April 2051	2,744	2,743
				27,336	23,960
				30,101	27,447

The term notes liability is stated net of transaction costs amounting to AED 137 million (2023: AED 66 million), which are amortised over the repayment period using the effective interest rate method.

On 2 May 2024, the Group's AED 705 million bond (EUR 180 million) matured and was repaid in full.

On 6 May 2024, the Group's AED 2,754 million bond (US \$750 million) matured and was repaid in full.

On 9 October 2024, the Group issued an aggregate AED 6,427 million (US \$1,750 million) in 7 year and long 12 year dual tranche senior unsecured notes. The long 12 year notes at AED 3,122 million (US \$850 million) were issued with a coupon rate of 4.75% per annum and are a green bond issuance. The 7 year notes at AED 3,305 million (US \$900 million) were issued as conventional bonds at a coupon rate of 4.375% per annum.

On 18 April 2023, the Group issued an aggregate AED 5,509 million (US \$1,500 million) in 5 year and 10 year dual tranche senior unsecured notes. The 10 year notes at AED 3,673 million (US \$1,000 million) were issued with a coupon rate of 4.696% per annum and are a green bond issuance. The 5 year notes at AED 1,836 million (US \$500 million) were issued as conventional bonds at a coupon rate of 4.375% per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

25 INTEREST BEARING LOANS AND BORROWINGS (continued)

Changes in liabilities arising from financing activities (continued)

(ii) Revolving credit facilities

The following table summarises drawn revolving credit facilities net of transaction costs:

	31 DECEMBER	
	2024 AED million	2023 AED million
NON-CURRENT LIABILITIES		
US \$3.5 billion facility	-	-

On 23 September 2024, the Group utilised AED 2,387 million (US \$650 million) of its revolving credit facility. Amounts borrowed carry interest of SOFR plus a margin. As at December 2024, it has been fully repaid.

On 6 March 2023, the Group utilised AED 2,754 million (US \$750 million) of its revolving credit facility. Amounts borrowed carry interest of SOFR plus a margin. As at 31 December 2023, it has been fully repaid.

Amounts borrowed under revolving credit facility carry interest of SOFR plus a margin and matures in 2027.

Prepaid transaction costs relating to the facility amounted to AED 36 million as at 31 December 2024 (2023: AED 43 million) and is recorded within prepaid expenses in current assets. This cost is amortized in the consolidated statement of profit or loss over the term of the facility using the effective interest rate method.

(iii) Abu Dhabi National Energy Company bonds

The bonds are recorded at amortised cost using effective interest rates and are direct, unconditional, and unsecured obligations of the Company. Interest on the US dollar bonds is payable semi-annually. Accrued interest is included under accruals and other liabilities. The following table summarises the bonds net of discount and transaction costs:

	Issue rate %	Effective interest rate %	Repayment date	2024 AED million	2023 AED million
NON-CURRENT LIABILITIES					
US \$1,500,000,000	99.05%	6.57%	October 2036	4,152	4,222

The bonds liability is stated net of transaction costs amounting to AED 28 million (2023: AED 29 million), which are amortised over the repayment period using the effective interest rate method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

25 INTEREST BEARING LOANS AND BORROWINGS (continued)

Changes in liabilities arising from financing activities (continued)

(iv) Other subsidiaries' bonds

The bonds are recorded at amortised cost using the effective interest rate and are secured by a number of security documents including the subsidiaries contractual rights, cash deposits, other assets and guarantees. Interest on the bonds is payable semi-annually. The following table summarises the bonds net of discount and transaction costs:

	Issue rate %	Effective interest rate %	Repayment date	2024 AED million	2023 AED million
NON-CURRENT LIABILITIES					
Emirates Sembcorp Water & Power Company US \$400,000,000	4.45%	4.79%	February 2029 to August 2035	1,568	1,578
Ruwais Power Company US \$825,000,000	6.0%	6.18%	August 2036	3,579	3,627
Sweihaan PV Power Company PJSC US \$700,800,000	3.63%	3.63%	January 2049	2,398	2,462
TAQA Morocco MAD 2,700,000,000	3.75%	3.82%	March 2038	563	745
				8,108	8,412

The bonds liability is stated net of transaction costs amounting to AED 92 million (2023: AED 100 million), which are amortised over the repayment period using the effective interest rate method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

25 INTEREST BEARING LOANS AND BORROWINGS (continued)

Changes in liabilities arising from financing activities (continued)

(v) Term loans

All term loans are shown at amortised cost and carry an effective interest rate of SOFR or an alternative term benchmark plus the margin stated unless noted otherwise.

	Currency	Effective interest rate %	Repayment date	2024 AED million	2023 AED million
CURRENT LIABILITIES					
Gulf Tractebel Power Company PJSC ¹	USD	+0.80%	2025	276	268
Taweelah Asia Power Company PJSC					
Term loan (1) ¹	USD	+1.65%	2025	162	313
Term loan (2) ¹	USD	+1.65%	2025	206	408
Emirates SembCorp Water and Power Company PJSC ²	USD	+1.28% - 1.63%	2025	261	246
Fujairah Asia Power Company PJSC					
Term loan (1) ¹	USD	+1.18%	2025	1,484	183
Term loan (2) ¹	USD	+ 0.93%	2025	2,192	275
Ruwais Power Company PJSC ¹	USD	+2.53% - 2.79%	2025	319	312
TAQA Morocco ²	MAD	5.78%	2025	275	94
Jorf Lasfar Energy Company 5&6 S.A. ³	MAD	4.75%	2025	126	129
Takoradi International Company ⁴	USD	+4.25% - 4.35%	2025	99	101
Shuweihat Asia Power Company PJSC ¹	USD	+1.82% - 2.76%	2025	209	198
Mirfa International Power and Water Company PJSC ¹	USD	+1.3%	2025	139	132
Mirfa 2 RO Water Desalination Company LLC	USD	5.00%	2025	448	-
Al Wathba Veolia Besix Waste Water Company PJSC	USD	+1.65%-2.03%	2025	69	-
Al Etihad Biwater Waste Water Company PJSC	USD	+0.75%-1.00%	2025	51	-
				6,316	2,659
NON-CURRENT LIABILITIES					
Gulf Tractebel Power Company PJSC ¹	USD	+0.80% - 0.95%	2029	995	1,269
Taweelah Asia Power Company PJSC					
Term loan (1) ¹	USD	+1.65%	2025	-	160
Term loan (2) ¹	USD	+1.65%	2025	-	208
Emirates SembCorp Water and Power Company PJSC ¹	USD	+1.28% - 1.63%	2029	985	1,244
Fujairah Asia Power Company PJSC					

TABLE CONTINUED ON THE FOLLOWING PAGE

¹ The loans are secured, subject to various covenants and there are requirements to enter into interest rate swap agreements (note 31).

² The loans are secured by a number of security documents.

³ The loan is secured and there are requirements to enter into interest rate swap agreements as well as foreign exchange swap agreements (note 31).

⁴ The loan is secured and there are requirements to enter into interest rate swap agreements (note 31).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

25 INTEREST BEARING LOANS AND BORROWINGS (continued)

Changes in liabilities arising from financing activities (continued)

(v) Term loans (continued)

	Currency	Effective interest rate %	Repayment date	2024 AED million	2023 AED million
Term loan (1) ¹	USD	+1.18%	2030	–	1,484
Term loan (2) ¹	USD	+ 0.93%	2030	–	2,187
Ruwais Power Company PJSC ¹	USD	+2.53% – 2.93%	2031	2,578	2,891
TAQA Morocco ²	MAD	5.78%	2034	257	378
Jorf Lasfar Energy Company 5&6 S.A. ³	MAD	4.34% – 5.49%	2042	2,065	2,246
Takoradi International Company ⁴	USD	+4.25% – 4.35%	2028	226	325
Shuweihat Asia Power Company PJSC ¹	USD	+1.82% – 2.76%	2034	2,306	2,514
Mirfa International Power and Water Company PJSC ¹	USD	+1.30% – 2.10%	2042	3,454	3,582
Mirfa 2 RO Water Desalination Company LLC					
Term loan ⁴	USD	4.70%	2056	1,012	–
Equity bridge loan	USD	5.00%	2025	–	425
Shuweihat RO Water Desalination Company LLC					
Term loan ⁴	USD	+1.10%	2056	205	–
Equity bridge loan	USD	+1.10%	2026	155	–
Al Wathba Veolia Besix Waste Water Company PJSC	USD	+1.65%-2.05%	2032	714	–
Al Etihad Biwater Waste Water Company PJSC ⁴	USD	+0.75%-1.00%	2033	495	–
				15,447	18,913
				21,763	21,572

¹ The loans are secured, subject to various covenants and there are requirements to enter into interest rate swap agreements (note 31).

² The loans are secured by a number of security documents.

³ The loan is secured and there are requirements to enter into interest rate swap agreements as well as foreign exchange swap agreements (note 31).

⁴ The loan is secured and there are requirements to enter into interest rate swap agreements (note 31).

The term loans liability is stated net of transaction costs amounting to AED 189 million (2023: AED 104 million), which are amortised over the repayment period using the effective interest rate method.

At 31 December 2024, Fujairah Asia Power Company PJSC (FAPCO) was in breach of a loan covenant. This covenant breach was a result of failing to assign new insurances and reinsurances to the Security Trustees, as required under the Common Terms Agreement and the Commercial Mortgage. The default was rectified in January 2025. As a result of the breach, the full amount of the debt has been classified as current liabilities in the statement of financial position.

On 26 May 2023, Jorf Lasfar Energy Company 5&6 S.A drew down a bridge loan of AED 1,224 million (MAD 3,300 million) in order to repay the maturing senior loan on 31 May 2023. The bridge loan has since been repaid and long term debt issued. Long term debt of AED 2,350 million (MAD 6,600 million) was issued with a maturity of 19 years. The debt carries a floating interest rate and incorporates a cap and collar arrangement designed to mitigate exposure to interest rate risk. The initial interest rate, which is fixed annually within defined interest rate boundaries, is set at 4.75% per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

26 ASSET RETIREMENT OBLIGATIONS

As part of the land lease agreements between ADPC and the Group's domestic subsidiaries, the subsidiaries have a legal obligation to remove the power and water desalination plants at the end of the plants' useful lives, or before if the subsidiaries became unable to continue their operations to that date, and to restore the land. The subsidiaries shall at their sole cost and expense dismantle, demobilise, safeguard and transport the assets, eliminate soil and ground water contamination, fill all excavation and return the surface to grade of the designated areas. The fair value of the ARO liability has been calculated using an expected present value technique. This technique reflects assumptions such as costs, plant useful life, inflation and profit margin that third parties would consider to assume the settlement of the obligation.

In addition, the Group's foreign subsidiaries involved in the oil and gas sector make provision for the future cost of decommissioning oil and gas properties and facilities at the end of their economic lives. The economic life and the timing of the decommissioning liabilities are dependent on Government legislation, commodity prices and the future production profiles of the respective assets. In addition, the costs of decommissioning are subject to inflationary/ deflationary pressures in the cost of third party service provision.

	31 DECEMBER	
	2024 AED million	2023 AED million
At 1 January	15,661	15,877
Utilised during the year	(1,589)	(1,002)
Provided during the year	(7)	(17)
Accretion expense (note 7)	442	449
Revision in estimated cash flows	151	297
Disposal of assets	(96)	-
Exchange adjustment	(179)	57
	14,383	15,661
ARO directly associated with assets classified as held for sale (note 35)	-	(96)
	14,383	15,565

Analysed in the consolidated statement of financial position as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
Non-current portion	12,198	13,471
Current portion (note 28)	2,185	2,094
	14,383	15,565

27 OTHER LIABILITIES

	31 DECEMBER	
	2024 AED million	2023 AED million
Deferred income-grant*	1,734	1,339
Development capex	177	183
Employee's end of service benefits	454	401
Loan from related party (note 29)	15	17
Amount due to a related party (note 29)	33	-
Lease liabilities	280	231
Others	428	376
	3,121	2,547

* Deferred income relates to (i) the fair value of assets transferred from the Private Department Al Ain, in accordance with the decision of Abu Dhabi Executive Council dated 15 August 2005, (ii) grant income received from the Executive Board of Abu Dhabi in 2020 for the development of the Mobile Reverse Osmosis (MRO) Project and (iii) the fair value of assets transferred from the Barakah One Company PJSC, in accordance with an agreement with TAQA Transmission (formerly Abu Dhabi Transmission & Despatch Company PJSC (TransCo)) in relation to the transfer and build of switchyard for the Barakah nuclear plant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

28 ACCOUNTS PAYABLE, ACCRUALS AND OTHER LIABILITIES

	31 DECEMBER	
	2024 AED million	2023 AED million
Trade payables	1,788	1,669
Retention creditors	771	600
Mega development projects payable	10,919	7,146
Contract accruals for capital expenditure	1,262	1,020
Customer deposits	857	818
Accrued interest expenses	575	567
Accrual for operating costs	1,685	1,286
Payable for capital expenditure	168	250
Deferred income – grant and connection fees	133	135
Crude stock overlift	356	363
Dividend payable to non controlling interests	–	49
Lease liability	291	265
Asset retirement obligations – current (note 26)	2,185	2,094
Accrued employee related expenses	580	544
Advances from customers	203	324
Deferred revenue	474	401
Others	1,745	1,924
	23,992	19,455
Accounts payable directly associated with assets held for sale (note 35)	–	(250)
	23,992	19,205

Terms and conditions of the above liabilities:

- Trade payables are non-interest bearing and are normally settled between 30 to 60 day terms.
- Payables to joint venture partners are non-interest bearing and have an average term of 60 days.
- Interest payable is normally settled throughout the financial year in accordance with the terms of the loans.

29 RELATED PARTY BALANCES

The Group enters into transactions with companies and entities that fall within the definition of a related party. Related parties, as defined in International Accounting Standard 24: Related Party Disclosures, include associate companies, major shareholders, directors and other key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties.

The following table provides a summary of other significant related party transactions included in the consolidated statement of profit or loss during the year:

	31 DECEMBER	
	2024 AED million	2023 AED million
Emirates Water and Electricity Company:		
TUOS and connection charges for unlicensed activity	1,069	1,078
Revenue from electricity and water	8,165	7,901
Energy costs	(148)	(142)
Electricity and water bulk supply tariff *	(21,652)	(18,851)
	(12,566)	(10,014)
Other operating revenue	19,921	14,493
Other transactions		
License fees to DoE	(99)	(97)
Massar vehicle leasing	(24)	(25)
Charges for provision of IT support services	(49)	(18)
Finance costs	(4)	(13)
Interest income	61	41

Other operating revenue for sales of water and electricity and sewerage services is calculated as the difference between its Maximum Allowed Revenue (MAR) determined in its Regulatory Control Framework (issued by the DoE) and revenue relating to supply and distribution of water and electricity and sewerage services from its customers. Accordingly, the Group recognised this revenue based on those rights and rewards that are confirmed during the year.

* TAQA Distribution has a Bulk Supply Agreement with EWEC for the payment of charges levied under this Bulk Supply Tariff ("BST") for the purchase of water and electricity. The tariff is regulated by the DoE.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

29 RELATED PARTY BALANCES (continued)

Balances with related parties

Balances with related parties that are disclosed in the consolidated statement of financial position as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
NON-CURRENT ASSET		
Advance and loans to associates and joint ventures*	10,964	2,876
CURRENT ASSETS		
Bank balances with UAE government banks	4,722	8,177
Amounts due from Emirates Water and Electricity Company (EWEC)	1,792	1,578
Amounts due from Abu Dhabi Power Corporation (ADPC)	184	161
Amounts due from other related parties	1,597	165
	3,573	1,904
NON-CURRENT LIABILITIES		
Loan from Abu Dhabi Power Corporation (ADPC)	15	17
Amounts due to Department of Energy (DoE)	33	-
Bank loans with government owned bank	125	125
	173	142
CURRENT LIABILITIES		
Amounts due to Emirates Water and Electricity Company (EWEC)	3,457	2,724
Amounts due to Abu Dhabi Power Corporation (ADPC)	994	126
Amounts due to Department of Energy (DoE)	62	-
Amounts due to other related parties	5	1,738
	4,518	4,588
Available undrawn bank facilities with UAE government banks	382	470

* During the year ended 31 December 2024, TAQA provided shareholder loans of AED 7,749 million to Abu Dhabi Future Energy Company PJSC (Masdar). The loans have no set repayment date and bears no interest. The proceeds of the loans will be used in connection with investments approved in accordance with the Borrower's delegation of authority. A similar shareholder loan was provided in year ended 31 December 2023 to Masdar of AED 1,424 million.

During the year ended 31 December 2024, TAQA Water Solutions (formerly Sustainable Water Solutions Holding Company (SWS Holding)) was acquired for a consideration of AED 1,724 million and an additional payment of AED 523 million linked to profits generated by Abu Dhabi Sewerage Services Company PJSC. The Group and acquired entities are ultimately controlled by the same party (ADQ) before and after the acquisition thus it is a business combination of entities under common control (note 34). The acquisition is classified as a related party transaction.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms approved by the management. Outstanding balances at the year end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. Amounts due from related parties, net of provisions, are expected, on the basis of past experience, to be fully recoverable. Management has determined that the provision made against these amounts are appropriate as these are receivable from government entities with low probability of default and loss given default.

(i) Amounts due from related parties

As at 31 December 2024, related parties receivables at nominal value of AED 20 million (2023: AED 6 million) were impaired and fully provided for. The amounts due from EWEC, a fellow subsidiary of ADPC, in respect of available capacity and supply of water and electricity, are payable within 30 – 90 working days. Movements in the provision for impairment of related party receivables are as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
At 1 January	6	5
Provision/ECL for the year	14	1
At 31 December	20	6

As at 31 December, the ageing analysis of related party receivables is as follows:

	Total AED million	Neither past due nor impaired 2024 AED million	Past due but not impaired			
			30 - 60 days AED million	60 - 90 days AED million	90 - 120 days AED million	>120 days AED million
2024	3,573	3,232	267	1	2	71
2023	1,904	1,583	244	1	-	76

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

29 RELATED PARTY BALANCES (continued)

Compensation of key management personnel

The remuneration of senior key management personnel of the Group during the year was as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
Short term benefits	46	46
Long term benefits	18	18
	64	64

30 COMMITMENTS AND CONTINGENCIES

(i) Capital expenditure commitments

The authorised contracted capital expenditure contracted for at 31 December 2024 but not provided for amounted to AED 11,791 million (31 December 2023: AED 5,185 million).

(ii) Operating lease commitments

Group as a lessor:

Future capacity payments to be received by the Group under the power and water purchase agreement ("PWPA") based on projected plant availability as at 31 December are as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
Within one year	5,980	6,094
After one year but not more than five years	21,652	22,516
More than five years	19,497	23,591
At 31 December	47,129	52,201

(iii) Other commitments

As at the reporting date TAQA North has entered into contractual commitments, mainly pipeline usage, under which they are committed to spend AED 861 million (31 December 2023: AED 756 million).

The Group's associates and joint ventures have capital commitments of AED 1,796 million as at 31 December 2024 (31 December 2023: AED 930 million).

(iv) Contingencies

- a) The Group has entered into decommissioning security agreements for a number of UK North Sea Assets acquired by it, pursuant to which it may be required to provide financial security to the former owners of the assets, either by means of (a) placing monies in trust or procuring the issuance of letters of credit in an amount equal to its share of the net decommissioning costs of the subject fields plus an allowance for uncertainty; or (b) procuring a guarantee from a holding company or affiliate which satisfies a minimum credit rating threshold; or (c) providing security in such other form as may be agreed by parties to the deeds.

In respect of certain other UK North Sea Assets TAQA is able to meet the security arrangements for decommissioning obligations by way of provision of a parent company guarantee, so long as TAQA continues in majority-ownership of the Government of Abu Dhabi.

- b) TAQA Offshore B.V., alongside other oil and gas companies and the government of the Netherlands in a cross industry initiative has put in place security for offshore oil and gas infrastructure decommissioning. TAQA Offshore B.V. has formally committed to the Government initiative and a legal Netherlands trust arrangement has been set up, and a bank guarantee secured, to effect the provision of security by TAQA Offshore B.V.
- c) The Group has various claims lodged by contractors and consultants relating to its ongoing and completed projects, arising from extension of time and work performed but not paid. The Group is in negotiations with these contractors and consultants regarding the resolution of these claims. At this stage management believes it is not possible to determine a reliable estimate of the range of potential claims.
- d) The Group has a number of letters of credit and guarantees issued on behalf of the generation companies in relation to debt service reserve accounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

31 FINANCIAL INSTRUMENTS

31.1 Hedging Activities

	31 DECEMBER 2024			31 DECEMBER 2023		
	Notional amount AED million	Fair value		Notional amount AED million	Fair value	
		Current AED million	Non-current AED million		Current AED million	Non-current AED million
CASH FLOW HEDGES						
LIABILITIES						
Interest rate swaps – hedged	14,621	86	323	9,975	57	307
Forward foreign exchange contracts	1,603	7	10	486	10	35
Future and forward contracts		16	–		–	–
		109	333		67	342
ASSETS						
Interest rate swaps – hedged	5,514	60	638	8,631	138	316
Forward foreign exchange contracts	791	14	–	1,613	49	38
Future and forward contracts		–	–		42	–
		74	638		229	354

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

31 FINANCIAL INSTRUMENTS (continued)

31.1 Hedging Activities (continued)

(i) Interest Rate Swaps – Cash flow hedge

In order to reduce their exposure to interest rate fluctuations on variable interest bearing loans and borrowings (note 25) certain subsidiaries have entered into interest rate swap arrangements with counter-party banks for a notional amount that matches the outstanding interest bearing loans and borrowings. The derivative instruments were designated as cash flow hedges. The following table summarises certain information relating to the derivatives for each subsidiary as of 31 December 2024 and 31 December 2023:

SUBSIDIARY	NOTIONAL AMOUNT		DERIVATIVE LIABILITIES		DERIVATIVE ASSETS		FIX LEG ON INSTRUMENT	
	2024 AED million	2023 AED million	2024 AED million	2023 AED million	2024 AED million	2023 AED million	2024	2023
GTTPC	1,150	1,344	–	–	36	43	2.63% to 3.76%	2.63% to 3.76%
TAPCO	1,847	1,847	–	–	–	12	3.64% to 4.10%	3.64% to 4.10%
ESWPC	341	1,501	–	–	42	47	2.80% to 5.85%	2.80% to 5.85%
FAPCO	3,524	3,960	98	161	72	87	0.84% to 5.72%	0.84% to 5.72%
MIPCO	2,503	3,630	3	3	370	251	2.67% to 2.80%	2.67% to 2.80%
SAPCO	2,534	2,732	105	68	60	–	1.63% to 5.10%	1.63% to 5.10%
RPC	2,963	3,283	68	132	–	–	4.62% to 5.40%	4.62% to 5.40%
AI Etihad Biwater	544	–	94	–	–	–	8.21%	–
AI Wathba Veolia Besix	552	–	–	–	16	–	2.58% to 4.80%	–
MIRFA 2RO	3,557	–	–	–	38	–	3.50% to 4.09%	–
Shuweihat RO	380	–	41	–	55	–	3.45% to 4.01%	–
TICO	240	309	–	–	9	14	2.20% to 2.31%	2.20% to 2.31%
	20,135	18,606	409	364	698	454		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

31 FINANCIAL INSTRUMENTS (continued)

31.1 Hedging Activities (continued)

(ii) Forward Foreign Exchange Contracts

Certain subsidiaries use forward foreign exchange contracts to hedge their risk associated with foreign currency fluctuations relating to scheduled maintenance cost payments to overseas suppliers. The derivative instruments were designated as cash flow hedges. The following table summarises certain information relating to the derivatives for each subsidiary as of 31 December 2024 and 31 December 2023:

SUBSIDIARY	NOTIONAL AMOUNT		DERIVATIVE LIABILITIES		DERIVATIVE ASSETS	
	2024	2023	2024	2023	2024	2023
	AED million	AED million	AED million	AED million	AED million	AED million
SAPCO	157	223	8	35	-	-
TAQA Bratani Limited	2,237	1,876	9	10	14	87
	2,394	2,099	17	45	14	87

(iii) Future and Forward Contracts

TAQA Energy B.V. employs a hedging strategy utilizing future and forward contracts to manage the exposure to commodity price risk. The derivative instruments were designated as cash flow hedges. As at 31 December 2024, the derivative instrument has a negative fair value of AED 16 million (2023: positive AED 42 million). The notional amount associated with the gas volumes covered by the derivative instrument is 635 GWh (2023: 670 GWh).

31.2 Fair values

The fair values of the financial instruments of the Group are not materially different from their carrying values at the reporting date except for certain fixed interest borrowings and operating financial assets. Set out below is a comparison of the carrying amounts and fair values of fixed interest borrowings and operating financial assets:

	CARRYING AMOUNT		FAIR VALUE	
	2024 AED million	2023 AED million	2024 AED million	2023 AED million
Operating financial assets (note i)	7,821	8,786	7,865	8,898
Interest bearing loans and borrowings (note ii)	42,361	40,067	36,619	35,089

- (i) The fair value of operating financial assets is estimated by discounting the expected future cash flows using appropriate interest rates for assets with similar terms, credit risk and remaining maturities.
- (ii) Interest bearing loans and borrowings relates to the Abu Dhabi National Energy Company Global Medium Term notes, Abu Dhabi National Energy Company bond and other subsidiaries' bonds. The fair value of the interest bearing loans and borrowings is based on price quotations at the reporting date.

31.3 Fair Values hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1:* Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2:* Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3:* Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data. For level 3 valuations, the Group relies on variable cash flows and discount rates based on management expectations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

31 FINANCIAL INSTRUMENTS (continued)

31.3 Fair Values hierarchy (continued)

	Fair value AED million	Carrying value AED million	Fair value hierarchy
AT 31 DECEMBER 2024			
FINANCIAL ASSETS MEASURED AT FAIR VALUE			
Interest rate swaps – hedged	698	698	Level 2
Forward foreign exchange contracts	14	14	Level 2
Listed equity investments	13,469	13,469	Level 1
FINANCIAL ASSETS DISCLOSED AT FAIR VALUE			
Operating financial assets	7,865	7,821	Level 3
FINANCIAL LIABILITIES MEASURED AT FAIR VALUE			
Interest rate swaps – hedged	409	409	Level 2
Forward foreign exchange contracts	17	17	Level 2
Future and forward contracts	16	16	Level 2
FINANCIAL LIABILITIES DISCLOSED AT FAIR VALUE			
Interest bearing loans and borrowings	36,619	42,361	Level 1
AT 31 DECEMBER 2023			
FINANCIAL ASSETS MEASURED AT FAIR VALUE			
Interest rate swaps – hedged	454	454	Level 2
Forward foreign exchange contracts	87	87	Level 2
Future and forward contracts	42	42	Level 2
Listed equity investments	11,858	11,858	Level 1
FINANCIAL ASSETS DISCLOSED AT FAIR VALUE			
Operating financial assets	8,898	8,786	Level 3
FINANCIAL LIABILITIES MEASURED AT FAIR VALUE			
Interest rate swaps – hedged	364	364	Level 2
Forward foreign exchange contracts	45	45	Level 2
FINANCIAL LIABILITIES DISCLOSED AT FAIR VALUE			
Interest bearing loans and borrowings	35,089	40,067	Level 1

During the year ended 31 December 2024 and 2023 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The fair values of other financial instruments of the Group are not materially different from their carrying values at the reporting date.

Interest bearing loans and borrowings detailed above relates to the Group's medium term notes and bonds portfolio. The company's project related debt is excluded from this number as the fair value is not materially different from the carrying value at the reporting date.

Listed equity investments designated at fair value through OCI include shares held in ADNOC Gas plc. The Company holds a non-controlling interest (5%) and the investment is considered strategic in nature.

The fair values of the financial assets and financial liabilities measured at fair value included in the Level 1 category above, have been determined by market rates at the year end date.

The fair values of the financial assets and financial liabilities measured at fair value included in the Level 2 category above, have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis. The models incorporate various inputs including foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying commodities.

For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

32 SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

These consolidated financial statements include the following major operating subsidiaries, joint ventures and associates and their effective ownership as at 31 December 2024 are listed below:

SUBSIDIARIES	Effective ownership%	Country of incorporation and operations	Principal activities
FOREIGN SUBSIDIARIES			
TAQA Bratani Limited	100%	UK	Oil & gas production
TAQA North Limited	100%	Canada	Oil & gas production
TAQA Energy B.V	100%	Netherlands	Gas storage, oil & gas production
TAQA Morocco	86%	Morocco	Power generation
Jorf Lasfar Energy Company 5&6 S.A	91%	Morocco	Power generation
Takoradi International Company	90%	Cayman Islands/Ghana	Power generation
TAQA Neyveli Power Company Private Limited	100%	India	Power generation
DOMESTIC SUBSIDIARIES			
TAQA Transmission (formerly Abu Dhabi Transmission and Despatch Company PJSC (TransCo))	100%	UAE	Transmission of water and electricity in the region of Abu Dhabi and the surrounding areas.
TAQA Distribution (formerly Abu Dhabi Distribution Company PJSC (ADDC))	100%	UAE	Distribution of water and electricity in the region of Abu Dhabi, Al Ain, and the surrounding areas
TAQA Distribution (formerly Al Ain Distribution Company PJSC (AADC))	100%	UAE	
Mirfa International Power and Water Company PJSC (MIPCO)	60%	UAE	
Gulf Total Tractebel Power Company PJSC (GTTPC)	60%	UAE	Generation of electricity and the production of desalinated water
Sweihan PV Power Company PJSC	60%	UAE	
Shuweihat Asia Power Company PJSC (SAPCO)	60%	UAE	
Arabian Power Company PJSC (APC)	60%	UAE	
Shuweihat CMS International Power Company PJSC (SCIPCO)	60%	UAE	
Taweelah Asia Power Company PJSC (TAPCO)	70%	UAE	
Emirates CMS Power Company PJSC (ECPC)	60%	UAE	
Emirates Semb Corp Water and Power Company PJSC (ESWPC)	60%	UAE	
Fujairah Asia Power Company PJSC (FAPCO)	60%	UAE	
Ruwais Power Company PJSC (RPC)	60%	UAE	
Taweelah Shared Facilities Company LLC	60%	UAE	Operating & maintenance
Shuweihat Shared Facilities Company LLC	52%	UAE	
Abu Dhabi Sustainable Water Solutions Company PJSC	100%	UAE	Water solutions
Al Wathba Veolia Besix Waste Water Company PJSC	60%	UAE	
Al Etihad Biwater Waste Water Company PJSC	60%	UAE	

SUBSIDIARIES	Effective ownership%	Country of incorporation and operations	Principal activities
ASSOCIATES			
Massar Solutions PJSC	49%	UAE	Lease management
Abu Dhabi Offshore Power Transmission Company Limited LLC	30%	UAE	Transmission of electricity
Jubail Energy Company LLC	25%	KSA	Generation of electricity
Mirfa Seawater Treatment and Supply Company MSTs LLC	26%	UAE	Seawater Treatment
Sohar Aluminium Company LLC	40%	Oman	Aluminium smelter
JOINT VENTURES			
LWP Lessee LLC	50%	USA	Wind power
Taweelah RO Holding Company LLC	33%	UAE	Production of desalinated water
Fujairah Energy Holding Company LLC	67%	UAE	Generation of electricity
Dhafrah Solar Energy Holding Company LLC	67%	UAE	Solar power
Tanajib Cogeneration Holding Company Limited	49%	UAE	Generation of electricity
Abu Dhabi Future Energy Company PJSC (Masdar)	43%	UAE	Renewable energy

During the year ended 31 December 2024, TAQA Water Solutions (formerly Sustainable Water Solutions Holding Company (SWS Holding)) was acquired. The major operating entities under TAQA Water Solutions include Al Wathba Veolia Besix Waste Water Company PJSC, Al Etihad Biwater Waste Water Company PJSC and Abu Dhabi Sustainable Water Solutions Company PJSC (note 34). In addition, the disposal of TAQA Atrush B.V was completed (note 35).

The Group announced a rebrand effective 1 January 2025, of its wholly owned operating subsidiaries as follows:

- (i) Abu Dhabi Transmission and Despatch Company (TransCo) to become TAQA Transmission,
- (ii) Sustainable Water Solutions Holding (SWS Holding) to become TAQA Water Solutions,
- (iii) Abu Dhabi Distribution Company (ADDC) and Al Ain Distribution Company (AADC) will be brought under a single new brand, TAQA Distribution.

There were no other changes in the major operating subsidiaries, joint ventures, and associates. Refer to note 15 for additional new joint ventures that involve projects under development and are not major to the group.

During the year ended 31 December 2023, the Company acquired an additional 10% ownership stake in Taweelah Asia Power Company PJSC and a stake in Mirfa Seawater Treatment and Supply Local Holding MSTs Company. There were no other changes in the major operating subsidiaries, joint ventures, and associates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(i) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations and short-term deposits with floating interest rates. The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts. To manage this, the Group enters into interest rate swaps, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon notional principal amount. These swaps are designated to hedge underlying debt obligations. At 31 December 2024, after taking into account the effect of interest rate swaps, approximately 99% of the Group's borrowings are at a fixed rate of interest (2023: 99%).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings and deposits, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax and equity is affected as follows:

	Effect on profit before tax AED million	Effect on equity AED million
2024		
+15 basis points increase in interest rate	(4)	35
-15 basis points decrease in interest rate	4	(35)
2023		
+15 basis points increase in interest rate	(4)	33
-15 basis points decrease in interest rate	4	(33)

In 2023, The Group transitioned the majority of its term loans to US secured overnight financing rate ("SOFR"). The additional fixed spread added was in the range of 0.26% bps to 0.43% bps. No other terms were amended as part of the transition. The Group accounted for the change to SOFR using the practical expedient in IFRS 9, which allow the Group to change the basis for determining the contractual cash flows prospectively by revising the effective interest rate. The remaining term loans in transition are not expected to have materially different contract terms than those already transitioned within the Group.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to risk of changes in foreign exchange rates relates primarily to the operating activities (when revenue or expense are denominated in a different currency from the functional currencies of the subsidiaries), carrying values of assets and liabilities in Canadian Dollars, Euros, Moroccan Dirhams and Indian rupees and the Group's net investment in foreign subsidiaries.

The Group hedges part of its net exposure to fluctuations on the translation into AED of its foreign operations by holding certain borrowings in foreign currencies.

The following table demonstrates the sensitivity to a reasonably possible change in the Euro, GBP, CAD, and Moroccan Dirham exchange rates, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity (due to changes in foreign currency translation reserve). The Group's exposure to foreign currency changes for all other currencies is not material.

	Increase/ decrease in Euro, GBP, Moroccan Dirham, Indian rupees, and CAD rates	Effect on profit before tax AED million	Effect on equity AED million
2024			
	+5%	379	316
	-5%	(379)	(316)
2023			
	+5%	129	105
	-5%	(129)	(105)

The movement in equity arises from changes in Euro borrowings in the hedge of net investments in the Netherlands. These movements will partly offset the translation of the Netherlands operations net assets into AED. On 2 May 2024, the Group's EUR bond matured and was repaid in full.

(iii) Commodity price risk

The Group also enters into physical commodity contracts in the normal course of business. These contracts are not derivatives and are treated as executory contracts, which are recognised and measured at cost when the transactions occur.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iv) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade and other receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on internal rating criteria. Credit quality of the customer is assessed based on an extensive credit rating scorecard.

Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other form of credit insurance. The Group's largest 2 customers account for approximately 42% of outstanding trade receivables and amounts due from related parties at 31 December 2024 (2023: 47%). The requirement for impairment is analysed at each reporting date on an individual basis for major customers. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. All impairment considerations for trade and other receivables are performed using the expected credit loss model. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 19. The Group does not hold collateral as security.

Operating financial assets

The operating financial assets relating to the Group's international generation subsidiaries sell their products to one party, which is typically a governmental entity. These subsidiaries seek to limit their credit risk with respect to a single customer by monitoring outstanding receivables. The Group's maximum exposure to credit risk for the components of the consolidated statement of financial position at 31 December 2024 and 2023 is the carrying amounts as illustrated in note 13.

Other financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury in accordance with the Group's policy. Investments of surplus funds are made only with reputable banks and financial institutions. The Group's maximum exposure to credit risk for the components of the consolidated statement of financial position at 31 December 2024 and 2023 is the carrying amounts as illustrated in note 20 except for derivative financial instruments. The Group's maximum exposure for derivative instruments is disclosed in note 31 and in the liquidity table below, respectively.

(v) Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and other borrowings. As at 31 December 2024, 14% of the Group's debt will mature in less than one year (2023: 10%) based on the carrying value of borrowings reflected in the consolidated financial statements.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2024 and 2023 based on contractual undiscounted payments:

	< 1 year AED million	1-5 years AED million	> 5 years AED million	Total AED million
AT 31 DECEMBER 2024				
Trade and other payables	11,063	22	-	11,085
Bank overdrafts	5	-	-	5
Interest bearing loans, borrowings and Islamic loans	9,001	15,900	37,371	62,272
Advances and loans from related parties	-	-	15	15
Amounts due to ADPC and other related parties	4,518	-	-	4,518
Derivative financial instruments	496	1,428	227	2,151
	25,083	17,350	37,613	80,046
AT 31 DECEMBER 2023				
Trade and other payables	11,425	18	-	11,443
Bank overdrafts	3	-	-	3
Interest bearing loans, borrowings and Islamic loans	6,076	18,563	36,618	61,257
Advances and loans from related parties	-	-	17	17
Amounts due to ADPC and other related parties	4,588	-	-	4,588
Derivative financial instruments	725	1,807	393	2,925
	22,817	20,388	37,028	80,233

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(v) Liquidity risk (continued)

The disclosed financial derivative instruments in the above table are the gross undiscounted cash flows. However, those amounts may be settled gross or net. The following table shows the corresponding reconciliation of those amounts to their carrying amounts.

	< 1 year AED million	1-5 years AED million	> 5 years AED million	Total AED million
AT 31 DECEMBER 2024				
Inflows	635	1,813	198	2,646
Outflows	(496)	(1,428)	(227)	(2,151)
Net	139	385	(29)	495
Discounted at the applicable interbank rates	53	114	(46)	121
AT 31 DECEMBER 2023				
Inflows	783	1,788	321	2,892
Outflows	(725)	(1,807)	(393)	(2,925)
Net	58	(19)	(72)	(33)
Discounted at the applicable interbank rates	(12)	(319)	(90)	(421)

(vi) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. There are no regulatory imposed requirements on the level of share capital which the Group has not met. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. On 15 March 2023 TAQA Group's shareholders approved a new dividend policy for 2023-2025. The policy includes a quarterly dividend payment based on a combination of fixed and variable dividends. The variable dividend component will be paid annually and be based on a discretionary percentage of annual net profit from the Oil and Gas business.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Within net debt, the Group includes interest bearing loans and borrowings less cash and cash equivalents. Equity includes total equity including non-controlling interests.

	31 DECEMBER	
	2024 AED million	2023 AED million
Interest bearing loans and borrowings	64,124	61,653
Less cash and cash equivalents	(8,382)	(13,878)
Net debt	55,742	47,775
Equity	104,824	89,095
Equity and net debt	160,566	136,870
Gearing ratio	35%	35%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

34 TRANSFER OF ENTITIES UNDER COMMON CONTROL

On 4 September 2024, TAQA completed the acquisition of all outstanding shares of TAQA Water Solutions (formerly Sustainable Water Solutions Holding Company (SWS Holding)) for a consideration of AED 1,724 million. 50% of the consideration was paid at completion and the remaining 50% to be paid one year after completion. TAQA Water Solutions made an additional payment of AED 523 million linked to net profits generated by Abu Dhabi Sewerage Services Company PJSC during the year ended 31 December 2023. TAQA Water Solutions was established in May 2023 with an aim to deliver sustainable water solutions through a focus on resource recovery and water circularity that will benefit industries and communities. TAQA Water Solutions owns Abu Dhabi Sustainable Water Solutions Company, the main entity behind all wastewater collection treatment, and reuse in the Emirate of Abu Dhabi. The acquisition date in the consolidated financial statements is 1 January 2024, being the date the Group gained control over TAQA Water Solutions.

The acquisition is excluded from the scope of International Financial Reporting Standards 3 (IFRS 3) "Business Combinations" as it is a business combination of entities under common control, given that the Group and the acquired entities are ultimately controlled by the same party (ADQ) before and after the acquisition. The acquisition has been accounted for in the consolidated financial statements using the pooling of interest method, which reflects the economic substance of the transaction.

The Group has elected to consolidate the assets and liabilities of acquired entities from the date of acquisition without restating and presenting the prior period. The components of equity of the transferred entity are added to retained earnings and non-controlling interests within the Group's equity.

From the date of acquisition, TAQA Water Solutions contributed AED 2,479 million of revenue and AED 626 million of profit to the Group.

Assets acquired and liabilities assumed:

The major classes of assets and liabilities of TAQA Water Solutions were as follows:

	At 1 January 2024 AED million
ASSETS	
Property, plant and equipment	18,559
Other assets	73
Inventories	16
Amounts due from related parties	1,080
Cash and bank balances	463
Accounts receivable and prepayments	1,456
	21,647
LIABILITIES	
Interest bearing loans and borrowings	1,469
Other liabilities	60
Amounts due to related parties	501
Accounts payable, accruals and other liabilities	4,823
	6,853
Consideration payable (note 29)	(2,247)
Equity	12,547

Included in equity is AED 227 million of non-controlling interests at 1 January 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

35 DISCONTINUED OPERATIONS

On 22 January 2024, TAQA entered into definitive agreements with General Exploration Partners Inc. for the sale of its interest in Atrush oil field in the Kurdistan region of Iraq. On 7 August 2024, the Group formally completed the sale of the Atrush block. As at 31 December 2023, the assets in Iraq were classified as a disposal group held for sale and as a discontinued operation.

The assets contribution to the Group's results are presented below:

	31 DECEMBER	
	2024 AED million	2023 AED million
Revenues	136	174
Costs	(59)	(122)
GROSS PROFIT	77	52
General and administrative expenses	(11)	(33)
Finance costs	-	(1)
PROFIT BEFORE TAX FROM DISCONTINUED OPERATIONS	66	18
Tax expense	-	-
PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS	66	18
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT (AED) FROM DISCONTINUED OPERATIONS	0.00	0.00

The net cash flows incurred by the assets are as follows:

	31 DECEMBER	
	2024 AED million	2023 AED million
Net cash (used in) generated from operations	(45)	66
Net cash generated (used in) investing	8	(69)
Net cash used in financing activities	-	(1)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(37)	(4)

36 DIVIDENDS

2024

At the General Assembly meeting in March 2024, the shareholder's approved a final and variable dividend of AED 2,249 million, being AED 0.02 per share for the year ended 31 December 2023. Both dividends were paid in the three month period ended 31 March 2024.

On 12 May 2024, the Board of Directors approved an interim dividend of AED 787 million, being AED 0.007 per share for the quarter ended 31 March 2024. The interim dividend was paid on 28 May 2024.

On 13 August 2024, the Board of Directors approved an interim dividend of AED 787 million, being AED 0.007 per share for the quarter ended 30 June 2024. The interim dividend was paid on 27 August 2024.

On 13 November 2024, the Board of Directors approved an interim dividend of AED 787 million, being AED 0.007 per share for the quarter ended 30 September 2024. The interim dividend was paid on 27 November 2024.

2023

At the General Assembly meeting in March 2023, the shareholder's approved a dividend of AED 1,350 million, being AED 0.01 per share for the year ended 31 December 2022. A special dividend was also approved by the shareholders of AED 2,363 million, being AED 0.02 per share. Both dividends were paid in the three month period ended 31 March 2023.

On 12 May 2023, the Board of Directors approved an interim dividend of AED 731 million, being AED 0.007 per share for the quarter ended 31 March 2023. The interim dividend was paid on 30 May 2023.

On 11 August 2023, the Board of Directors approved an interim dividend of AED 731 million, being AED 0.007 per share for the quarter ended 30 June 2023. The interim dividend was paid on 25 August 2023.

On 11 November 2023, the Board of Directors approved an interim dividend of AED 731 million, being AED 0.007 per share for the quarter ended 30 September 2023. The interim dividend was paid on 23 November 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31 DECEMBER 2024

37 RECLASSIFICATION OF PRIOR YEAR BALANCES

Certain comparative figures have been reclassified wherever necessary, as to conform to the presentation adopted in these consolidated financial statements. These reclassifications do not materially change the presentation of the consolidated financial statements.

38 EVENTS AFTER REPORTING DATE

Dividends

On 12 February 2025, the Board of Directors proposed a final and variable dividend of AED 2,361 million, being AED 0.02 per share for the year ended 31 December 2024. The dividends will be subject to shareholder approval at the General Assembly meeting in March 2025.

08 APPENDICES

263 SCA Index

265 Reporting Boundary and Scope

267 Basis of Reporting

270 ESG Assurance Statement

272 Content Indices

272 GRI Content Index

288 ADX ESG Disclosures

291 SASB Disclosures

299 Taskforce on Climate Related Financial Disclosures (TCFD)

300 UNGC Communication on Progress (COP)

301 WEF Disclosures

APPENDIX 1 - SCA* INDEX

S. No (Reference to the SCA's prescribed report template 2024)	Disclosure	Report Reference Chapter-Section No.
1	Statement outlining the procedures taken to complete the corporate governance system during 2024 and how these procedures will be applied	06-02, 06-03
2	Shareholdings and dealings of members of the Board, their spouses and children in the Company's securities during 2024	06-4.3
3	Formation of Board of Directors	06-04
	Composition of Board of Directors; female representation on the Board in 2024 and reasons thereof	06-4.1
	Total Board remuneration paid in 2023	Refer 2023 Corporate Governance Report
	Total proposed remunerations of the Director for 2024	06-4.8
	Details of allowances received for attending committee sessions of the Board of Directors for 2024	06-4.8
	Details of any additional allowances, salaries, or fees received by a member of the Board of Directors, other than committee attendance allowances, and their reasons	06-4.8
	Board meetings held during the 2024, their dates and attendance by members of the Board	06-4.5
	Number of Board of Directors decisions passed during the fiscal year 2024, indicating their dates	06-4.5
	Tasks and functions of the Executive Management authorised by the Board of Directors	06-4.10
	Detail the dealings with the stakeholders during 2024	Included in Chapter 5 (Sustainability) of the Integrated Report
4	Audit Committee	06-5.1
	Nomination and Remuneration Committee	06-5.2
	Strategy and Investment Committee	06-5.3
	Sustainability Committee	06-5.4
	Committee for monitoring and supervising transactions of stakeholders	06-4.3
5	Assessment of Board, its Committees and Executive Management	06-4.7
6	Organisational structure of the Company	06-06
	Detailed statement of senior executive staff, their positions and appointment dates, total salaries, allowances and benefits paid thereto	06-06

APPENDIX 1 - SCA INDEX

S. No (Reference to the SCA's prescribed report template 2024)	Disclosure	Report Reference Chapter-Section No.
7	External Auditor	06-08
8	Internal Control System	06-07
9	Details of the violations committed during the year 2024 and a statement of reasons thereof, how they were addressed and how they will be avoided in the future	06-7.5
10	Cash and in-kind contributions made by the Company during the year 2024 towards the local community development and environmental conservation	Included in Chapter 5 (Sustainability) of the Integrated Report
11-A to G	General information	06-09
10-H	Board Secretary	06-4.9
10-I	Significant Company events that took place in 2024	Included in Chapter 2 (Overview) of the Integrated Report
10-J	List the deals made by the Company with related parties during 2024 equivalent to 5% or more of the Company's capital	06-7.3
10-K	Emiratisation percentage by the end 2022, 2023, and 2024	Included in Chapter 5 (Sustainability) of the Integrated Report
10-L	Innovative projects and initiatives implemented by the Company, or which were under development during 2024	Included in Chapter 2 (Overview) of the Integrated Report

APPENDIX 2 - REPORTING BOUNDARY AND SCOPE

GRI 2-2, 2-3

This report covers data for the financial year 2024, aligning with the calendar year, and highlights key initiatives, programs, and achievements during this period. Upholding TAQA’s commitment to transparency, we have implemented control instruments and systems to ensure robust checks and balances in monitoring, collecting, collating, representing, and disclosing financial and ESG-related data. Based on internal and external audit assessments, certain data in the report has been restated.

The report has been prepared in accordance with the GRI Sustainability Reporting Standards and in line with Abu Dhabi Securities Exchange (ADX) ESG disclosure guidelines. In addition, the report aligns with the United Nation’s Sustainable Development Goals (SDGs), Sustainability Accounting Standards Board (SASB), Taskforce on Climate Related Financial Disclosures (TCFD), World Economic Forum (WEF) and United Nations Global Compact (UNGC).

TAQA’s GRI alignment is assessed against the GRI’s Advanced Content Index service with SDG mapping, underscoring TAQA’s ambition to have the best transparency around sustainability. The review confirmed that its disclosures are clearly presented, and its references within all disclosures align with the appropriate sections in the body of the report. The SDG mapping ensures that the SDGs are easily traceable in the reported information and accurately mapped to the GRI Standards.

This report represents TAQA Group, including its subsidiaries, joint ventures, and associates, subject to the level of TAQA’s ownership and control over these entities.

Due to diverse factors such as the maturity of data collection and TAQA’s control over various entities, the approach to incorporating data across reporting categories varies. TAQA have made efforts to include information on all topics in accordance with the GRI Standards, considering the practicalities associated with data collection and consolidation from these entities.

Financial Reporting:	Environmental Topics:	Social Topics:	Governance Topics:
<p>Subsidiaries are fully integrated into TAQA’s consolidated statements when the company has established effective ‘control’¹ over them.</p> <p>Joint venture² and associates³ are included in the Group’s consolidated financial statements through the equity method of accounting.</p>	<p>GHG emissions are primarily reported following the ‘financial control’ approach outlined in the GHG Protocol.</p> <p>Emissions from subsidiaries are fully consolidated at 100%, while emissions from joint ventures are consolidated using the equity method (proportional to beneficial ownership)⁴.</p> <p>This approach is applied throughout the corporate structure irrespective of the operational control. Environmental impact of associates/affiliates is consolidated based on the GHG Protocol’s ‘operational control’ approach due to inconsistent data for assets not operated by TAQA.</p> <p>Emissions data included in this report for its affiliates are covered under Category 15 of Scope 3.</p>	<p>Reported data, including health and safety, follow the ‘operational control’ approach.</p> <p>Entities that TAQA operates⁵ are included in the consolidation of these metrics.</p>	<p>Reported largely at the TAQA HQ level with Group-wide policies and management approach referenced. Individual operating companies within the Group may follow specific policies in line with the regulatory requirements and accepted best practices of their jurisdictions.</p>

¹ Control is achieved when the Group: 1) has power over the investee; 2) is exposed, or has rights, to variable returns from its involvement with the investee; and 3) has the ability to use its power to affect its returns.

² Joint ventures/partnerships/operations which are proportionally consolidated, i.e., each partner accounts for their proportionate interest of the joint venture’s income, expenses, assets, and liabilities.

³ The parent company has significant influence over the operating and financial policies of the company but does not have financial control. Normally, this category also includes incorporated and non-incorporated joint ventures and partnerships over which the parent company has significant influence, but not financial control. Financial accounting applies the equity share method to associated/affiliated companies, which recognises the parent company’s share of the associate’s profits and net assets.

⁴ Not applicable to any of the current entities.

⁵ Operational control is achieved when there is full authority to introduce and implement operating policies at the operation (typically through an explicit operating license).

APPENDIX 2 - REPORTING BOUNDARY AND SCOPE

Entity ⁶	Country	TAQA share	Financial consolidation	TAQA operated?	Sustainability topics	
					Environmental (financial control)	Social (operational control)
Transmission and Distribution						
TRANSCO	UAE	100%	Subsidiary	Yes	100%	100%
AADC	UAE	100%	Subsidiary	Yes	100%	100%
ADDC	UAE	100%	Subsidiary	Yes	100%	100%
ADES	UAE	100%	Subsidiary	Yes	100%	100%
Generation						
UAE Generation						
Taweelah A1	UAE	60%	Subsidiary	No	100%	Exclude
Taweelah B	UAE	70%	Subsidiary	No	100%	Exclude
Shuweihat S1	UAE	60%	Subsidiary	No	100%	Exclude
Shuweihat S2	UAE	60%	Subsidiary	No	100%	Exclude
Shuweihat S3	UAE	60%	Subsidiary	No	100%	Exclude
Umm al Nar	UAE	60%	Subsidiary	No	100%	Exclude
Fujairah F1	UAE	60%	Subsidiary	No	100%	Exclude
Fujairah F2	UAE	60%	Subsidiary	No	100%	Exclude
Fujairah F3 ⁷	UAE	40%	Associate	No	Exclude	Exclude
Al Mirfa	UAE	60%	Subsidiary	No	100%	Exclude
AMPC	UAE	100%	Subsidiary	Yes	100%	Include ⁸
Sweihan PV1	UAE	60%	Subsidiary	No	100%	Exclude
Al Dhafrah PV2	UAE	40%	Associate	No	Exclude	Exclude
Taweelah RO ⁸	UAE	40%	Associate	No	Exclude	Exclude
Masdar Renewables	UAE	43%	Associate	No	Exclude	Exclude
Masdar Green Hydrogen	UAE	24%	Associate	No	Exclude	Exclude

⁶ As per the names or identifiers used prior to the recent branding of TAQA's transmission and distribution entities.

⁷ Yet to begin commercial operations, however their fuel usage in 2024 (zero in prior years) considered towards the estimation of scope 3 category 15 emissions.

⁸ Commenced full commercial operations during Q2 2024.

Entity ⁶	Country	TAQA share	Financial consolidation	TAQA operated?	Sustainability topics	
					Environmental (financial control)	Social (operational control)
Int'l Generation						
TAQA Morocco (JORF1-4)	Morocco	86%	Subsidiary	Yes	100%	100%
TAQA Morocco (JLEC5-6)	Morocco	91%	Subsidiary	Yes	100%	100%
Takoradi	Ghana	90%	Subsidiary	Yes	100%	100%
Neyveli	India	100%	Subsidiary	Yes	100%	100%
Lakefield	USA	50%	Associate	No	50%	Exclude
Sohar	Oman	40%	Associate	No	Exclude	Exclude
Jubail	KSA	25%	Associate	No	Exclude	Exclude
Oil and Gas^{9, 10}						
TAQA Bratani	UK	100%	Subsidiary	Yes	100%	100%
TAQA Energy	Netherlands	100%	Subsidiary	Yes	100%	100%
TAQA North	Canada	100%	Subsidiary	Yes	100%	100%
Water Solutions¹¹	UAE	100%	Subsidiary	Yes	Yes	100%
Corporate						
Massar Solutions	UAE	49%	Associate	No	Exclude	Exclude
ADNOC Gas	UAE	5%	Equity Investment	No	Exclude	Exclude

⁹ Environmental impacts of unincorporated JVs within our O&G subsidiaries are exceptionally accounted for as per the GHG Protocol's 'operational control' approach rather than 'financial control', which would otherwise call for 'equity method' accounting. The entities include a mixture of operated and non-operated assets in the portfolio.

¹⁰ TAQA, through its wholly owned subsidiary, TAQA International BV, completed the sale of its 47.4% interest in the Atrush oil field located in the Kurdistan Region of Iraq to General Exploration Partners. Iraq related data has been removed from all the years reported for which ESG data has been reported.

¹¹ TAQA announced the completion of its agreement to acquire Sustainable Water Solutions Holding Company ("SWS Holding") by the finalisation of the acquisition of all outstanding shares of SWS Holding for AED 1.7 billion. Data consolidated into the Group boundary for 2024, except for certain topics such as GHG or others, which are indicated next to the respective disclosures. TAQA WS contain non-operated assets in its boundary which are consolidated for reporting as per TAQA's consolidation approach for non-operated assets.

APPENDIX 3 – BASIS OF REPORTING

1. Scope 1 GHG Emissions

Scope

Direct GHG emissions covering the greenhouse gases of CO₂, CH₄, N₂O, SF₆ and HFCs, associated with the following sources:

- a. Stationary combustion of fuels during electricity generation, water desalination, transmission, distribution, and oil and gas production
- b. Mobile combustion of fuels used in TAQA owned vehicles
- c. Venting and flaring during oil and gas production
- d. Use of Sulphur hexafluoride (SF₆) during electricity generation, transmission, and distribution
- e. Use of CO₂ in fire suppression systems and during other energy related operations
- f. Use of refrigerants
- g. Other fugitive emissions such as leaks.

Reporting Boundary

The whole TAQA Group as per the financial control consolidation approach defined by GHG Protocol. Please see “Appendix 2- Reporting Scope and Boundary” section of this Integrated Report for the list of entities covered.

2. Scope 2 GHG Emissions

Scope

Indirect energy related GHG emissions covering the greenhouse gases of CO₂, CH₄, N₂O, associated with the import of electricity and steam.

Reporting Boundary

The whole TAQA Group as per the financial control consolidation approach defined by GHG Protocol. Please see “Appendix 2- Reporting Scope and Boundary” section of this Integrated Report for the list of entities covered.

3. Scope 3 GHG Emissions, Category 3 (Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2)

Scope

GHG emissions related to the production of fuels purchased and consumed by TAQA towards electricity generation and water desalination in the reporting year (covering the greenhouse gases of CO₂, CH₄, N₂O) that are not included in scope 1 or scope 2.

Reporting Boundary

The whole TAQA Group as per the financial control consolidation approach defined by GHG Protocol. Please see “Appendix 2- Reporting Scope and Boundary” section of this Integrated Report for the list of entities covered.

4. Scope 3 GHG Emissions, Category 11 (Use of Sold Products)

Scope

GHG emissions from the use of goods and services produced by TAQA’s oil and gas business in the reporting year (covering the greenhouse gases of CO₂, CH₄, N₂O), which corresponds to the scope 1 and scope 2 emissions of end users who use our oil and gas products. The activity data used in estimation is products produced (crude oil, natural gas and natural gas liquids) and not products sold.

Reporting Boundary

The whole TAQA Group’s oil and gas entities listed in the “Appendix 2- Reporting Scope and Boundary” section of this Integrated Report.

5. Scope 3 GHG Emissions, Category 15 (Investments)

Scope

GHG emissions associated with TAQA’s equity investments in associate companies (or affiliated companies) in the reporting year (covering the greenhouse gases of CO₂, CH₄, N₂O), where TAQA does not have financial control and hence not covered in scope 1 and 2 emissions.

Reporting Boundary

The whole TAQA Group’s associate entities listed in the “Appendix 2- Reporting Scope and Boundary” section of this Integrated Report.

APPENDIX 3 - BASIS OF REPORTING

6. GHG Emissions Intensity

Scope

Ratio of GHG emissions (scope 1 and scope 2) associated with an activity to the total product produced because of the activity. The products covered include electricity generation, water supplied and oil and gas production, hence there are three GHG intensities in the scope.

In the case of water generation in the UAE, the emissions associated with fuel combusted in co-generation is split between electricity and water as per the fuel allocation factor in the monthly invoices between the system planner and the respective TAQA entities. The fuel allocation factor is defined in the power purchase agreement between the system planner and the respective TAQA entities.

Reporting Boundary

The whole TAQA Group as per the financial control consolidation approach defined by GHG Protocol. Please see "Appendix 2- Reporting Scope and Boundary" section of this Integrated Report for the list of entities covered.

7. Water Consumption

Scope

This includes the desalinated water that is supplied by TAQA to its customers and auxiliary consumption during the operations.

Reporting Boundary

The whole TAQA Group as per the financial control consolidation approach defined by GHG Protocol. Please see "Appendix 2- Reporting Scope and Boundary" section of this Integrated Report for the list of entities covered.

8. Fatalities

Scope

Deaths resulting from a work-related injury or occupational illness, regardless of the time intervening between the incident causing the injury or exposure or causing illness and the death.

Reporting Boundary

The whole TAQA Group as per the operational control consolidation approach defined by GHG Protocol. Please see "Appendix 2- Reporting Scope and Boundary" section of this Integrated Report for the list of entities covered.

9. Loss Time Injuries

Scope

Any absence from work resulting from work-related permanent total disabilities, permanent partial disabilities and lost workday cases, excluding the day of the incident. If the day after the injury occurred is a 'non-work day' e.g. vacation, weekend or end of work period etc., then the incident will still be categorised as a or Loss Time Injury if in the judgment of a medical practitioner (e.g. company doctor or equivalent) the injured person would not be fit to return to work.

Reporting Boundary

The whole TAQA Group as per the operational control consolidation approach defined by GHG Protocol. Please see "Appendix 2- Reporting Scope and Boundary" section of this Integrated Report for the list of entities covered.

10. Recordable Injury

Scope

The sum of injuries resulting in fatalities, lost time injuries, restricted work cases and medical treatment cases.

- Fatality is defined as a death resulting from a work-related injury or occupational illness, regardless of the time intervening between the incident causing the injury or exposure or causing illness and the death.
- Lost time injury is as per the definition above.
- Restricted work case is defined as any work-related injury or illness that renders the injured person temporarily unable to perform all, but still some, of their normal work on any day after the day on which the injury occurred, as determined by a medical practitioner (e.g. company doctor or equivalent). If the day after the injury occurred is a 'non-work day' e.g. vacation, weekend or end of work period etc., then the incident will still be categorised as a restricted work injury if in the judgment of a medical practitioner (e.g. company doctor or equivalent) the injured person would not be fit to perform their normal work duties.
- Medical treatment case is defined as a work-related injury or illness that calls for medication, treatment or medical check that is administered by a health-care professional and that goes beyond first aid case. Medical treatment case does not result in lost time from work beyond the date of the injury. Medical treatment does not include first aid even if a physician or registered professional personnel provide this.

APPENDIX 3 - BASIS OF REPORTING

Reporting Boundary

The whole TAQA Group as per the operational control consolidation approach defined by GHG Protocol. Please see "Appendix 2- Reporting Scope and Boundary" section of this Integrated Report for the list of entities covered.

11. Recordable Injury Rate

Scope

The number of recordable injuries per 1,000,000 exposure hours.

Reporting Boundary

The whole TAQA Group as per the operational control consolidation approach defined by GHG Protocol. Please see "Appendix 2- Reporting Scope and Boundary" section of this Integrated Report for the list of entities covered.

12. Number and Volume of Spills

Scope

Any unplanned release event of an environmentally harmful liquid (e.g., oil, chemical, fuel, but not fresh water) from TAQA Group or Contractor Equipment (e.g., tanks, pumps, pipework, pipeline) due to:

- Loss of primary containment
- Human error
- Non-compliance with regulatory requirements (e.g., permits, licenses) that require to be notified to authorities and regulators.

Uncontained spill is a spill that is not contained within the OpCo or contractor facilities and equipment and impacts soil or water environments.

Reporting Boundary

The whole TAQA Group as per the financial control consolidation approach defined by GHG Protocol as well as Masdar. Please see "Appendix 2- Reporting Scope and Boundary" section of this Integrated Report for the list of entities covered.

13. Total number of confirmed incidents of bribery

Scope

Any gift, payment, offer, promise to pay, or authorisation for anything of value provided, directly or indirectly, to or for the use or benefit of any person for the purpose of influencing any act, failure to act, decision, or omission in order to improperly obtain, retain, or direct business to or to secure any improper benefit or advantage for the TAQA Group.

Reporting Boundary

The whole TAQA Group as per the financial control consolidation approach defined by GHG Protocol as well as Masdar. Please see "Appendix 2- Reporting Scope and Boundary" section of this Integrated Report for the list of entities covered.

14. Number of legal actions for anti-competitive behaviour and anti-trust

Scope

The total number of legal actions pending or completed during the reporting period related to anti-competitive behaviour, and violations of anti-trust and monopoly legislation in which the organisation has been identified as a participant.

Reporting Boundary

The whole TAQA Group as per the financial control consolidation approach defined by GHG Protocol. Please see "Appendix 2- Reporting Scope and Boundary" section of this Integrated Report for the list of entities covered.

APPENDIX 4 - ESG ASSURANCE STATEMENT

GRI 2-5



WHEN TRUST MATTERS

Independent Limited Assurance Report to the Directors of Abu Dhabi National Energy Company PJSC (TAQA)

Abu Dhabi National Energy Company PJSC ("TAQA") commissioned DNV Business Assurance Services UK Limited ("DNV", "us" or "we") to conduct a limited assurance engagement over Selected Information presented in the Integrated Report 2024 (the "Report") for the reporting year ended 31st December 2024.



Our Conclusion: On the basis of the work undertaken, nothing came to our attention to suggest that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria.

This conclusion relates only to the Selected Information, and is to be read in the context of this Independent Limited Assurance Report, in particular the inherent limitations explained overleaf.

Our observations and areas for improvement will be raised in a separate report to TAQA's management. These observations do not affect our conclusion set out above.

Selected Information

The scope and boundary of our work is restricted to the key performance indicators included within the Report (the "Selected Information"), as listed below:

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used TAQA's Basis of Reporting 2024 (the "Criteria"), included in the Report.

Key Performance Indicators (Selected Information)	Reported value	Unit
Scope 1 Greenhouse Gas (GHG) emissions	48.90	million tonnes of CO ₂ e
Scope 2 GHG emissions	0.28	million tonnes of CO ₂ e
Total Scope 1 and 2 GHG emissions	49.18	million tonnes of CO ₂ e
Scope 3 GHG emissions - Category 3: Fuel and Energy related activities (not included in Scope 1 or 2)	4.90	million tonnes of CO ₂ e
Scope 3 GHG emissions - Category 11: Use of sold products	12.80	million tonnes of CO ₂ e
Scope 3 GHG emissions - Category 15: Investments	3.01	million tonnes of CO ₂ e
Group GHG intensity for electricity generated	0.49	million tonnes of CO ₂ e/MWh
GHG intensity for desalinated water supplied	33.56	tCO ₂ e/MIG
GHG intensity for oil & gas production	36.77	tCO ₂ e/mboe
Water consumption	261,748	million imperial gallon (MIG)
Fatalities	1	number
Lost Time Injuries	13	number
Recordable Injury	29	number
Recordable Injury Rate	0.32	incident / million hours
Spills (less than one barrel) - uncontained	4	number
Spills (greater than one barrel) - uncontained	5	number
Volume of Spills uncontained	2,906	litres
Total number of confirmed incidents of bribery	0	number
Number of legal actions for anti-competitive behaviour and anti-trust	0	number



WHEN TRUST MATTERS

Standard and level of assurance

We performed a limited assurance engagement of specified data and information using the 'Greenhouse Protocol – A Corporate Accounting and Reporting Standard' (revised 2015) and international assurance best practice, including the International Standard on Assurance Engagements (ISAE) 3000 – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised) issued by the International Auditing and Assurance Standards Board.

To ensure consistency in our assurance process, we conducted our work in accordance with DNV's assurance methodology, Verisustain™, applying only the pertinent sections of the protocol relevant to the specific purpose of the activity. This methodology ensures compliance with ethical requirements and mandates planning and execution of the assurance engagement to obtain the desired level of assurance.

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - Conformity Assessment - General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and are shorter in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained if a reasonable assurance engagement had been performed.

Disclaimers

The assurance provided by DNV is limited to the selected indicators and information specified in the scope of the engagement. DNV has not conducted an assessment of the reporting organisation's overall adherence to reporting principles or the preparation of the Report. Therefore, no conclusions should be drawn regarding the reporting organization's compliance with reporting principles or the quality of the overall Report. The assurance provided by DNV is based on the selected indicators and information made available to us at the time of the engagement. DNV assumes no responsibility for any changes or updates made to the indicators or information after the completion of the assurance engagement.

Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Conducting interviews with TAQA's management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information.
- Desk-based review of the Selected Information from 1st January 2024 – 31st December 2024.
- Site visits to UAE power generation asset Arabian Power Company PJSC, TAQA Distribution and TAQA Water Solutions to review processes and systems for preparing site level data consolidated at TAQA Headquarters. DNV was free to choose sites and the selection criteria were based on auditor's professional judgement, inherent risks and materiality.
- Review of processes and systems for preparing data at a business unit level through remote assessments and interviews with management representatives from the most material entities which included Shuweihat CMS International Power Company PJSC, Emirates Semb Corp Water and Power Company PJSC, Takoradi International Company and TAQA Neyveli Power Company Private Ltd. We were free to choose the business units we sampled for our remote assessment.
- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported.

Our competence, independence and quality control

DNV established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV did not provide any services to TAQA in 2024 that could compromise the independence or impartiality of our work. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

Inherent limitations

DNV's assurance engagements are based on the assumption that the data and information provided by TAQA to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. Because of the selected nature (sampling) and other inherent limitations of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. The engagement excludes the sustainability management, performance, and reporting practices of the Company's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement. We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.

APPENDIX 4 - ESG ASSURANCE STATEMENT



Basis of our conclusion (contd.)

- Reviewing that the evidence, measurements and their scope provided to us by TAQA for the Selected Information is prepared in line with the Criteria.
- Assessing the appropriateness of the Criteria for the Selected Information and
- Reading the Report and narrative accompanying the Selected Information within it with regard to the Criteria.

The consolidation approach with respect to the GHG emissions and selected environmental and social topics is as highlighted in the Report in the sections 'Appendix 2 – Reporting Scope and Boundary'.

In performing the following activities, we came across the following limitations to the agreed scope of work:

- Diversity - Women in Management positions (%): Due to the lack of availability of this dataset within the timeframe, this was subsequently removed from our scope for TAQA's Integrated Report 2024.

We found a limited number of non-material errors, and these were corrected prior to inclusion of Selected Information in the Report.

DNV Business Assurance Services UK Limited

London, UK
28th February 2025

Digitally signed
by Arun Aravind A

Arun Aravind A
Lead Verifier
DNV Business Assurance Services UK
Limited



Digitally signed by
Paul O'Hanlon

Paul O'Hanlon
Technical Reviewer
DNV Business Assurance Services UK
Limited

WHEN TRUST MATTERS

Responsibilities of the Directors of TAQA and DNV

The Directors of TAQA have sole responsibility for:

- Preparing and presenting the Selected Information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Report and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to TAQA in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. Our Independent Limited Assurance Report represents our independent conclusion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Limited Assurance Report.

DNV Supply Chain and Product Assurance

DNV Business Assurance Services UK Limited is part of DNV – Supply Chain and Product Assurance, a global provider of certification, verification, assessment and training services, enabling customers and stakeholders to make critical decisions with confidence.

APPENDIX 5 - CONTENT INDICES

APPENDIX 5.1 - GRI CONTENT INDEX



"For the Content Index – Advanced 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. GRI Services reviewed the correct mapping of the GRI disclosures presented in the GRI content index to Sustainable Development Goals (SDGs), based on the 'Goals and targets database' tool available from GRI website. The service was performed on the English version of the report.

Statement of use	TAQA has reported in accordance with the GRI Standards for the period 1st January – 31st December 2024
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability, ESG Strategy, Ambition, p. 87		
	3-2 List of material topics	Sustainability, ESG Strategy, Ambition, p. 87		
GHG emissions				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 3 – Good Health and Well-being SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action SDG 14 – Life below Water
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 3 – Good Health and Well-being SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action SDG 14 – Life below Water SDG 15 – Life on Land
	305-3 Other indirect (Scope 3) GHG emissions	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 3 – Good Health and Well-being SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action SDG 14 – Life below Water SDG 15 – Life on Land
	305-4 GHG emissions intensity	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 13 – Climate Action SDG 14 – Life below Water SDG 15 – Life on Land
	305-5 Reduction of GHG emissions	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 13 – Climate Action SDG 14 – Life below Water SDG 15 – Life on Land
	305-6 Emissions of ozone-depleting substances (ODS)	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 3 – Good Health and Well-being SDG 12 – Responsible Consumption and Production

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Other Air Emissions and Pollutants				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 3 – Good Health and Well-being SDG 12 – Responsible Consumption and Production SDG 14 – Life below Water SDG 15 – Life on Land
Energy Efficiency and Resource Use				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-2 Energy consumption outside of the organisation	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-3 Energy intensity	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-4 Reduction of energy consumption	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-5 Reductions in energy requirements of products and services	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Water and Effluents Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Water, p. 103		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Sustainability, Managing Our Resources, Water, p. 103		SDG 6 – Clean Water and Sanitation SDG 12 – Responsible Consumption and Production
	303-2 Management of water discharge-related impacts	Sustainability, Managing Our Resources, Water, p. 103		SDG 6 – Clean Water and Sanitation
	303-3 Water withdrawal	Sustainability, Managing Our Resources, Water, p. 103		SDG 6 – Clean Water and Sanitation
	303-4 Water discharge	Sustainability, Managing Our Resources, Water, p. 103		SDG 6 – Clean Water and Sanitation
	303-5 Water consumption	Sustainability, Managing Our Resources, Water, p. 103		
Low Carbon Product Portfolio				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-2 Energy consumption outside of the organisation	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-3 Energy intensity	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-4 Reduction of energy consumption	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-5 Reductions in energy requirements of products and services	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Low Carbon Product Portfolio				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 3 – Good Health and Well-being SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action SDG 14 – Life below Water SDG 15 – Life on Land
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 3 – Good Health and Well-being SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action SDG 14 – Life below Water SDG 15 – Life on Land
	305-3 Other indirect (Scope 3) GHG emissions	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 3 – Good Health and Well-being SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action SDG 14 – Life below Water SDG 15 – Life on Land
	305-4 GHG emissions intensity	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 13 – Climate Action SDG 14 – Life below Water SDG 15 – Life on Land
	305-5 Reduction of GHG emissions	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 13 – Climate Action SDG 14 – Life below Water SDG 15 – Life on Land
	305-6 Emissions of ozone-depleting substances (ODS)	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 3 – Good Health and Well-being SDG 12 – Responsible Consumption and Production

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Waste and Circular Economy				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Waste, p. 107		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Sustainability, Managing Our Resources, Waste, p. 107		SDG 3 – Good Health and Well-being SDG 6 – Clean Water and Sanitation SDG 11 – Sustainable Cities and Communities SDG 12 – Responsible Consumption and Production
	306-2 Management of significant waste-related impacts	Sustainability, Managing Our Resources, Waste, p. 107		SDG 3 – Good Health and Well-being SDG 6 – Clean Water and Sanitation SDG 8 – Decent Work and Economic Growth SDG 11 – Sustainable Cities and Communities SDG 12 – Responsible Consumption and Production
	306-3 Waste generated	Sustainability, Managing Our Resources, Waste, p. 107		SDG 3 – Good Health and Well-being SDG 6 – Clean Water and Sanitation SDG 11 – Sustainable Cities and Communities SDG 12 – Responsible Consumption and Production SDG 15 – Life on Land
	306-4 Waste diverted from disposal	Sustainability, Managing Our Resources, Waste, p. 107		SDG 3 – Good Health and Well-being SDG 11 – Sustainable Cities and Communities SDG 12 – Responsible Consumption and Production
	306-5 Waste directed to disposal	Sustainability, Managing Our Resources, Waste, p. 107		SDG 3 – Good Health and Well-being SDG 6 – Clean Water and Sanitation SDG 11 – Sustainable Cities and Communities SDG 12 – Responsible Consumption and Production SDG 15 – Life on Land

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Demand Side Management (DSM)				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Energy and Emissions, p. 96 Sustainability, Managing Our Resources, Water, p. 103		
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-2 Energy consumption outside of the organisation	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-3 Energy intensity	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-4 Reduction of energy consumption	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
	302-5 Reductions in energy requirements of products and services	Sustainability, Managing Our Resources, Energy and Emissions, p. 96		SDG 7 – Affordable and Clean Energy SDG 8 – Decent Work and Economic Growth SDG 12 – Responsible Consumption and Production SDG 13 – Climate Action
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Sustainability, Managing Our Resources, Water, p. 103		SDG 6 – Clean Water and Sanitation SDG 12 – Responsible Consumption and Production
	303-2 Management of water discharge-related impacts	Sustainability, Managing Our Resources, Water, p. 103		SDG 6 – Clean Water and Sanitation
	303-3 Water withdrawal	Sustainability, Managing Our Resources, Water, p. 103		SDG 6 – Clean Water and Sanitation
	303-4 Water discharge	Sustainability, Managing Our Resources, Water, p. 103		SDG 6 – Clean Water and Sanitation
	303-5 Water consumption	Sustainability, Managing Our Resources, Water, p. 103		SDG 6 – Clean Water and Sanitation

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Biodiversity				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Biodiversity, p. 109		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Sustainability, Managing Our Resources, Biodiversity, p. 109		SDG 6 – Clean Water and Sanitation SDG 14 – Life below Water SDG 15 – Life on Land
	304-2 Significant impacts of activities, products and services on biodiversity	Sustainability, Managing Our Resources, Biodiversity, p. 109		SDG 6 – Clean Water and Sanitation SDG 14 – Life below Water SDG 15 – Life on Land
	304-3 Habitats protected or restored	Sustainability, Managing Our Resources, Biodiversity, p. 109		SDG 6 – Clean Water and Sanitation SDG 14 – Life below Water SDG 15 – Life on Land
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Sustainability, Managing Our Resources, Biodiversity, p. 109		SDG 6 – Clean Water and Sanitation SDG 14 – Life below Water SDG 15 – Life on Land
Supply Chain Sustainability and Responsible Procurement				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Supply Chain, p. 112		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainability, Managing Our Resources, Supply Chain, p. 112		SDG 8 – Decent Work and Economic Growth
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainability, Managing Our Resources, Supply Chain, p. 112		
	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainability, Managing Our Resources, Supply Chain, p. 112		
GRI 414: Supplier Social Assessment 2016	414-1: New suppliers that were screened using social criteria	Sustainability, Managing Our Resources, Supply Chain, p. 112		SDG 5 – Gender Equality SDG 8 – Decent work and Economic Growth SDG 16 – Peace, Justice, and Strong Institutions
	414-2: Negative social impacts in the supply chain and actions taken	Sustainability, Managing Our Resources, Supply Chain, p. 112		SDG 5 – Gender Equality SDG 8 – Decent work and Economic Growth SDG 16 – Peace, Justice, and Strong Institutions

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Occupational Health and Safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Occupational Health and Safety, p. 114		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability, Growing With Our People, Occupational Health and Safety, p. 114		SDG 8 – Decent Work and Economic Growth
	403-2 Hazard identification, risk assessment, and incident investigation	Sustainability, Growing With Our People, Occupational Health and Safety, p. 114		SDG 8 – Decent Work and Economic Growth
	403-3 Occupational health services	Sustainability, Growing With Our People, Occupational Health and Safety, p. 114		SDG 8 – Decent Work and Economic Growth
	403-4 Worker participation, consultation, and communication on occupational health and safety	Sustainability, Growing With Our People, Occupational Health and Safety, p. 114		SDG 8 – Decent Work and Economic Growth SDG 16 – Peace, Justice, and Strong Institutions
	403-5 Worker training on occupational health and safety	Sustainability, Growing With Our People, Occupational Health and Safety, p. 114		SDG 8 – Decent Work and Economic Growth
	403-6 Promotion of worker health	Sustainability, Growing With Our People, Occupational Health and Safety, p. 114		SDG 3 – Good Health and Well-being
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability, Growing With Our People, Occupational Health and Safety, p. 114		SDG 8 – Decent Work and Economic Growth
	403-8 Workers covered by an occupational health and safety management system	Sustainability, Growing With Our People, Occupational Health and Safety, p. 114		SDG 8 – Decent Work and Economic Growth
	403-9 Work-related injuries	Sustainability, Growing With Our People, Occupational Health and Safety, p. 114		SDG 3 – Good Health and Well-being SDG 8 – Decent Work and Economic Growth SDG 16 – Peace, Justice, and Strong Institutions
	403-10 Work-related ill health		Information Unavailable: TAQA does not collect this information at a Group level. TAQA will assess disclosure of this metric in future Reports.	

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Human Rights				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Human Rights, p. 130		
GRI 406: Non-discrimination 2016	406-1: Incidents of discrimination and corrective action taken	Sustainability, Growing With Our People, Human Rights, p. 130		SDG 5 – Gender Equality SDG 8 – Decent Work and Economic Growth
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainability, Growing With Our People, Human Rights, p. 130		SDG 8 – Decent Work and Economic Growth
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Sustainability, Growing With Our People, Human Rights, p. 130		SDG 5 – Gender Equality SDG 8 – Decent Work and Economic Growth SDG 16 – Peace, Justice, and Strong Institutions
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Sustainability, Growing With Our People, Human Rights, p. 130		SDG 5 – Gender Equality SDG 8 – Decent Work and Economic Growth
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Business Review, Business Resilience, Protective Security, p. 85		SDG 16 – Peace, Justice, and Strong Institutions
GRI 411: Rights of Indigenous People 2016	411-1 Incidents of violations involving rights of Indigenous peoples	Sustainability, Growing With Our People, Human Rights, p. 130		SDG 2 – Zero Hunger

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Employment Practices and Employee Development				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Employee Development, p. 120		
GRI 2: General Disclosures 2021	2-7 Employees	Sustainability, Growing With Our People, Employee Development, p. 120		SDG 8 – Decent Work and Economic Growth SDG 10 – Reduced Inequalities
	2-8 Workers who are not employees	Sustainability, Growing With Our People, Employee Development, p. 120		SDG 8 – Decent Work and Economic Growth
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability, Growing With Our People, Employee Development, p. 120		SDG 5 – Gender Equality SDG 8 – Decent Work and Economic Growth SDG 10 – Reduced Inequalities
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability, Growing With Our People, Employee Development, p. 120		SDG 3 – Good Health and Well-being SDG 5 – Gender Equality SDG 8 – Decent Work and Economic Growth
	401-3 Parental leave	Sustainability, Growing With Our People, Employee Development, p. 120		SDG 5 – Gender Equality SDG 8 – Decent Work and Economic Growth
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability, Growing With Our People, Employee Development, p. 120		SDG 4 – Quality Education SDG 5 – Gender Equality SDG 8 – Decent Work and Economic Growth SDG 10 – Reduced Inequalities
	404-2 Programmes for upgrading employee skills and transition assistance	Sustainability, Growing With Our People, Employee Development, p. 120		SDG 8 – Decent Work and Economic Growth
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability, Growing With Our People, Employee Development, p. 120		SDG 5 – Gender Equality SDG 8 – Decent Work and Economic Growth SDG 10 – Reduced Inequalities
GRI 402: Labour/ Management Relations 2016	402-1 Minimum notice periods regarding operational change	Sustainability, Growing With Our People, Employee Development, p. 120		SDG 8 – Decent Work and Economic Growth

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Availability, Reliability, and Customer Experience				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Customer Experience, p. 134		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Sustainability, Growing With Our People, Customer Experience, p. 134		
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability, Growing With Our People, Customer Experience, p. 134		SDG 16 – Peace, Justice, and Strong Institutions
Diversity and Equal Opportunity				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Diversity and Equal Opportunity, p. 124		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability, Growing With Our People, Diversity and Equal Opportunity, p. 124		SDG 5 – Gender Equality SDG 8 – Decent Work and Economic Growth
	405-2 Ratio of basic salary and remuneration of women to men	Sustainability, Growing With Our People, Diversity and Equal Opportunity, p. 124		SDG 5 – Gender Equality SDG 8 – Decent Work and Economic Growth SDG 10 – Reduced Inequalities
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community		Information Unavailable: TAQA does not collect this information at a Group level. TAQA will assess disclosure of this metric in future Reports.	
Fair Pay and Executive Compensation				
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance, Executive Management, p. 166		
GRI 2: General Disclosures 2021	2-19 Remuneration policies	Corporate Governance, Board of Directors, p. 145 Corporate Governance, Executive Management, p. 166		
	2-20 Process to determine remuneration	Corporate Governance, Executive Management, p. 166		
	2-21 Annual total compensation ratio	Corporate Governance, Executive Management, p. 166		
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	Sustainability, Growing With Our People, Employee Development, p. 120		
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Sustainability, Growing With Our People, Diversity and Equal Opportunity, p. 124		SDG 1 – No Poverty SDG 5 – Gender Equality SDG 8 – Decent Work and Economic Growth

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Access and Affordability				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Customer Experience, p. 134		
Local Community Engagement and Impact				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Community Engagement, p. 132		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Sustainability, Growing With Our People, Community Engagement, p. 132		
	413-2 Operations with significant actual and potential negative impacts on local communities	Sustainability, Growing With Our People, Community Engagement, p. 132		SDG 1 – No Poverty SDG 2 – Zero Hunger
Business Ethics				
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance, Internal Control Framework, p. 168		
GRI 2: General Disclosures 2021	2-15 Conflicts of interest	Corporate Governance, Internal Control Framework, p. 168		SDG 16 – Peace, Justice and Strong Institutions
	2-23 Policy commitments	Corporate Governance, Internal Control Framework, p. 168		SDG 16 – Peace, Justice and Strong Institutions
	2-24 Embedding policy commitments	Corporate Governance, Internal Control Framework, p. 168		
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Corporate Governance, Internal Control Framework, p. 168		SDG 16 – Peace, Justice and Strong Institutions
	205-2 Communication and training about anti-corruption policies and procedures	Corporate Governance, Internal Control Framework, p. 168		SDG 16 – Peace, Justice and Strong Institutions
	205-3 Confirmed incidents of corruption and actions taken	Corporate Governance, Internal Control Framework, p. 168		SDG 16 – Peace, Justice and Strong Institutions

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Regulatory Compliance				
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance, Internal Control Framework, p. 168		
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	Corporate Governance, Internal Control Framework, p. 168		
	2-30 Collective bargaining agreements	Sustainability, Growing With Our People, Human Rights, p. 130		SDG 8 – Decent Work and Economic Growth
GRI 206: Anti-Competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Corporate Governance, Internal Control Framework, p. 168		SDG 16 – Peace, Justice and Strong Institutions
GRI 207: Tax 2019	207-1 Approach to tax	Financial Statements, p. 180		SDG 1 – No Poverty SDG 10 – Reduced Inequalities SDG 17 – Partnerships for the Goals
	207-2 Tax governance, control, and risk management	Financial Statements, p. 180		SDG 1 – No Poverty SDG 10 – Reduced Inequalities SDG 17 – Partnerships for the Goals
	207-3 Stakeholder engagement and management of concerns related to tax	Financial Statements, p. 180		SDG 1 – No Poverty SDG 10 – Reduced Inequalities SDG 17 – Partnerships for the Goals
	207-4 Country-by-country reporting	Financial Statements, p. 180		SDG 1 – No Poverty SDG 10 – Reduced Inequalities SDG 17 – Partnerships for the Goals

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Corporate Governance				
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance, Group Corporate Governance Framework and Structure, p. 140		
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Corporate Governance, Group Corporate Governance Framework and Structure, p. 140		SDG 5 – Gender Equality SDG 16 – Peace, Justice and Strong Institutions
	2-10 Nomination and selection of the highest governance body	Corporate Governance, Board of Directors, p. 145		SDG 5 – Gender Equality SDG 16 – Peace, Justice and Strong Institutions
	2-11 Chair of the highest governance body	Corporate Governance, Board of Directors, p. 145		SDG 16 – Peace, Justice and Strong Institutions
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, Board of Directors, p. 145		SDG 16 – Peace, Justice and Strong Institutions
	2-13 Delegation of responsibility for managing impacts	Corporate Governance, Board of Directors, p. 145		
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance, Board of Directors, p. 145 Sustainability, ESG Strategy, Governance, p. 89		
	2-16 Communication of critical concerns	Corporate Governance, Board of Directors, p. 145		
	2-17 Collective knowledge of the highest governance body	Corporate Governance, Board of Directors, p. 145		
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance, Board of Directors, p. 145		
	2-22 Statement on sustainable development strategy	Sustainability, ESG Strategy, Ambition, p. 87		
2-26 Mechanisms for seeking advice and raising concerns	Corporate Governance, Internal Control Framework, p. 168		SDG 16 – Peace, Justice and Strong Institutions	
Data Privacy and Security				
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Review, Business Resilience, Enterprise Risk Management, p. 79 Corporate Governance, Internal Control Framework, p. 168		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Business Review, Business Resilience, Enterprise Risk Management, p. 79 Corporate Governance, Internal Control Framework, p. 168		SDG 16 – Peace, Justice, and Strong Institutions

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Transparency, Accountability, and Reporting				
GRI 3: Material Topics 2021	3-3 Management of material topics	Appendix, Reporting Boundary and Scope, p. 265		
GRI 2: General Disclosures 2021	2-1 Organisational details	Overview, About TAQA, p. 14		
	2-2 Entities included in the organisation's sustainability reporting	Appendix, Reporting Boundary and Scope, p. 265		
	2-3 Reporting period, frequency, and contact point	Appendix, Reporting Boundary and Scope, p. 265		
	2-4 Restatements of information	Restatements made for GHG emissions (immaterial change), supply chain, waste, energy use and air emissions data based on recommendations during internal review and external audit.		
	2-5 External assurance	Appendix, ESG Assurance Statement, p. 270		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Statements, p. 180		SDG 8 – Decent Work and Economic Growth SDG 9 – Industry, Innovation and Infrastructure
	201-4 Financial assistance received from government	Financial Statements, p. 180		
GRI 415: Public Policy 2016	415-1 Political contributions	Corporate Governance, Internal Control Framework, p. 168		SDG 16 – Peace, Justice, and Strong Institutions
Emergency and Risk Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Review, Business Resilience, Enterprise Risk Management, p. 79		
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	Business Review, Business Resilience, Enterprise Risk Management, p. 79		

APPENDIX 5 - CONTENT INDICES

GRI Standard	Disclosure	Number, Chapter Reference, Direct Answers	Omission	SDG Mapping
Business Model Resilience				
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Review, Business Resilience, Enterprise Risk Management, p. 79		
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Business Review, Business Resilience, Enterprise Risk Management, p. 79 Sustainability, ESG Strategy, Integration of ESG and Climate Risks, p. 93		SDG 13 – Climate Action
Stakeholder Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	Overview, Stakeholder engagement, p. 24		
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	Overview, About TAQA, p. 14		
	2-28 Membership associations	Overview, Stakeholder engagement, p. 24		
	2-29 Approach to stakeholder engagement	Overview, Stakeholder engagement, p. 24		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Business Review, Operational Review, p. 56		SDG 5 – Gender Equality SDG 9 – Industry, Innovation and Infrastructure SDG 11 – Sustainable Cities and Communities
	203-2 Significant indirect economic impacts	Business Review, Operational Review, p. 56		SDG 1- No Poverty SDG 3 – Good Health and Well-being SDG 8 – Decent Work and Economic Growth

APPENDIX 5 - CONTENT INDICES

APPENDIX 5.2 - ADX ESG DISCLOSURES

Environment

Data	Metric	Report Reference
E1. Greenhouse Gas (GHG) Emissions	E1.1: Total amount in CO ₂ equivalents, for Scope 1	Sustainability, Managing Our Resources, Energy and Emissions
	E1.2: Total amount, in CO ₂ equivalents, for Scope 2	Sustainability, Managing Our Resources, Energy and Emissions
	E1.3: Total amount, in CO ₂ equivalents, for Scope 3	Sustainability, Managing Our Resources, Energy and Emissions
E2. Emissions Intensity	E2.1: Total GHG emissions per revenue	Sustainability, Managing Our Resources, Energy and Emissions
	E2.2: Total non-GHG emissions per output scaling factor	Sustainability, Managing Our Resources, Energy and Emissions
E3. Energy Usage	E3.1: Total amount of energy directly consumed	Sustainability, Managing Our Resources, Energy and Emissions
	E3.2: Total amount of energy indirectly consumed	Sustainability, Managing Our Resources, Energy and Emissions
E4. Energy Intensity	E4.1: Total direct energy usage per output scaling factor	Sustainability, Managing Our Resources, Energy and Emissions
E5. Energy Mix	E5.1: Energy usage by generation type	Sustainability, Managing Our Resources, Energy and Emissions
E6. Water Usage	E6.1: Total amount of water consumed	Sustainability, Managing Our Resources, Water
	E6.2: Total amount of water discharged	Sustainability, Managing Our Resources, Water
E7. Environmental Operations	E7.1: Does your company follow a formal Environmental Policy?	Sustainability, Managing Our Resources, Energy and Emissions
	E7.2: Does your company follow specific waste, water, energy, and/or recycling policies?	Sustainability, Managing Our Resources, Energy and Emissions
	E7.3: Does your company use a recognised energy management system?	Sustainability, Managing Our Resources, Energy and Emissions
E8. Environmental Oversight	E8.1: Does your Management Team oversee and/or manage sustainability issues?	Sustainability, ESG Strategy, Governance
E9. Environmental Oversight	E9.1: Does your Board oversee and/or manage sustainability issues?	Sustainability, ESG Strategy, Governance
E10. Climate Risk Mitigation	E10.1: Total amount invested, annually, in climate-related infrastructure, resilience, and product development	Sustainability, ESG Strategy, Governance

APPENDIX 5 - CONTENT INDICES

Social

Data	Metric	Report Reference
S1. CEO Pay Ratio	S1.1: CEO total compensation to median Full Time Equivalent (FTE) total compensation	Corporate Governance, Executive Management
	S1.2: Does your company report this metric in regulatory filings?	Yes, ADX
S2. Gender Pay Ratio	S2.1: Median male compensation to median female compensation	Sustainability, Growing With Our People, Diversity and Equal Opportunity
S3. Employee Turnover	S3.1: Year-over-year change for full-time employees	Sustainability, Growing With Our People, Employee Development
	S3.2: Year-over-year change for part-time employees	NA
	S3.3: Year-over-year change for contractors/consultants	NA
S4. Gender Diversity	S4.1: Total enterprise headcount held by women	Sustainability, Growing With Our People, Diversity and Equal Opportunity
	S4.2: Entry- and mid-level positions held by women	Sustainability, Growing With Our People, Diversity and Equal Opportunity
	S4.3: Senior- and executive level positions held by women	Corporate Governance, Board of Directors
S5. Temporary Worker Ratio	S5.1: Total enterprise headcount held by part-time employees	NA
	S5.2: Total enterprise headcount held by contractors and/or consultants	NA
S6. Non-Discrimination	S6.1: Does your company follow discrimination policy?	Sustainability, Growing With Our People, Human Rights
S7. Injury Rate	S7.1: Frequency of injury events relative to total workforce time	Sustainability, Growing With Our People, Occupational Health and Safety
S8. Global Health and Safety	S8.1: Does your company follow an occupational health and/or global health & safety policy?	Sustainability, Growing With Our People, Occupational Health and Safety
S9. Child and Forced Labor	S9.1: Does your company follow a child and/or forced labour policy?	Sustainability, Growing With Our People, Human Rights
	S9.2: If yes, does your child and/or forced labour policy also cover suppliers and vendors?	Sustainability, Growing With Our People, Human Rights
S10 Human Rights	S10.1: Does your company follow a human rights policy?	Sustainability, Growing With Our People, Human Rights
	S10.2: If yes, does your human rights policy also cover suppliers and vendors?	Sustainability, Growing With Our People, Human Rights
S11. Nationalisation	S11.1: Percentage of national employees	Sustainability, Growing With Our People, Employee Development
S12. Community Investment	S12.1: Amount invested in the community, as a percentage of company revenues	Sustainability, Growing With Our People, Community Engagement

APPENDIX 5 - CONTENT INDICES

Governance

Data	Metric	Report Reference
G1. Board Diversity	G1.1: Total board seats occupied by women	Corporate Governance, Board of Directors
	G1.2: Committee chairs occupied by women	Corporate Governance, Board Committee
G2. Board Independence	G2.1: Does company prohibit CEO from serving as board chair?	Corporate Governance, Board of Directors
	G2.2: Total board seats occupied by independent board members	Corporate Governance, Board of Directors
G3. Incentivised Pay	G3.1: Are executives formally incentivised to perform on sustainability?	Sustainability, ESG Strategy, Governance
G4. Supplier Code of Conduct	G4.1: Are your vendors or suppliers required to follow a Code of Conduct?	Sustainability, Managing Our Resources, Supply Chain
	G4.2: If yes, what percentage of your suppliers have formally certified their compliance with the code?	Sustainability, Managing Our Resources, Supply Chain
G5. Ethics and Prevention of Corruption	G5.1: Does your company follow an Ethics and/or Prevention of Corruption policy?	Corporate Governance, Internal Control Framework
	G5.2: If yes, what percentage of your workforce has formally certified its compliance with the policy?	Corporate Governance, Internal Control Framework
G6. Data Privacy	G6.1: Does your company follow a Data Privacy policy?	Business Review, Business Resilience, Cyber Security
	G6.2: Has your company taken steps to comply with GDPR rules?	Business Review, Business Resilience, Cyber Security
G7. Sustainability Reporting	G7.1: Does your company publish a sustainability report?	Appendix, Reporting Boundary and Scope
G8. Disclosure Practices	G8.1: Does your company provide sustainability data to sustainability reporting frameworks?	Appendix, Content Indices
	G8.2: Does your company focus on specific UN Sustainable Development Goals (SDGs)?	Sustainability, ESG Strategy, Ambition
	G8.3: Does your company set targets and report progress on the UN SDGs?	Business Review, Business Resilience, Cyber Security
G9. External Assurance	G9.1: Are your sustainability disclosures assured or verified by a third-party audit firm?	Appendix, Assurance Statement

APPENDIX 5 - CONTENT INDICES

APPENDIX 5.3 - SASB DISCLOSURES

Topic	Accounting Metric	Report Reference or Direct Answers	Applicable SASB Standard
Greenhouse Gas Emissions and Energy Resource Planning	1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	Sustainability, Managing Our Resources, Energy and Emissions	Electric Utilities and Power Generators Oil and Gas – Exploration and Production Oil and Gas – Midstream
	Greenhouse gas (GHG) emissions associated with power deliveries	Sustainability, Managing Our Resources, Energy and Emissions	Electric Utilities and Power Generators
	Amount of gross global Scope 1 emissions from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions and (5) fugitive emissions	Sustainability, Managing Our Resources, Energy and Emissions	Oil and Gas – Exploration and Production
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Sustainability, Managing Our Resources, Energy and Emissions	Electric Utilities and Power Generators Oil and Gas – Exploration and Production Oil and Gas – Midstream
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Sustainability, Managing Our Resources, Energy and Emissions	Electric Utilities and Power Generators
Air Quality	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) particulate matter (PM ₁₀), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	Sustainability, Managing Our Resources, Energy and Emissions	Electric Utilities and Power Generators Oil and Gas – Exploration and Production Oil and Gas – Midstream

APPENDIX 5 - CONTENT INDICES

Topic	Accounting Metric	Report Reference or Direct Answers	Applicable SASB Standard
Water Management	(1) Total water withdrawn, (2) total water; percentage of each in regions with High or Extremely High Baseline Water Stress	Sustainability, Managing Our Resources, Water	Electric Utilities and Power Generators Oil and Gas – Exploration and Production
	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Sustainability, Managing Our Resources, Water	Electric Utilities and Power Generators
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Sustainability, Managing Our Resources, Water	Electric Utilities and Power Generators
	Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water	Sustainability, Managing Our Resources, Water	Oil and Gas – Exploration and Production
	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	100% (covers 37 wells of TAQA Canada)	Oil and Gas – Exploration and Production
	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	Insignificant	Oil and Gas – Exploration and Production
Water Affordability and Access	Average retail water rate for (1) residential (2) commercial (3) industrial customers	Distribution Tariff Guide	Water Utilities and Services
	(1) Number of residential customer water disconnections for non-payment, (2) percentage reconnected within 30 days	Sustainability, Growing With Our People, Customer Experience	Water Utilities and Services
	Discussion of impact of external factors on customer affordability of water, including the economic conditions of the service territory	Sustainability, Growing With Our People, Customer Experience	Water Utilities and Services
Water Supply Resilience	Total water sourced from regions with High or Extremely High Baseline Water Stress, percentage purchased from a third-party	Sustainability, Managing Our Resources, Water	Water Utilities and Services
	Volume of recycled water delivered to customers	Our Strategy – Corporate Strategy, Key Milestones	Water Utilities and Services
	Discussion of strategies to manage risks associated with the quality and availability of water resources	Sustainability, Growing With Our People, Customer Experience	Water Utilities and Services

APPENDIX 5 - CONTENT INDICES

Topic	Accounting Metric	Report Reference or Direct Answers	Applicable SASB Standard
Drinking Water Quality	Number of incidents of non-compliance associated with drinking water quality standards and regulations	Sustainability, Growing With Our People, Customer Experience	Water Utilities and Services
	Discussion of strategies to manage drinking water contaminants of emerging concern	Sustainability, Growing With Our People, Customer Experience	Water Utilities and Services
Distribution Network Efficiency	Water main replacement rate	To be considered for future reporting	Water Utilities and Services
	Volume of non-revenue real water losses	Sustainability, Managing Our Resources, Water	Water Utilities and Services
Effluent Quality Management	Number of incidents of non-compliance associated with water effluent quality permits, standards, and regulations	Sustainability, Managing Our Resources, Water	Water Utilities and Services
	Discussion of strategies to manage effluents of emerging concern	Sustainability, Managing Our Resources, Water	Water Utilities and Services
Coal Ash Management	(1) Amount of coal combustion residuals (CCR) generated, (2) percentage recycled	Sustainability, Managing Our Resources, Waste	Electric Utilities and Power Generators
	Description of coal combustion products (CCPs) management policies and procedures for active and inactive operations	Sustainability, Managing Our Resources, Waste	Electric Utilities and Power Generators
Energy Affordability	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	Distribution Tariff Guide	Electric Utilities and Power Generators
	(1) Number of residential customer electric disconnections for non-payment, (2) percentage reconnected within 30 days	Sustainability, Growing With Our People, Customer Experience	Electric Utilities and Power Generators
	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Sustainability, Growing With Our People, Customer Experience	Electric Utilities and Power Generators
Workforce Health and Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	Sustainability, Growing With Our People, Occupational Health and Safety	Electric Utilities and Power Generators Oil and Gas – Exploration and Production
	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	Sustainability, Growing With Our People, Occupational Health and Safety	Oil and Gas – Exploration and Production

APPENDIX 5 - CONTENT INDICES

Topic	Accounting Metric	Report Reference or Direct Answers	Applicable SASB Standard
Operational Safety, Emergency Preparedness and Response	(1) Number of reportable pipeline incidents, (2) percentage significant	Sustainability, Growing With Our People, Occupational Health and Safety	Oil and Gas – Midstream
	Percentage of (1) natural gas and (2) hazardous liquid pipelines inspected	Sustainability, Growing With Our People, Occupational Health and Safety	Oil and Gas – Midstream
	Number of (1) accident releases and (2) non-accident releases (NARs) from rail transportation	Not Applicable	Oil and Gas – Midstream
	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	Sustainability, Growing With Our People, Occupational Health and Safety	Oil and Gas – Midstream
End-Use Efficiency and Demand	Percentage of electric load served by smart grid technology	To be considered for future reporting	Electric Utilities and Power Generators
	Customer electricity savings from efficiency measures, by market	Sustainability, Managing Our Resources, Energy and Emissions	Electric Utilities and Power Generators
End-Use Efficiency	Percentage of water utility revenues from rate structures that are designed to promote conservation and revenue resilience	100% regulated	Water Utilities and Services
	Customer water savings from efficiency measures, by market	Sustainability, Managing Our Resources, Water	Water Utilities and Services
Nuclear Safety and Emergency Management	Total number of nuclear power units, broken down by results of most recent independent safety review	Not Applicable	Electric Utilities and Power Generators
	Description of efforts to manage nuclear safety and emergency preparedness	Not Applicable	Electric Utilities and Power Generators
Grid Resiliency	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Business Review, Business Resilience, Cyber Security	Electric Utilities and Power Generators
	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	Business Review, Operational Review, Distribution CAIDI 2024 – 76.91	Electric Utilities and Power Generators

APPENDIX 5 - CONTENT INDICES

Topic	Accounting Metric	Report Reference or Direct Answers	Applicable SASB Standard
Network Resiliency and Impacts of Climate Change	Wastewater treatment capacity located in 100-year flood zones	Business Review, Operational Review, Water Solutions	Water Utilities and Services
	(1) Number (2) volume of sanitary sewer overflows (SSO), (3) percentage of volume recovered	Business Review, Operational Review, Water Solutions	Water Utilities and Services
	(1) Number of unplanned service disruptions (2) customers affected, each by duration category	Sustainability, Growing With Our People, Customer Experience	Water Utilities and Services
	Description of efforts to identify and manage risks and opportunities related to the impact of climate change on distribution and wastewater infrastructure	Sustainability, ESG Strategy, Integration of ESG and Climate Risks	Water Utilities and Services
Biodiversity impacts	Description of environmental management policies and practices for active sites	Sustainability, Managing Our Resources, Biodiversity	Oil and Gas – Exploration and Production
	(1) Number and (2) aggregate volume of hydrocarbon spills, (3) volume in Arctic, (4) volume impacting shorelines with ESI rankings 8-10, and (5) volume recovered	Sustainability, Growing With Our People, Occupational Health and Safety	Oil and Gas – Exploration and Production
	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Not Reported	Oil and Gas – Exploration and Production
Ecological Impacts	Description of environmental management policies and practices for active operations	Sustainability, Managing Our Resources, Biodiversity	Oil and Gas – Midstream
	Percentage of land owned, leased, operated within areas of protected conservation status or endangered species habitat	Insignificant	Oil and Gas – Midstream
	(1) Terrestrial land area disturbed, (2) percentage of impacted area restored	Not Applicable	Oil and Gas – Midstream
	(1) Number and (2) aggregate volume of hydrocarbon spills, (3) volume in Arctic, (4) volume in sites with high biodiversity significance, and (5) volume recovered	Sustainability, Growing With Our People, Occupational Health and Safety	Oil and Gas – Midstream
Business Ethics and Transparency	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Zero	Oil and Gas – Exploration and Production
	Description of the management system for prevention of corruption and bribery throughout the value chain	Corporate Governance, Internal Control Framework	Oil and Gas – Exploration and Production
Competitive Behaviour	Total amount of monetary losses as a result of legal proceedings associated with pipeline and storage regulations	Corporate Governance, Internal Control Framework	Oil and Gas – Midstream

APPENDIX 5 - CONTENT INDICES

Topic	Accounting Metric	Report Reference or Direct Answers	Applicable SASB Standard
Security, Human Rights and Rights of Indigenous People	Percentage of (1) proved and (2) probable, reserves in or near areas of conflict	Corporate Governance, Internal Control Framework	Oil and Gas – Exploration and Production
	Percentage of (1) proved and (2) probable reserves in or near Indigenous land	Corporate Governance, Internal Control Framework	Oil and Gas – Exploration and Production
	Discussion of engagement processes and due diligence practices with respect to human rights, Indigenous rights, and operation in areas of conflict	Sustainability, Growing With Our People, Human Rights	Oil and Gas – Exploration and Production
Reserves Valuation and Capital Expenditures	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	Sustainability, ESG Strategy, Sustainable Investments	Oil and Gas – Exploration and Production
	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	Not Reported	Oil and Gas – Exploration and Production
	Amount invested in renewable energy; revenue generated by renewable energy sales	Sustainability, ESG Strategy, Sustainable Investments	Oil and Gas – Exploration and Production
	Discussion of how price and demand for hydrocarbons or climate regulation influence the capital expenditure strategy for exploration, acquisition and development of assets	Sustainability, ESG Strategy, Sustainable Investments	Oil and Gas – Exploration and Production
Management of the Legal and Regulatory Environment	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	Corporate Governance, Internal Control Framework	Oil and Gas – Exploration and Production
Critical Incident Risk Management	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Sustainability, Growing With Our People, Occupational Health and Safety	Oil and Gas – Exploration and Production
	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Sustainability, ESG Strategy, Integration of ESG and Climate Risks	Oil and Gas – Exploration and Production
Community Relations	Discussion of process to manage risks and opportunities associated with community rights and interests	Sustainability, Growing With Our People, Community Engagement	Oil and Gas – Exploration and Production
	(1) Number and (2) duration of non-technical delays	Not Applicable	Oil and Gas – Exploration and Production

APPENDIX 5 - CONTENT INDICES

	Activity Metric	Report Reference or Direct Answers	Applicable SASB Standard
	Number of: (1) residential, (2) commercial, and (3) industrial customers served	Residential – 59.4% Commercial – 31.1% Industrial – 0.2% Government – 2.7% Agriculture – 6.6%	Electric Utilities and Power Generators
	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	Business Review, Operational Review, Distribution	Electric Utilities and Power Generators
	Length of transmission and distribution lines	Business Review, Operational Review, Transmission	Electric Utilities and Power Generators
	Total electricity generated, percentage by major energy source, percentage in regulated markets	Business Review, Operational Review, Generation	Electric Utilities and Power Generators
	Total wholesale electricity purchased	Sustainability, Managing Our Resources, Energy and Emissions	Electric Utilities and Power Generators
	Number of: (1) residential, (2) commercial, and (3) industrial customers served, by service provided	Residential – 74.9% Commercial – 23.2% Industrial – 0.2% Government – 0.7% Agriculture – 0.9%	Water Utilities and Services
	Total water sourced, percentage by source type	Sustainability, Managing Our Resources, Water	Water Utilities and Services
	Total water delivered to: (1) residential, (2) commercial, (3) industrial, and (4) all other customers	Business Review, Operational Review, Distribution	Water Utilities and Services

APPENDIX 5 - CONTENT INDICES

	Activity Metric	Report Reference or Direct Answers	Applicable SASB Standard
	Average volume of wastewater treated per day, by (1) sanitary sewer, (2) stormwater, and (3) combined sewer	Business Review, Operational Review, Water Solutions	Water Utilities and Services
	Length of (1) water mains and (2) sewer pipe	Business Review, Operational Review, Distribution	Water Utilities and Services
	Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas	Business Review, Operational Review, Oil and Gas	Oil and Gas – Exploration and Production
	Number of offshore sites	Not Reported	Oil and Gas – Exploration and Production
	Number of terrestrial sites	Not Reported	Oil and Gas – Exploration and Production
	Total metric tonne-kilometres of: (1) natural gas, (2) crude oil, and (3) refined petroleum products transported, by mode of transport	Not Applicable	Oil and Gas – Midstream

APPENDIX 5 - CONTENT INDICES

APPENDIX 5.4 - TASKFORCE ON CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)

Governance

Recommended TCFD disclosure	Report Reference
a) Describe the board's overseeing of climate-related risks and opportunities.	Sustainability, ESG Strategy, Governance
b) Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability, ESG Strategy, Governance Sustainability, ESG Strategy, Integration of ESG and Climate Risks

Strategy

Recommended TCFD disclosure	Report Reference
a) Describe the climate-related risks and opportunities that the organisation has identified over the short, medium, and long term.	Sustainability, ESG Strategy, Integration of ESG and Climate Risks
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Sustainability, ESG Strategy, Integration of ESG and Climate Risks
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a scenario of 2 °C or less.	Sustainability, ESG Strategy, Integration of ESG and Climate Risks

Risk Management

Recommended TCFD disclosure	Report Reference
a) Describe the organisation's processes for identifying and assessing climate-related risks.	Business Review, Business Resilience, Enterprise Risk Management Sustainability, ESG Strategy, Integration of ESG and Climate Risks
b) Describe the organisation's processes for managing climate-related risks.	Business Review, Business Resilience, Enterprise Risk Management Sustainability, ESG Strategy, Integration of ESG and Climate Risks
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Business Review, Business Resilience, Enterprise Risk Management Sustainability, ESG Strategy, Integration of ESG and Climate Risks

Metrics and Objectives

Recommended TCFD disclosure	Report Reference
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Sustainability, Managing Our Resources, Energy and Emissions
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions and the related risks.	Sustainability, Managing Our Resources, Energy and Emissions
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Sustainability, ESG Strategy, Ambition

APPENDIX 5 - CONTENT INDICES

APPENDIX 5.5 - UNGC COMMUNICATION ON PROGRESS (COP)

United Nations Global Compact Principle		Report Reference
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Sustainability, Growing With Our People, Human Rights
	Principle 2: Make sure that they are not complicit in human rights abuses.	Sustainability, Growing With Our People, Human Rights
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Sustainability, Growing With Our People, Human Rights
	Principle 4: The elimination all forms of forced and compulsory labour.	Sustainability, Growing With Our People, Human Rights
	Principle 5: The effective abolition of child labour.	Sustainability, Growing With Our People, Human Rights
	Principle 6: The elimination of discrimination in respect of employment and occupation.	Sustainability, Growing With Our People, Human Rights
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges.	Sustainability, Managing Our Resources, Energy and Emissions Sustainability, Managing Our Resources, Water Sustainability, Managing Our Resources, Waste Sustainability, Managing Our Resources, Biodiversity
	Principle 8: Undertake initiatives to promote greater environmental responsibility.	Overview, Stakeholder Engagement
	Principle 9: Encourage the development and diffusion of environmentally friendly technologies.	Overview, Stakeholder Engagement
Anti-corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Corporate Governance, Internal Control Framework

APPENDIX 5 - CONTENT INDICES

APPENDIX 5.6 - WEF DISCLOSURES

As per the core metrics and disclosures in “Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation”.

Theme	Core Metrics and disclosures	Report Reference or Direct Answers
Planet		
Climate change	Greenhouse gas (GHG) emissions	Sustainability, Managing Our Resources, Energy and Emissions
	TCFD implementation	Sustainability, ESG Strategy, Integration of ESG and Climate Risks Appendix, TCFD
Nature loss	Land use and ecological sensitivity	Sustainability, Managing Our Resources, Biodiversity
Freshwater availability	Water consumption and withdrawal in water-stressed areas	Sustainability, Managing Our Resources, Water
People		
Dignity and equality	Diversity and inclusion	Sustainability, Growing With Our People, Diversity and Equal Opportunity
	Pay equality	Corporate Governance, Executive Management Sustainability, Growing With Our People, Diversity and Equal Opportunity
	Wage level	Corporate Governance, Executive Management
	Risk for incidents of child, forced or compulsory labour	Sustainability, Growing With Our People, Human Rights
Health and wellbeing	Health and safety	Sustainability, Growing With Our People, Occupational Health and Safety
Skills for the future	Training provided	Sustainability, Growing With Our People, Employee Development
Prosperity		
Community and social vitality	Total tax paid	Financial Statements
Employment and wealth generation	Absolute number and rate of employment	Sustainability, Growing With Our People, Employee Development
	Economic contribution	Financial Statements
	Financial investment contribution	Financial Statements
Innovation in better products and services	Total research and development expenses	Not Reported
Principles of Governance		
Governing purpose	Setting purpose	Corporate Governance, Board of Directors
Quality of governing body	Governance body composition	Corporate Governance, Board of Directors
Stakeholder engagement	Material issues impacting stakeholders	Sustainability, ESG Strategy, Ambition
Ethical behaviour	Anti-corruption	Corporate Governance, Internal Control Framework
	Protected ethics advice and reporting mechanisms	Corporate Governance, Internal Control Framework
Risk and opportunity oversight	Integrating risk and opportunity into business process	Sustainability, ESG Strategy, Integration of ESG and Climate Risks

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