DELIVERING GROWTH:
POWER AND WATER FOR AN INTELLIGENT FUTURE



INTEGRATED REPORT **2025**

TAQA
طاقة

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01

EXECUTIVE SUMMARY

A LEADING POWER AND WATER INTEGRATED UTILITY AT THE HEART OF UAE'S ENERGY AMBITIONS

26 countries
with operations or assets

AED 99.0 billion
Regulated Asset Value

c. AED 378.9 billion[1]
Market Cap

AED 219.9 billion[2]
Total Assets

AED 54.8 billion
Revenue

AED 5.0 billion
Dividend for 2025

GENERATION

UAE + International

73.3 GW
Operational and under construction power generation capacity[3]

64%
Renewable capacity as a share of gross generation capacity

1,149 MIGD[4]
Operational and under construction gross water desalination capacity

45%
Reverse Osmosis as a share of gross desalination capacity

TRANSMISSION

UAE + International

11,420 km
Power network

3,489 km
Water network

DISTRIBUTION

UAE

86,934 km
Power network

16,542 km
Water network

1.14 million
End-user connections

WATER SOLUTIONS

UAE

1.33 million m³/day
Wastewater treatment capacity

13,000 km
Wastewater network length

OIL AND GAS

International

92.2 mboepd[5]
Production across Europe and North America

1 Market cap data as end of December 2025, sourced from ADX.
2 As of end of December 2025.
3 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 2025.
4 Million Imperial Gallons per Day.
5 O&G production as on end of December 2025 represented as Thousand Barrels of Oil Equivalents Per Day.

TAQA IS UNIQUELY POSITIONED AS A LEADER IN THE GLOBAL ENERGY TRANSITION

LEADER IN THE UTILITIES SECTOR



1

One of the Largest Listed Integrated Power and Water Utility Companies in the EMEA region

Assets of AED 219.9 billion as of December 2025

2

Vertically Integrated Across the Power and Water Utilities Value Chain

Exclusive rights to Transmission, Distribution, and Water Solutions[1], and a minimum of 40% stake in conventional generation projects in Abu Dhabi

SECURE CASH FLOWS



3

Highly Predictable and Secure Cash Flows

87% of EBITDA from regulated and contracted assets

4

Long-Standing and Transparent Regulatory Framework

Governing Transmission, Distribution, and Water Solutions businesses in Abu Dhabi

NATIONAL CHAMPION



5

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

Majority stake (90%) indirectly owned by the Abu Dhabi Government

6

Aligned with the UAE Net Zero 2050 Strategy

TAQA is helping to accelerate the share of clean generation and reduce emissions in the power and water sector to be Net Zero by 2050

[1] Applicable to wastewater treatment except for select sewage treatment assets.

DEMONSTRATED OUR ABILITY TO GENERATE CONSISTENT PROFITABILITY AND CASH FLOWS AMID A YEAR OF SIGNIFICANT TRANSFORMATION

FINANCIAL HIGHLIGHTS

Revenue
AED **54.8** billion
+0% YoY

EBITDA
AED **20.7** billion
-2% YoY

Net Income
AED **7.5** billion
+6% YoY

CAPEX
AED **14.5** billion
+48% YoY

Free Cash Flow
AED **6.6** billion
+215% YoY

Dividend
4.45 fils/share
6% YoY

CREDIT RATINGS

MOODY'S RATINGS
Aa3 (Stable)

FitchRatings
AA (Stable)

Revenues stable YoY, with Distribution offsetting the decrease in Oil and Gas

EBITDA slightly lower YoY due to Oil and Gas and non-recurring charges in utilities businesses

Lower Depreciation & Amortisation and taxes, resulting in 6% YoY increase in net income

Free Cash Flow rose on working capital movement and lower Masdar funding, which was partially offset by higher capex in utilities

Proposed 2025 dividend of 4.45 fils/share, including variable dividend of 0.7 fils/share; new dividend policy (2026 – 2028) also proposed

Funding mix on balance sheet diversified with introduction of AED 8.5 billion corporate term loan facility on attractive terms

MAINTAINED BEST IN CLASS OPERATIONAL PERFORMANCE IN 2025



GENERATION COMMERCIAL AVAILABILITY, %

	Power	Water
2025	95.9	99.5
2024	96.1	99.7
2023	96.5	99.5

TRANSMISSION NETWORK AVAILABILITY, %

	Power	Water
2025	99.2	98.3
2024	99.0	98.3
2023	99.3	97.8



WATER SOLUTIONS ASSET AVAILABILITY, %

2025	95.3
2024	95.3
2023	96.0

DISTRIBUTION SERVICE RELIABILITY

	System Average Interruption Duration Index (SAIDI), minutes per customer	System Average Interruption Frequency Index (SAIFI), interruptions per customer
2025	40.68	0.566
2024	51.87	0.671



OIL AND GAS PRODUCTION, mboepd

2025	92.2
2024	101.4
2023	107.8

SIGNIFICANT MILESTONES ACHIEVED IN 2025 TOWARDS OUR STRATEGIC AMBITIONS



ADVANCING FLEXIBILITY ACROSS OUR SYSTEM TO BE THE DECARBONISATION AND AI BUSINESS PARTNER IN THE UAE

- Masdar, where TAQA is the largest shareholder, together with EWEC announced the **world's first round-the-clock renewables and storage project** delivering an effective baseload of 1GW, via 5.2 GW of solar PV and 19 GWh of battery storage.
- This was underpinned by the 1 GW Al Dhafra thermal plant and significant grid upgrades and reinforcements to meet rising demand, part of a broader AED 36 billion investment programme to **reinforce energy security and enable AI-ready infrastructure**.
- Commenced full commercial operations at the 2.4 GW Fujairah F3 IPP, **one of the largest and most efficient gas-fired power plants in the UAE**.
- Signed strategic agreements with EGA, DUBAL Holding, and EWEC to **decarbonise aluminium production and expand renewable and clean energy development** in Abu Dhabi.

STRENGTHENING OUR PRESENCE AND SUPPORTING THE GROWTH AGENDA IN THE WIDER MENA REGION

Saudi Arabia:

- Achieved financial close on two major power projects—Rumah 2 and Al Nairyah 2 IPPs—**bringing our total portfolio in the Saudi Arabia to more than 5 GW** (excluding Masdar) across multiple projects.
- Masdar reached financial close on the 2 GW Al Sadawi solar PV project in Saudi Arabia, **reinforcing our commitment to clean energy**.

Morocco:

- Signed agreements with national and private sector partners to **advance power generation, seawater desalination, and transmission infrastructure**.

Uzbekistan:

- Jointly acquired the Talimarjan Power Complex with Mubadala, securing a 40% stake each in the 875 MW power plant and its operations and maintenance company.
- Exploring the development of a 65km raw water transmission pipeline and a cutting-edge water treatment plant.

EXPANDING OUR PRESENCE INTO HIGH-GROWTH MARKETS ACROSS EUROPE, LATIN AMERICA, AND ASIA

- Signed an agreement to acquire a 100% interest in GS Inima, which is set to expand our water footprint to ten countries, **reinforcing our position as a leading international integrated power and water utility**.
- Acquired Transmission Investment, signalling a **strategic entry into the UK's electricity transmission sector**, strengthening our capabilities in offshore wind and interconnectors, with potential transaction values in the multi-billion-dollar range.

MAINTAINING A DISCIPLINED FOCUS ON SUSTAINABILITY AND PORTFOLIO QUALITY

- Gross power generation capacity increased from 55.75 GW to 73.3 GW, with **clean energy representing 64% of total power capacity**, up from 61% in 2024.
- **Supporting Europe's first CO_2 storage facility** (Porthos) through management of the P18 A platform in the Dutch North Sea.
- Achieved a **major decommissioning milestone in the UK** with the safe removal of the Eider Alpha topside — the first Northern North Sea platform to reach the topside removal and dismantling phase.

TAQA EXPANDS WATER PLATFORM THROUGH USD 1.2 BILLION ACQUISITION OF GS INIMA[1]

In 2025, TAQA announced that it has signed an agreement to acquire **GS Inima**, a global leader in desalination, drinking water treatment, wastewater and industrial water services, in a transaction valued at approximately **USD 1.2 billion** on an enterprise value basis. The planned acquisition will accelerate TAQA's international water growth strategy and reinforces its position as a leading low-carbon power and water utility.



PORTFOLIO AND CAPACITY EXPANSION

171 MIGD
Desalination Capacity

264 MIGD
Drinking Water Capacity

572 MIGD
Wastewater and Industrial Water Treatment Capacity

~ 1.3 million
people served

GS INIMA AT A GLANCE

- Operates across **10 countries**
- Manages approximately **50 active projects**, including around **30 long-term public-private partnerships**
- Provides an **integrated, end-to-end water platform** spanning desalination, drinking water, wastewater and industrial water services.



CONTRIBUTION TO VALUE CREATION

Strategic:

- Integrated platform with end-to-end capabilities across the water value chain, complementing TAQA's existing water business and accelerating international expansion.

Sustainability:

- Supports TAQA's ambition to source **two-thirds of desalination capacity from energy-efficient reverse osmosis (RO) technology by 2030 and advance the wastewater management** priorities.

Financial:

- Long-term concession-based assets offering **stable and predictable cash flows**, with EUR 389 million in annual revenue and EUR 106 million in EBITDA (2024).

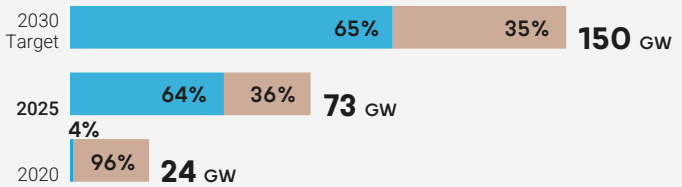
[1] The transaction is subject to regulatory approvals and other closing conditions, customary for a transaction of this nature and is expected to close in 2026.

CONTINUING THE STRONG MOMENTUM TOWARDS THE 2030 GOALS

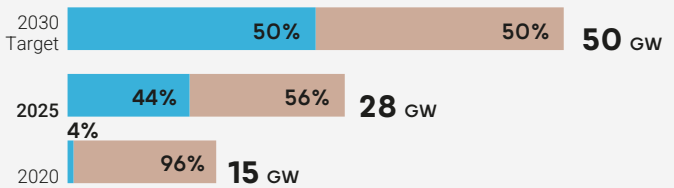


POWER GENERATION

Gross Generation Capacity
73.3 GW

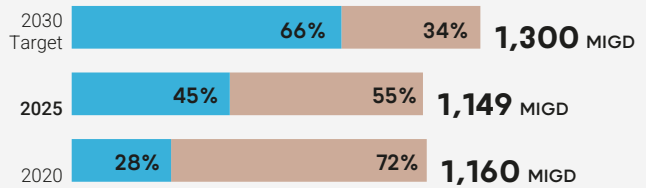


Net Generation Capacity
27.9 GW



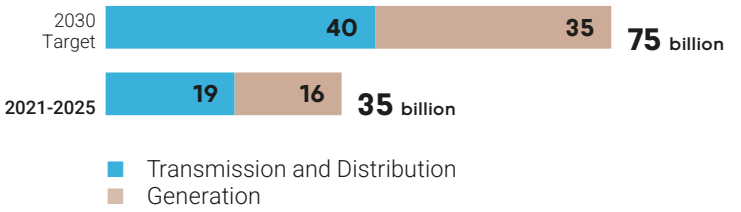
WATER GENERATION

Gross Generation Capacity
1,149 MIGD



ENERGY TRANSITION INVESTMENTS

Aggregate spend on utilities business to drive energy transition[1]
AED 35 billion





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

ENHANCING SUSTAINABILITY AGENDA WHILE DELIVERING GROWTH

PERFORMANCE HIGHLIGHTS

ENERGY AND GHG

25% ▼
reduction in scope 1 and 2 GHG compared to base year 2019

41% ▼
reduction in scope 1 and 2 GHG intensity based on revenue compared to base year 2019

13% ▼
reduction in scope 3 GHG emissions compared to base year 2019

WATER

15% ▼
reduction in distribution water losses compared to base year 2021

5% ▲
increase in recycled water distributed compared to 2024

PEOPLE

AED 16 billion
spending on local suppliers in 2025

AED 25 million
towards community investment in 2025

4% ▲
point increase in women in management positions compared to base year 2021

GOVERNANCE

Dedicated Board and Executive Management Committees for Sustainability

>40%
weightage for energy transition and sustainability in the Group Scorecard

ESG Integration in Capital Allocation Framework

UNEZA[1]

UTILITIES FOR NET ZERO ALLIANCE

74 global members,
founded by TAQA

USD 123 billion
invested collectively by members

130 GW
collective increase in installed capacity

14,000+ km
of new power grids developed

9,000+ existing grids
modernised

ESG ENTITY RATINGS:

MSCI

2025
A[2]

2020
CCC

MORNINGSTAR | SUSTAINALYTICS

2025
17[3] (LowRisk)

2020
49 (Severe Risk)

CDP

2025
B Climate Change
B Water Security

2022
D Climate Change
C Water Security

S&P Global Ratings

2025
82nd Percentile

2020
19th Percentile

Sustainable Fitch
a FitchSolutions Company

2024
2 (Second Tier out of Five)

2023
2

TRANSITION RATINGS:

MORNINGSTAR | SUSTAINALYTICS

1.9° Celsius
Low carbon transition rating (improved from 2° Celsius)

Sustainable Fitch
a FitchSolutions Company

Progressing Transition +

[1] Except for membership, all other stats are from the start of UNEZA till end of 2024.
[2] Industry-adjusted score improved from 6.0 to 7.1, falling just short of the AA threshold of 7.143.
[3] 2nd percentile in multi-utilities sub-industry and 7th percentile in the utilities industry.

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OVERVIEW

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LEADERSHIP MESSAGE

CHAIRMAN'S STATEMENT



H.E. Mohamed Hassan Alsuwaidi
Chairman of the Board of Directors

2025 marked another year of disciplined progress for TAQA, as the company continued to deliver on its long-term growth ambitions while reinforcing the foundations of the organisation. Throughout the year, TAQA remained focused on reliably delivering essential power, water and network infrastructure that underpins economic development and community wellbeing.

TAQA operates in sectors where reliability, resilience and long-term stewardship are paramount. The company's progress reflects a deliberate emphasis on balance: maintaining a diversified portfolio across power, water and networks, while safeguarding the financial strength and operational discipline required of a regulated utilities business. This balanced approach also extends to the Board's oversight of TAQA's oil and gas operations, ensuring these assets are managed responsibly and in line with the company's long-term value creation objectives. Together, these measures support stability across economic cycles and alignment with long-term development objectives in the markets TAQA serves.

During the year, TAQA achieved several strategic milestones that reinforce its role in supporting national priorities. The agreement to acquire GS Inima strengthens the company's global water platform and aligns with the UAE's focus on long-term water security. In parallel, TAQA continued to position itself as a strategic enabler to the UAE's ambitions in advanced technologies, including artificial intelligence, through investments across power generation, both conventional and renewable, and networks that will support the next phase of economic growth.

Strong governance remains central to TAQA's approach. The Board maintains rigorous oversight of risk management and capital discipline, ensuring that investment decisions are evaluated not only for their strategic fit, but also for their contribution to long-term stability, sustainability and shareholder value. This governance framework underpins our confidence in the company's continued ability to grow, both within the UAE and internationally.

Responsible operations are deeply embedded in TAQA's culture. Reliability and sustainability are integral to how the company works, reinforced through robust risk management, compliance and continuous improvement frameworks.

TAQA is entering its next phase of growth with confidence. By maintaining discipline, strong governance and a clear focus on essential infrastructure, the company is well placed to meet rising demand for power, water and related infrastructure across the UAE and the international markets it serves, while continuing to deliver sustainable long-term value for shareholders.

LEADERSHIP MESSAGE

GROUP CEO & MANAGING DIRECTOR'S STATEMENT



Jasim Husain Thabet
Group Chief Executive Officer and Managing Director

Utilities are entering a period of unprecedented change. Global demand for secure power and water supply is rising at pace, driven by electrification, urbanisation and new sources of demand, especially artificial intelligence (AI) data centres. At the same time, climate change is placing additional pressure on water resources. Power and water networks are under increasing strain, making resilient grids as critical as generation capacity itself. This global trend presents a significant opportunity for TAQA, both for our commercial growth and for our role as a UAE national champion.

TAQA's transformation over the past five years has positioned us strongly for the next phase of our growth. What was a predominantly domestic utility has become a global, integrated power and water company operating across 26 countries, recognised for our disciplined execution and dedicated people.

This evolution reflects a clear understanding: power and water challenges are converging. Meeting new demand requires infrastructure that is both flexible and resilient. TAQA's integrated model, bringing together expertise in power and water generation, transmission, distribution, and wastewater management, enables us to address the full spectrum of our customers' needs.

Four strategic priorities have shaped our progress and will continue to define TAQA's next phase: addressing water security, enabling digital and AI-driven growth, decarbonisation, and disciplined portfolio expansion.

Water security remains a core focus, both in the UAE and internationally. In 2025, TAQA took a significant step forward with the agreement to acquire a 100% interest in GS Inima, adding global operational expertise across desalination and wastewater treatment. This acquisition will strengthen our international water business and enhance our ability to deliver efficient, sustainable water solutions in markets where water security is becoming increasingly critical.

A defining feature of future demand is the rapid expansion of AI and digital infrastructure. TAQA is positioning itself as a business partner to the UAE in this space, with several large-scale projects announced across conventional generation, renewables through Masdar, and transmission networks. Together, these projects will drive investment of around USD 10 billion, enabling us to support the growing power needs of data centres and advanced industries, while maintaining system resilience, affordability, and security of supply.

Through our energy portfolio which spans renewables, lower-carbon conventional generation, grid infrastructure and the responsible management of our legacy oil and gas assets, we are supporting the transition to a more sustainable energy system, whilst also supporting today's energy needs.

Our ambitious growth strategy is clearly focused on utilities. However, TAQA's oil and gas assets continue to play a valuable role within our business. Alongside our gas storage operations in the Netherlands and ongoing production in Canada, we are delivering major engineering projects required for the decommissioning of our platforms in the UK North Sea. This has included the safe removal of Eider Alpha topside and, the cessation of production in the Northern North Sea.

During 2025, we also announced plans for major projects in Morocco that will support the energy transition there, strengthened industrial partnerships, including with Emirates Global Aluminium in Abu Dhabi, to help decarbonise aluminium production, and progressed on repurposing critical infrastructure to support Europe's first large scale carbon dioxide storage facility through the transfer of our P18-A platform to the Porthos project.

TAQA's portfolio expansion and infrastructure scale underpin our ability to execute across markets. Since 2021, our gross power generation capacity has increased from 24 gigawatts to more than 70 gigawatts, with a clear pathway toward our 2030 target of 150 gigawatts. This expansion has been supported by some major milestones that we have achieved internationally in 2025, such as, financial close on the Rumah 2 and Al Nairyah 2 independent power projects in the Kingdom of Saudi Arabia, the acquisition of a 40% stake in the Talimarjan Power Complex in Uzbekistan, and continued expansion of our global renewables capacity through Masdar, strengthening our presence in high-growth markets. Beyond power generation, we also completed the acquisition and integration of Transmission Investment, signalling our entry into the UK's transmission sector.

None of this progress would be possible without our people. As TAQA has grown in size and geographic reach, so too has our capability. Teams across the organisation have delivered complex projects, integrated new assets and maintained high standards of operational performance. Their expertise and commitment remain central to our achievements, and I am sincerely grateful to their contributions.

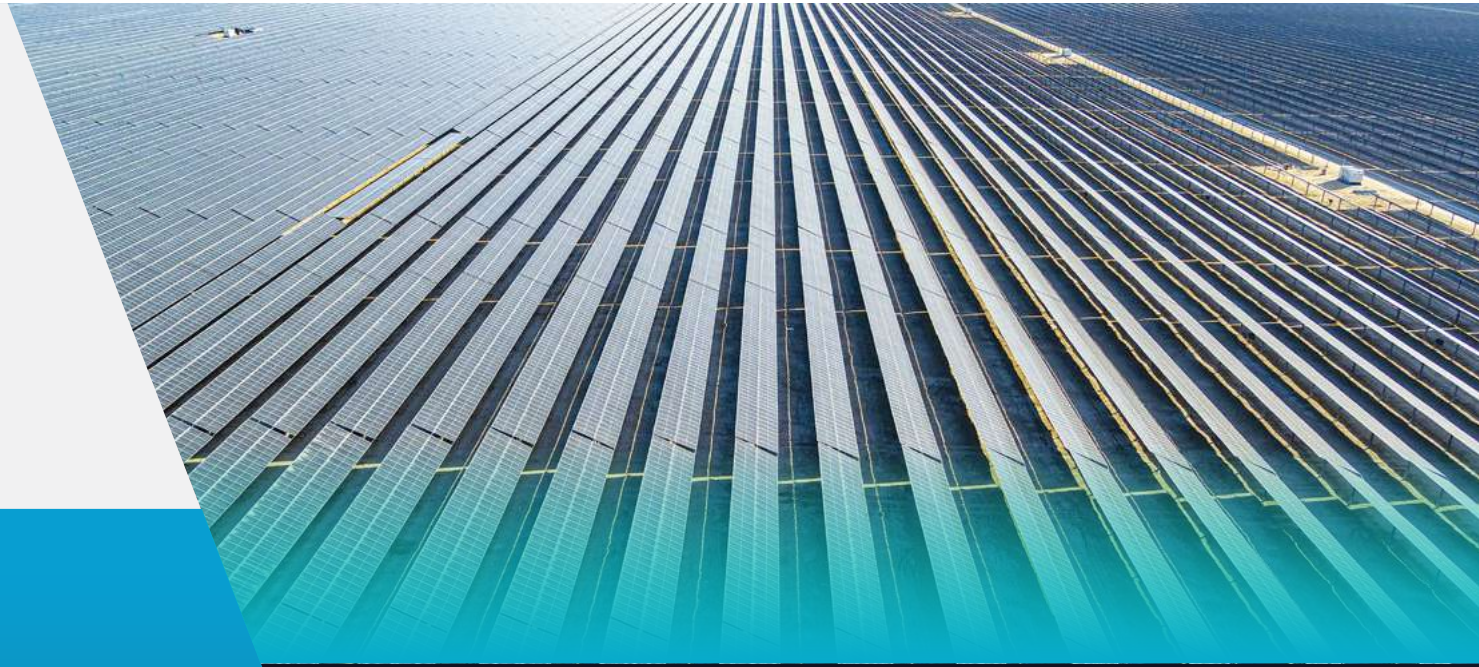
Together, these priorities enabled TAQA to deliver another year of strong financial performance, underpinned by disciplined capital allocation and resilient core businesses. More than ever, energy security, water scarcity and decarbonisation are defining global priorities. With an integrated model developed in Abu Dhabi and applied internationally, TAQA is delivering for our shareholders and making a positive impact in all the markets we serve.

ABOUT TAQA

GRI 2-1 GRI 2-6

POWERING A SUSTAINABLE FUTURE

Abu Dhabi National Energy Company PJSC, more widely known as TAQA (referred to as 'the company', 'the Group') is advancing on its 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 Dhabi[1], TAQA owns or manages assets in 26 countries[2].



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 Two Point Zero Group P.J.S.C, 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 conventional 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.

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. Nearly 93% 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 industry[4]. 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 EMEA region that has committed to achieving an absolute reduction in greenhouse gas (GHG) emissions. This has been recognised by leading rating agencies (MSCI, Morningstar Sustainalytics, S&P, Sustainable Fitch) 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.

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 businesses in the UAE as well as some of the Generation assets currently owned by TAQA.
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

1

SAFE

We put safety above all else.

2

SUSTAINABLE

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

3

COLLABORATIVE

We are stronger together.

4

INNOVATIVE

We seek creative ways to deliver results.

5

EXCELLENCE

We strive for exceptional performance.

ABOUT TAQA

OUR BUSINESS

26
Countries[1]

GENERATION

Power
73.3 GW[2]
64% Renewables
33% Gas
3% Coal

Water
1,149 MIGD[2]
45% Reverse Osmosis
55% Thermal

TRANSMISSION

Network length
14,909 km
77% Power
23% Water

WATER SOLUTIONS

1.33 Million m^3/day Capacity
13,000 km Wastewater Network

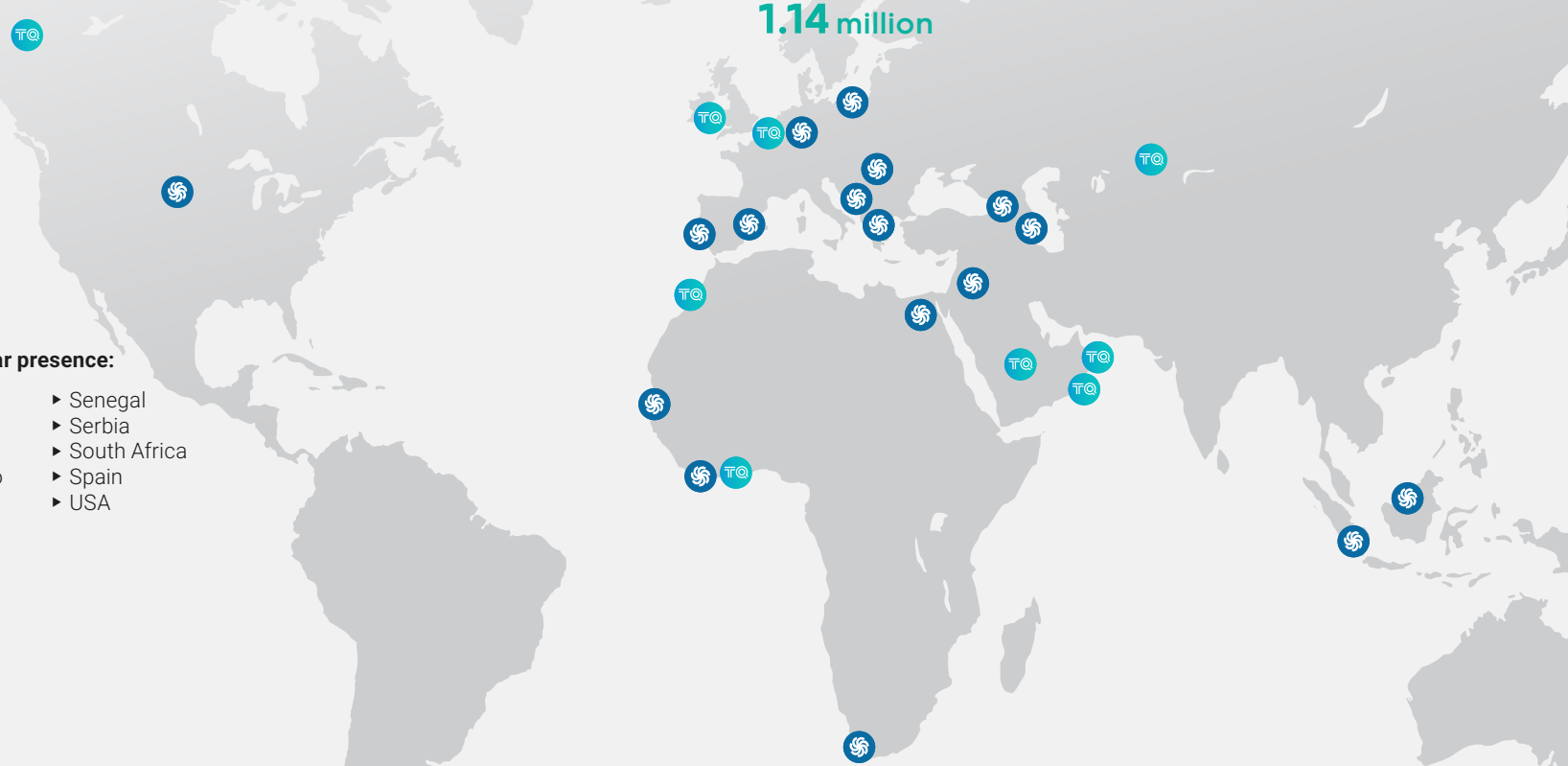
DISTRIBUTION

Network length
103,476 km
84% Power
16% Water

End user connections
1.14 million

OIL AND GAS

Production
92.2 MBOEPD
68% Natural Gas
20% Oil
12% Natural Gas Liquids



Countries with TAQA presence:

- Canada
- Ghana
- Morocco
- Netherlands
- Oman
- Saudi Arabia
- UAE
- UK
- Uzbekistan

Additional Countries with Masdar presence:

- Armenia
- Azerbaijan
- Egypt
- Germany
- Greece
- Indonesia
- Ivory Coast
- Jordan
- Malaysia
- Montenegro
- Poland
- Portugal
- Senegal
- Serbia
- South Africa
- Spain
- USA

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

GENERATION

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

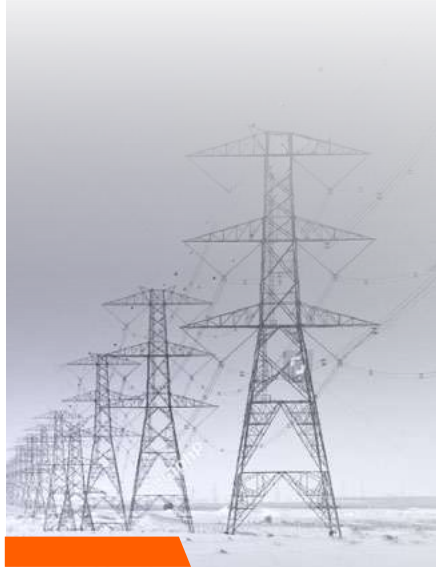
TAQA participates in renewable energy projects through its 43% shareholding in Masdar, Abu Dhabi's execution arm for domestic and international renewable energy ambitions.



TRANSMISSION

TAQA Transmission 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.

In 2025, TAQA acquired Transmission Invest (TI), one of the largest players operating offshore transmission (OFTO) assets connecting offshore wind farms to the UK grid.



DISTRIBUTION

TAQA Distribution is responsible for planning, owning, operating and maintaining the power and water (including recycled water) distribution networks across the Emirate of Abu Dhabi.

TAQA ENERGY SERVICES

TAQA Energy Services is responsible for retrofitting government and commercial buildings to deliver tangible reductions in electricity and water consumption



WATER SOLUTIONS

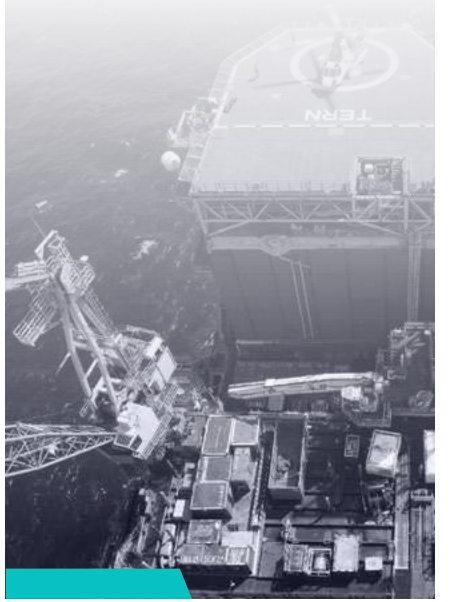
TAQA Water Solutions joined TAQA in 2024 and is a leading provider of sustainable water solution, owning, operating, and maintaining wastewater collection networks and treatment assets in the Emirate of Abu Dhabi.



OIL AND GAS

TAQA's Oil and Gas business includes production, processing and sale of oil and natural gas in Canada, the UK and the Netherlands.

TAQA also operates gas storage facilities in the Netherlands and is progressing the decommissioning of its offshore installation in the UK.



ABOUT TAQA

TAQA EXPANDS WATER PLATFORM THROUGH USD 1.2 BILLION ACQUISITION OF GS INIMA[1]

In 2025, TAQA announced that it has signed an agreement to acquire **GS Inima**, a global leader in desalination, drinking water treatment, wastewater and industrial water services; in a transaction valued at approximately **USD 1.2 billion**



Headquartered in Madrid, GS Inima brings a diversified portfolio of water assets, operating under long-term concessions, accelerating TAQA's international water growth strategy and reinforcing its position as a leading low-carbon power and water utility.

Operating across **ten countries**, GS Inima manages approximately **50 active projects**, including around **30 long-term public-private partnerships**. The platform will provide TAQA with immediate scale and access to high-growth markets across **Europe, Latin America and Asia**.

The planned acquisition will strengthen TAQA's end-to-end water capabilities across **project development, engineering, procurement and construction management (EPCm), and operations and maintenance**. These capabilities will enhance TAQA's ability to develop, deliver and operate complex water infrastructure efficiently, supporting long-term operational performance and value creation.

PORTFOLIO AND CAPACITY EXPANSION

171 MIGD
of desalination capacity

264 MIGD
of drinking water capacity

572 MIGD
of wastewater and industrial water treatment capacity

Services supporting approximately
1.3 million
people

CONTRIBUTION TO VALUE CREATION[2]

- Supports TAQA's ambition to source two-thirds of its desalination capacity from energy-efficient reverse osmosis (RO) technology by 2030, advancing its long-term water sustainability targets

Annual revenue of approximately
EUR 389 million

Annual EBITDA of
EUR 106 million

- Majority of the company's portfolio (excluding EPCm portion) operates under long-term concession agreements that include inflation-adjustment mechanisms, offering stable and predictable cash flows
- Advanced digital technologies and focus on R&D to enhance TAQA's operational efficiencies and technical capabilities across its water platform
- Strengthens TAQA's ability to scale smart water infrastructure and complements the Group's broader strategy of expanding operational capabilities through a combination of project wins and targeted acquisitions

1 The transaction is subject to regulatory approvals and other closing conditions, customary for a transaction of this nature and is expected to close in 2026.
2 Based on 2024 figures.

ABOUT TAQA

OUR LEADERSHIP

BOARD MEMBERS



H.E. Mohamed Hassan Alsuwaidi
Chairman, Non-Executive, Independent Board Member



Mr. AbdulAziz Abdulla Al Hajri
Non-Executive, Independent Board Member



Mr. Mansour Mohamed AlMulla
Non-Executive, Independent Board Member



Mr. Hamad Abdulla Al Hammadi
Non-Executive, Independent Board Member



Mr. Khalifa Sultan Al Suwaidi
Vice Chairman, Non-Executive, Independent Board Member



Ms. Iman Abdulghafoor Al Qasim
Non-Executive, Independent Board Member



Ms. Mouza Saeed Al Romaithi
Non-Executive, Independent Board Member



Ms. Samia Toufic Bouazza
Non-Executive, Independent Board Member



Dr. Klaus-Dieter Maubach
Non-Executive, Independent Board Member



Mr. Christopher Geoffrey Finlayson
Non-Executive Board Member



Mr. Jasim Husain Thabet
Executive Board Member

EXECUTIVE MEMBERS

Business



Dr. Afif AlYafei
Chief Executive Officer, TAQA Transmission



Omar Alhashmi
Chief Executive Officer, TAQA Distribution



Farid Al Awlaqi
Chief Executive Officer, Generation



Jasim Husain Thabet
Group Chief Executive Officer and Managing Director



Eng. Ahmed Al Shamsi
Chief Executive Officer, TAQA Water Solutions



Franco Polo
Chief Executive Officer, Oil & Gas

Corporate functions



Stephen Ridlington
Chief Financial Officer[1]



Mohammad Sharafi
Chief Legal Officer and Board Secretary



Stephen Wackerle
Chief Risk Officer



Hamad Al Hajri
Chief Corporate Support Officer



Noel Aoun
Chief Strategy Officer



Gareth Wynn
Chief Commuications Officer



Wael Nabulsi[2]
Executive Director, Internal Audit

[1] Adrian Kershaw is appointed as the new Chief Financial Officer (CFO) with effect from 15th February 2026, who will replace Stephen Ridlington.

[2] Ethics and compliance and internal audit functionally report into the Audit Committee.

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 oil and gas operations to the UK, North America and the Netherlands, while power generation portfolio expanded 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, 935 MW (acquired from ADPower in 2020) began operations.

2020

- Abu Dhabi Energy Services (ADES)1 was launched.
- **Acquired assets from ADPower, 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 which is one of the most efficient combined cycle turbine technologies in the region.
- Awarded projects with a combined capacity to distribute approximately 85 Million Imperial Gallons per Day (MIGD) of recycled water.



- Al Dhafra solar photovoltaic (PV), one of the world's largest single-site solar plants, reached financial closure.
- Announced new dividend policy, making TAQA the first company in the UAE to pay dividends on a quarterly basis.

[1] Now known as TAQA Energy Services.

2021 ▶

OUR JOURNEY

◀ 2020

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 Noor Abu Dhabi solar PV plant.
- Launched 2030 ESG Strategy, including absolute 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 USD 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[1].
- ADNOC and TAQA announced project for sustainable water supply to ADNOC's onshore operations.
- Masdar issued its inaugural green bond, raising USD 750 million.
- Achieved financial close for Mirfa 2 and Shuweihat 4 reverse osmosis plants.



- **Al Dhafra solar PV plant 1,584 MW was inaugurated.**

UNEZA
UTILITIES FOR NET ZERO ALLIANCE

- Launched **Utilities for Net Zero Alliance (UNEZA)** during COP28.

[1] In 2025, the UK government decided not to proceed with a crucial Contract for Difference (CfD) for the Morocco-UK Power Project, removing its primary off-take route.

2024

- **Launched new brand identity for UAE owned and operating companies, introducing TAQA Distribution (merger between ADDC and AADC), TAQA Transmission, TAQA Water Solutions, and TAQA Energy Services.**
- Masdar expanded its global renewable energy portfolio through strategic acquisitions across the US and Europe including 50% stake in Terra-Gen Power Holdings, 70% stake in Greece's Terna Energy, 100% stake in Spain's Saeta Yield, 49.99% stake of all of Endesa's operational photovoltaic assets in Spain, and a 49% shareholding in the 3 GW Dogger Bank South (DBS) project in the UK.
- 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.
- TAQA and 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.





- 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 MIGD and powered by around 70 MW renewables, commenced full commercial operations.
- North Cormorant, Cormorant Alpha and Tern Platforms in Northern North Sea, operated by TAQA Bratani reached cessation of production.
- Ceased onshore gas production in the Netherlands, in the Dutch Alkmaar region.
- Completed the sale of stake in the Atrush oil field in the Kurdistan Region of Iraq.
- Fitch Ratings upgraded TAQA's credit rating to 'AA' with stable outlook.
- TAQA, Vision Invest and GIC consortium announced the financial closing for Juranah independent strategic water reservoir project in Makkah, Saudi Arabia.



- Announced the successful pricing of an aggregate USDx1.75 billion in 7-year (USD 900 million) and 12-year (USD 850 million green bond) dual-tranche senior unsecured notes.



- **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.**

2025 ▶

OUR JOURNEY

YEAR IN REVIEW 2025



JANUARY

- Completed laying 1,000km of cutting-edge cables for their USD 3.8 billion offshore electrification project with ADNOC – the largest of its kind in the world.
- Crew disembarked TAQA UK's North Cormorant platform for the last time, after 42 years of production and over 467 million barrels of oil produced.

FEBRUARY

- Completed the decoupling of the 37.5 MIGD Reverse Osmosis water production facility at Fujairah F1, enabling independent water production.

MARCH

- Signed a memorandum of agreement with the New Tashkent City Directorate to explore the development of a 65km raw water transmission pipeline and a cutting-edge water treatment plant in Uzbekistan.
- Phase II of TAQA North's Sousa abandonment program came to an end, which saw the closure of 99 sites, the highest number reclaimed in a single area for any abandonment project phase to date.



APRIL

- **Announced a landmark investment in energy-infrastructure projects in Abu Dhabi, which includes 1 GW Al Dhafra Open Cycle Gas Turbine (OCGT) plant and development of advanced power grid infrastructure, to advance the UAE's National Strategy for Artificial Intelligence 2031.**
- Completed the acquisition of 100% of Transmission Investment, a leading UK electricity transmission development and services company.
- Announced the reconfiguration and extension of the Shuweihat 1 power plant in Abu Dhabi to approximately 1 GW open-cycle gas facility, providing 15 years of flexible reserve supply and supporting integration of renewables and clean energy.
- Successfully brought its new Caroline compressor station online in Canada, enhancing the efficiency of operations and reducing reliance on third-party facilities for gas processing in the region.
- Final production at UK's East Brae platform comes to a close.
- Masdar completes acquisition of the outstanding 30% shares in TERNA ENERGY SA.

MAY

- **Joined forces with Moroccan public and private partners, envisaging the development of nearly 2.7 GW of gas and renewable energy capacity, including the acquisition of an existing 400 MW combined cycle gas turbine power plant, transmission infrastructure for power and water and ca. 500 MIGD of water desalination capacity.**
- Transferred its P18-A offshore gas production platform in the Netherlands to Porthos for conversion into Europe's first large-scale CO_2 storage site, repurposing existing infrastructure for decarbonisation of the Rotterdam industrial hub.
- Completed the transaction for purchase of 875 MW Talimarjan Power Plant 1 in Uzbekistan with Mubadala, with each party holding a 40% stake in the combined-cycle gas-fired plant.
- Signed Memoranda of Understanding (MoU) with Abu Dhabi Airports to help improve reliability and efficiency for airport operations, supporting the Emirate's growth in global aviation.

JUNE

- Signed MoU with EMSTEEL Group focused on expanding and modernising electricity and water networks, supporting Abu Dhabi's vision to double manufacturing output by 2031.

JULY

- Masdar joined Iberdrola to co-invest (each having 50% stake) in East Anglia THREE wind farm in the UK, which is scheduled to commence initial operation in Q4 2026 and is estimated to cost AED 22.36 billion.
- Announced the commencement of the 9 MW solar PV project for the United Arab Emirates University, the largest solar energy initiative in the UAE's education sector.
- After 32 years of operation, the final flight departed UK's East Brae platform, which transitioned to an unattended installation until its removal by Heerema, which will begin in 2026.

AUGUST

- **Signed an agreement to acquire a 100% interest in GS Inima, a global leader in water treatment and water desalination, from GS Engineering & Construction. The transaction, valued at approximately USD 1.2 billion, will bring GS Inima fully into TAQA's ownership and significantly accelerate the Group's international water growth strategy.**
- Secured an AED 8.5 billion dirham-denominated floating-rate corporate term loan facility, complementing existing USD 20 billion global bond programme and USD 3.5 billion revolving credit facility.

SEPTEMBER

- Reached financial close for two greenfield gas-fired power plants in Saudi Arabia , Rumah 2 and Al Nairyah 2, with a combined capacity of approximately 3.6 GW and a total investment of circa USD 4 billion.
- Awarded a contract to Allseas' Pioneering Spirit, the world's largest heavy-lift vessel, for the engineering, preparation, removal and disposal of the Brae Alpha platform in the UK Central North Sea, covering removal of the 33,000-tonne topside, 13,000-tonne jacket and 34 conductors.
- Al Mirfa Power Company (AMPC), wholly owned by TAQA, successfully completed the decommissioning, dismantling and demolition project at the Madinat Zayed Power Station in Al Dhafra's Western Region.

OCTOBER

- Completed the divestment of 100% stake in 250 MW lignite-fired Neyveli power plant in India, aligning with its strategic focus on low-carbon and core regulated assets.
- Achieved full commercial operations at the 2.4 GW Fujairah F3 IPP project, one of the UAE's largest and most efficient gas-fired power plants.
- Masdar announced the closing of its acquisition of a 49.99% stake in a € 368 million portfolio comprising four operational solar PV plants from Enel Green Power España S.L.
- Successfully removed the first of its Northern North Sea platforms, with the topside of the Eider Alpha asset weighing 11,640 tonnes lifted and transported to Vats Environmental base in Norway for safe dismantling and disposal.

NOVEMBER

- **TAQA, Emirates Global Aluminium (EGA), DUBAL Holding and EWEC signed agreements to decarbonise aluminium production and expand renewable and clean energy development in Abu Dhabi. TAQA and DUBAL Holding will acquire EGA's 3.1 GW power and 6.25 MIGD water generation assets in Al Taweelah for USD 1.9 billion. TAQA Transmission will acquire EGA's electricity transmission assets.**

DECEMBER

- Reached financial closure for the AED 3.6 billion 1 GW Al Dhafra power plant which will provide power to data centre projects and advance the UAE National Strategy for Artificial Intelligence 2031.
- TAQA Water Solutions completed one of its largest pipeline installations projects, delivering a 1.2 km pipeline that links Al Hudayriat Island to the Abu Dhabi Mainland.





INVESTMENT CASE

As a leading integrated utility in the EMEA region, TAQA is well-positioned to take a prominent role in the ongoing global energy transition. During 2025, the company achieved key strategic, financial, and operational objectives, while also forging new partnerships and enhancing its ESG credentials.

ABU DHABI'S INTEGRATED UTILITY WITH A GROWING 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 with a **minimum of 40% stake in all EWEC conventional generation projects**.
- TAQA's position as Abu Dhabi's integrated utility reinforced following the **acquisition of SWS Holding (now TAQA Water Solutions)**.
- **Assets of AED 219.9 billion** as of the end of December 2025.
- Global footprint continues to expand, reaching **26 countries** as both TAQA and Masdar enhance their international presence.
- 132,000+ km of electricity, water and wastewater networks and 1.14 million end user connections.
- 92.2 mboed (thousand barrels of oil equivalent per day) production of which 68% is natural gas.

STRONG PROGRESS TOWARDS 2030 CORPORATE STRATEGY TARGETS

- **73.3 GW gross power generation capacity** and 27.9 GW net capacity at the end of 2025 compared to targets of 150 GW and 50 GW by 2030, respectively.
- **Share of renewable energy at 63.8%**, based on gross capacity, versus target of 65% by 2030.
- **45% of water generation capacity based on reverse osmosis** (RO) technology at the end of 2025 against the 2030 target of 66%.
- **AED 19 billion investments[1] in Transmission and Distribution businesses** during 2021 to 2025, targeting an aggregate capex of AED 40 billion by 2030.
- **AED 16 billion invested[2] in Generation business** during 2021 to 2025, targeting an aggregate capex spending of AED 35 billion by 2030.
- Aggregate scope 1 & 2 GHG emission reduction of 25% by the end of 2025, from 2019 base year, targeting to maintain the 25% reduction by 2030.

FORTIFYING TAQA'S FINANCIAL POSITION

- TAQA continued to deliver a **financially resilient performance** with revenues remaining stable, YoY. EBITDA declined by 1.64% YoY, primarily due to non-recurring, non-cash impairment charges in the Generation and Oil and Gas businesses. **Net income increased by 5.6% YoY**, reflecting continued financial discipline.
- **Share of contracted and regulated revenues nearly 93% of the Group's top line**, enhancing visibility and predictability.
- Credit rating of AA by Fitch and Aa3 by Moody's.
- Secured AED 8.5 billion term loan to boost liquidity and advance growth, complementing existing USD 20 billion global bond programme and USD 3.5 billion revolving credit facility.
- **Nearly 87% of EBITDA from regulated and contracted businesses.**
- **Net debt-to-EBITDA ratio of 2.8**, 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 ESG rating of "A,"** compared to "CCC" in 2020, and the Morningstar Sustainalytics rating in **"Low Risk"** category, compared to "Severe Risk" in 2020.
- **25% reduction in Scope 1 & 2 GHG** emissions in absolute terms and **41% reduction in revenue-based GHG intensity** in 2025 compared to the base year 2019.
- **13% reduction in material categories of scope 3 GHG** emissions in 2025 compared to base year 2019.
- Dedicated Board and Executive Management level committees for sustainability.
- Three female Board Members, with a share of female representation on the Board at 27%. The share of Board seats occupied by independent members at 82%, compared to 67% in 2021.

1 Expenditure that will directly contribute to Regulated Asset Base.
2 Equity investment.

STAKEHOLDER ENGAGEMENT

GRI 2-28 GRI 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 its effectiveness, 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	Engagement Objectives	TAQA Owners
Key Customers and Off-takers	• 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.	Businesses
Partners, Peers, and Suppliers	• Explore joint initiatives to improve operational efficiency and create shared value. • Align on potential joint-initiatives to decarbonise the value chain.	Strategy, Mergers & Acquisitions (M&A), Businesses (Business Development, Supply Chain)
Governments and Regulators	• 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.	Strategy, Legal, Communications, Businesses, Risk
Capital Markets	• Disclose information transparently and comply with stock-market listing requirements. • Build awareness and understanding of TAQA's business strategy, initiatives, and achievements.	Investor Relations, Treasury, Strategy, Legal
Shareholders and Investors	• 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.	Investor Relations, Strategy

STAKEHOLDER ENGAGEMENT

At TAQA, effective stakeholder engagement is central to delivering complex, long-term infrastructure responsibly and at scale. Our approach is grounded in transparency and long-term partnership. As an integrated utilities company operating across power, water and transmission, we engage daily with governments and regulators, investors, partners, customers and local communities, recognising the role they all play in supporting delivery across the system.

During the year, TAQA strengthened dialogue with stakeholders globally, including through our leadership in convening the Utilities for Net Zero Alliance (UNEZA). By bringing together utilities and suppliers, UNEZA provides a practical forum to address shared delivery challenges linked to decarbonisation, grid modernisation and system resilience.

By maintaining open engagement and clear communication, we support alignment, build trust and help ensure TAQA can deliver long-term value as we progress our low carbon power and water strategy.



Gareth Wynn
Chief Communication Officer

Stakeholder Group	Engagement Objectives	TAQA Owners
Creditors and Insurers	• 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.	Treasury, Investor Relations, Strategy, Businesses
Rating Agencies	• Increase understanding of methodology and requirements of ratings. • Share latest disclosures to be reflected in ratings; aim to improve ratings.	Treasury, Investor Relations, Strategy
Reporting Standards/ Bodies	• Understand disclosure requirements including timelines, format, etc. • Seek support to complete questionnaires/ submission requirements.	Finance, Strategy
Local communities and NGOs	• 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.	Communications, Businesses
Media	• 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.	Communications

STAKEHOLDER ENGAGEMENT

MEMBERSHIPS AND ASSOCIATIONS

UNEZA UTILITIES FOR NET ZERO ALLIANCE

Founding Member of the Utilities for Net Zero Alliance (UNEZA)

IFRS Sustainability Alliance

Member of IFRS Sustainability Alliance

WORLD ECONOMIC FORUM

Associate Member of World Economic Forum

HUB71

Founding Partner of HUB71 + CLIMATETECH

IRENA International Renewable Energy Agency

Founding member of IRENA Alliance for Industry Decarbonisation

United Nations Global Compact

Member of UN Global Compact

UAE CARBON ALLIANCE

Founding member of UAE Carbon Alliance

ADGM

Signatory of Abu Dhabi Global Market's Sustainable Finance Declaration

IDRA

Member of International Desalination and Repurpose Association

مجموعة أبوظبي للاستدامة ABU DHABI SUSTAINABILITY GROUP

Member of Abu Dhabi Sustainability Group Alliance

هيئة البيئة - أبوظبي Environment Agency - ABU DHABI

Member of Abu Dhabi Climate Change Task Force

CSO Network

Member of The Chief Sustainability Officers Network

UNITED ARAB EMIRATES MINISTRY OF CLIMATE CHANGE & ENVIRONMENT

Signatory of UAE Climate Responsible Companies Pledge

DYNAMO

Member of the Dynamo Energy Hub

STAKEHOLDER ENGAGEMENT

KEY EVENTS

BELOW IS A SNAPSHOT OF KEY EVENTS TAQA PARTICIPATED IN THROUGHOUT 2025:

World Future Energy Summit
Abu Dhabi



International Renewable Energy Agency (IRENA) Assembly
Abu Dhabi



World Economic Forum Annual Meeting
Davos



World Utilities Congress, hosted by TAQA
Abu Dhabi



Climate Action Week
London



Climate Week
New York



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



International Desalination and Reuse Association (IDRA) World Congress
Reykjavik



Abu Dhabi International Petroleum Exhibition & Conference (ADIPEC)
Abu Dhabi



Finance Week
Abu Dhabi



STAKEHOLDER ENGAGEMENT

UTILITIES FOR NET ZERO ALLIANCE (UNEZA)

UNEZA (Utilities for Net Zero Alliance) was launched at COP28 through the **UAE Declaration of Action**. This Alliance unites a global community of 74 utilities and power suppliers (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.

↗ For more details, visit the **UNEZA website.**

UNEZA MEMBERS ARE COMMITTED TO SUPPORTING THE TRIPLING AGENDA BY 2030

GRIDS



~ USD **79** billion
per annum (p.a.)

ENERGY STORAGE



~ USD **3** billion
per annum (p.a.)

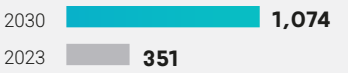
RENEWABLES



Revenues

USD **66** billion
per annum (p.a.)

3× by 2030
Increased total installed renewable capacity (GW)



TOTAL ANNUAL INVESTMENT

USD **148** billion

resulting in up to

USD **1** trillion
by 2030

STAKEHOLDER ENGAGEMENT

UNEZA INSTITUTIONAL PARTNERS

UNEZA INDUSTRY MEMBERS

UNEZA ECO SYSTEM SUPPORT PARTNERS

STAKEHOLDER ENGAGEMENT

ROUNDUP OF ACTIVITIES PERFORMED BY UNEZA IN 2025



IRENA 15TH ASSEMBLY

January 2025

UNEZA took part in a high-level roundtable focused on accelerating climate-aligned financing for modern and resilient grid infrastructure. Discussions highlighted the urgent need to scale investment in clean grids, address financing and regulatory barriers, particularly in emerging markets, and expand support from multilateral development banks. The session also emphasised the role of digitalisation and innovative grid technologies in strengthening flexibility and enabling the global energy transition. UNEZA reaffirmed its commitment to advancing the Climate Finance Principles for Green Grids and supporting international cooperation to accelerate renewable-energy deployment.

WORLD UTILITIES CONGRESS 2025

May 2025

UNEZA convened a series of high-level discussions focused on accelerating progress toward global 2030 energy-transition targets. The Global Leadership Panel emphasised the urgent need to expand and modernise grid infrastructure to enable the rapid tripling of renewable capacity by 2030. Across multiple sessions, UNEZA highlighted the importance of harmonised standards, resilient supply chains, and stronger cooperation between utilities, regulators, and technology providers. Discussions also underscored the growing role of system flexibility — enabled by digitalisation, energy storage, and real-time demand management — and the need for clear policy and investment frameworks to support large-scale renewable integration. Collectively, the engagements reinforced UNEZA's focus on scaling infrastructure, advancing innovation, and addressing systemic barriers to deliver a resilient, net-zero power system.





MODERNISING POWER GRIDS FOR A RENEWABLE FUTURE IN EMDES AT IRENA INNOVATION WEEK 2025

June 2025

During IRENA Innovation Week 2025 that took place in Bonn, Germany, UNEZA contributed to a panel exploring how modernised grids can unlock renewable energy potential across Emerging Markets and Developing Economies (EMDEs). Discussions highlighted the need to expand investment, deploy smarter and more resilient grid technologies, and strengthen long-term planning to address challenges such as aging infrastructure, blackout risks, and uneven regional development. Speakers highlighted the role of digitalisation, self-healing grids, and local workforce development in ensuring reliable, low-carbon systems, while underscoring the importance of social equity to ensure vulnerable and historically underserved communities benefit from the transition.

NEW YORK CLIMATE WEEK 2025

September 2025

UNEZA convened a series of high-level roundtables and panel discussions with global utilities, regulators, financiers, and technology leaders to accelerate progress toward reliable, flexible, and decarbonized power systems. Discussions focused on scaling AI-enabled grid solutions, mobilising investment for grid expansion and storage, strengthening international interconnections, addressing financing and regulatory bottlenecks, and advancing the Climate Finance Principles to unlock capital for transmission and storage infrastructure. UNEZA also highlighted the need for early-stage flexibility investments, harmonised standards, and cross-sector cooperation to deliver large-scale grid projects at pace and scale, reinforcing the Alliance's role in advancing resilient, future-ready energy systems in the lead-up to COP30.





UNEZA AT COP30

November 2025:

At COP30 in Belém, Brazil, UNEZA played a prominent role, convening high-level dialogues to advance global collaboration on grids, storage, and large-scale electrification. **UNEZA and its partners announced strengthened investment commitments, mobilising over USD 1 trillion in energy-transition investments to 2030, and endorsed new Climate Finance Principles designed with the Green Grids Initiative (GGI) to unlock capital for modern grid infrastructure, particularly in emerging economies.**

UNEZA and the Global Clean Power Alliance (GCPA), a government initiative launched by UK Prime Minister Keir Starmer in 2024, announced a new strategic partnership to address supply chain challenges affecting the power sector globally. The GCPA confirmed UNEZA as a key supply chain mission delivery partner, bringing ambitious governments together with the world's leading utilities and partners, to build more resilient power sector supply chains.

STAKEHOLDER ENGAGEMENT

PROGRESS OVERVIEW OF UNEZA MEMBERS

For 2025, UNEZA members collaborated on actions towards the development of reliable, resilient and flexible grid infrastructure as the primary priority, recognising its central role in enabling clean power deployment and economy-wide decarbonisation. This focus is fully aligned with the Consensus, which calls for immediate action to ensure that by 2030 the world is on track to triple renewable energy capacity and double energy efficiency improvements.

The figure below highlights the aggregate progress achieved by UNEZA members, including advancements in grid expansion and modernisation, alongside a marked increase in installed renewable energy capacity supported by significant investment. This progress reinforces the central role of grids in enabling clean power deployment and positions UNEZA members to accelerate implementation in coming years.

To accelerate progress, UNEZA implemented a two-track approach: (1) strengthening the analytical and evidence base by identifying key system challenges and bottlenecks and sharing insights with the global community, and (2) translating this analysis into action through targeted delivery mechanisms and initiatives designed to further accelerate investment in grid modernisation. Together, these mechanisms address system bottlenecks that limit the pace of energy transition including supply chain challenges, and capital flows.

The figures below represent the aggregate progress of all UNEZA members for key indicators till end of 2024

GRIDS



14,140 km
New grids built

9,125 km
Modernised existing grids

USD 83 billion
Investment

RENEWABLE ENERGY (RE) CAPACITIES



130 GW
Increase in installed capacity

USD 40 billion
Investment

1 Data aggregated from information provided by UNEZA members and collected from public sources. Information from subsidiary companies is included in the joint targets.
2 The 2024 progress data reflect the inclusion of newly joined members.
3 It has not been possible to collect data from all UNEZA members. The aggregated data is based on publicly available information from majority of UNEZA members.

03

STRATEGY

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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 sets 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:

- Ensuring security of supply to support demand growth in the UAE and internationally
- Becoming a sustainability leader and decarbonisation partner
- Pioneering sustainable water solutions
- Expanding product portfolio to provide customer centric solutions

Enablers

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

CORPORATE STRATEGY

PURPOSE

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

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

STRATEGIC PILLARS AND KEY THEMES

OPTIMISATION

Creating an integrated and efficient utility company

GROWTH

Ensuring security of supply to support demand growth in the UAE and internationally

Becoming a sustainability leader and decarbonization partner

Pioneering sustainable water solutions

Expanding product portfolio to provide customer centric solutions

ENABLERS

CAPABILITY BUILDING

Develop people capabilities for sustainable growth

FINANCIAL DISCIPLINE

Fund growth whilst maintaining standalone investment grade credit rating

ESG

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

INNOVATION AND DIGITALISATION

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

TAQA's strategy is anchored in disciplined growth, operational excellence, financial resilience, and a strong commitment to sustainability and innovation. Since the launch of the 2030 Vision for Sustainable and Profitable Growth, the Group has continued to strengthen its integrated utilities platform and build the capabilities needed to deliver long-term value.

In 2025, TAQA advanced priority growth initiatives across power, water and networks. Key projects with EWEC, Masdar and EGA reinforced TAQA's role in supporting the UAE's decarbonisation and AI-enabled growth agenda. The planned acquisition of GS Inima will strengthen our integrated water platform and expand our international footprint across Europe, Latin America and Asia. The acquisition of Transmission Investment marked TAQA's entry into the UK electricity transmission market, while Masdar accelerated its global clean energy expansion.

Innovation remained a key enabler for delivering strategic objectives, supported by the TAQA Innovation Challenge. Looking ahead, our focus remains on disciplined delivery, selective international expansion, and embedding ESG across decision-making as we progress towards our 2030 ambitions

NOEL AOUN
Chief Strategy Officer



CORPORATE STRATEGY













Key 2030 targets

150 GW
of gross power generation capacity[1]

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

1,300 MIGD
gross water generation capacity[3]

- **2/3 contribution** from reverse osmosis (RO) technology

Aggregate spend of AED 75 billion

- Grids: **AED 40 billion**[4]
- Generation: **AED 35 billion**[5] (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 the UAE

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

Maintain standalone investment grade rating

Progress at end of 2025

73.3 GW
of gross power generation capacity

- **63.8%** of renewables
- TAQA **29 GW**, Masdar **45.9 GW**[2]
- Net capacity of **27.9 GW** (43.6% renewables)

1,149 MIGD
gross water generation capacity

- **44.7%** from reverse osmosis RO technology

Aggregate spend of AED 35 billion

- Grids: **AED 19 billion**
- Generation **AED 16 billion** (88% renewables, 9% gas, 3% RO)
- **96%** of spending towards energy transition[6]

25% absolute reduction in scope 1 & 2 GHG emissions compared to base year 2019,

32% reduction in the UAE

Share of oil in the O&G portfolio reduced to 20% in 2025, down from 44% in 2020[7]

Aa3 by Moody's, AA by Fitch, 12% liquidity (as % of total assets) and net leverage of 2.8

1 Capacity figures include operational and under construction projects. Targets are after considering the planned decommissioning of select assets.
2 Includes Al Dhafra PV2 in which both TAQA and Masdar have stakes.
3 Takes into account of planned decommissioning of gas fired based desalination plants.
4 Spending towards regulated asset base.
5 Equity investment.
6 Consists of all categories except thermal generation. 86% is eligible as per EU taxonomy for sustainable finance (remaining 14% being thermal, reverse osmosis and water grids).
7 Iraq (divested in 2024), included under 2020.

KEY MILESTONES[1]

2021 to 2025

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.



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

[2] 94% in 2020 and 2021, all other years were above 98%.

OPTIMISATION

CREATE AN INTEGRATED AND EFFICIENT UTILITY COMPANY

- Maintained very **high availability** of 94% to 100%[2] 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 an O&M role across all new projects** such as Al Dhafra OCGT, Mirfa 2 RO, Shuweihat 4 RO, Tanajib cogeneration and desalination plant, Amiral cogeneration plant, Rumah 2 IPP and Al Nairyah 2 IPP, Talimarjan power plant1 and EGA power plants. TAQA is also the lead developer across several of its new greenfield projects.
- **Completed financial close of the 15-year PPA extension for Shuweihat 1** Power Plant, to enable reconfiguration from a cogeneration power and water desalination facility to a power plant only to provide flexible reserve capacity supporting the increased integration of clean energy sources.
- **Extended** Power Purchase Agreement **(PPA)** with EWEC **for the Umm Al Nar co-generation** plant for a period of 18 months, extendable by another 12 months.
- **Collaborating with the Abu Dhabi regulator** to maintain a transparent and reliable regulatory framework that delivers adequate returns.
- **Delivering transformation programmes** for the transmission, distribution and wastewater assets to enhance capex efficiency, optimise operations and maintenance and realise supply chain excellence.
- ADDC and AADC were brought under a single **new brand** in 2024 and now operate as a single entity named **TAQA Distribution**.
- TRANSCO was rebranded as **TAQA Transmission,** SWS as **TAQA Water Solutions**, and ADES as **TAQA Energy Services**, so that all of the major UAE operating companies operate under the TAQA name.
- **SAIFI** (System Average Interruption Frequency Index) **and SAIDI** (System Average Interruption Duration Index) **improved by 29% and 15%** 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 the oil and gas product portfolio to 20% in 2025 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.
- **Completed Phase II of Sousa abandonment programme** in Canada, which saw the closure of 99 sites, the highest number reclaimed in a single area for any abandonment project phase to date.
- **Successfully brought the new Caroline Compressor Station online in Canada,** enabling TAQA to leverage its owned and operated infrastructure to enhance the efficiency and profitability of operations and reduce reliance on third-party facilities for gas processing in the region.
- **Decommissioned the former gas** treatment facility in Alkmaar, with the vacant site planned to be used for a housing project by the Alkmaar City Council.

KEY MILESTONES

GROWTH

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

- **Advancing Abu Dhabi's Artificial Intelligence Strategy** through state-of-the-art energy infrastructure projects totalling an AED 36 billion investment:
  - TAQA and EWEC signed a PPA and achieved **financial closure for 1 GW of new advanced OCGT generation** capacity to meet the growing energy demand.
  - **Masdar developing a world-first 'round-the-clock' project** which comprises 5.2 GW of solar PV and 19 GWh of battery storage to dispatch 1 GW of renewable energy 24/7.
  - **TAQA Transmission developing state-of-the-art infrastructure** to integrate the new projects and seamlessly connect end-users to the Abu Dhabi grid.

- **Adding conventional power projects to the portfolio:**
  - Commenced full operations of **the 2.4 GW Fujairah F3 combined cycle gas power plant,** one of the largest and most efficient gas-fired power plants in the UAE.
  - **Signed two 25-year PPAs with Saudi Power Procurement Company (SPPC)** and achieved financial closure 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.
  - Completed the acquisition of a **40% stake in the 875 MW Talimarjan TPP1 combined cycle gas-fired power plant in Uzbekistan,** alongside Mubadala.
  - Nearing completion of the **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.

- **TAQA Morocco alongside Nareva** and the Mohammed VI Investment Fund signed three Memoranda of Understanding (MoU) and associated development agreements with the Government of Morocco and the Office National de l'Electricité et de l'Eau Potable (ONEE); **envisaging** the development of nearly **2.7 GW of gas and renewable energy capacity**, including the acquisition of an existing 400 MW combined cycle gas turbine power plant, **transmission infrastructure** for power and water and more than **524 MIGD of water desalination** capacity.
- **Connected 5.6 GW of nuclear and 2.5 GW of solar** to the Abu Dhabi grid.
- **Acquired Transmission Investment,** a UK-based offshore transmission platform, strengthening TAQA's presence in regulated electricity networks and supporting the integration of offshore renewable energy into the UK power system.
- **Increased transmission and distribution power network length** by 23% and water network length by 5% compared to 2020.



KEY MILESTONES

GROWTH

BECOME A SUSTAINABILITY LEADER AND DECARBONISATION PARTNER

- **Signed agreements with EGA, EWEC and DUBAL Holding to decarbonise aluminium production and expand renewable and clean energy development in Abu Dhabi:**
  - TAQA and DUBAL Holding to acquire EGA's Al Taweelah power and water assets for USD 1.9 billion, with operations to be managed by a new operations and maintenance company jointly owned by TAQA and EGA.
  - TAQA and DUBAL Holding JV signed a PPA with EWEC for a 3.1 GW combined cycle gas-fired plant in Al Taweelah.
  - TAQA Transmission to acquire EGA's electricity transmission assets.
  - EGA signed long-term agreements with EWEC and TAQA Distribution for the supply of electricity, becoming the largest single customer on the Abu Dhabi electricity grid.



- **Became the leading shareholder of Masdar in December 2022, and accelerated its renewable energy capacity to 45.9 GW at the end of 2025 from 15 GW at the end of 2022:**
  - Completed the acquisition of a 50% stake in Terra-Gen Power Holdings II, one of the largest independent renewable energy producers in the US.
  - Completed the 100% acquisition of Terna Energy, enhancing its renewable energy portfolio in Greece and the EU.
  - Partnered with Endesa in a renewable energy transaction in Spain acquiring a 49.9% stake of Endesa's 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 onshore wind and solar assets and development pipeline across Spain and Portugal.
  - 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.
  - Signed an agreement with Iberdrola to co-invest in the 1.4 GW East Anglia THREE wind farm in the UK.

- **Divested the 250 MW lignite-based power plant in India.**
- 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 Ajban Solar PV at 1.5 GW.
- Reduced the GHG intensity of electricity distribution by 44% and water distribution by 29% for customers served by the Abu Dhabi grid.
- Reducing ADNOC's GHG intensity by connecting offshore production to the electricity grid (USD 3.8 billion) and onshore operations to the water grid (USD 2.2 billion).
- **Ceased production and progressed decommissioning** at Tern, North Cormorant and Cormorant Alpha platforms in the UK, as well as at the onshore gas production facility in the Netherlands.
- Safely removed the Eider Alpha topside, the first Northern North Sea platform to reach the topside removal and dismantling phase.
- **Enabling the execution of the Porthos project in the Netherlands** where TAQA will provide access to a depleted reservoir and to **offshore facilities for CO_2 injection and storage.**



[1] Includes Al Dhafra PV2 in which both TAQA and Masdar has a stake.

KEY MILESTONES

GROWTH

PIONEER SUSTAINABLE WATER SOLUTIONS

- **Signed an agreement to acquire a 100% interest in GS Inima** at an enterprise value of USD 1.2 billion, enhancing TAQA's position as a global low-carbon power and water leader with an integrated water platform acquisition and significantly accelerating the Group's international water growth strategy.
- **Increased the share of RO in gross desalination capacity to 44.7%** in 2025 from 28% in 2020.
  - **Commenced operations of Taweelah RO,** the world's largest RO plant with on-site solar generation at 200 MIGD and approximately 70 MW of solar.
  - **Achieved final closure for Mirfa 2** (AED 2.3 billion, 120 MIGD) and Shuweihat 4 (AED 1.6 billion, 70 MIGD) RO projects.
  - **Completed the decoupling of the 68 MIGD RO water production facility at the Fujairah F1** combined-cycle gas-fired power and water desalination plant, enabling independent RO water production.
- **Acquired SWS Holding (now TAQA Water Solutions) in 2024,** increasing TAQA's regulated asset base by over 20% and paving the way for a circular economy in Abu Dhabi's water management.
- **Developing the Juranah water reservoir project** of 2.5 million m^3 in Makkah.
- TAQA Water Solutions signed a Memorandum of Agreement (MoA) with the New Tashkent City Directorate to explore the **development of a 65km raw water transmission pipeline and** a cutting-edge **water treatment plant in Uzbekistan.**
- Share of **recycled water supply out of total water distributed** (potable and recycled) **stands at 17%** with the quantity of supply increasing by 5% when compared to 2024.
- **Reduced distribution water losses** (non-revenue water) **by 15%** compared to 2021.



EXPAND PRODUCT PORTFOLIO TO PROVIDE CUSTOMER CENTRIC SOLUTIONS

- **TAQA Energy Services** continued to deliver energy performance contracting services in 2025, expanding its portfolio to 14 entities, resulting in **annual savings of approximately 129 GWh of energy, 1.5 million m^3 of water, and 3 million refrigeration ton-hours** of district cooling.
- **Demand side management** programmes implemented by TAQA Distribution (beyond TAQA Energy Services' projects) which are resulting in **annual savings of approximately 158.4 GWh of electricity and 19.16 million m^3 of water.**
- TAQA Distribution signed two key Memoranda of Understanding (MoUs) with EMSTEEL Group and Abu Dhabi Airports to advance utilities infrastructure in the industrial and aviation sectors.
- TAQA Distribution signed a strategic agreement with Abu Dhabi Global Market (ADGM); to manage billing, payment processing, and customer relationship management services related to authority fees, streamlining the tenancy experience for over 16,000 residents within ADGM's jurisdiction on Al Maryah and Al Reem Islands.



KEY MILESTONES

ENABLERS

Capability Building: Develop people capabilities for sustainable growth

- The **ETLAQ Graduate Programme**, launched in 2020, has since expanded to include a Technician Programme (launched in 2024) and the ETLAQ Frontliner Programme (launched in 2025). Across all ETLAQ programmes, 377 Emiratis have transitioned into full-time roles across TAQA.
- **Established the Women's Council** and **the Youth Council** in 2023 to drive the UAE's diversity agenda under the ESG strategy.
- Continued the **TAQA Future Leaders Programme,** a bespoke development programme to prepare high potential Emirati talent pipeline (52 participation till date) for future leadership appointments and to retain talent within the TAQA Group.
- Progressed the **TAQA Executive Development Programme**, an integrated and blended learning experience programme helping senior leaders sharpen their capabilities to deliver on TAQA's Corporate Strategy, with 77 participants completing the programme till date.

Financial Discipline: Fund growth whilst maintaining standalone investment grade credit rating

- **Increased revenue and net income at a compound annual growth rate (CAGR) of 6%** and **22%** respectively over the period from 2020 to 2025.
- **Fitch** upgraded TAQA's rating to **AA**, bringing it in line with the sovereign, while **Moody's** maintained its rating of **Aa3**.
- **12% liquidity** as a percentage of total assets and **2.8 net leverage** at the end of 2025.
- **Transparent dividend policy** – fixed quarterly dividends and variable dividends at year-end.
- **Issued bonds totaling USD 4.75 billion** during 2021 to 2025, of which USD 1.85 billion are green bonds.
- Secured AED 8.5 billion term loan in 2025, complementing the existing USD 20 billion global bond programme and USD 3.5 billion revolving credit facility.

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

- **Improved ESG ratings** across the major indices i.e. CCC in 2020 to A in 2024 and 2025 in MSCI, Severe Risk to Low Risk in Sustainalytics, D to B in CDP and 19th to 82nd percentile in S&P.
- **AED 35 billion towards energy transition** (renewables, reverse osmosis, grids) during 2021 to 2025.
- **25% reduction in scope 1 and 2 GHG** emissions and **13% reduction in scope 3 GHG** emissions across material categories, compared to base year 2019.
- Established a Green Finance Framework in 2023 and issued **USD 1.85 billion** of green bonds since then.
- Established the Utilties for Net Zero Alliance (UNEZA) at COP28 which has grown to a global community of 74 utilities and power sector suppliers across 5 continents.
- Secured the highest number of Awards at the Reuters Global Energy Transition Awards 2025.

Innovation & Digitalisation: Enable optimisation of existing business and ability to innovate for growth in new business models

- Established a **dedicated governance structure** in 2024 to oversee the areas of innovation, digital and artificial intelligence.
- Developed an **innovation strategy**, and **a digital and artificial intelligence strategy** in 2024.
- **Over 80 projects including pilots** under implementation related to the topics of innovation, digital and artificial intelligence.
- **Established an incentive framework for innovation** in 2025 to provide financial incentive and a share of the financial benefits for the employees.
- Partnered with Hub71 in 2024 to launch a specialist ecosystem ClimateTech, which supports global startups that are driving the development of sustainable decarbonisation technologies.

RECOGNITION

The strategic milestones achieved during the period of 2021 to 2025 have resulted in several recognition for TAQA across leading global and regional platforms. Some of the select highlights include:



Reuters Global Energy Transition Awards

- Team of Transition Champions, 2025
- Circular Technology, 2025
- DEI Practice, 2025
- Portfolio Transformation Award, 2024



S&P Platts Global Energy Awards

- Infrastructure Project of the Year – TAQA Transmission, 2025



Project Finance International (PFI) Awards

- Middle East & Africa Power Deal of the Year Award, 2025
- Middle East & Africa Power Deal of the Year Award – TAQA Transmission, 2022 and 2023



Treasury Management International (TMI) Awards

- Best in Class Treasury: MENA, 2026



Forbes Middle East

- Sustainability Leaders, #1 in Energy and Utilities category, 2023, 2024 and 2025
- Top 100 listed Companies (ranked in the top 11), 2021 to 2025



World Finance

- Best Corporate Governance in the UAE, 2023



IJ Global Awards

- Market Impact Award - Amiral Cogeneration ISPP Saudi Arabia, 2025
- Green Bond Financing of the Year, 2023
- Desalination Deal of the Year, 2023
- Water Deal of the Year for Project Wave – TAQA Transmission, 2023



RECOGNITION

Global Water Awards
- Water Reuse Project of the Year – TAQA Water Solutions, 2024
- Desalination Plant of the Year, 2023



Bonds, Loans & Sukuk Middle East Awards
- Structured Bond Deal of the Year, 2023

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



International Desalination and Reuse Association (IDRA) Awards
- Best Company Complying with ESG Standards, 2025
- Sustainability Award – TAQA Water Solutions, 2024
- Presidential Award - TAQA Water Solutions' CEO Eng. Ahmed Al Shamsi, 2024



Gulf Sustainability Awards
- Best in ESG (Gold) – TAQA Water Solutions, 2025
- 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 (Gold), 2023
- Best Learning and Educational Programme (Gold), 2024
- Best use of Renewable Energy, 2022



MEED Awards
- Power Transmission Project of the Year – TAQA Transmission, 2025
- Water Transmission Project of the Year – TAQA Water Solution, 2025
- UAE Power Generation Project of the Year, 2024
- Water Treatment Project of the Year – TAQA Water Solutions, 2024
- Water Transmission Project of the Year – TAQA Water Solutions, 2024
- Asset Enhancement Scheme, Abu Dhabi – TAQA Water Solutions, 2024



Global Good Governance (3G) Championship Award
- Environmental Responsibility, 2023 and 2024
- Corporate Governance, 2022
- Corporate Governance Reporting, 2022



Global Sustainability Alliance
- Recognition under "Sustainable Organisations" category, 2023



Parent-Friendly Label
- UAE Parent-friendly Label+ – TAQA Transmission, 2025



Abu Dhabi Sustainable Business Leadership Awards
- Best Sustainability Initiative, 2025
- Best Sustainability Communications Programme – TAQA Distribution, 2025



Best Places to Work
- Top Workplaces in UAE – TAQA Water Solutions, 2024



Top Employer
- Alberta's Top Employers – TAQA North, 2025



INNOVATION, DIGITAL AND ARTIFICIAL INTELLIGENCE

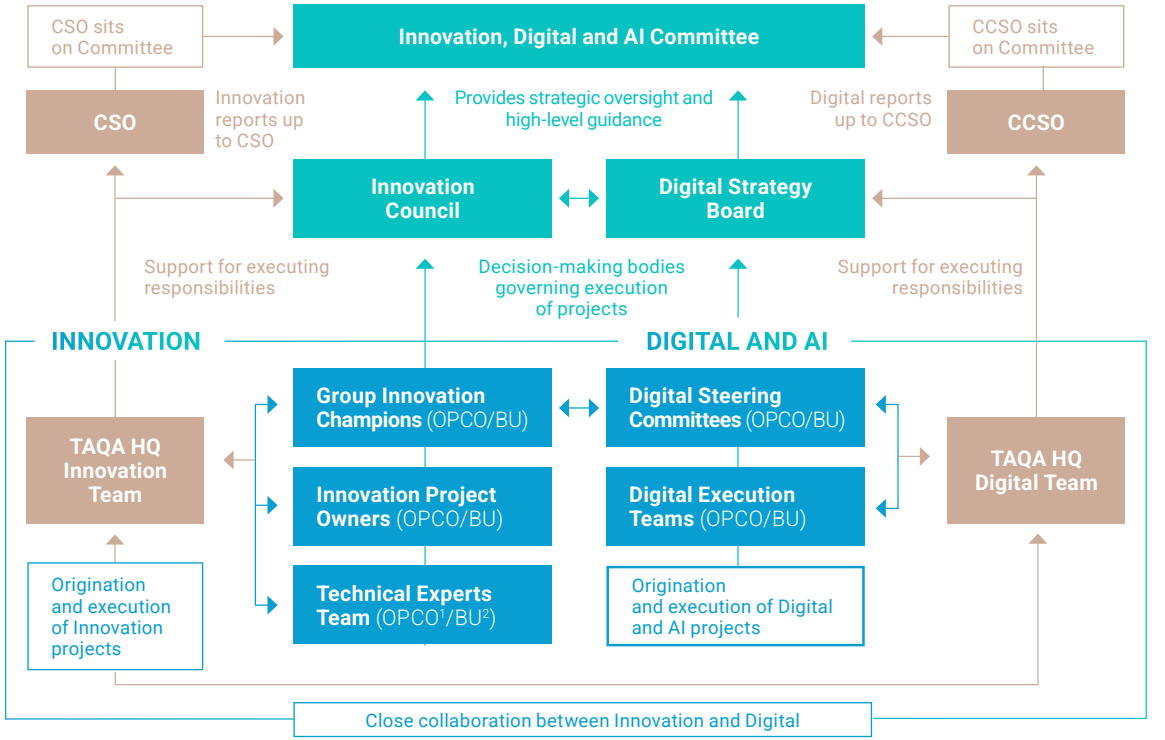
GRI 203-1 GRI 203-2

TAQA recognises the strategic importance of innovation, digitalisation and artificial intelligence (AI) in supporting and accelerating the Group's Strategy for optimisation and growth. Anchoring on the Innovation Strategy, TAQA made significant progress in 2025 to elevate the approach to innovation and lay the foundations to integrate digital and AI initiatives and capabilities.

GOVERNANCE

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

At the top of this governance structure sits an Innovation, Digital & 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) , Chief Communications Officer (CCO) and the CEOs of the businesses. The governance structure is supported by dedicated Innovation and Digital & 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)[1] solutions with external partners, while adopting off-the-shelf technologies for quick, asset-light scaling to drive growth, sustainability, and operational efficiency.

In 2025, TAQA established an Innovation Incentive Framework, under which employees whose ideas complete the pilot stage will receive a financial incentive and a share of the financial benefits if their ideas are later scaled. This reflects TAQA's commitment to recognising and rewarding innovation across the Group.

OVERARCHING INNOVATION SPACES

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

Drive growth (new revenue) | Unlock sustainability | Enable optimization (efficiences and cost reduction)

A. Optimising and scaling renewables	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.
B. Unlocking efficiencies in water and wastewater	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.
C. Extracting value from circular economy	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.
D. Building monitoring and predictive capabilities	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.
E. Empowering customercentric engagement	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.
F. Accelerating automation and AI adoption[2]	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.

INNOVATION CHALLENGE - DRIVING SCALABLE INNOVATION ACROSS THE GROUP

TAQA's approach to innovation, digitalisation and artificial intelligence is anchored in disciplined execution and clear strategic alignment with business priorities. In 2025, this approach was strengthened through the launch of the TAQA Innovation Challenge, a Group-wide initiative designed to surface scalable ideas that support growth, efficiency, safety, customer service and sustainability objectives across the portfolio.

The Challenge attracted strong engagement from across TAQA's businesses and OpCos, generating 324 ideas that reflected the creativity and technical expertise of employees. Following a structured screening and refinement process led by TAQA Innovation, 27 finalist teams were formed, representing 59 idea owners who collaborated to mature their concepts into implementable solutions. Selected ideas progressed to pilot stage in 2025, including projects co-funded in partnership with ADQ, while additional high-potential ideas were advanced for further development and funding pathways in 2026. This structured progression model helps ensure that strong ideas are systematically supported through implementation, embedding innovation as a core enabler of performance, resilience and long-term value creation.

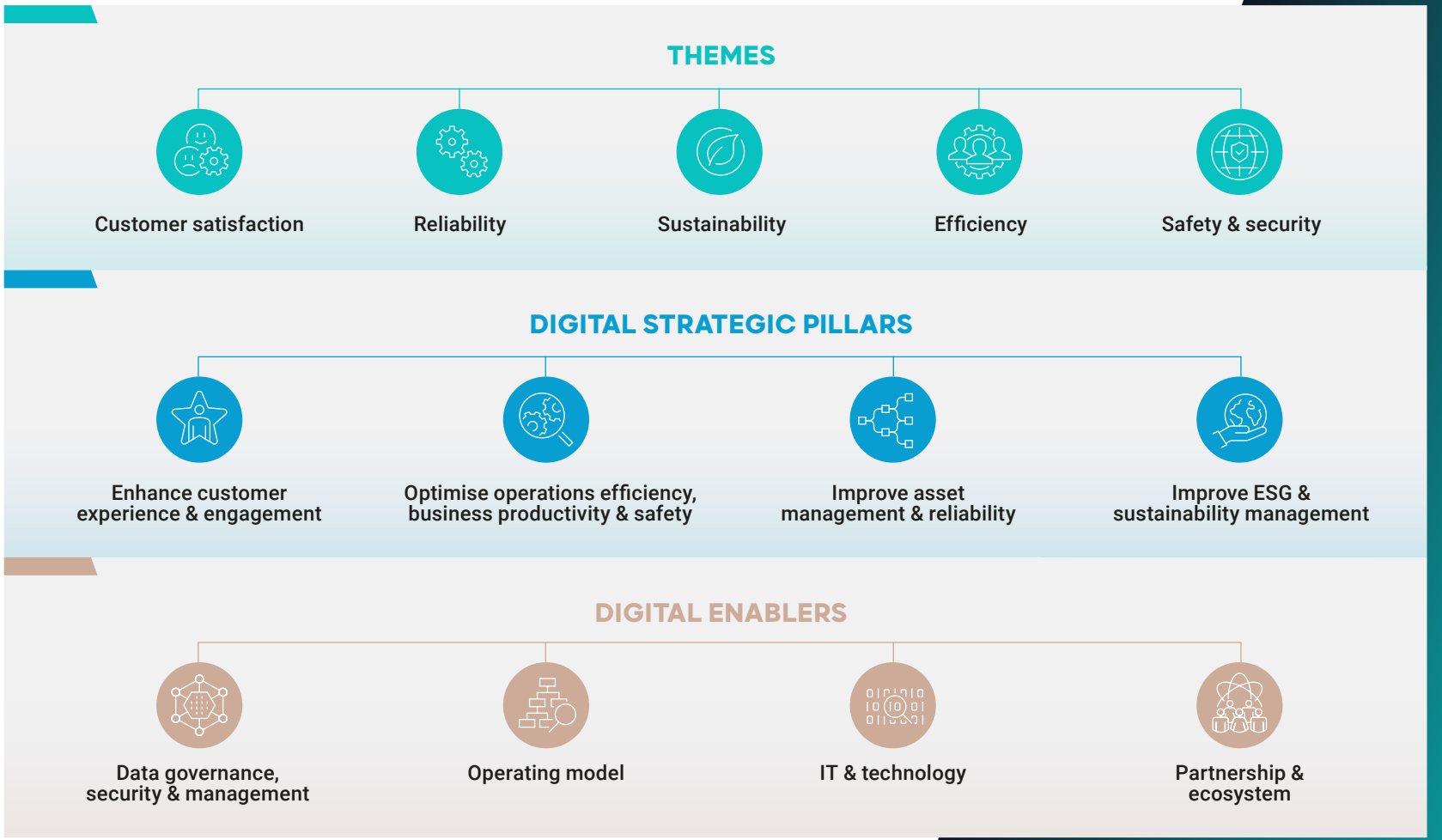
[1] Technology Readiness Levels (TRL) measure technology maturity, from concept (TRL 1) to deployment-ready (TRL 9). Low-TRL refers to early-stage, unproven technologies, while High-TRL solutions are near-commercial & ready for scaling.
[2] This is a cross-cutting space that applies across the remaining 5 spaces.

INNOVATION, DIGITAL AND ARTIFICIAL INTELLIGENCE

DIGITAL & AI STRATEGY

The Digital & 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 & AI Strategy is around four key pillars:

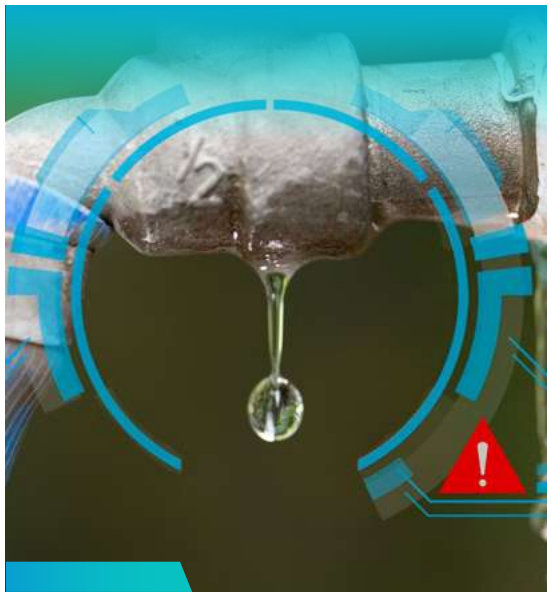
TAQA'S DIGITAL STRATEGY



INNOVATION, DIGITAL AND ARTIFICIAL INTELLIGENCE

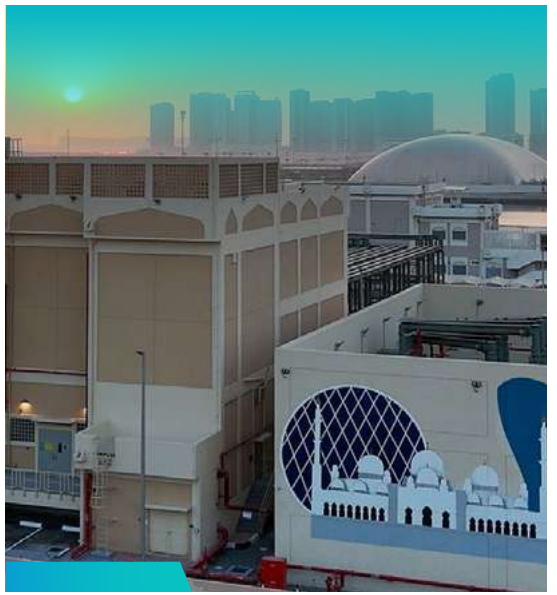
INNOVATION, DIGITAL AND AI PROJECTS

TAQA is translating its Innovation Strategy and Digital & AI Strategy into tangible, value-accretive projects across the Group. With over **80 initiatives** already in motion and a commitment of **AED 2.5 billion** towards these initiatives through 2030, TAQA is scaling high-impact solutions that combine innovation, advanced technologies and operational excellence to enhance performance, resilience, safety and sustainability.



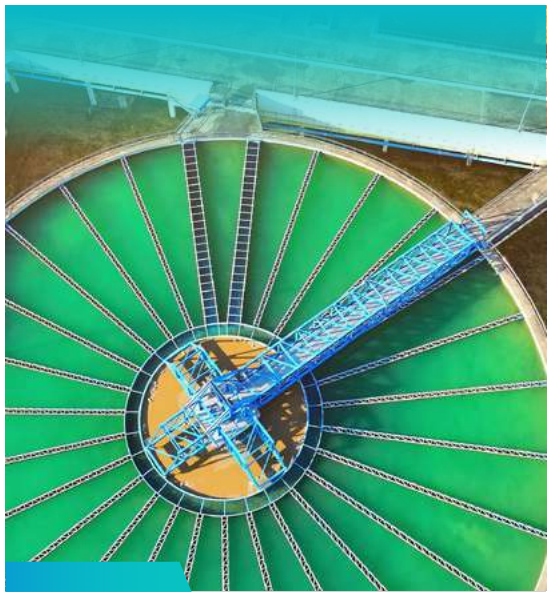
Advanced Non-Revenue Water Leak Detection

An integrated monitoring solution combining fibre-optic distributed acoustic sensing, inline inspection tools, acoustic sensors and smart meters to enable early detection, localisation and prevention of water losses across transmission and distribution networks.



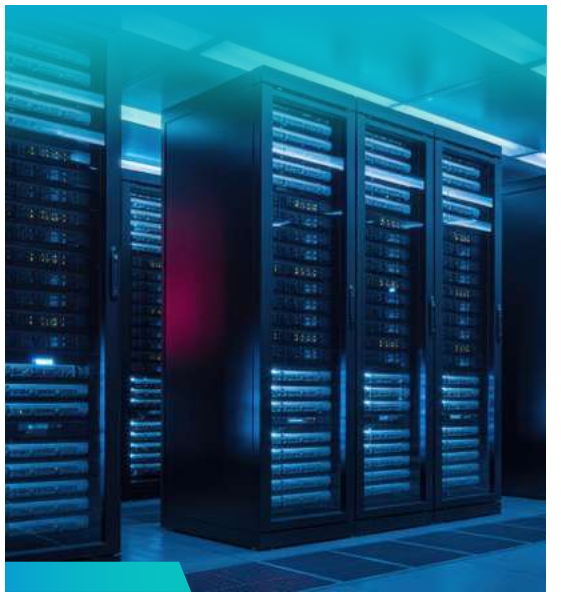
Repurposing Generators as Synchronous Condensers

A solution to convert existing synchronous generators to provide grid stability services without fuel consumption, supporting system inertia and reactive power requirements while reducing emissions.



Contamination Intrusion Detection in Recycled Water Networks

Deployment of AI-integrated salinity sensors and robotic inspection tools to detect contamination hotspots, improve recycled water quality and reduce salinity intrusion.



Predictive AI for Transformer Failure Detection

An AI-enabled asset management platform integrating SCADA, GIS and maintenance data to predict transformer failures, optimise maintenance planning and extend asset life.

INNOVATION, DIGITAL AND ARTIFICIAL INTELLIGENCE



TAQA SecureWork - AI-Enabled HSSE Platform

A digital permit-to-work and HSSE platform applying predictive analytics to identify high-risk activities, enhance real-time visibility and strengthen safety performance across assets.



AI-Driven Gas Flow Forecasting at Gas Storage Bergermeer

An adaptive AI forecasting model to optimise gas storage operations, improve pricing and reduce operational costs through real-time learning from customer behaviour.



FLISR - Network Automation for Faster Fault Recovery

TAQA Distribution has strengthened the reliability and resilience of its electricity distribution network through the deployment of its Fault Location, Isolation and Service Restoration (FLISR) system. This automated solution detects faults, isolates them, and restores power within minutes, reducing outage duration and improving network reliability and customer experience[1].



Microsoft Copilot and Copilot Agents

TAQA launched its Copilot O365 rollout in 2025, delivering measurable productivity gains and achieving 94% adoption among the initial user group. Building on this momentum, TAQA has begun deploying specialised Copilot Agents to further enhance productivity and strengthen compliance, with further expansion planned.



ESG Data Management Tool

In 2025, TAQA implemented a Group wide digital data management system to collect, monitor, analyse and report all its key ESG metrics including greenhouse gases. The tool has been used towards collecting and reporting ESG data for this report, avoiding significant efforts associated with manual processes and improving the data quality.

[1] For further details on FLISR, refer to TAQA Distribution's section in the Business Review Chapter.

04

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FINANCIAL REVIEW



OPERATING LANDSCAPE

NATIONAL CHAMPION AND ONE OF THE LARGEST LISTED INTEGRATED UTILITY COMPANIES IN EMEA

The Government of Abu Dhabi indirectly owns 90% of TAQA's share capital, and the Group benefits from strong government support, oversight and strategic alignment. TAQA is among the five largest integrated utilities in the Europe, Middle East and Africa (EMEA) region by market capitalisation and ranks among the largest integrated utilities in EMEA by Regulatory Asset Value (RAV).

Based on market capitalisation as at 31 December 2025, TAQA was the second largest listed entity on the Abu Dhabi Securities Exchange (ADX) and in the UAE, and one of the five 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, TAQA holds exclusive rights to a minimum 40% shareholding in all Emirates Water and Electricity Company's (EWEC) conventional power and water generation projects in the Emirate of Abu Dhabi initiated until 2030. As part of the Masdar transaction completed in 2022, TAQA offered to contribute its ownership interests in future Abu Dhabi renewable power projects to Masdar.

TAQA Transmission is the sole electricity transmission company in Abu Dhabi and five other Emirates, with interconnections to Saudi Arabia and Oman across the GCC grid. TAQA Distribution is the sole distributor of power and water in the Emirate of Abu Dhabi.

HIGHLY PREDICTABLE AND SECURE CASH FLOW PROFILE

In **2025**, over 73% of the Group's revenue was derived from its regulated power and water **Transmission, Distribution and Water Solutions** businesses in the UAE, with a further 20% generated from contracted power and water **Generation** businesses in the UAE and internationally.

Over the same period, **54%** of Group EBITDA was generated from regulated Transmission, Distribution and Water Solutions activities in the UAE, while **33%** was derived from contracted Generation businesses.

A single regulatory framework applies to TAQA's regulated entities in Abu Dhabi (TAQA Transmission, TAQA Distribution and TAQA Water Solutions), supporting stable, visible and predictable cash flows.

FINANCIAL REVIEW

LONG-STANDING, TRANSPARENT AND INTERNATIONALLY ALIGNED REGULATORY FRAMEWORK

The Department of Energy (DoE) in Abu Dhabi regulates the energy, water, wastewater and sewerage sectors, with policies aligned to government objectives of secure supply and global service standards. A stable regulatory framework has been in place since 1999, with Regulatory Control (RC) periods typically lasting four years; the current RC2 period expected to run from 2023 to 2026.

Regulation in Abu Dhabi is based on a RAV-based framework, supported by transparent and publicly available guidelines. Parameters are set for each regulatory period using methodologies adopted internationally, including 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.

STRONG ABU DHABI TIES AND FULLY ALIGNED WITH ABU DHABI ECONOMIC VISION 2030 AND OTHER NATIONAL INITIATIVES

TAQA is a strategic asset for Abu Dhabi and is currently the largest investment in ADQ's portfolio by total assets. The Group supplies approximately 69% of Abu Dhabi's power and nearly all of its desalinated water and remains 90% indirectly owned by the Emirate.

TAQA 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 64% 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 October 2022, TAQA announced its ESG strategy aligned with the UAE Net Zero by 2050 initiative. The Group subsequently updated its 2030 corporate strategy targets in 2023, reflecting 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 AND WATER

TAQA is well positioned to support the UAE Energy Strategy 2050 and capture domestic infrastructure growth in the Abu Dhabi system. TAQA continues to invest in upgrading and expanding its generation, transmission, distribution and water solutions infrastructure to meet the growing demand driven by economic, and population growth, artificial intelligence and electrification. The Group's interest in Masdar remains a key pillar of its renewable energy strategy, providing access to capital, a scalable global platform, and strong government backing.

In addition, through its five businesses, the Group has a strong competitive and existing presence in key markets, particularly the UAE, which has positioned it well for growth through the execution of projects aligned with the Group's core capabilities, including principally contracted or regulated power and water generation, transmission, distribution and wastewater treatment opportunities with attractive risk-adjusted returns.

Internationally, TAQA is further expanding its water platform through the planned acquisition of GS Inima, a global leader in water treatment and desalination. The acquisition will enhance TAQA's capabilities across desalination, wastewater and water infrastructure, providing scale, technical expertise and access to diversified operating assets across multiple markets, consistent with the Group's strategy of pursuing large-scale, contracted and regulated water opportunities.

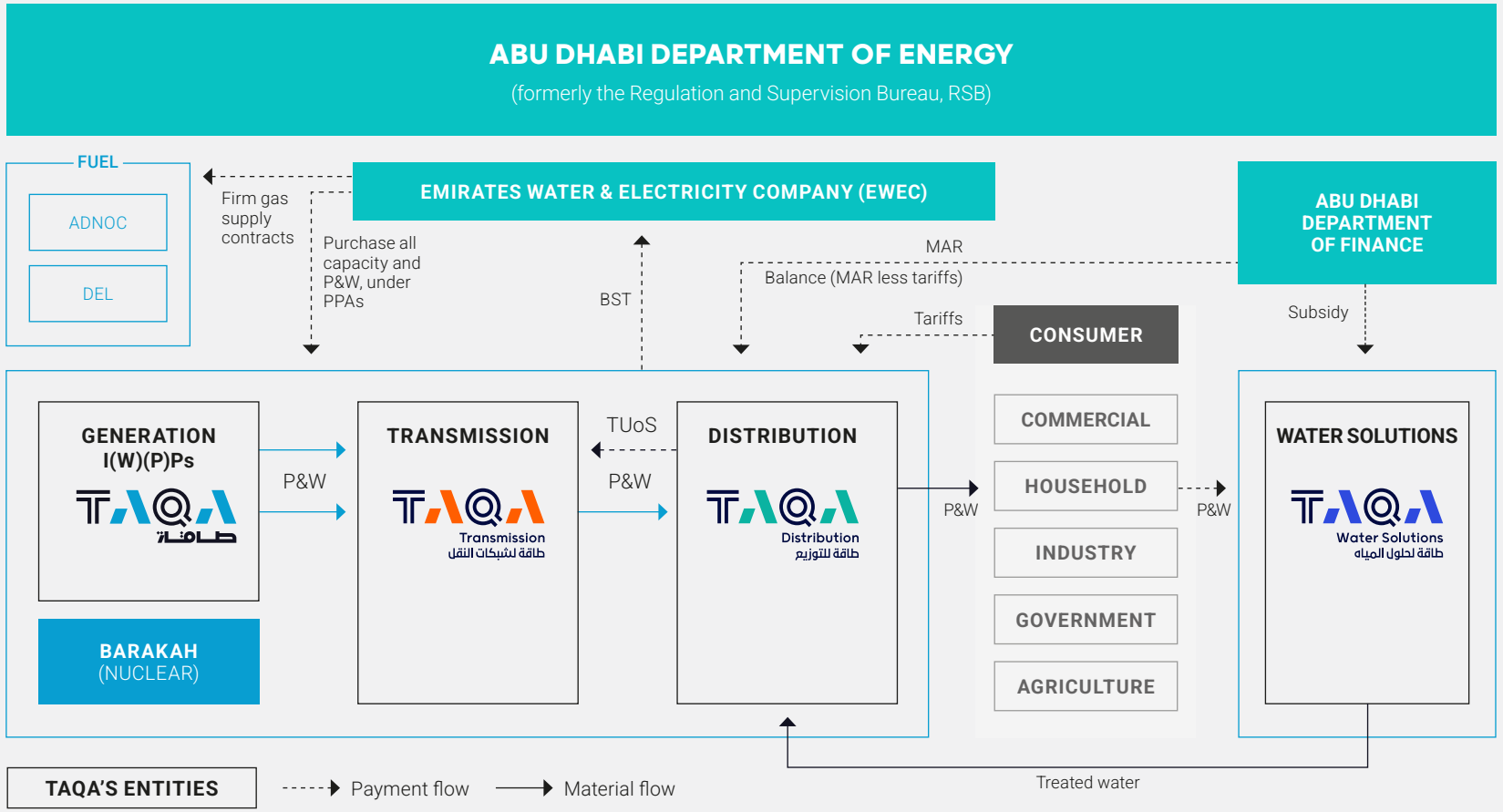


FINANCIAL REVIEW

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.



I(W)(P)P = Independent (Water) (and) (Power) Producer; P&W = power and water; ADNOC = Abu Dhabi National Oil Co.; DEL = Dolphin Energy Ltd.; BST = Bulk Supply Tariff; TUoS = Transmission Use of System; MAR = Maximum Allowed Revenue, as defined by the First Regulatory Controls 1 (RC1) framework; (P)(W)PA = (Power) (and) (Water) Purchase Agreement; WW = Wastewater.

FINANCIAL REVIEW

FINANCIAL PERFORMANCE

TAQA recorded full-year 2025 revenues of AED 54.8 billion, broadly in line with the prior year. The utilities business continued to demonstrate resilience, offsetting the decline in revenues from the Oil & Gas (O&G) business. The latter, in turn, was driven by lower commodity prices and continued declines in production volumes following the planned cessation of production at several UK North Sea fields.





EBITDA amounted to AED 20.7 billion, underscoring the Group's ability to generate consistent profitability and cash flows amid a year of significant transformation. EBITDA's marginal decrease from AED 21 billion in 2024 was primarily due to non-recurring, non-cash charges in TAQA's Generation and O&G businesses.

Net income rose (TAQA share) 5.6% year-on-year to AED 7.5 billion.

Capital expenditure grew to AED 14.5 billion, representing a 48.4 % increase as TAQA accelerated investment in power, water, and transmission infrastructure, including in the 1 GW Al Dhafra Thermal Power Plant and the execution of other projects.

Capital expenditure grew to AED 14.5 billion, representing a 48.4% increase as TAQA accelerated investment in power, water, and transmission infrastructure, including in the 1 GW Al Dhafra Thermal Power Plant and the execution of other projects.

The Group's strong operational cash generation translated into a marked improvement in liquidity, with free cash flow increasing to AED 6.6 billion, reflecting favourable working capital movements and lower funding requirements from Masdar, partially offset by higher investment in Generation and Transmission assets in the UAE.

Total debt was AED 65.3 billion, up from AED 64.7 billion at the end of 2024, with AED 3.9 billion of corporate term loan utilisation and AED 2.1 billion in project debt drawdowns, partially offset by the repayment of an AED 2.8 billion bond and AED 2.6 billion in scheduled project loan repayments.

FINANCIAL REVIEW

FINANCIAL HIGHLIGHTS, AED MILLION

Group Revenues



Capital Expenditure[3]



EBITDA



Total Debt[4]



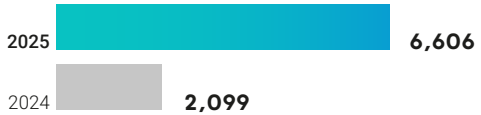
Net Income[1]



Regulated Asset Value



Free Cash Flow[2]



1 Net income above is share attributable to common shareholders of TAQA.
2 Represents cash flows from operations less cash flows used in investing activities.
3 Represents additions to Property, Plant, and Equipment, excluding right-of-use assets.
4 Total debt includes accrued interest.
5 Adrian Kershaw is the new Chief Financial Officer with effect from 15th February 2026. He has replaced Stephen Ridlington who retired to pursue other interests.

TAQA's financial performance in 2025 reflects the resilience of our integrated utilities model and a disciplined focus on execution. Building on the strong foundations established in previous years, TAQA accelerated growth and expanded its footprint in 2025, while continuing to deliver reliable performance across power, water and transmission infrastructure, underpinning energy security, affordability and economic growth.

Throughout the year, we maintained a strong focus on financial discipline, balance sheet resilience and prudent capital allocation. Our portfolio of long-dated, regulated and contracted assets continues to provide stability across economic cycles.

This approach has enabled TAQA's ongoing investment in critical infrastructure, while protecting long-term value.

As we look ahead, our financial priorities remain clear: disciplined investment, operational delivery and a strong funding framework aligned with our sustainability ambitions. This positions TAQA to protect long-term value and deliver durable returns for shareholders in an evolving energy landscape.

Stephen Ridlington
Chief Financial Officer[5]



FINANCIAL REVIEW

PERFORMANCE BY BUSINESS

TRANSMISSION

Transmission reported a net profit of AED 3,269 million, a decrease of AED 158 million compared to the prior year. The decline was mainly attributable to one-off and non-recurring items.

Revenue, which primarily comprises intra-segment revenue from Distribution, was broadly consistent with the prior year.

Operating expenses increased by AED 170 million, reflecting costs related to workforce and transformation initiatives, the development of special projects, and the integration of Transmission Investment, to support the expansion of non-regulated activities outside the UAE.

Tax expense decreased by AED 132 million compared to the prior year, primarily due to Transmission being allocated a higher share of tax losses within the tax group.

FINANCIAL HIGHLIGHTS,
AED MILLION

Revenues



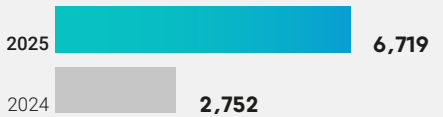
EBITDA



Net Income



Capital Expenditure



DISTRIBUTION

Distribution reported a net profit of AED 2,414 million, representing an increase of AED 114 million compared to the prior year.

Revenue increased by AED 1,610 million to AED 35,139 million, due to higher bulk supply tariff (BST) pass-through costs and other adjustments, including the impact of inflation.

Operating expenses increased by AED 1,337 million, largely reflecting higher BST costs and costs related to workforce and transformation initiatives. These increases were partially offset by a greater allocation of staff costs to direct operations, resulting in a reduction in G&A expenses.

Tax expense increased by AED 172 million compared to the prior year, primarily due to Distribution being allocated a lower share of tax losses within the tax group.

FINANCIAL HIGHLIGHTS,
AED MILLION

Revenues



EBITDA



Net Income



Capital Expenditure



FINANCIAL REVIEW

GENERATION

Generation reported a net profit (TAQA share) of AED 1,030 million, AED 215 million higher than the previous year.

Revenue was broadly in line with 2024, while operating expenses rose by AED 140 million to AED 4,738 million, mainly due to the timing of maintenance activities and higher pass-through fuel costs.

The share of results from associates and joint ventures amounted to AED 426 million, broadly in line with 2024.

Foreign exchange gains totalled AED 112 million, an increase of AED 154 million year-on-year, driven by the appreciation of the Euro and Moroccan Dirham.

A non-cash impairment charge of AED 841 million was recognised on contract related intangible assets, reflecting a higher assumed cost of capital to discount future cash flows.

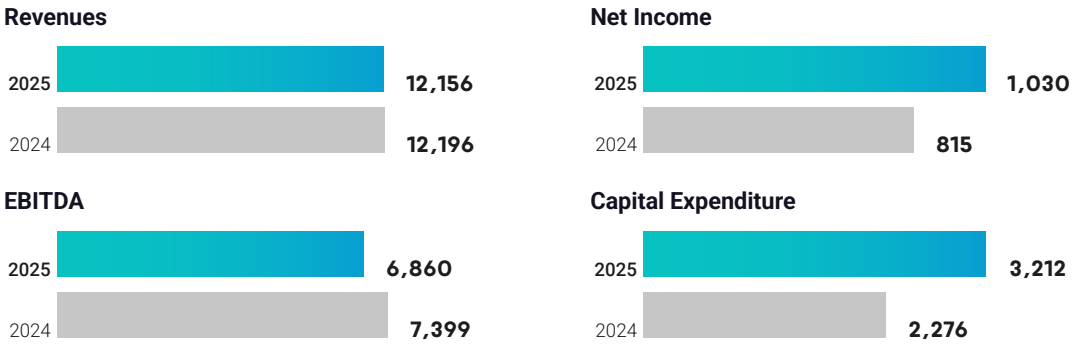
In September 2025, TAQA entered into definitive agreements with MEIL Energy Private Limited, an affiliate of Megha Engineering & Infrastructures Limited (MEIL), for the sale of its entire 100% equity interest in TAQA Neyveli Power Private Limited ("TAQA Neyveli"). As a result, net income included profit from discontinued operations of AED 32 million, which is AED 43 million lower than the comparable year. On 30 October 2025, the Group closed the transaction.

Depreciation, depletion and amortisation (DD&A) decreased by AED 289 million, primarily following a revision of the estimated useful life of the Shuweihat S1 power plant, in line with a 15-year extension agreement signed with Emirates Water and Electricity Company (EWEC).

Finance costs decreased by AED 196 million, primarily reflecting the scheduled repayment of term loans.

Tax expense was AED 105 million lower, mainly due to deferred tax movements arising from the impairment of contract related intangible assets.

FINANCIAL HIGHLIGHTS, AED MILLION



WATER SOLUTIONS

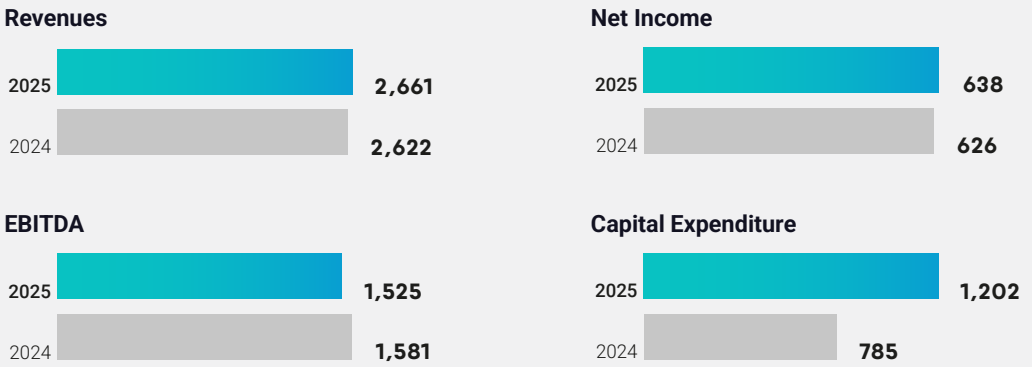
Water Solutions reported a net profit (TAQA share) of AED 638 million, an increase of AED 12 million compared to the prior year.

Revenue increased to AED 2,661 million, up AED 39 million, reflecting the regulated nature of the business. This was offset by an AED 24 million rise in operating expenses.

G&A expenses increased by AED 78 million, mainly due to costs linked to transformation initiatives.

Depreciation, depletion and amortisation (DD&A) decreased following a technical reassessment and extension of asset useful lives.

FINANCIAL HIGHLIGHTS, AED MILLION



FINANCIAL REVIEW

OIL AND GAS

Oil & Gas (O&G) contributed a net profit of AED 910 million, a decrease of AED 156 million compared to the prior year, primarily reflecting reduced production volumes.

Revenue declined to AED 4,210 million, down AED 1,567 million year-on-year. Average realised oil prices decreased to USD 63.91/bbl from USD 76.74/bbl in 2024, while average realised gas prices decreased to USD 2.70/mmbtu from USD 2.75/mmbtu. Production volumes averaged 92.2 mboe/d, compared to 101.4 mboe/d in 2024, reflecting the planned cessation of production (CoP) at several North Sea fields in line with TAQA UK's decommissioning programme. Four assets – Tern, Eider, North Cormorant and Cormorant Alpha – reached CoP in late 2024, marking the end of TAQA's hydrocarbon production in the Northern North Sea.

Operating expenses decreased to AED 1,628 million, a reduction of AED 1,375 million, mainly driven by revisions to decommissioning estimates, lower repairs and maintenance costs and other operating expenses following the Northern North Sea cessations.

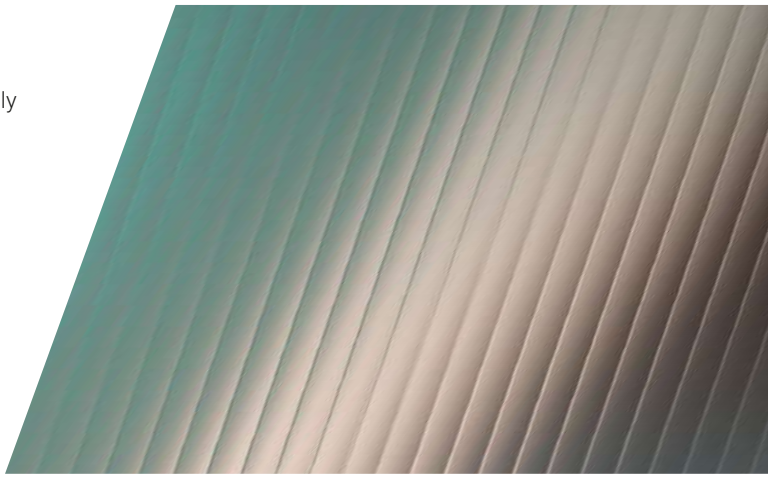
A non-cash impairment charge of AED 142 million was recognised in an asset of our Canadian O&G business, and aligned with updated gas prices and reserves base.

General and administrative expenses fell by AED 65 million, reflecting higher cost recoveries from joint venture partners and cost rationalisation in UK operations.

Finance costs decreased by AED 99 million, primarily due to lower asset retirement obligation accretion, reflecting the reduced provision value as UK decommissioning progresses, and lower interest on lease liabilities.

Interest income was lower by AED 140 million due to lower cash balances held by the business.

Tax expense decreased by AED 305 million compared to the prior year, mainly due to lower profits driven by reduced oil prices and production in the UK, as well as the phasing of tax loss utilisation, and movements in deferred taxes associated with the revision in Asset Retirement Obligations (ARO) liability in the UK and impairment of O&G assets in Canada.



FINANCIAL HIGHLIGHTS, AED MILLION

Revenues



Net Income



EBITDA



Capital Expenditure



CORPORATE

General and Administrative expenses were AED 344 million lower primarily due to higher allocation of costs to the operating segments.

The strengthening of the Euro resulted in a foreign exchange loss of AED 148 million, driven by currency movements on Euro-denominated balances within the Group.

Dividend income increased by AED 195 million, primarily reflecting changes to the dividend policy of ADNOC Gas, which transitioned to a quarterly dividend payout during the year.

Finance costs increased by AED 238 million, largely driven by an increase in overall debt levels to support the Group's strategic initiatives.

FINANCIAL REVIEW

CAPITAL STRUCTURE AND LIQUIDITY

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 2025 and includes fair value adjustments.

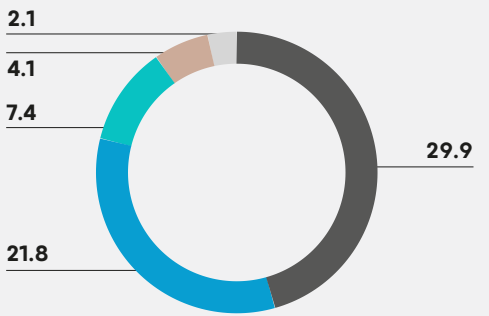
The Group's external sources of funding include corporate bonds, term loans and its revolving credit facility (RCF), which have historically been used to finance capital expenditure, investments and acquisitions across the Group. The Generation subsidiaries are generally funded through project debt, including non-recourse bank loans, project bonds and Islamic financing.

The Group 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.

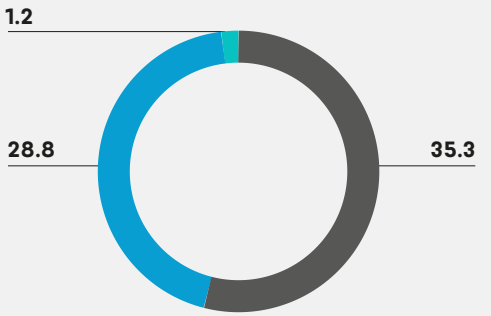
Interest rates on the Group's project debt, bonds and loans are largely fixed, either contractually or through interest rate hedging arrangements. The main exception is TAQA's revolving credit facility (RCF), and more recently the AED 8.5 billion corporate term loan facility, both of which attract floating market rates and are therefore exposed to movements in the Secured Overnight Financing Rate (SOFR) and Emirates Interbank Offered Rate (EIBOR), respectively. As the Group's medium- and long-term bonds and loans mature, it may be required to refinance such debt at prevailing market rates or utilise other available liquidity. Accordingly, TAQA is partially exposed to interest rate risk.

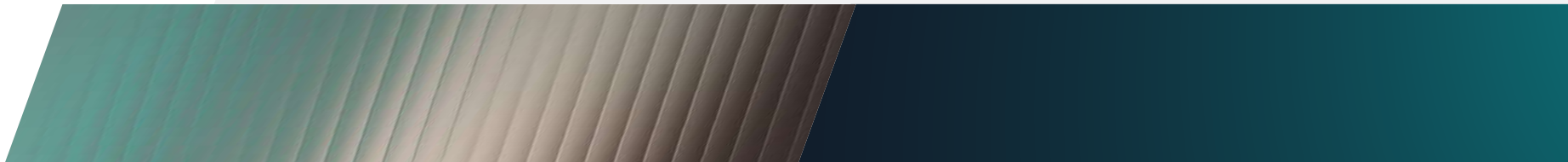
As at 31 December 2025, after considering the effect of interest rate swaps and embedded derivatives, approximately 94% of the Group's borrowings attract a fixed rate of interest (December 2024: 99%) and the Group's overall cost of debt averaged 4.8% (December 2024: 4.8%).

Debt by type, AED billion



Debt by business, AED billion





FINANCIAL REVIEW

LIQUIDITY

The Group's total available liquidity was AED 26.4 billion, an increase of of AED 4.6 billion from the end of 2024. Total available liquidity comprises of AED 19.7 billion unused part of available credit facilities and AED 6.7 billion net cash and cash equivalents.

The Group maintains access to funding through its AED 12.9 billion (USD 3.5 billion) multicurrency revolving credit facility (RCF), arranged with a syndicate of 20 banks. As at 31 December 2025, the facility remained fully undrawn.

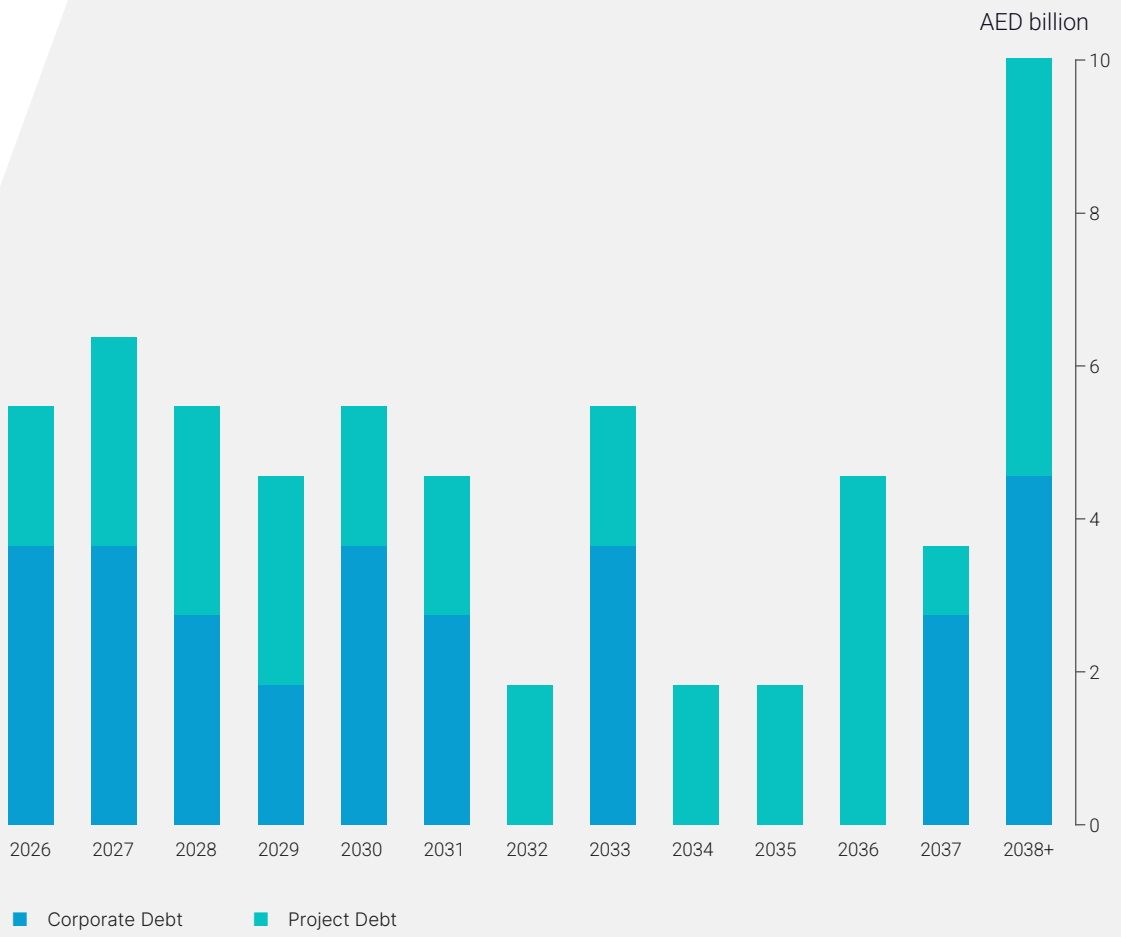
In August 2025, the Group further strengthened its liquidity position by securing a AED 8.5 billion corporate term loan facility. The loan is structured as a two-year, AED-denominated floating-rate facility, with an option to extend for an additional year. Drawdowns are being implemented in phases, of which AED 3.9 billion had been utilised as at 31 December 2025.

As at 31 December 2025, 10.3% (AED 6.8 billion) of the Group's total debt is classified as current, compared to 15.0% (AED 9.7 billion) as at 31 December 2024, based on the carrying value of borrowings and accrued interest. Fujairah Asia Power Company PJSC (FAPCO) was in technical default as at 31 December 2024 for failing to assign new insurances and reinsurances to the Security Trustees, as required under the Common Terms Agreement and the Commercial Mortgage. Although FAPCO fully remedied the default by January 2025 and obtained a waiver from the Global Facility Agent, the existence of the default at the 2024 year-end necessitated the reclassification of AED 3.1 billion of non-current debt to current liabilities in the statement of financial position. Following the resolution of the technical default, the reclassified loan amounts have been reinstated in line with their original contractual maturities.

MATURITY PROFILE

As at 31 December 2025, the Group's total debt amounted to AED 65.3 billion, reflecting a net increase of AED 0.6 billion compared to AED 64.7 billion as at 31 December 2024.

This net increase resulted from AED 3.9 billion of corporate term loan utilisation and AED 2.1 billion in project debt drawdowns, partially offset by the repayment of an AED 2.8 billion bond and AED 2.6 billion in scheduled project loan repayments. The Group's financial liabilities repayment schedule, 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 14,491 million, a 48% increase compared to the prior year.

Capital expenditure in the Transmission segment increased by AED 3,967 compared to the prior year, primarily driven by execution of key special projects and the phasing of business-as-usual network enhancements and upgrades.

Capital expenditure in the Distribution segment declined by AED 467 million, primarily reflecting a prior-year transfer of inventory into property, plant and equipment and a lower volume of mega development projects transferred during the year.

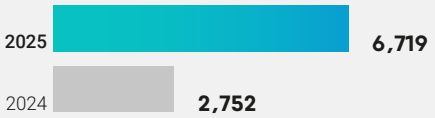
Generation capital expenditure increased by AED 936 million, primarily driven by the development of the 1 GW Al Dhafra Thermal project, Mirfa 2 RO, Shuweihat 4 RO desalination plants as well as the extension of the Shuweihat S1 Power Plant.

Water Solutions' capital expenditure increased by AED 417 million, with total additions of AED 1,202 million, mainly driven by restoration works, asset enhancements, network rehabilitation, and other ongoing projects.

O&G capital expenditure decreased by AED 130 million, reflecting the transition to decommissioning in the UK and lower investment on drilling and completions in North America.

YEAR ENDED 31 DECEMBER

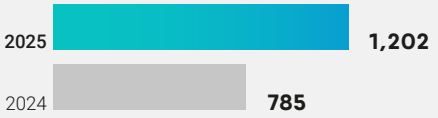
Transmission, AED Million



Distribution, AED Million



Water Solutions, AED Million



Generation, AED Million



Oil & Gas, AED Million



Group Total, AED Million



OPERATIONAL REVIEW

GRI 203-1 GRI 203-2

TRANSMISSION

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

In 2025, TAQA acquired Transmission Investment (TI), one of the largest players operating offshore transmission (OFTO) assets connecting offshore wind farms to the UK grid.

PORTFOLIO

11,420 km (13% underground)
Power Networks

169
Power Substations

19,343 MW
Peak Power Demand

3,489 km (100% underground)
Water Pipelines

48
Water Pumping Stations

780 MIGD
Peak Water Demand

STRATEGIC PRIORITIES

1. **Reinforce the UAE grid** through the required disciplined investment in power and water transmission infrastructure, supporting long term system resilience and national growth objectives.
2. **Enable large scale integration of clean energy into the grid,** supported by advanced storage solutions and enhanced system flexibility.
3. Support decarbonisation by **connecting energy intensive sectors to low-carbon power and water.**
4. **Sustain best in class asset and service availability** across all power and water networks, underpinned by operational excellence and resilience.
5. **Leverage** TAQA Transmission's **interconnector and offshore transmission expertise** to advance selective opportunities.

TAQA Transmission continued to exhibit robust operational performance in 2025, maintaining high asset availability levels across power and water networks. Transmission service availability of power and water was maintained at 99.9% in 2025. Both electricity and water system availability figures surpassed the regulatory targets.

The amount of electricity not supplied due to a network interruption reduced by 76% in comparison to 2024 and was only 67 MWh in 2025. Percentage of water not supplied due to a network interruption was only 0.001% in 2025, reducing by 76% compared to 2024.

The peak power capacity demand and the total energy demand increased by 7.7% and 9.3% respectively in 2025 when compared to 2024. When it comes to the peak capacity and demand for water, the increase was 0.8% and 4.3% respectively.

Transmission power asset availability, %



Transmission water asset availability, %



Service availability for power and water, %





In 2025, TAQA Transmission played a central role in supporting Abu Dhabi's continued growth, delivering reliable and sustainable power and water. As we expanded and reinforced our networks, safety remained our foremost priority, with a clear and unwavering commitment to protecting lives every day.

The year also marked a step change in capability. We advanced critical grid expansions to enable clean energy integration, industrial electrification, and AI driven demand. The addition of Transmission Investment to our portfolio strengthened our capabilities in offshore transmission and interconnectors. Looking ahead, our focus is clear: disciplined growth, operational excellence, and empowered people. With a strong foundation, a clear strategy, and one integrated team, we are well positioned to continue powering connectivity and delivering long term value for Abu Dhabi and beyond.

Dr. Afif AlYafei
Chief Executive Officer, TAQA Transmission



ADVANCING ABU DHABI'S ARTIFICIAL INTELLIGENCE STRATEGY THROUGH STATE-OF-THE-ART ENERGY INFRASTRUCTURE PROJECT

TAQA Transmission will develop advanced power grid infrastructure to integrate the additional generation capacity required to support emerging AI-driven energy demand, enabling access to reliable power with a low carbon footprint. The integration works will enable the connection of 1 GW of new advanced OCGT capacity to meet near-term demand growth, alongside the world-first 'round-the-clock' giga-scale renewable energy project by Masdar, which combines 5.2 GW of solar PV with 19 GWh of battery energy storage to dispatch 1 GW of renewable energy on a continuous 24/7 basis.

This project forms 25% of the total investment of AED 36 billion energy projects between TAQA (Generation and Transmission), EWEC and Masdar. The grid component will be added to TAQA's regulated asset base and reflect the growing role of TAQA Transmission in enabling next-generation energy systems that support decarbonization, digitalisation and artificial intelligence-led growth.





ACQUIRING EGA'S ELECTRICITY TRANSMISSION ASSETS

TAQA Transmission will take over the electricity transmission systems associated with EGA's Al Taweelah site and is progressing a project to expand interconnection capacity between the Abu Dhabi main grid and EGA's facilities. The upgrade will increase available capacity from 640 to 3,360 megavolt-amperes (MVA), enabling the network to meet EGA's expected power requirements. Completion of the expansion is scheduled for 2027. The increased interconnection capacity is designed to accommodate higher power flows and allow for a larger share of renewable and clean energy to be supplied to EGA's operations as new solar capacity is added to the Abu Dhabi grid.

This project forms part of broader grid-flexibility measures in Abu Dhabi. The expanded interconnection is expected to improve load management for large industrial customers, reduce natural gas consumption per unit of electricity supplied, and support the emirate's long-term emissions-reduction targets for the power system.

The project is part of series of agreements signed between EGA, TAQA, DUBAL Holding and EWEC to decarbonise aluminium production and expand renewable and clean energy development in Abu Dhabi.

COMPLETES CABLE-LAYING PHASE OF GROUNDBREAKING OFFSHORE ELECTRIFICATION PROJECT

In early 2025, TAQA Transmission and ADNOC completed laying 1,000km of cutting-edge cables for their USD 3.8 billion offshore electrification project – one of the largest of its kind in the world. This groundbreaking project is expected to lower operational carbon emissions, reduce electricity costs, and boost connectivity and efficiency.

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. 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 (HVDC) sub-sea transmission network in the MENA region. 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. The project rapidly progressed from concept to development phase with construction starting in early 2022. The financial closure of USD 3.8 billion was announced in September 2022.



ACQUIRES LEADING UK ELECTRICITY TRANSMISSION DEVELOPMENT AND SERVICES COMPANY

TAQA Transmission acquired 100% of Transmission Investment (TI), a leading UK-based energy and utility investment platform. TI is one of the largest players operating offshore transmission (OFTO) assets connecting offshore wind farms to the UK grid. The strategic acquisition strengthens TAQA Transmission's position in the offshore electricity transmission sector, reinforcing its commitment to supporting the energy transition and growing in the UK and beyond. The transaction will provide TAQA with a well-established team of more than 40 full-time employees at TI with cross-sector end-to-end technical and development capabilities.

The acquisition of TI establishes TAQA in the UK electricity transmission sector and allows expansion into European and international markets. Since its founding in 2009, TI has emerged as one of the UK's largest players in the offshore electricity transmission sector, with approximately AED 15 billion (GBP £3 billion) of assets under management in relation to its existing portfolio of 11 OFTO assets.

Through its consortium in partnership with Amber Infrastructure and International Public Partnerships (INPP"), TI has established a strong track record of bidding for winning and operating the OFTO assets in the UK. TI is also one of the UK's developers of interconnector projects, including the FAB Link Project and the LirIC Project (both projects have been granted a cap and floor regime by Ofgem), connecting Great Britain with France and Northern Ireland through new HVDC sub-sea electricity interconnectors with an aggregate capacity of approximately 2 GW. Furthermore, TI has grid stability projects under development and is ready to make an entry into the onshore electricity transmission grid (CATO) market.



In 2025, TAQA Transmission has progressed several notable development projects, including:

Project Stargate UAE (Transmission Scheme Phase 1)

- Power Scope: Developing the power transmission infrastructure required for 2GW demand to Project Stargate UAE, including the construction of 14 power substations with over 400 km of cables and overhead lines
- Water Scope: Developing the water infrastructure for the data centre's water and cooling requirements, including the construction of a new pumping station (47 MIGD) and two water tanks along with a 40 km pipeline.

Sas Al Nakhl Retirement Scheme

- Reinforcing the transmission network in Abu Dhabi due to Sas Al Nakhl generation plant retirement, including the construction of three additional power substations with over 180 km of cables and overhead lines.

Musaffah Pumping Station

- Improving the water network resilience in Abu Dhabi through additional pumping capacity at Mussafah along with new pipeline works.

Ruwais LNG Scheme

- Serving the additional demand of ADNOC's Ruwais LNG development, the Middle East's first LNG export facility, through the construction of a new grid station with additional works for cables and overhead lines.

Emirates Global Aluminum (EGA) Integration Scheme

- Integrating EGA's power assets in Abu Dhabi within TAQA Transmission's network with 2GW power interconnection, including modification and extension works on existing grid station together with new cable and overhead lines circuit.

Al Ain Storage Water Tanks

- Enhancing the service level and network resilience in Al Ain with the construction of additional water storage steel tanks.



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.

- The merger of Abu Dhabi Distribution Company (ADDC) and Al Ain Distribution Company (AADC) was successfully completed, resulting in the establishment of TAQA Distribution as a single, unified entity responsible for the distribution of power and water.
- TAQA Energy Services (formerly known as Abu Dhabi Energy Services (ADES), operates as a specialised division within TAQA Distribution, focusing on retrofitting government, commercial and industrial buildings to achieve significant reductions in electricity and water consumption.

PORTFOLIO

86,934 km
Power Distribution Networks

16,542 km
Water Distribution Pipelines

1,144,749
End User Connections (Power and Water)

STRATEGIC PRIORITIES

1. Ensure **safety and operational efficiency** across the network.
2. Provide **customer-centric services** that exceed expectations.
3. Build a **smart, sustainable, and digitally integrated network** to meet future demands.
4. Empower our people through continuous learning and **advancing digital capabilities**.
5. Champion **sustainable, innovation-driven energy solutions** that support the Abu Dhabi's energy and water ambitions.

In 2025, we continue to strengthen our role as a reliable provider of secure power and water supply across the Emirate of Abu Dhabi. By aligning expertise, systems, and governance under a unified operating model, we have enhanced operational resilience, unlocked efficiencies at scale, and accelerated the adoption of digital and smart network solutions that improve reliability, safety, and service quality. This approach enables a more consistent, customer centric experience while reinforcing a strong culture of accountability, employee engagement, and responsible asset management.

Our focus remains on delivering sustainable long-term value for our customers, people, and stakeholders, safeguarding critical infrastructure, and supporting Abu Dhabi's sustainability ambitions and the UAE's broader energy transition strategies.

Omar Alhashmi
Chief Executive Officer, TAQA Distribution



OPERATIONAL PERFORMANCE

System Average Interruption Duration Index (SAIDI), minutes per customer



System Average Interruption Frequency Index (SAIFI), interruptions per customer



TAQA Distribution delivered significant improvements in grid reliability in 2025, demonstrating its continued commitment to enhancing operational performance. The distribution network achieved a 22% improvement in SAIDI and a 16% improvement in SAIFI, reflecting meaningful reductions in outage duration and frequency, and underscoring sustained reliability enhancements across the network.

The Customer Satisfaction (CSAT) score was sustained year-on-year, reflecting stable service performance and the effectiveness of ongoing customer-centric initiatives. This consistency underscores reliable and predictable customer experience, providing a reliable platform for targeted service enhancements, digital enablement, and continuous improvement.

EXCLUSIVE DIGITAL BILLING SOLUTION TO EASE CONVEYANCE FOR AL MARYAH AND AL REEM ISLAND RESIDENTS

TAQA Distribution signed a strategic agreement with Abu Dhabi Global Market (ADGM), the leading International financial centre in the region to enhance utility management services for residential tenants withing its jurisdiction on Al Maryah and Al Reem Islands. Under this partnership, TAQA Distribution will manage billing, payment processing, and customer relationship management (CRM) services related to authority fees, streamlining the tenancy experience for over 16,000 residents across both islands.

By integrating tenancy related fees into a bespoke power and water utilities bill within the ADGM system, this collaboration simplifies the process from lease application to bill payments and account closures. This initiative aligns with the Abu Dhabi Program for Effortless Customer Experience, ensuring a seamless, fully automated journey at every stage of the tenancy lifecycle.

During the project, tenants will transition to the new system, benefiting from enhanced service efficiency and digital-first solutions. As part of the agreement, TAQA Distribution will manage the collection and administration of Authority fees related to tenancy contracts, further streamlining processes for residents.

FUELING ABU DHABI'S GATEWAY WITH NEXT-GEN POWER AND SUSTAINABLE INNOVATION

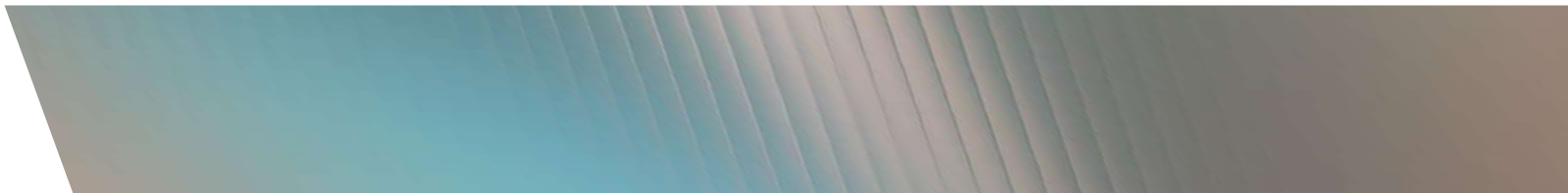
TAQA Distribution signed a Memorandum of Understanding (MoU) with Abu Dhabi Airports to explore opportunities to enhance the management of power and water infrastructure and integrate cutting-edge technologies into the existing and future utilities networks across all airports in the Emirate.

As part of the MoU, TAQA Distribution will explore leveraging its years of experience in effectively managing Abu Dhabi's highly reliable public utilities network, it's proven track record of designing and building energy and cost-efficient utilities infrastructure, ensuring high standard of operational excellence in maintaining private-sector utility assets.

This MoU is set to support several key pillars of the Emirates' growth strategy outlined within the Abu Dhabi Economic Vision 2030. The modernisation and digitisation of utility services powered by AI-enabled predictive maintenance and cutting-edge customer relationship management will further align the Emirate's airport infrastructure with global best practices.

SUPPORTING THE DECARBONISATION OF ALUMINIUM PRODUCTION

EGA, TAQA, DUBAL Holding and EWEC signed agreements across the utility value chain to decarbonise aluminium production and expand renewable and clean energy development in Abu Dhabi. On the Distribution front, EGA signed Abu Dhabi's largest-ever electricity supply agreements with EWEC and TAQA Distribution, which will make EGA the largest single electricity customer on the Abu Dhabi grid. These agreements provide EGA with 23 terawatt hours (TWh) of electricity per year for 24 years, with an increasing share from renewable and clean energy sources as EWEC's transformative solar electricity generation projects come online. EGA's power demand supports EWEC's continued optimisation and utilisation of solar generation assets.

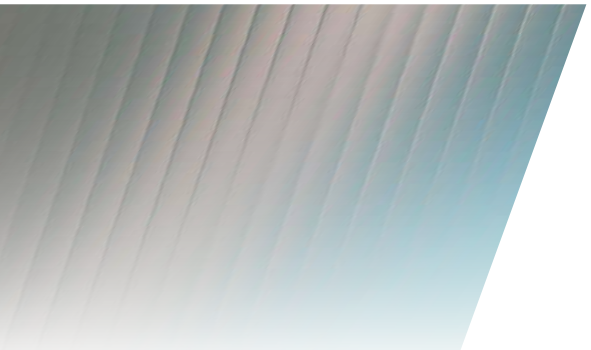


EXPLORING UTILITIES FRAMEWORK AND SOLUTIONS FOR ABU DHABI'S FUTURE-READY INDUSTRIAL SECTOR

TAQA Distribution signed an MoU with EMSTEEL Group, one of the largest publicly traded steel and building materials manufacturers in the region, to explore the delivery of advanced, integrated utilities solutions across Abu Dhabi's growing industrial landscape.

As part of the MoU, TAQA Distribution will explore customised, end-to-end power and water network management including rapid integration with existing infrastructure, cost-efficient maintenance, and mobilisation of ready-to-deploy technical teams. With a solid track record of low service interruptions, TAQA Distribution ensures reliable utility supply to customers operating in strategic sectors, supporting critical industrial continuity.

The MoU will see both parties explore joint opportunities in electricity and water network build and design, operations, and maintenance, further reinforcing the goals of the Abu Dhabi Industrial Strategy.



FLISR AUTOMATION SYSTEM ENHANCING NETWORK RELIABILITY

TAQA Distribution has strengthened the reliability and resilience of its electricity distribution network through the deployment of its Fault Location, Isolation and Service Restoration (FLISR) system. FLISR is a smart automation solution that detects network faults, isolates affected sections and restores power within minutes, significantly reducing the duration and impact of unplanned outages on customers.

The system operates as a self-healing network by integrating key distribution substations with enhanced control room capabilities and increasing levels of field automation. Without automation, fault restoration typically requires on-site intervention and can take several hours. With FLISR in place, service restoration is achieved automatically within minutes, delivering fewer interruptions, faster recovery and improved network resilience.

FLISR supports improved performance across key reliability and operational metrics, including reductions in SAIDI and SAIFI. Additional benefits include more efficient crew dispatch, enhanced safety, improved operational efficiency and higher customer satisfaction.

Looking ahead, TAQA Distribution plans to progressively introduce a fully automated, self-healing distribution grid over the next five years. The continued rollout of FLISR forms a core element of the company's grid modernisation programme and supports its ambition to achieve top-quartile reliability while enabling a more resilient and sustainable power system for Abu Dhabi.

LEAN UPSKILLING - DRIVING SMARTER WAYS OF WORKING

TAQA Distribution has launched the Lean Upskill Programme for all Managers and selected Leads as part of its commitment to continuous improvement. The programme promotes smarter ways of working by reducing time, waste, and effort while maintaining service excellence.

Over 200 participants have completed their training, with more than 180 improvement initiatives already underway. Key focus areas include lead time reduction, quality and standardisation, and resource optimisation, resulting in streamlined GL workflows, faster process cycle times, and reduced maintenance backlogs.

The programme has engaged over 1,000 employees across business lines, promoting collaboration and driving a culture of continuous improvement.



ENERGY SERVICES

As of 2025, TAQA Energy Services manages a portfolio of **14 projects across 12 entities,** aimed at achieving savings in electricity, water, and district cooling. Collectively, these projects generate **annual savings** of approximately **129 GWh of electricity, 1.5 million m3 of water, and 3 million ton-hours of refrigeration in chilled water.**

During the year, TAQA Energy Services successfully energised a 9 MW PV solar installation, one of the most significant behind-the-meter solar projects in the education sector at the UAE University. The business also signed a major agreement with Khalifa Economic Zones Abu Dhabi (KEZAD) to retrofit residential units in the Industrial City of Abu Dhabi (ICAD) residential units, representing the largest single retrofit project undertaken by the business to date. In addition, TAQA Energy Services completed the delivery of building retrofit project for First Abu Dhabi Bank, representing penetration into the commercial sector.

DEMAND SIDE MANAGEMENT

TAQA Distribution advanced Abu Dhabi's Energy and Water Efficiency Strategy 2030 through targeted Demand Side Management (DSM) initiatives, delivering measurable reductions in electricity and water consumption during the reporting period. Key interventions focused on optimising energy and irrigation systems in Government premises, resulting in savings of 5.46 GWh of electricity and 19.16 million m^3 of potable water in 2025. In parallel, TAQA Distribution supported industrial energy efficiency through the Energy Support Program (ESP), implemented in collaboration with the Abu Dhabi Investment Office, by assisting industrial entities in meeting the required qualification criteria. This was achieved through comprehensive energy management system reviews, targeted technical awareness sessions, one-to-one consultations, and on-site visits. The programme offers incentivised tariffs to qualifying industries. **In 2025, the initiative resulted in an estimated electricity savings of 152.94 GWh.**

Beyond technical measures, DSM drives long-term behavioural change through awareness, education, and stakeholder engagement programmes, delivering over 175 workshops and outreach activities and reaching more than 6,500 participants across schools, the industrial sector, government entities, and community groups. These initiatives promote practical energy and water conservation behaviours, strengthen energy management capabilities in key sectors, and encourage sustainability practices. Collectively, they reinforce TAQA Distribution's holistic approach to efficient and responsible consumption habits.



OPERATIONAL REVIEW

GENERATION

TAQA's Generation business has a diversified portfolio of power and water assets across multiple geographies, supporting secure and reliable electricity and water supply.

69% of Abu Dhabi system's electricity generation[3]

100% of Abu Dhabi system's desalinated water production[3]

PORTFOLIO

GROSS CAPACITY

Power Generation

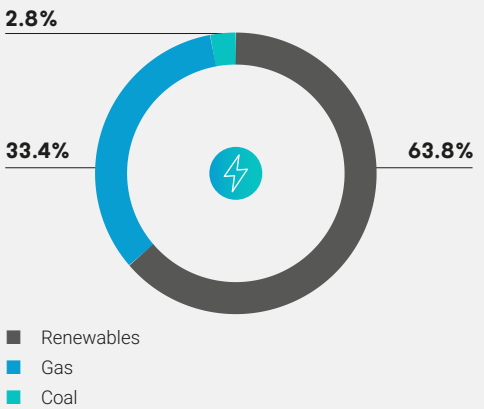
TAQA 29 GW
(including 7 GW under construction)

Masdar 45.9 GW[1]
(including under construction and other committed projects)

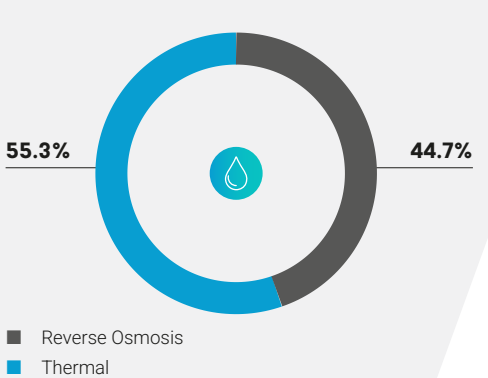
Water Generation

1,149 MIGD
(including 190 MIGD under construction)

Power Portfolio[2]



Water Portfolio[2]



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.

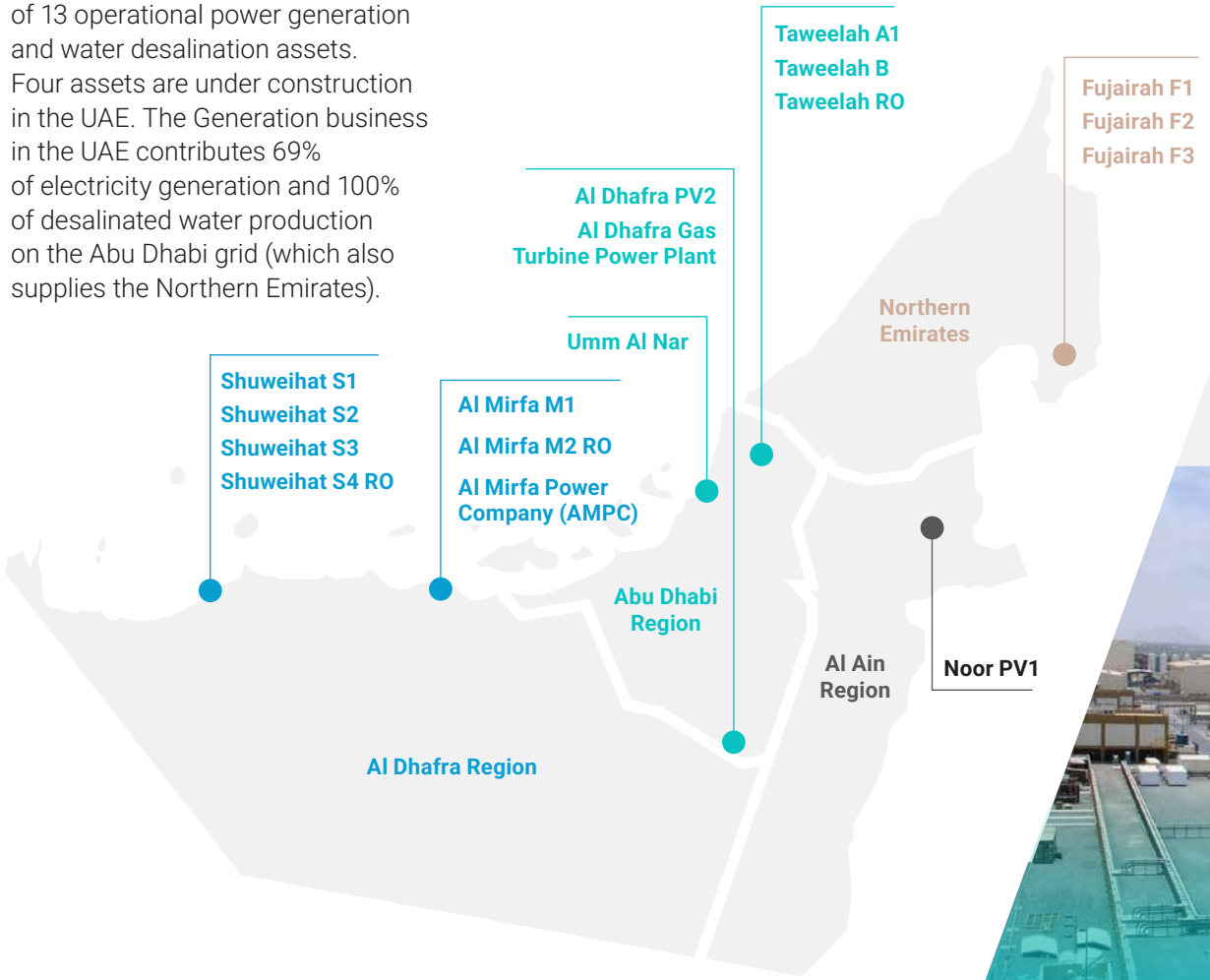
The business operates or manages assets in six countries (excluding Masdar's projects) with a gross power capacity of 29 GW[4], including 7 GW under construction. When combined with Masdar, in which TAQA holds a leading 43% stake, the total gross capacity increases to 73.3 GW[5] across 26 countries. This figure encompasses operational and under construction projects of both TAQA and Masdar, as well as the committed projects of Masdar[6].

In the water business, TAQA is the largest producer of desalinated water in the United Arab Emirates, one of the world's most water-stressed locations. At end of 2025, the gross water desalination capacity stood at 1,149 MIGD[7], including 190 MIGD[8] under construction.

1 Includes Al Dhafra PV2 in which both TAQA and Masdar has a stake.
2 Based on gross capacity.
3 Abu Dhabi system also supplies to Northern Emirates.
4 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.
5 After eliminating double counting for Al Dhafra PV2 in which both TAQA and Masdar has a stake.
6 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.
7 Excludes AMPC's 5.53 MIGD mobile RO units.
8 Excludes Tanajib's 5.25 MIGD.

UAE GENERATION

TAQA's UAE portfolio consists of 13 operational power generation and water desalination assets. Four assets are under construction in the UAE. The Generation business in the UAE contributes 69% of electricity generation and 100% of desalinated water production on the Abu Dhabi grid (which also supplies the Northern Emirates).



OPERATIONAL ASSETS

1. **Shuweihat S2**
   - 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%)

2. **Shuweihat S3**
   - Gas-fired power
   - Gross power capacity: 1,647 MW
   - TAQA (60%), Sumitomo (20.4%) and KEPCO (19.6%)

3. **Al Mirfa M1**
   - 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%)

4. **Umm Al Nar**
   - 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%)



UAE GENERATION (continued)

OPERATIONAL ASSETS (continued)

5. Taweelah A1
- Gas-fired power and thermal water desalination
- Gross power capacity: 1,670 MW
- Gross water desalination capacity: 84 MIGD thermal
- TAQA (60%), ENGIE (20%), TOTAL (20%)

6. Taweelah B
- 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%)
- O&M: TAQA (25%), Marubeni (35%), Edra (25%), Kyuden (15%)

7. 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%)

8. Fujairah F1
- Gas-fired power and water desalination (thermal and RO)
- Gross power capacity: 861 MW
- Gross water desalination capacity: 131 MIGD (70 thermal, 61 RO)
- TAQA (60%) and Sembcorp (40%)

9. Fujairah F2
- Gas-fired power and water desalination (thermal and RO)
- Gross power capacity: 2,114 MW
- Gross water desalination capacity: 132 MIGD (101.54 thermal, 30.46 RO)
- TAQA (60%), ENGIE (20%) and Marubeni (20%)

10. 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%)

11. 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%)

12. 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%)

13. Fujairah F3
- Gas-fired power
- Gross power capacity: 2,457 MW
- TAQA (40%), Mubadala (20%), Marubeni (20.4%), and Hokuriku Electric Power Company (19.6%)

UNDER CONSTRUCTION ASSETS

1. Shuweihat S1[1]
- Gas-fired power
- Gross power capacity: 1,000 MW
- TAQA (60%), ENGIE (20%) and Sumitomo (20%)
- O&M[2]: TAQA (30%), Engie (35%) and Sumitomo (35%)[1]

2. Al Dhafra Gas Turbine Power Plant
- Gas-fired power
- Gross power capacity: 1,000 MW
- TAQA (100%)
- O&M: TAQA (100%)

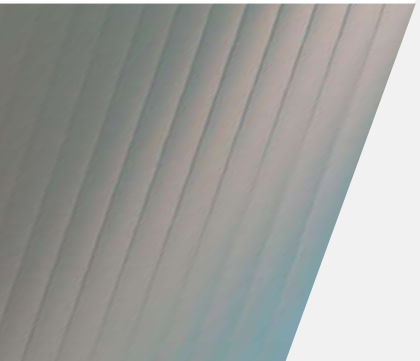
3. Al Mirfa M2 RO
- Reverse osmosis water desalination
- Gross water desalination capacity: 120 MIGD RO
- TAQA (60%) and ENGIE (40%)
- O&M: TAQA (40%), Engie (60%)

4. Shuweihat S4 RO
- Reverse osmosis water desalination
- Gross water desalination capacity: 70 MIGD RO
- TAQA (60%) and GS Inima (40%)
- O&M: TAQA (40%), GS Inima (60%)

[1] Prior to the ongoing reconfiguration which commenced in 2025, this was an operational combined-cycle gas-fired power and thermal water desalination with a gross power capacity of 1,615 MW and a gross water desalination capacity of 101 MIGD (thermal).
[2] O&M role after the construction related to reconfiguration is completed.

INTERNATIONAL GENERATION

TAQA's international portfolio (excluding Masdar) witnessed significant changes in 2025, with the acquisition of Talimarjan Power Plant 1 in Uzbekistan and divestments of Neyveli in India and Lakefield in the USA. The international portfolio now consists of six operational power generation assets, totaling 3,523 MW of gross capacity and four assets under construction in Saudi Arabia totaling a gross power capacity of 5,015 MW.



OPERATIONAL ASSETS

1. Morocco, JORF 1-4
- Coal-fired power
- Gross power capacity: 1,356 MW
- TAQA (86%) and public (14%)

2. Morocco, JORF 5-6
- Coal-fired power
- Gross power capacity: 700 MW
- TAQA (91%) and public (9%)

3. Ghana, Takoradi
- Gas-fired power
- Gross power capacity: 330 MW
- TAQA (90%) and Volta River Authority (10%)

4. Saudi Arabia, Jubail
- Gas-fired power
- Gross power capacity: 250 MW
- TAQA (25%) and National Power Company (75%)

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

6. Talimarjan Power Plant 1, Uzbekistan
- Gas-fired power
- Gross power capacity: 875 MW
- TAQA (40%), Mubadala (40%) and Talimarjan Issiqlik Elektr Stansiyas (20%)
- O&M: TAQA (40%), Mubadala (40%) and Talimarjan Issiqlik Elektr Stansiyas (20%)

UNDER CONSTRUCTION ASSETS

1. 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%)
- O&M: TAQA (40%) and Marubeni (60%)

2. 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%)
- O&M: TAQA (51%) and Jera (49%)

3. Rumah 2 Power Plant, Saudi Arabia
- Gas-fired power
- Gross power capacity: 1,800 MW
- TAQA (49%, JERA (31%) and Al Bawani (20%)
- O&M: TAQA (49%), Jera (31%) and Al Bawani (20%)

4. Al Nairyah 2 Power Plant, Saudi Arabia
- Gas-fired power plant
- Gross power capacity: 1,800 MW
- TAQA (49%), JERA (31%) and Al Bawani (20%)
- O&M: TAQA (49%), Jera (31%) and Al Bawani (20%)

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



STRATEGIC PRIORITIES

1. **Increase gross generation capacity to 150 GW by 2030,** with 100 GW of renewables through Masdar and 50 GW of low-carbon flexible thermal power.
2. **Increase gross water desalination capacity to 1,300 MIGD by 2030,** with two-thirds via reverse osmosis technology, thereby decoupling water from power generation in the UAE and reducing the GHG intensity of water production.
3. Excel as a lead developer on greenfield generation projects and continue to **expand operations and maintenance capabilities.**
4. Contribute to the Group's target of **25% reduction in scope 1 and 2 GHG emissions by 2030** compared to base year 2019.
5. Maintain **best in class power and water generation availability performance** towards ensuring energy security for its customers.
6. Exemplify **best-in-class safety** across entire fleet.

In 2025, TAQA's Generation business delivered strong progress against its growth ambitions, advancing its expansion across low-carbon gas and renewables while maintaining reliable operations across a diversified portfolio. The year marked a step change in execution, with major projects reaching financial close and progressing at pace, reinforcing TAQA's position as a lead developer, long-term owner and operator of strategic power and water infrastructure.

In the UAE, TAQA reached financial close on the Al Dhafra gas-fired power project and on schedule to delivering this fast-track strategic project, brought Fujairah F3 into commercial operation, and progressed contract extensions for legacy assets to support continued system reliability. These milestones reflect our continued focus on strengthening Abu Dhabi's energy infrastructure while enabling the integration of cleaner energy at scale.

Internationally, TAQA advanced its growth platforms across Saudi Arabia, Uzbekistan and Morocco, progressing landmark projects of unprecedented scale and partnerships that support national energy transition and infrastructure priorities. These developments strengthen our regional footprint and reinforce our role as a trusted partner in delivering large-scale, contracted and regulated power and water assets.

Through our leading stake in Masdar, we also supported the rapid global scaling of renewables and storage, accelerating progress towards long-term decarbonisation and energy security objectives.

Farid Al Awlaqi
Chief Executive Officer, Generation



OPERATIONAL PERFORMANCE

Power Commercial Availability, %



Water Commercial Availability, %



In 2025, the power generation portfolio achieved commercial availability of 95.9%, broadly in line with the prior year. Performance was influenced by increased maintenance and reliability interventions across ageing assets as part of late-life asset management and transition planning. This included Shuweihat S1, which completed its final year of operation under the existing offtake agreement and was retired in October. The asset is now undergoing lifetime extension works to enable a further 15 years of operation under a power-only configuration from 2027. Additional reliability-related interventions were undertaken at Umm Al Nar, which retires in 2027, and Taweelah A1, which retires in 2029, reflecting the more intensive maintenance regimes required as assets approach the end of their operational life.

The water desalination portfolio achieved commercial availability of 95.9%, a slight decline from 2024, reflecting the planned transition of cogeneration assets nearing retirement. Performance was primarily influenced by the final year of desalination operations at Shuweihat S1, which will not form part of the reconfiguration and lifetime extension programme. As the portfolio continues to transition towards standalone reverse osmosis and modernised assets, TAQA remains focused on strengthening reliability, optimising maintenance strategies and ensuring continuity of water supply during periods of asset transition.



ADVANCING RELIABILITY AND FLEXIBILITY IN THE UAE

Domestically in 2025, the portfolio saw the retirement of 1.6 GW of power generation and 100 MIGD of water desalination capacity at the Shuweihat S1 IPP. This project also signed a 15-year lifetime extension agreement with the offtaker under a reconfigured structure, providing up to 1.1 GW of flexible reserve capacity, with commercial operations expected to commence in 2027. The reconfiguration of Shuweihat S1 forms part of Generation's broader UAE flexibility strategy, enhancing reserve capacity to support peak demand periods and increasing penetration of renewable energy into the grid.

TAQA also successfully extended its PPA with EWEC for its 1.6 GW gas-fired and 94 MIGD water desalination, co-generation Umm Al Nar plant for a period of 18 months, extendable by another 12 months.

Another exciting milestone for the UAE fleet included the commencement of full commercial operations at the Fujairah F3 Independent Power Producer project, a 2.4 GW gas-fired power plant located in Qidfa, Fujairah. The facility is one of the largest and most efficient power plants in the UAE.

PARTNERING FOR DECARBONISATION AND ARTIFICIAL INTELLIGENCE IN THE UAE

TAQA made strong progress on its growth journey in 2025, advancing priority investments across power and water generation in the UAE to strengthen domestic capacity for AI integration and to advance the decarbonisation of other sectors. In Abu Dhabi, TAQA advanced its acquisition of Emirates Global Aluminium's (EGA) power and water generation assets, with several key partner agreements signed during the year. As part of the transaction, TAQA will acquire a 50% stake in EGA's highly efficient 3.1 GW combined-cycle gas turbine (CCGT) power plant and 6.35 MIGD RO water generation assets in Al Taweelah for AED 7 billion (USD1.9 billion). The Generation assets will be held under a joint venture company, with ownership shared equally between TAQA and DUBAL Holding, and operations managed by a new operations and maintenance company jointly owned by TAQA and EGA.

A project to increase the interconnection capacity from the Abu Dhabi grid to EGA's sites is being undertaken by TAQA Transmission, which when completed will allow for enhanced clean energy supply from the grid to EGA and thereby resulting in reduced GHG intensity of aluminium production. The efficiency of the Abu Dhabi electricity generation fleet is expected to improve, as the addition of EGA's generation capacity to the grid enables further flexibility in the management of electricity dispatch in response to demand fluctuations.

Generation also completed financial close on the 1 GW Al Dhafra gas-fired power project, progressing from inception to construction in under two years, with TAQA holding a 100% stake in both the project and the operations and maintenance (O&M) companies. The Al Dhafra plant forms part of a broader AED 36 billion investment programme into Abu Dhabi's energy supply infrastructure by TAQA and Masdar. The project will provide system flexibility to support Masdar's world-first project to enable round-the-clock renewable energy dispatch, reaffirming the UAE's position as a global pioneer in renewable energy deployment and low-carbon infrastructure. Delivering up to 1 GW of dispatchable baseload power from renewable energy every day, this integrated solar and battery energy storage system (BESS) project will be the largest of its kind globally and will also provide power to energy-intensive digital and AI infrastructure.

ENSURING SECURITY OF SUPPLY TO SUPPORT DEMAND GROWTH INTERNATIONALLY

Saudi Arabia: TAQA reached financial close on the approximately 3.6 GW of gross power generation capacity for the Rumah 2 and Al Nairyah 2 power plants. TAQA holds a 49% stake in both the project companies and associated O&M companies. The projects represent an investment of around AED 14.7 billion (c. USD $4 billion) into the Saudi Arabian power market. With four projects now under development in Saudi Arabia, TAQA continues to strengthen its long-term presence in the Kingdom's evolving energy market.

Morocco: A landmark growth initiative in 2025 was the evolution of TAQA's Morocco platform, which currently operates approximately 2 GW of coal-fired capacity. During the year, TAQA Morocco signed several agreements with the Government of Morocco and the Office National de l'Electricité et de l'Eau potable (ONEE) to explore the acquisition of an existing CCGT power plant, alongside the development of new flexible low-carbon gas-fired power and renewable generation projects, seawater desalination facilities, and associated power and water transmission infrastructure. These projects are expected to play a critical role in accelerating Morocco's energy transition and strengthening long-term energy and water security, representing a potential investment of approximately AED 52 billion.

Uzbekistan: Alongside organic growth, TAQA continued to actively shape its international generation portfolio through selective investments and divestments. In Uzbekistan, TAQA completed the acquisition of a 40% stake in the 875 MW Talimarjan Power Plant 1, alongside a 40% stake in the associated operations and maintenance company, in partnership with Mubadala and Talimarjan Issiqlik Elektr Stansiyasi (TIES).



OPTIMISING THE GLOBAL PORTFOLIO

During the year, TAQA divested its interests in TAQA Neyveli, a 250 MW lignite-based power plant in India, and the 206 MW Lakefield wind farm in the United States. These divestments support the Group's strategic focus on low-carbon gas generation and renewables expansion through Masdar.

SCALING RENEWABLES THROUGH MASDAR

Through a 43% share, as the leading shareholder in Masdar, TAQA provided critical support and oversight to Masdar's accelerated growth in 2025. In the UAE, Masdar partnered with EWEC to launch the world's first gigascale, round-the-clock renewable energy project, combining solar PV and battery storage to deliver up to 1 GW of dispatchable baseload power and setting a new global benchmark for clean energy reliability. This momentum continued with the advancement of the 1.5 GW Khazna Solar PV project to financial close, further strengthening Abu Dhabi's pathway towards more than 18 GW of solar capacity by 2035.

Regionally, Masdar reached financial close on the 2 GW Al Sadawi Solar PV project in Saudi Arabia and was awarded 1.4 GW at Najran and 0.6 GW at Ad Darb under the sixth round of the Kingdom's National Renewable Energy Program, reinforcing its position as a long-term partner in Saudi Arabia's energy transition. In Oman, Masdar advanced the country's first utility-scale solar and battery storage project, Ibri III, marking a key milestone in Oman's ambition to source 30% of its electricity from renewables by 2030.

Internationally, Masdar expanded its footprint across Europe, North America and Central Asia through a combination of large-scale investments and platform acquisitions. In Europe, Masdar deepened its strategic partnership with Iberdrola through the acquisition of a 50% stake in the 1.4 GW East Anglia three offshore wind project in the UK, while completing full energisation of the 476 MW Baltic Eagle offshore wind farm in Germany. In Greece, Masdar completed the acquisition of Terna Energy, establishing a strong platform for growth across Southeastern and Central Europe. The company also strengthened its presence in Spain through the expansion of its joint platform with Endesa and the integration of the Saeta portfolio.

In Central Asia, Masdar successfully brought four utility-scale projects into operation, including the 500 MW Zarafshan onshore wind project in Uzbekistan and solar PV plants with a combined capacity of 753 MW. In addition, TAQA also holds a 24% interest in Masdar's green hydrogen business, further supporting the Group's exposure to emerging low-carbon technologies.



OPERATIONAL REVIEW

WATER SOLUTIONS

TAQA Water Solutions[1] 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.

PORTFOLIO

1,332,573
million m³/day
Wastewater treatment capacity

13,000 km
Wastewater network length

41
Treatment plants

260
Pumping and lifting stations

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 cover the emirate of Abu Dhabi, 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.

2025 was a year of tangible progress and growing impact for TAQA Water Solutions, as we translated strategy into delivery and expanded our contribution to water security at scale. We strengthened our presence across Abu Dhabi and the wider UAE while advancing selective global expansion, demonstrating our ability to deliver complex water and wastewater solutions across diverse operating environments. This progress was reinforced by continued recognition of our ESG leadership, including acknowledgement at the IDRA ESG Awards, alongside industry recognition at the MEED Projects Awards for nationally significant infrastructure delivery.

During the year, we advanced priority infrastructure and innovation-led initiatives that strengthened system resilience and long-term sustainability. Key milestones included the successful delivery of a landmark marine connection linking Al Hudayriat Island to the Abu Dhabi mainland, as well as our participation in a UAE-led consortium that secured the largest wastewater infrastructure project in Ras Al Khaimah. These achievements highlight our growing capability to deliver large-scale assets supporting economic growth and environmental stewardship.

Continued investment in people, partnerships, and governance enabled strong operational performance and alignment with internationally recognised standards of excellence[2].

By expanding and optimising our infrastructure, we advanced water reuse and circularity, reinforcing our contribution to the UAE's Water Security Strategy 2036 and shaping a sustainable water future.

Eng. Ahmed Al Shamsi
Chief Executive Officer, TAQA Water Solutions



[1] Formerly Sustainable Water Solutions Holding Company.
[2] References to internationally recognised standards include ISO management systems, PAS carbon management standards, and EFQM organisational excellence frameworks.

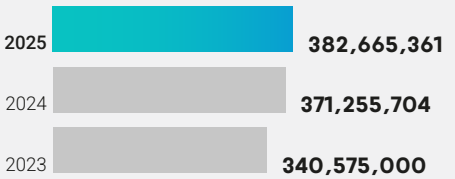
STRATEGIC PRIORITIES

1. Achieve OPEX and CAPEX **optimisation and rationalisation**
2. Continue to **grow organically and inorganically in Abu Dhabi and wider UAE**
3. **Expand into international markets** through greenfield projects or acquisitions



OPERATIONAL PERFORMANCE

Volume of wastewater treated, m^3



Asset availability, %



NEW TASHKENT CITY WATER INFRASTRUCTURE DEVELOPMENT AGREEMENT

TAQA Water Solutions signed a Memorandum of Agreement (MoA) with the New Tashkent City Directorate to advance a major water infrastructure project valued at AED 2 billion. The project scope includes the development of a state-of-the-art water treatment plant and a 65 km raw water transmission pipeline designed to supply sustainable drinking water to approximately 2 million people in New Tashkent City. The pipeline is expected to transport water sourced from the Charvak Mountain Reservoir, with a planned daily capacity of over 500,000 m^3 and an associated hydro-power production potential of up to 20 MW.

Under the agreement, TAQA Water Solutions has been granted a period of exclusivity to prepare a comprehensive proposal for the project. This includes conducting technical and financial assessments to confirm project viability and establish a bankable implementation plan. The agreement marks the formal commencement of the project's development phase, following initial feasibility discussions between TAQA Water Solutions and the New Tashkent City Directorate.

Upon completion, the new infrastructure will provide a reliable and consistent supply of high-quality drinking water to support the city's growth and long-term water security needs. The project represents TAQA Water Solutions' second large-scale engagement in Uzbekistan, following its involvement in the development of the country's largest wastewater treatment plant in Tashkent, and reinforces its experience in delivering large-scale water infrastructure in the region.

KEY SUSTAINABLE INFRASTRUCTURE MILESTONE ON AL HUDAYRIAT ISLAND

TAQA Water Solutions achieved a significant milestone with the successful completion of one of its largest and most complex pipeline installations to date. The project delivered a 1.2 km pipeline, the second-longest installation, linking Al Hudayriat Island to the Abu Dhabi mainland through a technically demanding marine crossing. The 3,400 mm diameter pipeline was executed safely, efficiently, and in full compliance with the highest engineering, environmental, and operational standards.

This achievement reflects the strong collaboration between our internal teams and our main contractor, supervision consultant, and design consultant. Their joint commitment, technical expertise, and proactive coordination throughout the project were instrumental in ensuring timely and high-quality delivery.

The completion of this major infrastructure asset underscores TAQA Water Solutions' dedication to advancing resilient and sustainable water systems that support community needs and long-term resource stewardship. It stands as a compelling example of the impact we can achieve through partnership, innovation, and a shared commitment to sustainable development.

OPERATIONAL REVIEW

OIL AND GAS

TAQA's Oil and Gas (O&G) 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 installations in the UK[1].

PORTFOLIO

	Strategic Priorities
TAQA NORTH - CANADA ▸ Operating asset acreage with large resource potential ▸ Net production in 2025: 80.2 mboe/day	Deliver safe and reliable operations whilst maximising value and achieving operational excellence
TAQA BRATANI - UNITED KINGDOM ▸ Late-life offshore operations and decommissioning ▸ Net production in 2025: 9.8 mboe/day	Efficient delivery of late life assets operations and decommissioning program
TAQA ENERGY - NETHERLANDS ▸ Two strategic gas storage facilities: Gas Storage Bergermeer (GSB) and Piek Gas Installation (PGI) ▸ Net production in 2025: 2.3 mboe/day	Maintain high Gas Storage assets availability and support Europe's energy security needs

[1] 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.

In 2025, TAQA's Oil and Gas business continued to progress its portfolio transition, delivering safe and efficient operations while advancing late-life management and decommissioning activities.

In Canada, the focus remained on safe and reliable operations, with operational optimisation supporting efficient value delivery from operated assets. In the United Kingdom, significant milestones were achieved across the Northern and Central North Sea portfolios, with major decommissioning activities completed safely and in line with approved plans. In the Netherlands, TAQA maintained high availability of its gas storage assets to support Europe's energy security priorities, while progressing onshore decommissioning activities as well as offshore activities on behalf of the Porthos project or for future CO_2 storage.

Across the portfolio, strong governance and HSSE culture and standards continue to underpin execution, as we remain focused on efficient decommissioning delivery, operational optimisation and supporting energy security.

Franco Polo
Chief Executive Officer, Oil and Gas



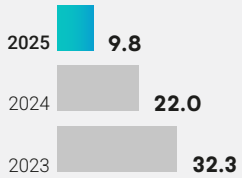
OPERATIONAL PERFORMANCE

NET PRODUCTION, MBOE/D

Canada



United Kingdom



Netherlands



Group Total



Oil and Gas average production volumes decreased to 92.2 thousand barrels of oil equivalent per day (Mboe/d), a 9.1% decline compared to the same period last year. This reduction was primarily driven by the decommissioning activities in the UK, which reduced its production by close to 56% in 2025 when compared to 2024 and by 70% compared to 2023. The production in Canada increased by 5% compared to 2024. The share of oil in the O&G portfolio reduced to 20% in 2024, down from 44% in 2020.[1]

In 2025, TAQA O&G successfully progressed the execution of its decommissioning project and the optimisation of operations and operating infrastructures.

DECOMMISSIONING AND PORTFOLIO OPTIMISATION

TAQA continued to progress its long-term oil and gas portfolio transition with the planned cessation of production and advancement of decommissioning activities across mature assets. Alongside this managed decline, TAQA delivered key decommissioning milestones while maintaining safe and disciplined operations across its oil and gas portfolio.

Across the UK North Sea, multiple late-life and decommissioning activities advanced across the Northern and Central North Sea portfolios. Plug and abandonment works at Cormorant Alpha were completed, alongside the removal of the modular drilling unit and the successful disembarkation of North Cormorant and East Brae. The removal of the Eider Alpha topsides was completed in October 2025 following a preparatory campaign, while facilities and subsea infrastructure removal programmes progressed in line with approved decommissioning plans. Pipeline isolation and subsea flushing activities were also completed, supporting the safe and orderly retirement of offshore infrastructure.

In the Netherlands, TAQA completed the decommissioning of the Bergen Drying Facility (BDF) in Alkmaar and formally handed over the fully remediated site to the municipality. This milestone represents the first phase of the wider Bergen II decommissioning programme, which encompasses the phased removal of TAQA's remaining onshore gas production infrastructure in the region. Preparatory activities are underway for the decommissioning of associated pipelines and well sites, with execution planned between 2026 and 2028. Alongside this, engineering studies and planning activities continued in support of future CO_2 injection and storage under the Porthos project.

Operations in Canada remained focused on operational optimisation, with well abandonment programmes continuing to be delivered. These activities form part of TAQA's broader approach to managing late-life operations efficiently while meeting regulatory and environmental requirements.

Robust governance and HSSE frameworks continued to underpin the safe and compliant execution of decommissioning and late-life activities across the portfolio. Looking ahead, the focus remains on disciplined delivery of approved decommissioning programmes in the UK and the Netherlands, alongside the optimisation of operations in Canada, in line with TAQA's long-term portfolio transition strategy.



[1] Iraq included in 2020 figures, which TAQA divested in 2024.

BUSINESS RESILIENCE

ENTERPRISE RISK MANAGEMENT

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

TAQA's Risk Function encompasses enterprise risk, business continuity, health, safety, security and environment (HSSE)[1], and cyber security. The Function is responsible for supporting businesses and other functions in identifying, assessing, and managing risks across the organisation.

[1] 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:

Understanding the Risk Environment:
Enabling the effective identification and assessment of risks;

Monitoring and Evaluating Risks:
Assessing specific risks, evaluating the effectiveness of risk management measures and improvement plans, and determining if additional actions are required;

Managing Risks:
Establishing and confirming appropriate responses and measures to address identified risks;

Risk Reporting:
Ensuring that risks and their management are communicated to the relevant levels within the organisation.

BUSINESS RESILIENCE

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

1 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.

2 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.

3 BOARD LEVEL

The Board of Directors and its committees offer governance and strategic oversight for risk management. Their key roles involve:

- Overseeing 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;
- Confirming resources are in place to manage risks effectively.

Reliably delivering sustainable long-term growth and value creation requires an unwavering commitment to understanding and managing risk.

In 2025, we continued to deepen the identification, assessment and management of risks through our business processes. Decisions remained risk-informed and choices considered sensitivities within our assumptions.

Through constant vigilance, we continue to focus on preventing key risks from materialising and being prepared to minimise their impact should they occur. Where risks materialise and incidents occur, we prioritise learning to ensure that improvements are made. Where deviations are deliberate despite clear rules and requirements, we apply consequence management.

Stephen Wackerle
Chief Risk Officer

We continue to focus on applying sound risk practices across our varied operations and stakeholders, with approaches tailored to what makes each aspect of our business distinctive.



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 Enterprise Risk department, these leaders maintain business or functional specific views of risks and their management, recorded in risk registers and reported in risk management reports. 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, HSSE and Ethics and Compliance departments provides oversight, guidance, and support for risk management practices. Enterprise Risk develops and maintains the risk management framework, monitors conformance, and assists business and functional leaders in assessing and addressing risks.

3 THIRD LINE

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

TAQA has 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;
- Assessments of compliance carried out by stakeholders and regulators;
- Site visits to discuss and observe conformance with requirements and site operating behaviours;
- Independent evaluations by external auditors on specific external and internal reports.
- Deployment of risk facilitators to support self-verification of risk management and reporting;

This structured approach enables systematic risk management, supporting TAQA's objectives for safety, resilient, compliant, 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, detailed 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 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.

BUSINESS RESILIENCE

PRINCIPAL RISKS

In 2025, TAQA strengthened its risk management framework through the development of standards to address risks to the achievement of strategy and business plan. The Risk management reporting was enhanced and a new process was introduced – risk information cards – to notify and escalate risks and any risk management measures required to support their management. The delivery of structured training for Risk Facilitators enhanced consistency, alignment, completeness and transparency of the identification, assessment, management and reporting of risks across the Group.

In addition, a new Risk Assurance approach, featuring site visits and assurance meetings, was introduced to reinforce risk alignment, validation, and governance across the businesses.

The risk assessments 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	▸ Delivering growth ▸ Longevity of production agreements ▸ Generation, production and reserves	▸ Implementation and business planning and review ▸ Growth and development pipelines ▸ Engagement with off-takers ▸ Strategy, M&A and Business Development expertise ▸ Deal execution of M&As, JVs and partnerships
Market Environment	▸ Commodity prices ▸ Interest rates ▸ Foreign exchange rates ▸ Competition ▸ Supply chain	▸ Fixed price commodity contracts and contracted revenues ▸ Hedging commodities and foreign exchange exposure ▸ Fixed rate debt and interest rate swaps
Liquidity and Cash Delivery	▸ Funding ▸ Customer and other receipts ▸ Credit ratings	▸ Funding planning and review ▸ Liquidity management, cashflow forecasts and stress testing ▸ Customer service and collections management
Political and Societal	▸ Regional stability ▸ Geopolitical developments	▸ Country screening, assessments and reviews ▸ New country entry reviews ▸ Government support and diplomatic engagement
Climate Change and Sustainability[1]	▸ Environmental, Social and Governance (ESG) developments ▸ Physical climate change effects ▸ Energy transition	▸ Low carbon power and water champion ambition ▸ Renewables growth, investment in new technologies ▸ ESG strategy and implementation roadmap ▸ Contribution to in-country development
Organisational Capability	▸ Attracting, developing and retaining talent ▸ Alignment of resource capacity and capability	▸ Competitive market positioning ▸ Performance based evaluation ▸ Recruitment expertise ▸ People development programmes ▸ Employee engagement
Technology and Digital Infrastructure	▸ Obsolescence ▸ Technology and digital infrastructure as an enabler	▸ 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	▸ Cyber breach ▸ Loss of information ▸ Loss of operations	▸ Detection, monitoring, prevention, response and recovery capabilities ▸ Systems and architecture management and reviews ▸ Government agency engagement and expertise ▸ Cyber security expertise and development
Partners, Suppliers and Contractors	▸ Partner alignment ▸ Supplier dependencies ▸ Contractor management	▸ Partner engagement and management ▸ Supplier and contractor due diligence and management ▸ Performance and compliance monitoring and intervention
Brand and Reputation	▸ Brand value and presence	▸ Unified brand ▸ Communications expertise ▸ Stakeholder engagement

[1] For more information, please refer to the **Sustainability chapter** of the report.

BUSINESS RESILIENCE / PRINCIPAL RISKS

Principal risks	Key risks	Risk management measures
HSSE & OPERATIONAL		
Project Execution	▸ Timely and cost-efficient project delivery ▸ Quality and performance of delivered assets	▸ Selective EPC engagement and contractual arrangements ▸ Project management capabilities and development
Operational Reliability	▸ Ageing assets ▸ Equipment reliability ▸ Operations and Maintenance (O&M) performance and quality of work	▸ Inspection, maintenance, and testing programmes ▸ Operator selection and contracted O&M arrangements ▸ O&M capability development
People Safety	▸ Safety at work ▸ Community and public safety	▸ Commitment to Operational Excellence, TAQA's HSSE Management System ▸ Safety standards and practices ▸ Leadership and supervision ▸ Learning and continuous improvement
Asset Integrity	▸ Spills and other releases ▸ Fires or explosions	▸ Business continuity management plans and resiliency ▸ 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	▸ Critical business disruptions ▸ Catastrophic events ▸ Natural disasters	▸ Crisis management and incident response plans ▸ Tests and exercises
Physical Security	▸ Malicious acts, including terrorism, sabotage, and theft ▸ Regional instability, conflict, and unrest	▸ Protective security management system, including monitoring and review ▸ Security capabilities, assessments and intelligence resources ▸ Security incident response and crisis management plans

Principal risks	Key risks	Risk management measures
REGULATION AND COMPLIANCE		
Management Systems	▸ Adequacy of policies and procedures ▸ Internal control breaches	▸ Continuous improvement and embedding of policies, standards, and procedures ▸ Systematic reviews and assessments
Compliance with Laws and Regulations	▸ Compliance ▸ Business ethics ▸ Changes in laws and regulations	▸ Code of Ethics and Business Conduct, and associated policies ▸ Legal and regulatory expertise, competence, and monitoring ▸ Corporate governance and compliance enforcement processes ▸ Training, awareness, and attestation ▸ Independent whistleblowing process and facility
Liabilities and Commitments	▸ Decommissioning ▸ Litigation, fines, and penalties ▸ Acquisitions and disposals	▸ Decommissioning strategy, planning, and implementation monitoring ▸ Legal resources and expertise (internal and external) ▸ Due diligence, contractual reviews, and advisory services ▸ Regulatory engagement and alignment
Reporting	▸ Accurate and complete external reporting	▸ Management review and engagement ▸ Segregation of duties ▸ Independent assurance

In 2026, the focus remains on deepening the understanding of risks faced by the Group, businesses and functions to enable their effective management, including greater focus on digital enablement, and investment and project-related risks, for activities conducted by TAQA (i.e. operated) and those activities conducted by others or in which TAQA holds an interest (i.e. non-operated). Together, these initiatives position TAQA to increase resilience and support reliable long-term value creation.

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 supports, 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 Executive-level Cyber Security Steering Committee meetings.

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

Cyber security awareness and training programmes are mandated for all employees on an annual basis. **In 2025, over 86% of employees across the Group have completed their cyber security training, consistent with previous years.**

As part of vendor onboarding, a thorough cyber security vetting procedure remained active. Vendors continued to be 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 to establish organisational preparedness to respond to significant incidents, including maintaining business continuity and crisis, emergency and incident management capability should such events occur.

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

- Appoint individuals with a protective security single point of accountability
- Develop security response plans and procedures
- Implement minimum baseline Protective Security measures
- Complete security risk assessment
- Implement security awareness and education programmes
- Maintain security notification and reporting
- Deliver security management plans

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. During the year, the Department of Energy launched a stakeholder consultation on its proposed Physical Security Standard, which may introduce enhanced compliance requirements at operational sites, and and TAQA is actively coordinating a relevant operating company responses.

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, a standard was developed and issued for Group-wide implementation. Through ongoing engagement, routine visits, business-led key performance indicators (KPIs) review and governance and compliance activities, PS activities are managed throughout the Group. Progress reporting is provided quarterly at HSSE Committee Meetings, with further updates included in the HSSE performance reports issued monthly.

Investment in a leading security management tool commenced in 2024 to enable digital recording of key sites and activities. This has now been deployed in the UAE with over 1,000 sites now onboarded the end of 2025. The tool digitises security risk assessments, security management plans, surveys, security reporting and guard force management.

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

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

05

SUSTAINABILITY

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This chapter is part of TAQA's 2025 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

ESG STRATEGY

AMBITION

GRI 2-22 GRI 3-1 GRI 3-2 GRI 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 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.

TAQA'S ESG STRATEGY

ENVIRONMENT

Climate Change

- Achieve Net Zero Scope 1 and 2 GHG emissions by 2050
- Reduce Scope 1 and 2 GHG emissions across the Group by 25% and in the UAE by 33% by 2030 compared to the 2019 base year
- Enhance climate resilience through reducing risks and increasing adaptive capacity water and effluents

Water and Effluents

- Reduce energy consumption for desalination by expanding highly efficient reverse osmosis technologies to make up two-thirds of desalination by 2030
- Reduce losses in water distribution by 25% in 2030 compared to the 2021 base year

SOCIAL

Occupational Health and Safety

- Increase transparency of reporting
- Maintain focus on prevention of incidents through a shift in safety culture and approach

Diversity and Equal Opportunity

- Reinforce diversity across four groups: gender, age, nationality and People of Determination
- Have 30% women in management positions by 2030

Local Community Engagement

- Focus group CSR efforts on two themes: Education Equality and Environment
- Increase CSR spend above current levels both nationally and globally

GOVERNANCE

Corporate Governance

- Continue adoption of governance best practices beyond local regulations and requirements

ENABLERS

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

Operating Model
Embed ESG into our governance structure.

KPI Integration
Include ESG metrics in the Group scorecard and executive management's incentive schemes.

Capital Allocation Framework
Incorporate ESG into investment decisions.

ALIGNMENT WITH THE UN SDGS

Energy and Utilities Sector Focus



ESG Strategy Focus



Supportive of all other SDGs



ESG STRATEGY / AMBITION

MATERIALITY ASSESSMENT

TAQA enhanced its approach by conducting a double materiality assessment for the first time in 2025, building on the materiality assessments undertaken in previous reporting cycles. This evolution reflects TAQA's commitment to strengthening ESG integration, improving decision-making, and aligning its disclosures with leading international sustainability standards and stakeholder expectations.

The double materiality assessment was conducted in alignment with the IFRS Sustainability Disclosure Standards (financial materiality) and the Global Reporting Initiative (GRI) Standards (impact materiality). The assessment enables TAQA to identify and prioritise sustainability topics that are material from both:

- an impact perspective - how TAQA's activities affect the environment and society;
- a financial perspective - how sustainability-related risks and opportunities may influence TAQA's financial performance, resilience, and long-term value creation.

Stage	Steps	Output
1 Identification of potential material sustainability topics	▸ Reviewed TAQA's existing material topics against the latest global sustainability reporting standards and regulatory requirements and peer benchmarking ▸ Considered sector-specific sustainability issues relevant to TAQA's businesses ▸ Benchmarked peer disclosures and leading ESG rating agency methodologies	Long list of potentially material topics identified
2 Impact and financial materiality assessment	**Impact materiality** ▸ Identified impacts across TAQA's value chain, covering environmental, social, and economic dimensions ▸ Assessed the severity and likelihood of identified impacts on stakeholders and ecosystems **Financial materiality** ▸ Identified sustainability-related risks[1] and opportunities[2] affecting cash flows, cost of capital, asset values, and access to finance ▸ Assessed the magnitude and likelihood of identified risks and opportunities	Preliminary list of material topics identified through impact and financial materiality assessments
	Collected feedback from internal and external stakeholders through surveys, workshops, and structured consultations to validate identified impacts, risks, and opportunities **Stakeholder engagement overview:** **41** Internal stakeholders **8** Governments and regulators **17** Financial institutions **9** Business partners and suppliers **9** Communities and NGOs	Stakeholder input incorporated into materiality scoring and prioritisation
3 Validation and finalisation	▸ Refined the assessment by incorporating stakeholder feedback ▸ Applied scoring thresholds to determine priority topics under both impact and financial materiality dimensions ▸ Reviewed and validated results through internal governance processes	Final list of material topics validated by internal governance structures

[1] A sustainability-related factor that could negatively affect TAQA's financial performance, increase costs, reduce revenues, impair assets, or limit access to capital.

[2] A sustainability-related factor that could positively affect TAQA's financial performance, reduce costs, create new revenue streams, improve asset value, or enhance access to capital.

ESG STRATEGY / AMBITION

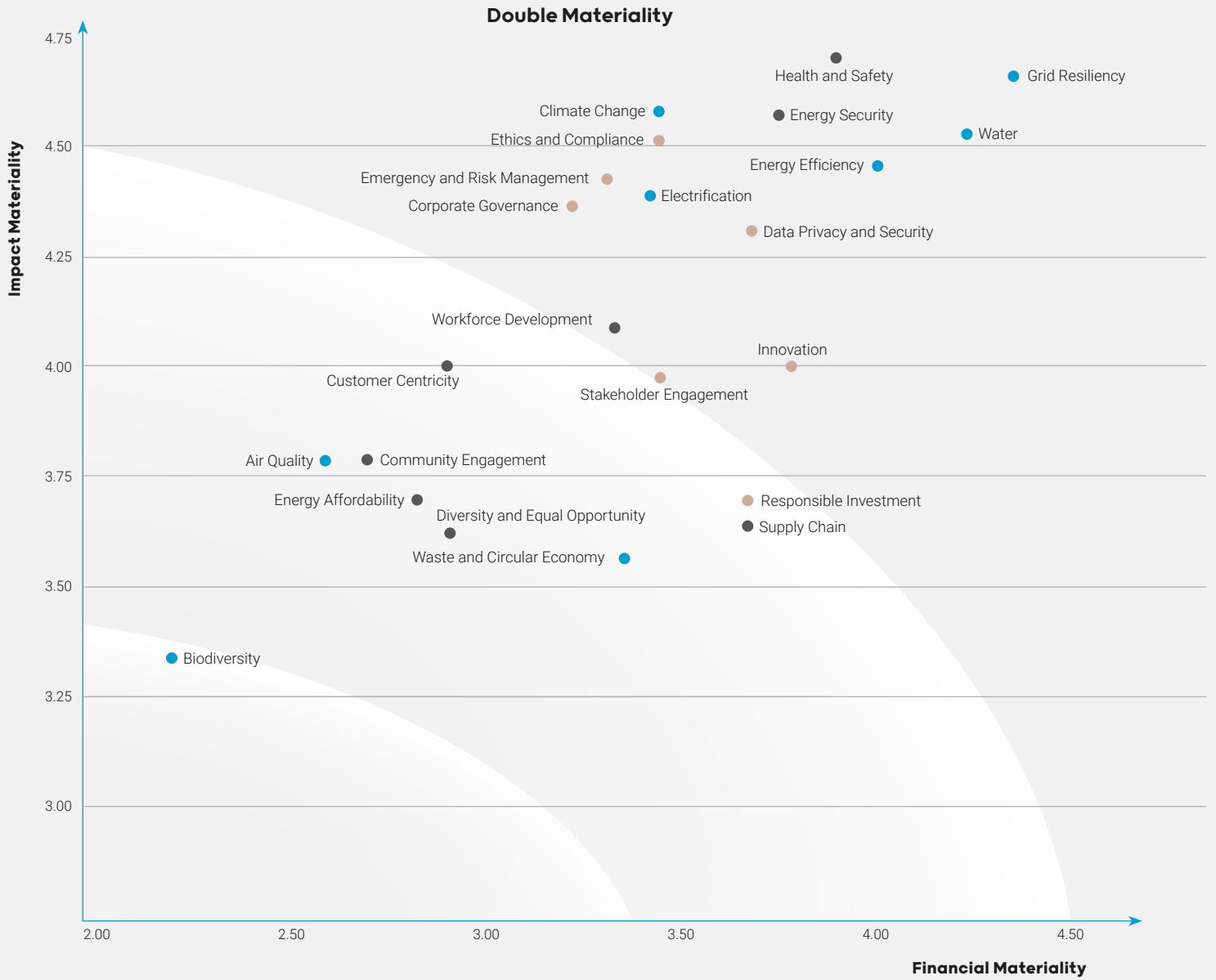
TAQA'S MATERIAL TOPICS

In terms of impact materiality, health and safety topped the list, followed by grid resiliency, energy security, climate change, and water.

In the financial materiality, the top topics were grid resiliency, water, energy efficiency, health and safety, energy security, innovation, supply chain, responsible investment, and data privacy and security.

Grid resiliency, water, health and safety, energy security and energy efficiency emerged as the top topics based on the overall double materiality assessment.

TAQA continues to value its stakeholders' feedback towards strengthening and improving its ESG performance. We remain committed to the six focus topics of the ESG strategy and its targets, while advancing all other material topics.



ESG STRATEGY

GOVERNANCE

GRI 2-14 GRI 2-23 GRI 2-24

TAQA's approach to managing material ESG topics is underpinned by a robust 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. To support consistent implementation across the Group, TAQA established a Group-wide **Sustainability and Climate Change Policy** in 2025 that sets out clear principles, roles and responsibilities for managing sustainability and climate-related matters. With ESG governance positioned at the highest level of leadership under the Board's guidance, TAQA demonstrates its strong commitment to sustainability.

The key topics discussed in TAQA's Board and Management Sustainability committees in 2025 include climate risk assessment, UAE Climate Change Law, GHG intensity, carbon pricing, ESG ratings, ESG performance review, and ESG sentiment analysis.

EMBEDDING SUSTAINABILITY INTO PERFORMANCE

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 Group CEO 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 continues to hold significant importance within the Group Scorecard, with over 40% of its weightage dedicated to it (ESG and energy transition agenda). These include greenhouse gas emissions reduction, strategic and operational projects focused on energy transition, diversity, localisation, employee engagement, water loss reduction, community impact, safety, customer experience, and reliability, ESG ratings, operational reliability, innovation, and growth in sustainability-focused partnerships or low-carbon service projects.

SUSTAINABILITY GOVERNANCE AND ORGANISATIONAL STRUCTURE

Board Sustainability Committee (SC)

- Chaired by a female non-executive Board member
- Members have expertise on ESG
- Convenes quarterly
- Provides overall strategic recommendations and direction
- Oversees progress on sustainability projects and targets
- Ensures alignment with overall corporate strategy and vision

Sustainability Management Committee (SMC)

- Chaired by the Group CEO and MD
- Comprised of the entire Executive Management Team
- Convenes at least quarterly
- Sets the direction of ESG strategy, goals and initiatives
- Takes key decisions on prioritisation, targets and budget / resourcing
- Monitors progress on key initiatives and current performance
- Monitors and supervises the activities of sub-committees and working groups focused on critical ESG topics[1]

Group Sustainability & Climate Change Team[2]

- Manages day-to-day ESG activities across the Group, including ESG disclosure and reporting, stakeholder engagement and special projects
- Develops and advises management on the ESG and Net Zero strategies for the Group
- Coordinates PMO activities for ESG and Net Zero strategy implementation
- Reports to the SC and SMC regularly on performance, progress and key updates

ESG Community (Focal Points at Businesses and HQ Functions)

- Executes ESG initiatives at the respective business, function or operating company, including ESG PMO initiatives
- Shares best practices with entities and ensure alignment
- Promotes the ESG agenda across entities and locations
- Ensures accuracy, and timely submission of required ESG disclosures
- Supports the in review of certain ESG related information as requested by the corporate sustainability team

ESG Initiative Teams

- Executes ESG PMO initiatives and activities
- Regularly reports progress to the ESG focal points at the respective business and at HQ functions for respective topics
- Provides required ESG disclosures

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 Group Strategy function at headquarters in Abu Dhabi.

ESG STRATEGY

OUR 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.

PERFORMANCE HIGHLIGHTS[1, 2]

ENERGY AND GHG[3]

25%▼
reduction in scope 1 and 2 GHG emissions as compared to the base year 2019

41%▼
rreduction in scope 1 and 2 GHG intensity based on revenue as compared to the base year 2019

13%▼
reduction in scope 3 GHG emissions as compared to the base year 2019

WATER

15%▼
reduction in distribution water losses as compared to base year 2021

5%▼
increase in recycled water distributed compared to 2024

WASTE

16%▼
reduction in waste generated

21%▼
reduction in fly-ash generated

61%▲
waste diverted towards recycling, reusing, and repurposing

PEOPLE

4%-point▲
increase in women in management positions compared to base year 2021

SUPPLY CHAIN

AED 16 billion
procurement spending on local suppliers in 2025

COMMUNITY

AED 25 million
towards community investment in 2025

TAQA continues to make steady progress on the key focus areas of its ESG Strategy, demonstrating its commitment to achieving the ambitions outlined.

ESG ENTITY RATINGS:

MSCI

2025
A[4]

2020
CCC

MORNINGSTAR SUSTAINALYTICS

2025
17[5] (LowRisk)

2020
49 (Severe Risk)

CDP

2025
B Climate Change
B Water Security

2022
D Climate Change
C Water Security

S&P Global Ratings

2025
82nd Percentile

2020
19th Percentile

Sustainable Fitch

2024
2 (Second Tier out of Five)

2023
2

TRANSITION RATINGS:

MORNINGSTAR SUSTAINALYTICS

1.9° Celsius
Low carbon transition rating, improved from 2 ° Celsius

Sustainable Fitch

Progressing Transition +

1 Decrease/ Increase in numbers is expressed in comparison to 2024 unless otherwise specified.
2 2025 accounts for the divestment of TAQA Neyveli (India).
3 Emissions for TAQA Neyveli (India) have been removed from all years since the base year 2019.
4 Industry-adjusted score improved from 6.0 to 7.1, falling just short of the AA threshold of 7.143.
5 2nd rank in multi-utilities sub-industry and 7th rank in the utilities industry.

ESG STRATEGY

SUSTAINABLE INVESTMENTS

At TAQA, every investment is guided by our 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 our sustainability and net-zero goals.

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 the 2030 targets and includes 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.

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 shadow carbon pricing ($40 to $80) 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 currently operates or manages assets.

AED 60 billion

i.e., 80% of the planned spend of AED 75 billion[1] by 2030 will be for energy transition activities

34%
Generation

66%
Transmission and Distribution

AED 50 billion

Two-thirds of the total spending of AED 75 billion by 2030 is considered as eligible activity[2] under the EU taxonomy for sustainable finance.

AED 35 billion

Investments to date (2021-2025) - 96% have been directed towards energy transition activities and the remaining 4% towards thermal or natural gas-based generation. Of the 96% allocated to energy transition, 55% was invested in grids (power and water), 40% in renewables (largely Masdar), and 1% in reverse osmosis.

When the above is combined with the figures for Water Solutions, the total investment in energy transition activities during 2021-2025 amounted to nearly AED 35 billion. **Approximately 81% of this investment are activities aligned with EU taxonomy-eligible sustainable finance activities[3].**

[1] Exclude spending towards Water Solutions and Oil & Gas business including decommissioning.
[2] 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.
[3] Investments in renewable energy, wastewater management, energy efficiency, and transmission and distribution of power which contributed to a 74% share of clean energy capacity addition to the system in last five years.

ESG STRATEGY

GREEN FINANCE

Sustainable finance is a vital component of TAQA's financing strategy. TAQA launched its **Green Finance Framework** in 2023 for the issuance of green bonds, sukuks, loans, and other debt instruments. The framework was assigned a "Sustainability Quality Score of SQS2 (Very Good)" in its **Second Party Opinion ("SPO")** by Moody's Investor Service.

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



TAQA's inaugural green bond of USD 1 billion was issued in April 2023. All proceeds were utilised to finance equity investment (USD 1.02 billion) into Masdar for the acquisition of a 43% shareholding in the company in December 2022. The **first green bond report** corresponding to this issuance was published in June 2024 and a third-party's independent limited assurance report for the disclosure of allocation and impacts was obtained.

Following the success of the first Green Bond in 2023, TAQA issued a second green bond in 2024 sized at USD 850 million. All the proceeds were utilised to finance TAQA's equity investment into Masdar's acquisition of Terra Gen in the USA and Terna Energy in Greece. Details of allocation and impact are disclosed in the **second green bond report** published in June 2025, after securing third-party independent limited assurance.

TAQA's green financing credentials also include project level issuances. In January 2022, TAQA successfully priced green senior secured project bonds for an aggregate principal amount of USD 700.8 million by Sweihan PV Power Company PJSC (SPPC), the project company incorporated to build, own and operate the Noor Abu Dhabi 1.2 GW solar power plant.

In 2025, Sustainable Fitch assigned Framework Ratings of '1' (top tier) for both the green bonds issued by TAQA reflecting adherence to market best practices.

ESG STRATEGY

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 review and support the establishment and maintenance of the key processes, controls, and procedures used to monitor, manage, and oversee these risks and opportunities. Similarly, the Group Enterprise Rsik department and the Sustainability and Climate Change department regularly assess 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 business is integrated into the Group's overall risk assessment, which is subsequently reported to Executive Management, the Audit Committee and the Board.

In 2025, TAQA contributed towards the development of the Abu Dhabi Climate Change Adaptation Plan for the environment and power sectors. The plan and its resilience measures are integrated into TAQA's business planning. Core business activities such as renewable energy, reverse osmosis-based desalination, wastewater treatment and supply and wider infrastructure hardening measures form a key part of Abu Dhabi and the UAE's adaptation planning.

A quantitative impact assessment tool was utilised in 2025 to assess the physical and transition risks across the Group. The quantified impacts have been estimated to be below the sector benchmarks. The regulated and contracted nature of TAQA's core utility businesses ensure sufficient adaptive capacity to mitigate financial impacts.

In 2025, TAQA also completed its assessment of climate risks to include TAQA Water Solutions, the results of which are updated in the table below.

Physical Risks[1]

Category		Climate Risk	Impact Areas	Key Risk Management Measures[2]	Generation	Transmission and Distribution	Oil and Gas	Water Solutions
People Safety	1	Health and safety adverse impacts on staff, especially at operating sites from extreme weather events or other climate related changes[3]	▸ Injuries and/or fatalities	▸ Commitment to Operational Excellence, TAQA's HSSE Management System ▸ Safety standards and processes ▸ Leadership and supervision ▸ Learning and continuous improvement	✓	✓	✓	✓
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	▸ Participation in national infrastructure programmes ▸ *Alternative water supply technologies*	✓			✓

[1] Please visit "Principals Risks" in the Business Resilience section of Business Review chapter to understand the integration of these in the enterprise risk assessment.

[2] Improvement actions are in Italics while the underlined measures are ongoing controls.

[3] People safety is considered a risk across all physical risks.

ESG STRATEGY

Category		Climate Risk	Impact Areas	Key Risk Management Measures[2]	Generation	Transmission and Distribution	Oil and Gas	Water Solutions
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	▸ Operations outside asset design limits ▸ Asset ageing ▸ Asset/equipment damage and/or failure	▸ Inspections and maintenance ▸ *Enhanced engineering design and processing enhancements* ▸ *Reviews of asset technical limits*	✓	✓		✓
	4	Damage to assets or access prevention to facilities from increased bushfire severity	▸ Operational disruptions	▸ Increased natural barriers ▸ Flexible production planning			✓	
	5	Damage to assets from extreme fog and humidity combined with dust and other fine particles	▸ Operational disruptions ▸ Equipment damage and/or failure	▸ Inspections and maintenance ▸ *Review of new technologies and monitoring of asset performance*	✓			✓
Rising sea levels	6	Flooding or submersion by sea of coastal assets damages and prevents access to facilities, due to rising sea levels	▸ Damage to coastal assets ▸ Operational disruptions	▸ Incident monitoring and investigation ▸ *Construction of physical barriers* ▸ *Enhanced engineering design and site selection* ▸ *Enhanced drainage, pumps and water management systems*	✓	✓		
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	▸ Damage to PV plants and/or coastal assets	▸ Monitoring asset failure rates ▸ Prioritised inspection programme ▸ *Enhanced engineering design*	✓	✓		✓
Increased rainfall and flooding	8	Flooding of plant or equipment, due to more frequent and intense rain events damages and prevents access to facilities	▸ Deluge exceeds design limits ▸ Operational disruptions	▸ Flood event preparation ▸ Local municipality engagement ▸ *Use of drainage, pumps and water management systems*	✓	✓		✓
	9	Loss of primary containment of hazardous materials		▸ Emergency response planning ▸ *Enhanced engineering design*		✓		✓

[1] Improvement actions are in Italics while the underlined measures are ongoing controls.

ESG STRATEGY

Transition Risks[2]

Category		Climate Risk	Impact Areas	Key Risk Management Measures[1]	Generation	Transmission and Distribution	Oil and Gas	Water Solutions
Market **(Shifting supply and demand)**	1	Supply chain constraints, interruptions to supply chain and/or changes in supplier commitments	▸ Cost increase to source alternative suppliers in a competitive market ▸ Delivery delay due to high demand	▸ Supplier and market diversification ▸ *Prioritisation of critical suppliers, goods and services*	✓	✓	✓	✓
	2	Overcapacity of conventional plants and equipment due to changes in consumption and dispatch patterns	▸ Interruption to plant production ▸ Asset ageing	▸ Engagement with system planner or offtaker ▸ Operating flexibility	✓			
	3	Non-renewal of Power and Water Purchase Agreements (PWPAs) due to a changing energy mix	▸ Asset obsolescence	▸ Continued interaction with regulators and system planners or offtakers ▸ *Efficient asset investment to extend asset life and relevance*	✓			
	4	Limited availability of financing to support strategic growth	▸ Increased financing costs	▸ Green Finance Framework ▸ Renewables investment	✓			
Reputation **(Damage to brand value and loss of customer satisfaction)**	5	Failure to adequately address higher intensity carbon emitting operations in a timely fashion	▸ Negative stakeholder sentiment ▸ Increased financing costs	▸ Portfolio diversification and greater renewables share of generation ▸ ESG integration in capital allocation framework ▸ Stakeholder engagement ▸ Green Finance Framework	✓		✓	✓
	6	Challenges in attracting and/or retaining talent to support the energy transition	▸ Decreased productivity ▸ Increased employee stress	▸ Human Capital programmes ▸ ESG strategy ▸ Brand positioning	✓	✓	✓	✓

[1] Improvement actions are in Italics while the underlined measures are ongoing controls.

[2] Please visit "Principals Risks" in the Business Resilience section of Business Review chapter to understand the integration of these in the enterprise risk assessment.

ESG STRATEGY

Category		Climate Risk	Impact Areas	Key Risk Management Measures[1]	Generation	Transmission and Distribution	Oil and Gas	Water Solutions
Policy and Legal **(Existing and emerging regulations)**	7	Non-compliance fines and/or breaches in environmental guidelines or regulations	▸ Negative stakeholder sentiment ▸ Increased costs	▸ Monitoring environmental guidelines and/or regulatory developments	✓	✓	✓	✓
	8	Unanticipated introduction of new or increased environmental taxes and carbon pricing	▸ Increased costs	▸ Investment decision making framework ▸ Carbon trading and hedging	✓	✓	✓	✓
	9	Disruptions from climate activism	▸ Negative stakeholder sentiment	▸ Stakeholder engagement ▸ Brand positioning ▸ Monitor developments	✓		✓	
	10	Unanticipated introduction of new environmental regulations or regulatory limitations on assets	▸ Operational disruptions	▸ Monitoring regulatory developments ▸ Stakeholder engagement	✓		✓	✓
	11	Unanticipated or developing regulations for new technologies contribute to investment uncertainty	▸ Negative stakeholder sentiment ▸ Increased costs	▸ Monitoring technology developments ▸ *Appropriate technology adoption*	✓	✓		
Technology **(Emerging technologies supporting the low carbon transition)**	12	Development of low emission technologies being performed at a higher than foreseen pace and cost	▸ Early retirement of technologies ▸ Increased costs	▸ Strategy and business planning ▸ Monitor technology developments ▸ Stakeholder engagement including offtakers ▸ *Engineering design enhancements*	✓	✓		
	13	Underinvestment in new technologies or investment in new technologies that do not deliver as anticipated	▸ Missed opportunities ▸ Increased costs ▸ Investment losses	▸ Innovation strategy ▸ New technology evaluation ▸ Supplier engagement ▸ *Pilot programmes for new technologies*	✓	✓		

[1] 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 nuclear[1] 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 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.

MORNINGSTAR | SUSTAINALYTICS

The Low Carbon Transition Rating by Morningstar Sustainalytics for TAQA is currently at **1.9°C**, which improved from 2°C in the previous year. This ranks TAQA second out of the 77 multi-utilities globally in the sub-industry.

Sustainable Fitch
a FitchSolutions Company

Sustainable Fitch's transition assessment for TAQA in 2025 resulted in a rating of '**Progressing Transition +**'.

[1] Generation not owned by TAQA but TAQA's Transmission business connects it to the grid.

PERFORMANCE

SCOPE 1 AND 2 GHG EMISSIONS

TAQA's scope 1 and scope 2 GHG emissions were reduced by 25% in 2025 compared to the base year 2019 and by 6% compared to 2024. The reduction in 2025 was primarily due to the reduced generation from UAE-based gas power plants within the financial control boundary, as the F3 gas-fired power plant (with equity investment emissions accounted for under scope 3 category 15) started its fully fledged operations. Other contributing factors for the reduction were the reduced oil and gas production due to decommissioning activities and the divestment of the lignite-based power plant in India. Going forward, TAQA remains committed to the 25% reduction from 2019 amidst the 2030 growth plans for its generation capacity, which aims to increase the 28 GW of conventional generation capacity at end of 2025 to 50 GW by 2030.

Nearly 98.5% of the total scope 1 and 2 GHG emissions is related to stationary fuel combustion. Other scope 1 emission sources constituting the remaining 1.5% of total emissions are venting, flaring, mobile combustion, refrigerants usage, SF_6 use in circuit breakers, CO_2 in fire extinguishers, and fugitives. The import of energy and the associated scope 2 emissions are insignificant. In terms of breakdown of GHG, about 98% is constituted by CO_2 with the rest being CH_4, SF_6, and N_2O. Emissions associated with flaring (0.08 million tCO_2e) reduced by 55% in 2025, compared to 2024 and venting (0.19 million tCO_2e) increased by 32%[3] in 2025, compared to 2024. GHG emissions covered under carbon pricing regimes are well below 1% (only UK Emission Trading Scheme).

Scope 1 and 2 GHG Emissions as per Financial Control[2] (million tCO_2e)	2025	2024	2019
Scope 1 and 2	**43.38**✓	**45.19**✓	**57.69**✓
Generation UAE	29.15	30.84	42.75
Generation International	13.06	12.79	13.12
Oil and Gas	1.00	1.36	1.59
Others[3]	0.18	0.20	0.23
Scope 1	**43.26**✓	**45.18**✓	**57.58**✓
Generation UAE	29.15	30.84	42.75
Generation International	13.05	12.78	13.11
Oil and Gas	0.89	1.24	1.48
Others	0.18	0.20	0.23
Scope 2	**0.12**✓	**0.14**✓	**0.12**✓
Generation UAE	0	0	0
Generation International	0.01	0.01	0.01
Oil and Gas	0.11	0.13	0.10
Others	0	0	0

✓ Assured metric

TAQA's equity share-based emissions are 35.75 million tCO_2e, which is 18% lower than the emissions based on financial control.

1 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 2023-2025 by DNV Business Assurance Services UK (DNV) and for 2022 by EY (in tCO_2e comprising CO_2, CH_4, N_2O, SF_6 and hydrofluorocarbons). Previous years' numbers restated based on portfolio changes (divestment of India). India's annual Scope 1 and Scope 2 GHG emissions are 3.21million in 2019, 2.08m in 2020, 3.62m in 2021, 2.92m in 2022, 2.93m in 2023, 3.99m in 2024 and 2.83m in 2025 (until its time in TAQA portfolio). Restatements also included updates based on outcomes from internal review and external audits (no material changes). 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 whom they import electricity.

2 Include Transmission, Distribution and Water Solutions.

3 Due to improvement in estimation via site specific analyses, with values not adjusted for previous years as a conservative approach.

SCOPE 3 GHG EMISSIONS

Categories 3, 11, and 15 are the scope 3 categories of material (based on quantity, our ability to influence, and business plan projections) for TAQA. Scope 3 GHG emissions in 2025 reduced by 3% when compared to 2024 and 13% when compared to the base year 2019.

The most material of TAQA's scope 3 emissions are in category 11 (55% 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 10% and 23% compared to 2024 and the 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 plans in the UK.

The category 3 emissions (21% of total scope 3) have reduced by 26% in 2025 compared to the base year 2019, due to the reduction in gas-based generation in the UAE and the divestment of lignite-based plant in India. 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 (25% of total scope 3) increased by 20% in 2025 compared to 2024, mainly due to the start of fully fledged production by the F3 gas-fired plant in the UAE.

Scope 3 GHG[1], million tCO_2e	2025	2024	2019
Category 3	4.27✓	4.37✓	5.77
Category 11	11.53✓	12.79✓	15.01
Category 15	5.24✓	4.42✓	3.40
Total	**21.03**	**21.59**	**24.18**

✓ Assured metric

[1] Limited assurance was obtained for 2023 to 2025 by DNV. Previous years' numbers restated based on portfolio changes such as divestment of India and acquisition of Talimarjan-1 power plant in Uzbekistan.



MANAGING OUR RESOURCES

GHG INTENSITY

TAQA's GHG intensity, based on revenue, was reduced by 4% in 2025 compared to 2024. Compared to the base year of 2019, the reduction is 41%. This reduction reflects how well TAQA is growing financially while ensuring the impact on the environment is reduced.

In terms of scope 1+2 GHG intensity based on electricity generation, the Group and the UAE have maintained the same performance. International GHG intensity has shown considerable improvement from the base year 2019 due to optimisation and effective asset management practices.

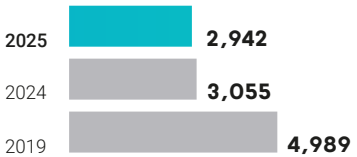
Scope 1+2+3 GHG intensity based on electricity generation has improved across both UAE and Group portfolio. This is driven by TAQA and Masdar's efforts in increasing renewable energy generation both in the UAE and globally and due to the start of highly efficient F3 gas power plant in 2025. **TAQA's scope 1+2+3 GHG intensity for electricity generation is lower than its scope 1+2 GHG intensity for generation by a factor of 20%**.

Divestment in India has significantly improved TAQA's GHG intensity profile compared to the numbers reported in the 2024 Integrated Report.

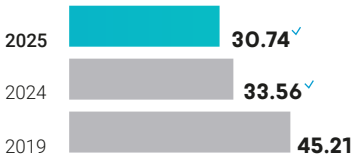
The trend of GHG intensity for desalinated water supplied from 2019 to 2025 is a clear indication of how the increase in penetration of reverse osmosis is improving the energy and GHG intensity. Compared to the GHG base year of 2019, the improvement is over 31%. Despite the reduction in load factor of co-generation plants, intensity figures have also improved by 7% in 2025 compared to 2024.

GHG intensity of oil and gas production reduced by over 20% compared to 2024 because of the implementation of several optimisation projects across the portfolio.

2025 GHG Intensity – Revenue[1], tCO_2e/million USD



GHG Intensity – Desalinated Water Supplied[2], tCO_2e/MIG



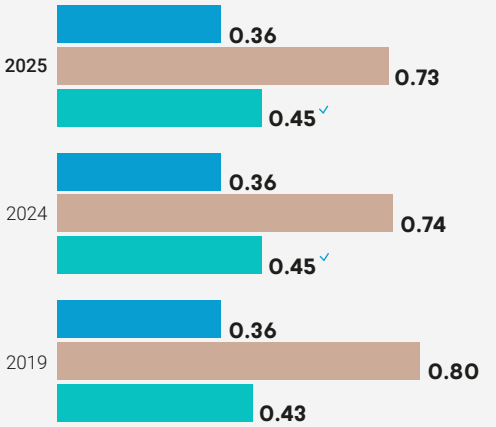
GHG Intensity – Oil & Gas, tCO_2e/mboe



✓ Assured metric

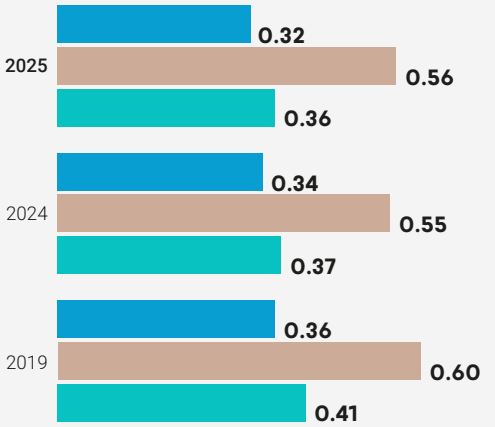
[1] Excluding the India numbers across all the years as it was divested in 2025. GHG Intensity includes scope 1 and 2.
[2] Consolidates gross water production of Taweelah RO which is an affiliate with a stake of 20%.
[3] Scope 3 is the category 15 investment generation emissions which includes proportionate equity-based contribution from our associates such as Masdar, Al Dhafra PV2, F3, Jubail, Talimarjan-1 and Sohar. Denominator includes only the proportionate electricity generation based on TAQA's effective stake.

Scope 1+2 Emission Factor – Electricity, tCO_2e/MWh



✓ Assured metric

Scope 1+2+3[3] Emission Factor – Electricity, tCO_2e/MWh



Electricity Generation (GWh)[4]	2025	2024	2023
UAE Subsidiaries (IPPs except F3 and PV2)	58,855	60,772	64,880
UAE Associates (PV2, F3) – TAQA share	6,378	3,280	1,615
Int'l Subsidiaries (Morocco, Ghana)	17,966	17,345	18,712
Int'l Associates (Sohar, Jubail, Talimarjan) – TAQA Share	5,280	5,716	5,681
Masdar (TAQA Share)	7,702	6,713	3,326
Total	**96,181** (Gas 68%, Coal 17%, Renew. 15%)	**93,827** (Gas 70%, Coal 17%, Renew. 13%)	**94,214** (Gas 75%, Coal 18%, Renew. 7%)

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

MANAGING OUR RESOURCES

Water Production (MIG)[1]	2025	2024	2023
Subsidiaries (All UAE IWPs except Taweelah RO)	185,660	192,693	194,893
Associates (Taweelah RO – TAQA share)	13,896	13,110	12,054
Total	**199,556**	**205,803**	**206,947**
	(RO[2] 21%, Thermal 80%)	(RO 19%, Thermal 81%)	(RO 17%, Thermal 83%)

EMISSION REDUCTION INITIATIVES

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

	2025	2024	2019
Total Energy Consumption within TAQA Group (TJ)[3]	**418,580**	**447,920**	**648,426**
= Non-renewable fuel consumed	652,599	694,255	946,138
+ Renewable fuel consumed	-	-	-
+ Electricity, heating, cooling, and steam purchased for consumption	1,247	1,313	1,074
+ Self-generated electricity, heating, cooling, and steam, which are not consumed	-	-	-
- Electricity, heating, cooling, and steam sold	235,266	247,648	298,786

[1] 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.
[2] Including RO contribution from TAQA plants with RO (F1 and F2) other than Tawelah RO.
[3] Restatement to account for internal and external audit (GHG) recommendations.



GENERATION

Total Scope 1 and 2 GHG emissions from the Generation business, which is over 97% of the Group's numbers, decreased by 3% in 2025 compared to 2024 and by 25% compared to the base year 2019. The reduction in the UAE Generation's portfolio is over 5% and 32% respectively compared to 2024 and 2019.

The key driver for the reduction has been the energy transition in the Abu Dhabi system, wherein the increased share of nuclear and renewable energy plants has reduced the generation from the gas-based power plants. The share of clean energy (nuclear and solar) in the Abu Dhabi system's energy mix has grown from nearly 3% in 2019 to 40% in 2025, while the share of gas has declined from 97% to 60% over the same period. TAQA's solar plants, Noor PV1 and Al Dhafra PV2, generated a total of 6,616 GWh of electricity in 2025, accounting for 6% of the total electricity generated in the Abu Dhabi system. The role of increasing reverse osmosis-based production in the decoupling of water desalination from electricity generation, resulting in the reduction of thermal fuel needs, has also supplemented the reduction of emissions.

In the UAE, other emissions reduction efforts focused on optimising combined cycle performance and improving auxiliary power efficiency across TAQA's gas-fired generation assets. At facilities including Taweelah, Shuweihat, Umm Al Nar, and Fujairah, initiatives included turbine tuning, enhanced combustion control, optimisation of heat recovery steam generators, and operational adjustments to reduce fuel consumption during low-load periods. These measures were supported by upgrades to Continuous Emission Monitoring Systems (CEMS) and enhanced data-driven monitoring to improve emissions accuracy and regulatory compliance. Several assets implemented process optimisation and equipment retrofit programmes, such as improvements in auxiliary equipment efficiency, replacement of outdated components, and enhanced automation and control systems. Energy awareness initiatives and improved operational discipline further supported reductions in fuel and electricity consumption.

In the international portfolio, optimisation and asset management practices have led to improved efficiency and reduction in emissions. Divestment from the lignite-based plant in India in 2025 also reduced TAQA's GHG emissions[4]. In Morocco, ongoing upgrades to power generation equipment and operational improvements supported reductions in electricity consumption and associated emissions. In Ghana, waste heat recovery and efficiency enhancement initiatives continued to contribute to emissions reductions.

[4] India GHG emissions reduced from 2025 and all the previous years in the inventory.

The share of coal in TAQA's gross generation capacity has reduced from nearly 10% in 2020 to just 3% in 2025. Coal revenue represents only 2% of total Group revenue when fuel pass-through is excluded.

MANAGING OUR RESOURCES

TRANSMISSION AND DISTRIBUTION

TAQA's Transmission and Distribution businesses accounts only for a limited share of the Group's Scope 1 and 2 greenhouse gas emissions. Year-on-year variations are primarily influenced by network expansion, increased infrastructure activity, and operational requirements during periods of extreme weather.

Emission reduction efforts focus on minimising environmental impact through targeted, technology-led initiatives. TAQA continues to transition away from sulphur hexafluoride (SF_6) by piloting SF_6-free technologies in gas-insulated equipment, including the use of alternative insulating gases and SF_6-free ring main units. These efforts are supported by regular leak detection and repair programmes, gas monitoring, and root-cause analysis to further reduce fugitive emissions and enhance operational performance.

Energy efficiency initiatives include the replacement of ageing assets with higher-efficiency alternatives, reconductoring selected overhead transmission lines using high-temperature, low-loss conductors to reduce network losses, and upgrading substation lighting systems with energy-efficient LED solutions. In parallel, emissions associated with fleet operations are being reduced through the gradual electrification of vehicles and the rollout of electric vehicle charging infrastructure across operational sites.

Beyond its direct operational footprint, TAQA's Transmission and Distribution businesses plays a critical role in enabling wider system decarbonisation as a sustainability business partner. By expanding and reinforcing the electricity network, the business supports the integration of low-carbon generation and provides reliable grid access to energy-intensive sectors, contributing to the reduction of downstream emissions. These network investments underpin national energy transition objectives and support the delivery of long-term climate commitments, while efficiency measures across the network help minimise the need for additional generation and associated emissions across the value chain. Examples of such large-scale initiatives include connecting 5.6 GW nuclear and about 2.5 GW solar to the grid, interconnection of ADNOC's offshore and onshore power and water facilities to the grid, and interconnection of EGA's power plants, etc.

The Distribution business also plays a significant role via their energy services and demand side management activities, which are highlighted in detail in the Business Review chapter.

The network losses continue to remain low and comparable to leading benchmarks globally.



Power Losses, %

	2025
Transmission	2.04
Distribution	4.58

MANAGING OUR RESOURCES

OIL AND GAS

The total Scope 1 and 2 GHG emissions of TAQA's Oil and Gas business reduced by over 27% in 2025 compared to 2024, and by 37% compared to the base year 2019. These reductions are mainly due to the decommissioning activities in the UK and several energy optimisation projects across the portfolio over the years. GHG intensity improved by 20% year-on-year, reflecting the operational efficiency improvements achieved by the business.

Key initiatives include engine and compressor upgrades, installation of air–fuel ratio controllers, and the replacement of methane-driven pneumatic devices with low-vent or electric alternatives to reduce venting and fugitive emissions.

In Canada, venting reduction initiatives and compressor engine upgrades continue to lower methane emissions, supported by regulatory compliance and targeted efficiency measures where economically feasible. GHG intensity in Canada reduced by 20% in 2025 compared to 2024.

In the UK, emissions reduction efforts focus on optimising late-life operations and decommissioning activities, including reducing flaring during plant start-ups, installing high-efficiency air intake and particulate filters, and implementing Asset-Specific Emissions Reduction Action Plans (ERAPs).

In the Netherlands, gas compressor consolidation and valve replacements have reduced venting sources and improved operational efficiency, while enhanced fugitive emissions monitoring and vent gas metering support improved emissions visibility and control.





WATER SOLUTIONS

The share of Water Solutions' GHG emissions within TAQA's Scope 1 and 2 emissions remains very limited. Nevertheless, Water Solutions plays an important enabling role in reducing overall system emissions by increasing the supply of recycled water, thereby lowering demand for energy-intensive desalination. **In Abu Dhabi, recycled water accounts for approximately 17% of the total potable and recycled water supplied to customers.**

TAQA Water Solutions continues to implement targeted initiatives to improve energy efficiency and reduce associated emissions across its operations. During the year, progress was made on the deployment of an AI-powered Supervisory Control and Data Acquisition (SCADA) system, supporting improved visibility of consumption patterns and optimisation of pumping operations, including the identification of opportunities for Variable Frequency Drive (VFD) implementation.

In addition, network and asset optimisation initiatives, including the consolidation and rationalisation of pumping and treatment infrastructure, are underway to reduce electricity consumption associated with wastewater collection and treatment. Complementary efficiency measures, such as power factor improvement through capacitor bank installations at treatment plants, further support indirect emissions reduction and operational efficiency.

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.

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. TAQA applies a consistent, Group-wide approach to monitoring, controlling, and reducing non-GHG air emissions across its operations, supported by asset-level controls and targeted investments.

TAQA manages air emissions from its Generation assets through stringent quality assurance and control processes aligned with applicable regulatory requirements. In Abu Dhabi, the Environment Agency - Abu Dhabi (EAD) 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. Continuous Emission Monitoring Systems (CEMS) are widely deployed to enable real-time monitoring and recording of air emissions. All activities at air monitoring stations, including calibration, maintenance, and operations, are systematically documented, supporting regulatory compliance and timely corrective actions. Internationally, TAQA implements targeted measures to reduce non-GHG air emissions and strengthen compliance with local standards, including the installation of gas desulphurisation devices and gas and dust analysers in Morocco, and the use of water injection on gas turbines to manage nitrogen oxide (NO_x) emissions in Ghana. Together, these initiatives reflect a consistent, Group-wide approach to air quality management across TAQA's generation portfolio.

Within its Oil and Gas operations, TAQA applies enhanced fugitive emissions monitoring programmes, including regular leak detection surveys, venting and flaring measurements, and asset-level root-cause analysis. These measures support improved methane management, strengthened regulatory reporting, and continuous emissions performance improvement across operating jurisdictions. Specific controls are also implemented to minimise fugitive air emissions from equipment through preventive maintenance programmes, enhanced leak detection practices, and targeted upgrades. TAQA's Oil and Gas assets are subject to annual ISO 14001 environmental management system audits. In the UK, offshore assets operate in accordance with the Offshore Combustion Installations (PPC) Regulations, with emissions limits and methane controls defined through permitting requirements and Asset-Specific Emissions Reduction Action Plans.

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[1]

	2025[2]	2024	2019
Nitrogen Oxide (NO_X)	16,035	19,737	20,111
Sulfur Oxide (SO_X)	8,018	40,021	33,544
Volatile Organic Compounds (VOCs)	1,810	1,830	2,302
Particulate Matter (PM10)	246	3,594	3,468
Hazardous Air Pollutants (HAP) emissions	143	99	102

Air emissions showed a strong improvement in 2025, with NO_x decreasing by approximately 19% compared to 2024, reflecting continued optimisation of combustion processes and operational controls across the portfolio. SO_x declined by around 80% year-on-year, driven by a combination of improved emissions performance and portfolio optimisation, including the divestment of the lignite-based plant in India. These reductions also reflect the continued transition towards cleaner and more efficient Generation assets.

[1] Restatements made based on results of internal reviews.

[2] 2025 excludes TAQA Neyveli (India) due to its divestment.

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 framework and incorporates guidance from the International Association of Oil and Gas Producers (IOGP) and the Energy Institute (EI).



ISO Coverage

ISO 9001	ISO 14001	ISO 45001
90%	100%	85%

In addition to ISO 9001, ISO 14001, and ISO 45001, several TAQA entities hold additional certifications that support environmental performance, energy efficiency, emissions management, customer satisfaction, asset management, and operational resilience. These include ISO 50001 for Energy Management, PAS 2080 for carbon management in infrastructure, 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, ISO 10002 for customer complaints handling, ISO 10004 for customer satisfaction monitoring, ISO 55001 for asset management, and NCEMA 7000 for crisis and emergency management.

Together, these certifications reinforce TAQA's structured approach to performance management, risk mitigation, regulatory compliance, and continuous improvement across its global operations.

MANAGING OUR RESOURCES

WATER

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

TAQA's approach to water continues to evolve as the Group strengthens its position as an integrated power and water utility, with an increasing focus on efficiency, resilience and value creation across the full water value chain. Water and effluent performance are monitored through defined key performance indicators across all businesses, with outcomes reviewed through established management governance processes. **A Group-wide Water and Wastewater Management Standard provides a consistent framework for managing water resources responsibly and improving operational performance.**

Aligned with TAQA's Corporate and ESG Strategies, the Group continues to progress towards its ambition for two-thirds of its desalination capacity to be based on energy-efficient reverse osmosis (RO) technology by 2030, alongside a targeted 25% reduction in water distribution losses from 2021 levels. The acquisition of Sustainable Water Solutions Holding in 2024 strengthened TAQA's domestic wastewater and recycled water capabilities, enhancing integration across the local water value chain. In 2025, TAQA announced plans to further expand its water platform through an agreement to acquire GS Inima, a global water developer and operator. On completion, the acquisition will reinforce its international footprint and strengthen end-to-end capabilities across desalination, drinking water, and wastewater treatment. Together, these developments support TAQA's long-term objectives for water security, circularity, and operational excellence.

WATER USE

The Group primarily withdraws seawater for desalination, supplemented by limited freshwater abstraction for thermal power generation and oil and gas operations. In the UAE, nearly all water required for cooling and condensing in power generation is sourced from desalinated seawater, significantly reducing reliance on freshwater resources. While certain international power and oil and gas assets utilise groundwater or surface water, these volumes remain negligible relative to total withdrawals.

Across the portfolio, targeted operational measures have been implemented to improve water efficiency, including reduced cooling water blowdown through enhanced chemical dosing, preventive maintenance, and continuous monitoring at facilities such as Umm Al Nar and Taweelah B. Where feasible, treated wastewater is reused internally for auxiliary processes, landscaping, and maintenance activities, further minimising freshwater demand.



	2025	2024	2023
Water consumed (including water supplied to customers) (MIG)	255,185ˇ	261,748	262,515
Water sub-consumption (excluding water supplied to customers) (MIG)[1]	30,036	38,979	41,783

ˇ Assured metric

[1] Commercial losses in distribution also included as a conservative approach.

MANAGING OUR RESOURCES

DECOUPLING WATER PRODUCTION FROM ELECTRICITY GENERATION

TAQA continues to support the strategic decoupling of water production from electricity generation, recognising the efficiency, flexibility, and emissions benefits of standalone reverse osmosis (RO) desalination. Historically, the UAE's power and water sectors have been closely interconnected through cogeneration facilities, where waste heat from gas turbines is used to simultaneously produce electricity and desalinated water. While this approach optimised fuel use, it limited operational flexibility and increased emissions during periods of seasonal electricity demand imbalance.

Desalination through RO has proven to be a viable alternative, enabling significant reductions in fuel consumption and associated greenhouse gas emissions—up to 90% lower compared to traditional thermal desalination—while enhancing system resilience and planning efficiency. The continued expansion of RO capacity across Abu Dhabi remains a cornerstone of TAQA's water strategy, reducing interdependence between power and water production and supporting more effective system planning. In 2025, desalinated water supplied through RO facilities achieved an estimated 31% reduction in GHG intensity compared to the 2019 baseline, reinforcing TAQA's progress towards its long-term decarbonisation objectives.

MANAGING TRANSMISSION AND DISTRIBUTION LOSSES (NON-REVENUE WATER)

TAQA manages water transmission and distribution losses in line with the International Water Association's (IWA) definition of non-revenue water (NRW), calculated as the difference between system input volume and authorised consumption. NRW performance is monitored as a key operational efficiency indicator across the water value chain and reviewed through regular performance management processes.

Continued improvements in NRW performance are driven by the deployment of smart metering, proactive leak detection and repair programmes, pressure management initiatives, and enhanced network monitoring supported by digital technologies. These measures enable earlier identification of losses, targeted interventions and improved asset performance. Collectively, they support TAQA's long-term objective to reduce water distribution losses by 25% by 2030 from the 2021 baseline and position its transmission and distribution networks in line with leading global benchmarks.

Distribution water losses reduced by over 9% in 2025 when compared to 2024 and by 15% compared to base year 2019. The improvement in transmission water losses has been over 19% when compared to 2024.



Water Losses,%

	2025	2024	2023
Distribution	10.20	11.23[1]	11.16
Transmission	2.15	2.66	2.30

Distribution water losses reduced by over 5% in 2025 compared to 2024 and by 15% compared to the base year 2019. The improvement in transmission water losses is over 19% compared to 2024.

[1] Updated compared to 2024 report based on the verification by Abu Dhabi Department of Energy.

WASTEWATER AND EFFLUENT MANAGEMENT

TAQA remains committed to complying with local regulatory requirements and international standards for wastewater and effluent management across its operations. Wastewater streams are segregated, treated, monitored, and discharged in line with permit conditions, with continuous monitoring of key parameters such as temperature, salinity and chemical composition to ensure environmental protection and regulatory compliance.

TAQA Water Solutions continues to advance wastewater recycling and reuse in alignment with Abu Dhabi's Integrated Water Resources Management (IWRM) Plan. In 2025, treated wastewater was recycled for beneficial reuse across irrigation, landscaping, cooling, and industrial applications, reducing reliance on freshwater abstraction and supporting circular water management. Ongoing optimisation of recycled water networks and enhanced monitoring systems help ensure consistent quality and reliability.

Across Generation facilities, specialised treatment systems are in place to manage oily and chemical wastewater. These systems are supported by routine laboratory analysis, spill prevention measures, and emergency response protocols. Effluent quality is verified through internal monitoring and independent third-party testing to ensure continued compliance with Department of Energy (DoE) and Environment Agency – Abu Dhabi (EAD) standards.

WATER-RELATED OPERATIONS MANAGEMENT

Water-related operations and associated risks, including seawater intake variability, discharge quality, freshwater availability, and regulatory compliance, are systematically assessed across TAQA's assets through Drinking Water Safety Plans (DWSPs), Environmental Monitoring Programmes and site-specific risk registers.

In Canada, TAQA manages water use for oil and gas operations through strict controls on freshwater abstraction, wastewater handling, and regulatory compliance, with water recycling prioritised where feasible to minimise withdrawals. In the UK, offshore operations rely predominantly on seawater, with discharges governed by environmental permits and supported by continuous monitoring and operational controls to protect marine ecosystems. Together, these measures support effective risk mitigation, regulatory compliance, and the responsible management of shared water resources across TAQA's portfolio.

The volume of wastewater treated increased by 3% and 12% respectively compared to 2024 and 2023.



MANAGING OUR RESOURCES

WASTE

GRI 306-1 GRI 306-2 GRI 306-3 GRI 306-4 GRI 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. These efforts are additional to the activities related to wastewater treatment in the UAE by TAQA Water Solutions and the recycled water distribution by TAQA Distribution[1].



To ensure proper handling and treatment, TAQA categorises its waste into hazardous and non-hazardous types. Waste is sorted out 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.

TAQA continued to strengthen waste management practices across its operations through the implementation of best practices, process optimisation, and improved segregation at source. In 2025, **total waste generated decreased by 16% compared to 2024**, reflecting the impact of targeted waste reduction initiatives across the Group. The **share of waste recycled, reused, or repurposed out of the total waste generated stands at 61%. The quantity of waste sent to landfill declined by 10%**, reinforcing TAQA's focus on minimising landfill dependency and improving overall waste performance.

TAQA also made continued progress in the management of fly ash, a by-product of coal-fired generation. In 2025, the fly ash generated totalled 526,319 tonnes (a reduction of 21% from 2024), of which approximately 91% was recycled through beneficial reuse pathways. These include the sale of fly ash to cement manufacturers, notably through TAQA's operations in Morocco, supporting circular economy outcomes and reducing the use of virgin raw materials. The reduction in fly ash volumes also reflects TAQA's ongoing portfolio transition, including the divestment of TAQA Neyveli in 2025, a coal-based generation asset.

Waste Generated[2]	2025[3]	2024	2023[4]
Hazardous	104,778	123,073	120,531
Non-hazardous	235,401	236,698	217,362
Fly ash	526,319	669,142	761,334
Total	**866,498**	**1,028,912**	**1,099,227**

Waste Treatment[2]	2025[3]	2024	2023[4]
Recycle, reuse, and repurposing	528,267	652,080	599,205
Landfills	337,242	375,796	499,821
Incineration	990	1,036	201

In the UAE, TAQA's operations remain fully aligned with Tadweer (the Abu Dhabi Centre for Waste Management) guidelines, ensuring waste segregation at source and disposal through Tadweer-authorised service providers. Operating companies continue to actively minimise landfill contributions and promote recycling across both operational sites and office environments, supporting a more sustainable approach to waste management across the Group.

1 Please visit the previous section on Water for further details.
2 Restatements made based on internal reviews and numbers exclude fly ash.
3 2025 data exclude TAQA Neyveli, the year when it was divested.
4 2023 data exclude TAQA Water Solutions as it was not part of the portfolio.

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

WASTE REDUCTION INITIATIVES

TAQA has implemented a range of waste reduction initiatives across its operations to enhance resource efficiency, reduce landfill disposal, and ensure compliance with environmental regulations.

UAE

- Strengthened waste segregation at source across power and water production facilities, improving the separation of recyclable, non-hazardous and hazardous waste streams.
- Expanded recycling of operational waste, including scrap metal, packaging materials, and non-process waste generated during maintenance activities.
- Initiatives to eliminate single-use plastics across laboratories and operational sites were implemented, supported by supplier controls and internal procurement policies.

GHANA

- Implementation of structured waste management and monitoring programmes in coordination with approved waste service providers.
- Enhanced tracking of waste streams generated during operations, with a focus on reducing uncontrolled disposal and improving environmental compliance.
- Integration of waste controls within broader environmental management systems to ensure proper handling, storage, and disposal.

MOROCCO

- Continued reuse of ash, a by-product of operations, supplied to cement manufacturing facilities, supporting circular economy principles and reducing waste sent to landfill.

CANADA

- Deployment of remediation techniques to reduce contaminated soil sent to landfills including ozone oxidation, vapour extraction, and bioremediation methods.

UK

- Offshore assets continue to operate under dedicated Waste and Garbage Management Plans, supported by routine audits and compliance monitoring.
- Annual waste reduction targets are set at asset level, with progress tracked through regular inspections and third-party verification.
- Ongoing efforts focus on maximising recycling opportunities offshore while ensuring safe handling of hazardous waste streams.

MANAGING OUR RESOURCES

BIODIVERSITY

GRI 101-1 GRI 101-2 GRI 101-3 GRI 101-4
GRI 101-5 GRI 101-6 GRI 101-7 GRI 101-8

TAQA works to minimise the impact of its operations on ecosystems and to promote responsible environmental stewardship across its business. Operating across multiple countries and diverse terrestrial and marine environments, TAQA's activities interact with a wide range of species, making biodiversity an important consideration in project planning, operational decision-making, and environmental management processes.

Biodiversity considerations are integrated through Environmental Health and Social Impact Assessments (EHSIAs), site-specific environmental management plans, and ongoing monitoring programmes, particularly in areas classified as ecologically sensitive. TAQA implements proactive measures to mitigate potential impacts on habitats and species, including controls on water abstraction and discharge, habitat protection measures, and engineered solutions, to minimise disturbance during construction and operations.
Where relevant, TAQA works closely with regulators, environmental authorities, and local stakeholders to ensure activities are conducted in line with applicable requirements and best practices.

To reflect the diversity of ecosystems across its operational footprint, TAQA monitors species presence in areas of operation using internationally recognised frameworks, including the International Union for Conservation of Nature (IUCN) Red List categories. Based on environmental assessments and monitoring activities, species identified across TAQA's operations fall within a range of conservation status classifications, as summarised in the table below[1]. This approach supports consistent biodiversity risk assessment and informs the implementation of appropriate mitigation and management measures across the Group.

1 Critically Endangered	**14** Endangered	**3** Vulnerable
24 Near Threatened	**95** Least Concern	



[1] Data coverage improved from last year's reporting and now include all the entities within the Group's environmental reporting boundary.

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**

MANAGING OUR RESOURCES

BIODIVERSITY CONSERVATION INITIATIVES

Protecting Marine Ecosystems at Desalination Plants

TAQA's desalination and reverse osmosis operations apply engineered controls to manage treated brine discharge prior to release into the marine environment. Continuous monitoring using offshore buoys ensures compliance with environmental permit limits and safeguards marine water quality, supporting the protection of surrounding ecosystems.

Protecting Endangered Marine Turtles at Taweelah

TAQA's Al Taweelah Power & Water Production continues its efforts to rescue and rehabilitate endangered marine turtles in collaboration with the EAD. After their rescue, the turtles undergo rehabilitation under the supervision of EAD and Abu Dhabi Aquarium. This collaborative process ensures their health is restored before they are released back into the sea.

Biodiversity Near Protected Marine and Coastal Sites

TAQA UK operates infrastructure in proximity to designated protected areas, including Special Areas of Conservation (SACs), Marine Protected Areas (MPAs), and Special Protection Areas (SPAs). Environmental assessments, baseline ecological surveys, and ongoing monitoring are applied to manage potential impacts related to seabed disturbance, underwater noise, and marine discharges, ensuring alignment with conservation objectives and regulatory requirements.

Fisheries Protection and Thermal Controls

TAQA's operations in Ghana apply strict controls to minimise impacts on the marine environment. A monthly Fish Impingement Monitoring (FIM) programme is implemented in line with Environmental Protection Agency's (EPA) permit requirements to protect aquatic life. Cooling water discharged through the once-through cooling system is continuously monitored to ensure temperature and pH remain within regulatory limits, with a maximum temperature increase of 3°C, reducing thermal stress on marine biodiversity.

SUSTAINING BIODIVERSITY THROUGH RECYCLED WATER (UAE)

TAQA Water Solutions supports biodiversity conservation through wastewater treatment and reuse, with approximately 70% of treated wastewater utilised for irrigation and landscaping. Recycled water also supports sensitive ecosystems such as the Al Wathba Wetland Reserve, a Ramsar-listed and IUCN-recognised protected area that provides habitat for migratory bird species, including large populations of Greater Flamingos.

TAQA Water Solutions plays a critical role in supporting the Al Wathba Wetland Reserve by supplying approximately **2,000 cubic metres per day of recycled treated water** from the Al Mafraq Sewage Treatment Plant. This continuous supply is essential to sustaining the wetland's unique ecosystem and ensuring the long-term viability of its diverse habitats.

Located in the southern part of Abu Dhabi and managed by the Environment Agency – Abu Dhabi (EAD), Al Wathba Wetland holds significant ecological importance. It was designated as the **first legally protected area in the Emirate**, achieved **Ramsar site status in 2013**, and was added to the **IUCN Green List of Protected and Conserved Areas in 2018**. Once a coastal salt flat, the site has evolved into a network of natural and man-made lakes supporting rich biodiversity.

Today, the reserve provides habitat for over **250 bird species, 37 plant species**, and a wide range of aquatic life, including seasonal populations of up to **4,000 Greater Flamingos**. By enabling the beneficial reuse of treated wastewater, TAQA supports sustainable water management while contributing directly to biodiversity conservation and ecosystem resilience.



MANAGING OUR RESOURCES

SUPPLY CHAIN

GRI 204-1 GRI 308-1 GRI 308-2 GRI 414-1 GRI 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.

With around 4,000 active suppliers globally, TAQA's supply chain spans the Middle East, Europe, North America, Ghana, and Morocco. Regular audits by TAQA Group's Internal Audit team ensure unified procedures, compliance, and robust supplier management across all business units. In most regions of operation, external audits are also conducted annually by the relevant authorities. The Group applies a comprehensive set of operational, financial, and compliance KPIs to track procurement efficiency, cost outcomes, contract execution, and supplier performance.

SUPPLIER ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

As part of our Group-wide standards, our supply chain teams across all operations work exclusively with suppliers who comply with our **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. Failure to meet these standards directly influences business decisions.

To uphold compliance, we implement 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 effectively identifies potential risks, such as adverse media coverage, criminal prosecutions, or prior non-compliance with modern slavery laws, ensuring that only ethical and responsible suppliers are engaged. In addition, this tool enables TAQA to request enhanced ESG-related due diligence reports from suppliers when necessary.





MANAGING OUR RESOURCES

LOCAL SOURCING

As a major buyer across the markets in which it operates, TAQA plays an active role in supporting local economies and strengthening domestic supply chains. The Group prioritises sourcing from local suppliers wherever feasible, supported by transparent procurement processes and alignment with national regulations. TAQA supports engagement with regional supplier ecosystems, enabling a strong share of goods and services to be sourced locally and contributing to the development of local enterprises and communities. This approach also delivers operational benefits by reducing logistics complexity and transportation requirements, supporting more resilient and lower-carbon supply chains.

TAQA maintained a consistently high level of local sourcing across its operations during the year. Variations in overall procurement volumes and supplier engagement compared to the year before reflecting changes in the Group's project portfolio and procurement profile, including the completion and phasing of major capital projects, as well as the sourcing of specialised equipment and services that are not always available locally. TAQA continues to work with its supplier base to strengthen local participation over time and to expand domestic supply chain capabilities where feasible.

As a flagship company in Abu Dhabi, TAQA plays an active role in supporting the UAE's local economic development agenda, including through its participation in the National In-Country Value (ICV) Programme administered by the Ministry of Industry and Advanced Technology. ICV criteria are embedded into procurement evaluations and tendering processes to support local value creation. TAQA monitors its ICV performance through defined KPIs and reporting mechanisms and actively encourages suppliers to participate in the programme, including through the application of ICV blended scoring at the tender stage.

CIPS PROCUREMENT CERTIFICATION

TAQA Water Solutions achieved the Chartered Institute of Procurement & Supply (CIPS) certification in 2025, following an assessment of its procurement and supply chain processes. The certification reflects improvements that reduced manual workload by 60% and error rates by 40%, supporting greater accuracy, compliance, and operational efficiency.

	2025	2024	2023
Procurement spending on local suppliers (billion AED)	15.91[1]	23.43	10.41
Share of procurement spending on local suppliers	93%	95%	94%
Total number of local suppliers engaged	3,522	4,207	4,091

ICV Performance	2025	2024	2023
Percentage of procurement spending in the UAE towards ICV-registered suppliers (%)	95%	98%	88%
Total procurement spending in the UAE towards ICV registered suppliers (billion AED)	10.79	16.34	5.20
Percentage impact of the procurement expenditure on the local economy of UAE	48%	41%	37%

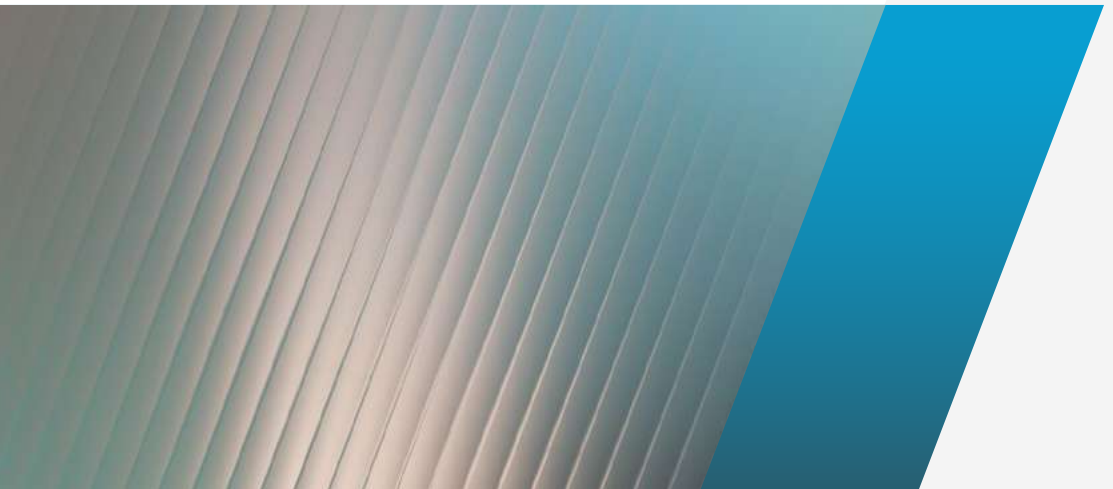
[1] Reduction from 2024 is due to the phasing of supply chain spending preparations in 2024 for the projects implemented in 2025 where the capital expenditure as per financial accounting was higher than 2024.

CDP
DRIVING SUSTAINABLE ECONOMIES

B

Supplier Engagement Assessment Score

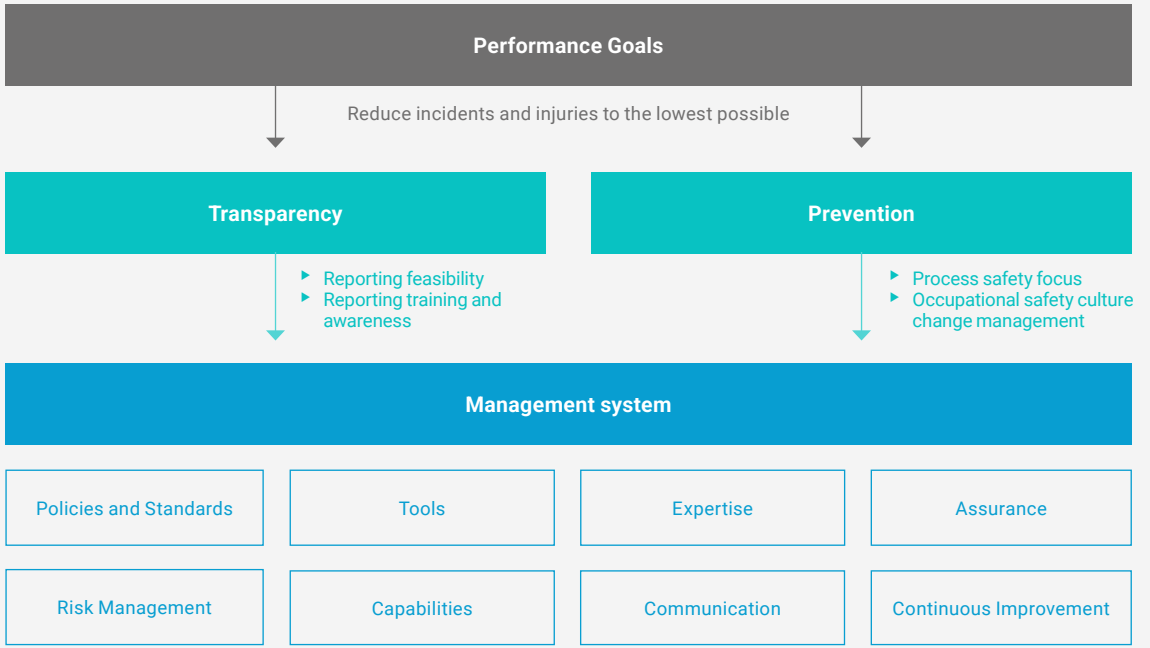
GROWING WITH OUR PEOPLE



OCCUPATIONAL HEALTH AND SAFETY

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

"Safe" is TAQA's first value, comprising people and process safety, with occupational health and safety serving as a fundamental pillar of its 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, learning and investigations, 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 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 maintain ongoing alignment with Group standards. Independent audits of Group or 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 to review HSSE performance, evaluate the outcomes of significant incident investigations, and ensure the effective implementation of lessons learned across all business areas. It also 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 the leadership of each business (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.

In 2025, the Group HSSE Committee delivered a central role in overseeing HSSE governance across TAQA. The HSSE Committee met six times throughout the year to provide regular and structured oversight of Group-wide HSSE performance and emerging risk priorities.

The Committee's agenda covered updates from across the businesses, including safety deep-dives, performance reviews encompassing leading and lagging indicators, and summaries of key incidents together with outcomes of investigations. Discussions also focused on shared learning, leadership engagements, and required actions or interventions to strengthen HSSE performance. Through these regular meetings, the Committee helped to ensure alignment across TAQA's health and safety agenda, reinforcing continued focus on operational excellence across all operating companies.

TAQA's COE and HSSE Committees are supported by policies, procedures, and standards that provide detailed requirements for various aspects of occupational health and safety. In 2025, the group continued implementing the 37 HSSE standards, reinforcing the Group's commitment to continuously enhancing health, safety, security, and environmental governance.

HSSE STANDARDS

1. Commitment to Operational Excellence
2. Global HSSE Audit Procedure (Compliance with COE)
3. TAQA 12 Essential Safety Rules
4. Malaria Prevention Standard
5. COE Self-Assessment Standard
6. Document Management Standard for HSSE Standards
7. Process Safety Standard
8. HSE Assurance Standard
9. Driving Standard
10. Control of Work Standard
11. Management of Change Standard
12. Contractor HSE Management Standard
13. Effective Handover Standard
14. Lifting Standard
15. Safe Working Standard – Electrical
16. Ground Disturbance Standard
17. HSE Incident Investigation Standard
18. HSE Incident Report Standard
19. Project HSE Review Standard
20. Health Management Standard
21. Air Quality/GHG Emissions Standard
22. Biodiversity Standard
23. Water/Wastewater Management Standard
24. Non-hazardous Waste/Hazardous Waste Management Standard
25. Environmental Management System Standard
26. Protective Security Management Group Standard
27. Protective Security Alert Level Management Procedure
28. Protective Security Alert Level Graduated Response Measures
29. Protective Security Risk Assessment Process
30. Business-Led Security Assessment
31. Site Security Plan
32. Protective Security Notification and Reporting Procedure
33. Minimum Baseline Protective Security Measures
34. Security Manager and Security Focal Point Generic Job Descriptions
35. Security Focal Point Training
36. Protective Security Management Framework Document User Guidelines
37. Office Security Standard

HAZARD IDENTIFICATION, RISK ASSESSMENT (HIRA), AND INCIDENT INVESTIGATION

At TAQA, incident prevention is prioritised to manage health, safety, environmental, and process safety risks effectively, ensuring residual risks are maintained 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 and control measures are assessed for effectiveness, with findings thoroughly discussed and examined at responsible management levels. Embedded HSSE teams 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. 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 implemented a new incident investigation and root causes analysis tool supported by 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, communication and engagement, incident investigations, HR policies, and access to the Group Ethics & Compliance Hotline.

As a Group committed to operational excellence and a strong safety culture, TAQA places significant emphasis on organisational learning and continuous improvement across all its businesses. A key component of this commitment is the systematic sharing of lessons learned to prevent recurrence, strengthen risk awareness, and reinforce safety behaviours across all operating environments. 21 Learning from Incidents (LFI) have been shared across the Group. These LFIs were developed based on the outcomes of incident investigations and were cascaded to all entities to reinforce critical risk controls and support operational discipline. The main themes addressed through these shared learnings include:

- Control of Work (permit-to-work and supervisory oversight)
- Lifting safety
- Slips, trips, and falls
- Hand safety
- Driving safety
- Human factors
- Excavation safety
- STOP–THINK–ACT behavioural reinforcement

In addition, 7 Global Safety Alerts were issued. These alerts were based on significant internal or external operational and project-related events and were shared across Group-wide to ensure rapid awareness, consistent corrective actions, and strengthened risk mitigation measures.

OVERSIGHT OF NON-OPERATED ASSETS & PROJECTS UNDER CONSTRUCTION

TAQA's Generation business maintained its strong HSE performance across its portfolio of assets and projects, supported through the execution and delivery of HSE improvement plans and initiatives. TAQA conducts regular HSSE internal assurance across both operated and non-operated assets and projects under construction to establish baselines for HSSE management, assess safety culture, and drive continuous improvement.

GLOBAL HSSE ENGAGEMENT

Throughout 2025, TAQA strengthened its HSE engagement and communication efforts across the Group, promoting a proactive safety culture and reinforcing consistent practices among employees and contractors. Several Group-wide campaigns and awareness initiatives were delivered during the year, including activities aligned with World Health Day, Mental Health Day, and World Environment Day, as well as the annual 'Health Matters' campaign, which focused on topics such as ergonomics, hearing protection, skin health, heat stress, lung health, and workplace hygiene. TAQA conducted internal safety and security awareness programmes at HQ to support safe office environments.

In addition, the Group celebrated its annual HSSE Day in July under the theme 'Share–Learn–Safer Together,' during which the GCEO & MD recognised exemplary STOP Work actions and reinforced the importance of learning from incidents. TAQA also convened its Global HSSE Leads Forum in Abu Dhabi in November, bringing together approximately 40 HSSE representatives from across the Group to promote alignment, share learnings, and strengthen the consistency of HSSE management practices.

STRENGTHENING HSE PERFORMANCE ACROSS GENERATION'S NON-OPERATED ASSETS

In addition to the operated assets, TAQA Generation's business continued to implement and deliver targeted HSE improvement plans and initiatives across its portfolio of non-operated assets, and projects under construction and decommissioning, reinforcing a consistent and proactive approach to health, safety, and environmental management.

A key initiative during the year was the **Generation Process Safety Campaign,** which introduced core process safety principles. Delivered throughout 2025, the campaign strengthened understanding of process safety risks and controls, supporting more effective hazard identification, risk management and operational discipline. All operational assets actively participated in the programme.

In parallel, a **Man–Machine Interface Campaign** was implemented across all generation projects under construction to address hazards associated with the interaction between workers and heavy machinery and equipment. The programme focused on strengthening management controls, supervision and safe work practices, with full participation from all active construction projects.

Across **UAE non-operated generation assets**, the RIR for 2025 was **0.61,** against a KPI threshold of **0.72**, **with zero fatalities or high-potential incidents**. Ongoing shareholder engagement, assurance activities and leadership oversight supported continued improvements in safety performance and culture.

Within **generation projects under construction and decommissioning**, TAQA reinforced its HSE focus following significant incidents experienced in 2024. Key learnings were systematically shared and embedded across projects, contributing to a marked improvement in performance. In 2025, the RIR was **0.15**, significantly outperforming the KPI threshold of **0.70** and representing a **20% improvement compared to the previous year.**

Leadership visibility remained a core component of TAQA's HSSE approach. During 2025, 35 HSSE leadership visits were conducted at our non-operated assets and **90 HSSE leadership site visits** were conducted at projects under construction, supporting direct engagement with the workforce and reinforcing safety leadership at all levels.

TAQA's Generation business also hosted its annual IWPP HSE Forum & HSE Awards in 2025, which initiated three years ago, has been instrumental in enhancing communication of HSE matters, through the sharing of good practice, effective collaboration, enhancing HSE improvements and safety culture across our non-operated assets.

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, to ensure a safe working environment. Commitment to health and safety is demonstrated through a comprehensive range of training programmes:

In addition to the below activities, training needs are usually identified for key personnel at both the business and operating company levels, with training matrices outlining key requirements as part of our training and competency procedures.

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.

GROWING WITH OUR PEOPLE

PERFORMANCE

We put safety above all else, and HSE is a fundamental part of TAQA's business. We apply our Commitment to Operational Excellence, TAQA's HSE management system, to maintain safe, compliant, and reliable activities and operations. All members of our workforce are empowered with responsibility and authority to speak up and stop unsafe work.

Group RIR of 0.39 represents an increase from 0.31 in the previous year. Recordable injuries increased from 24 to 34, which included 3 fatalities and 12 lost time injuries. Man-hours increased 11% reflecting increased activity across the Group.

Regrettably, 3 fatal accidents occurred at our Distribution business. These accidents related to driving, lifting operations, and excavation activities. Each accident was subject to a rigorous independent investigation to establish root causes and identify lessons learnt, which were subsequently shared across the Group. Ongoing implementation of improvement actions identified to prevent reoccurrence are tracked to completion. In addition to increased site inspections in our Distribution business, an independent project site assurance programme has been established to review site conformance with requirements. Focus is directed at ensuring employees and contractors consistently maintain the highest levels of compliance with laws and regulations, and conform with the Group's safety policies, standards, and rules.

5 uncontained reportable spills (greater than a barrel) were recorded, an increase from 4 in the previous year. The associated spill volume released was 21,177 litres, compared to 2,380 litres in 2024.

Indicator[1]	2025	2024	2023
People			
Fatalities	3✓	1✓	0✓
▸ Employee	0	1	0
▸ Contractor	3	0	0
Recordable Injuries	34✓	24✓	32✓
▸ Employee	7	3	3
▸ Contractor	27	21	29
Recordable Injury Rate (Incident / 1 million hours) – employees + contractors	0.39✓	0.31✓	0.48✓
Lost Time Injuries (employees + contractors)	12✓	13✓	18✓
Restricted Work Injuries (employees + contractors)	11	7	9
Medical Treatment Injuries (employees + contractors)	8	3	5
First Aid Injuries (employees + contractors)	113	136	156
Near Misses (employees + contractors)	410	457	310
Man-hours Employee (million hours)	14.66	16.86	16.76
Man-hours Contractors (million hours)	72.24	61.48	50.41
Process Safety & Environment			
Spills (greater than one barrel) - uncontained	5✓	4✓	6✓
Volume of Spills (greater than one barrel) (litres) - uncontained[2]	21,177✓	2,380✓	16,674✓

✓ Assured metric

AWARDS

Royal Society for the Prevention of Accidents (RoSPA) Gold Award – Awarded to TAQA Water Solutions for excellence in occupational health and safety management for the third consecutive year.

International Safety Award by British Safety Council – Awarded to TAQA Water Solutions for strong commitment to good health and safety management for the third consecutive year.

RoSPA President's Award – Awarded to TAQA Transmission for outstanding health and safety performance. TAQA Transmission received this award for the 11th consecutive year.

RoSPA Gold Medal – Awarded to TAQA Transmission for the health and safety performance of contractors and consultants.

[1] 2024 and 2023 figures updated based on findings from internal and external audits. Figures of TAQA Atrush (Iraq) excluded from all the previous years, as TAQA divested from it in 2024. Numbers published in previous year's report for recordable injuries in 2024 included an addition of 4 as Water Solution's figures were double counted. This has now been corrected.

[2] 2023 and 2024 audited numbers also included volume greater than one barrel which was uncontained..

GROWING WITH OUR PEOPLE

DEVELOPMENT AND DIVERSITY

GRI 2-7 GRI 2-8 GRI 2-13 GRI 2-23 GRI 2-24 GRI 2-25 GRI 2-27 GRI 201-3 GRI 202-1 GRI 401-1 GRI 401-2 GRI 401-3 GRI 402-1 GRI 404-1 GRI 404-2 GRI 404-3 GRI 405-1 GRI 405-2

TAQA aims to be an employer of choice, recognising that its workforce is central to delivering its long-term strategy and operational performance. In a competitive global labour market, the Group's employee management approach focuses on maintaining a stable, capable workforce while ensuring fair, compliant, and consistently applied employment practices across geographies.

TAQA maintains a Group-wide policy framework governing employment practices across the employee lifecycle, ensuring alignment with local labour laws and regulatory requirements. Core policies prohibit discrimination, forced or compulsory labour, child labour, and workplace harassment, and promote diversity and equal opportunity across the Group. These principles are embedded within TAQA's human resources policies and reinforced through the **Code of Business Ethics and Conduct**, supporting transparent recruitment, promotion, and employment practices.

TAQA employed 7,065 full-time equivalent employees (FTEs) globally in 2025, excluding non-operated assets. Workforce levels evolved during the year in line with portfolio changes, including the divestment of operations in India and the ongoing decommissioning of oil and gas assets in the UK.

Number of FTEs	2025[1]	2024[2]	2023
	7,065	7,423	6,852



PARENT-FRIENDLY WORKPLACE

In July 2025, TAQA Transmission was awarded the Parent-Friendly Label+ by His Highness Sheikh Mohamed bin Zayed Al Nahyan under the UAE's third cycle of the Parent-Friendly Label programme, led by the Abu Dhabi Early Childhood Authority (ECA). The recognition reflects TAQA Transmission's commitment to supporting working parents and promoting work-life balance across its workforce.

The Parent-Friendly Label acknowledges organisations that implement policies and practices enabling employees to balance professional and family responsibilities. This recognition reinforces TAQA's broader people strategy and its contribution to national objectives aimed at supporting families and creating inclusive, supportive workplaces.

1 TAQA Neyveli is excluded in 2025 due to its divestment.
2 TAQA Water Solutions have been included from 2024 onwards.

AWARDS

TAQA Water Solutions

Bronze Award Winner – Best Employee Wellbeing (Gulf Sustainability Awards 2025)

'Best Places to Work', Rank #1 in the UAE 2024

TAQA North (Canada)

Alberta's Top 85 Employers (2025)

GROWING WITH OUR PEOPLE

LOCAL REPRESENTATION

As a company established in Abu Dhabi, TAQA remains committed to supporting national workforce development and nurturing the next generation of Emirati talent. Through targeted recruitment, development, and retention initiatives, TAQA aims to build local capabilities while preparing employees for a career in a rapidly evolving energy and utilities sector.

By the end of 2025, Emirati nationals accounted for 54% of TAQA's UAE workforce. This reflects a consistent level achieved in 2024 and shows significant progress from 51% in both 2023 and 2022. TAQA actively promotes local recruitment across its UAE operations, supported by structured development programmes such as the ETLAQ Graduate Programme and the ETLAQ Technician Programme. In 2025, TAQA further expanded its national talent pipeline with the launch of the ETLAQ Frontliner Programme, focused on developing Emirati capabilities in frontline and customer-facing roles.

Outside the UAE, local representation is also well established. For example, in Ghana, 96% of the workforce is comprised of Ghanaian nationals, while in Morocco, 99% of employees are Moroccan nationals.

54%
Emiratisation rate

74
nationalities in the workforce (2024: 70)

BUILDING YOUNG EMIRATI TALENT

TAQA continues to invest in building a strong pipeline of young Emirati talent through structured development programmes that support long-term workforce needs across the power and water sector. Central to this effort is the **ETLAQ Graduate Programme**, a 12-month initiative designed to equip UAE nationals with the technical and professional skills required for careers within the power and water sector. Since its launch, the programme has provided hands-on industry exposure and structured development pathways, with **287 graduates completing the programme between 2021 and 2025. In 2025, 31 graduates successfully completed the programme**, transitioning into full-time roles across the Group.



Building on the success of the graduate programme, TAQA Distribution and TAQA Transmission, with support from the Department of Energy (DoE), continue to deliver the **ETLAQ Technician Programme**, which targets Emiratis for technical and operational roles. This programme welcomed **50 trainees in 2025, of which 37 were females**, reinforcing TAQA's commitment to inclusive technical development.

In parallel, TAQA Distribution launched the first cohort of the **ETLAQ Frontliners Programme** in 2025, with **40 Emirati** trainees focused on developing frontline and customer-facing capabilities aligned with evolving service and operational needs. Collectively, these initiatives strengthen TAQA's national talent pipeline and support sustainable workforce development across the Group.

Generation's Taweelah A1 IWPP project and O&M companies announced the launch of the 'TAQA Al Watan' campaign, which translates to 'Energy for the Nation' and is aimed at supporting Emiratisation and business continuity in IWPPs. This campaign enables UAE nationals to operate power and water plants for a minimum of 24 hours to ensure business continuity and resilience of critical infrastructure within the sector. It also builds capabilities among UAE nationals for emergency and crisis scenarios. As part of the campaign, **Taweelah A1 mobilised 62 UAE national engineers and technical experts, comprising 62.4% of the plant's total workforce**, to run the IWPP for a week.

GROWING WITH OUR PEOPLE

EMPLOYEE CAPABILITY BUILDING

GRI 404-1 GRI 404-2 GRI 404-3

Training and development are central to TAQA's approach to maintaining operational capability, supporting workforce stability, and preparing employees for future technical and leadership requirements. TAQA continues to apply a structured Training Needs Analysis (TNA) process annually across its entities. The TNA is used to identify role-specific technical skills, behavioural competencies, and leadership capabilities required to support current operations and future projects.

At the Group level, the TNA process combines input from employees, line managers, and Executive Management. Proposed training plans are reviewed and then form the basis of the annual training plan, which is tracked throughout the year.

Additionally, HR teams work proactively with business leaders to identify strategic capability gaps, emerging skill requirements, and future talent needs. This ensures that training is not limited to individual requests but also supports organisational strategic priorities, including major projects, digitalisation, ESG, safety, and leadership succession.

Training is delivered through a combination of in-person programmes, virtual learning, and self-paced digital content. For senior leaders and high-potential employees, tailored executive and leadership programmes are delivered in partnership with established business schools and external providers. Beyond role-specific requirements, employees are encouraged to participate in cross-functional training to broaden their capabilities and support career progression.

TAQA entities use **Learning Management Systems (LMS)** and other digital tools to manage the end-to-end learning cycle, including course creation, enrolment, attendance tracking, and reporting. Across the Group, learning systems are increasingly being integrated with broader talent and HR platforms, enabling stronger alignment between workforce development, performance management, and business processes.

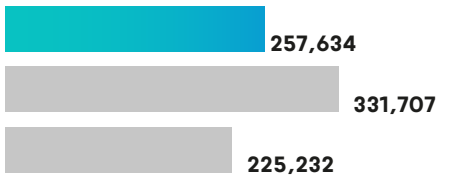




Average training hours per employee



Total training hours



[1] TAQA Neyveli is excluded in 2025 due to its divestment.
[2] TAQA Water Solutions have been included in 2024 and onwards.

GROWING WITH OUR PEOPLE

DEVELOPING NEW LEADERS

In 2025, TAQA and its operating entities implemented a wide range of development initiatives to strengthen management capabilities and build a sustainable leadership pipeline across the Group.

1. TAQA Executive Development (TED) Programme
TAQA delivered its integrated learning experience programme for the development of senior leaders. TED prepares high-potential talent for N-1 roles across the Group. In 2025, the programme supported the development of 46 employees.

2. Future Leaders Programme
This initiative targets the development of mid-level Emirati talent across TAQA's offices, with 24 employees participating in the programme in 2025.

3. Stepping into Leadership for Women
This programme supports the development and advancement of women into leadership roles through targeted capability-building.

185+
total participants in leadership development programmes across the Group in 2025

44%
UAE nationals

Several Group entities have also developed their own leadership programmes tailored to operational specifics and local market demands:

TAQA Transmission
The LEAD Programme, a nine-month blended development journey for 35 Vice Presidents and high-potential managers, included leadership assessments, executive one-on-one coaching, six learning modules aligned with the TAQA Leadership Competency Framework, capstone projects based on TAQA Transmission case studies, and international site visits and masterclasses by external experts.

TAQA Distribution
Leadership and process-improvement capability is being developed through a Lean Upskill Programme, which trained and coached around 200 managers in 2025 and provides a pathway towards Lean Six Sigma Green Belt certification.

Ghana (Takoradi)
Senior managers and high-potential employees participated in Leadership sessions, focusing on ethical leadership, integrity, and organisational transformation.

Morocco
The three-tiered programme—Core Leadership, Grow Leadership, and Accelerate Leadership—was delivered at various management levels, focusing on Self Impact, People Impact, and Business Impact. Over 50 managers and high-potential employees participated throughout the year. Additionally, the Way of Working project was launched to co-create a behavioural charter aligned with TAQA Morocco's values and supported by departmental ambassadors.

United Kingdom (Bratani)
A mandatory Diversity & Inclusion and Sexual Harassment training was conducted for line managers. Additionally, three Safety Leadership events were held for approximately 300 participants, including offshore and onshore leaders, project managers, and HSSEQ professionals. External programmes included the OEUK Future Industry Leaders Programme and a pilot Supervisory Skills course delivered in partnership with the Aberdeen & Grampian Chamber of Commerce.

GROWING WITH OUR PEOPLE

TALENT DEVELOPMENT AND SUCCESSION PLANNING

TAQA's approach to talent development and succession planning is designed to strengthen leadership continuity, build internal capability, and support long-term business resilience. By identifying critical roles, assessing successor readiness, and addressing capability gaps through targeted development actions, the Group aims to minimise disruption from planned or unplanned personnel changes while supporting strategic and operational priorities.

Critical roles have been identified across the Group based on their importance to operational performance, safety, regulatory compliance, and strategic delivery. All TAQA operating entities prioritise succession planning for these roles, applying a unified approach while also considering local workforce conditions and nationalisation objectives.

During the year, TAQA entities implemented and strengthened a range of succession planning practices, including:

- Mapping of successors for critical positions
- Annual talent reviews to evaluate successor readiness
- Alignment of succession plans with Individual and Personal Development Plans
- Cross-functional exposure to broaden experience and increase internal mobility
- Coaching and mentoring programmes for high-potential employees
- Leadership development initiatives:
  - Executive coaching
  - Strategic and people-management training
  - Off-cultural and future-focused leadership programmes to prepare for global management trends and future strategic scenarios

TAQA'S PERFORMANCE REVIEW CYCLE[1]

Beginning of the calendar year

Define objectives and goals

Throughout the year

Engage in regular feedback conversations and discuss progress against the objectives and goals

End of the year

Final review of outcomes and appraisal based on the 12-month performance

[1] Performance review process is applicable for employees with over three months of tenure. All eligible employees across TAQA HQ and its operating companies undergo performance and career development reviews.

As TAQA continues to grow and evolve, our focus remains on building strong internal capability, developing future leaders, and ensuring continuity across the Group.

By investing in our people, strengthening development pathways and, enabling a safe and innovative environment, we are fostering a culture of learning and, reinforcing our aim to become an employer of choice.

Hamad AlHajri
Chief Corporate Support Officer



GROWING WITH OUR PEOPLE

TRANSITION AND END-OF-CAREER ASSISTANCE

TAQA supports employees through career transitions and end-of-career stages through a combination of skills development, succession planning, knowledge transfer, internal mobility, and structured outplacement support. Key elements of the Group's approach include:

- Early identification of critical roles and future skill requirements
- Development planning to support employability within and beyond current roles
- Proactive retirement planning informed by critical role identification and future skills analysis
- Individualised support through career counselling, coaching, and mentoring
- Internal mobility and redeployment opportunities where feasible
- Structured and professionally delivered outplacement support where employment ends

These measures aim to reduce transition risk for both employees and the Group, particularly in roles critical to safety, operations, or regulatory compliance.

In the UK, where offshore oil and gas assets are undergoing decommissioning, TAQA UK provides tailored transition support to employees impacted by organisational change. This includes structured outplacement support delivered by an external specialist, offering one-to-one career coaching, CV and interview preparation, and guidance for alternative career pathways, including self-employment and retirement. In parallel, pre-retirement workshops are offered to support employees in planning for financial security and well-being beyond employment.

TAQA UK's unique support programme for its people as it advances its North Sea exit strategy earned the business a place in the finals of the 2025 Offshore Safety Awards' 'Wellbeing' category.

EMPLOYEE BENEFITS, RECOGNITION, AND WELLBEING

GRI 401-2 GRI 401-2

EMPLOYEE BENEFITS

TAQA provides fair, competitive, and compliant employee benefits across its global operations, while allowing flexibility to reflect local labour markets, regulatory frameworks, and workforce needs.

Benefit frameworks are reviewed periodically through peer and regional benchmarking to assess competitiveness and alignment with market practice. While benefit structures differ by country and business unit, they are designed to support four core areas: financial security, health and well-being, work–life balance, and long-term employment.

CONTRACTOR BENEFITS

Benefits for contractors vary by country, contract type, and legal framework. In general, contractor benefits are defined either through TAQA's contractual arrangements or by third-party agencies and are aligned with local labour laws.

In several UAE-based entities, contractors may receive benefits comparable to employees for specific items, such as health insurance aligned with TAQA policy, per diem allowances for travel, access to e-learning platforms, and eligibility for certain flexible working arrangements. In Morocco, contractors may receive pension contributions, healthcare coverage, bonuses, and allowances depending on contractual terms. In the UK PAYE (Pay As You Earn) contractors are entitled to statutory leave, with additional benefits depending on agency arrangements.

Across most markets, our core benefits include:

- Health and life insurance
- Performance-related rewards
- Parental leave and flexible hours to support working parents, going beyond statutory requirements
- Retirement plans and end-of-service benefits
- School support fees

Other allowances may support:

- Housing
- Transportation
- School support fees
- Annual air ticket allowances
- Social allowances for national employees
- Health and lifestyle programmes



GROWING WITH OUR PEOPLE

EMPLOYEE RECOGNITION

Recognising employees for their hard work and dedication is crucial to fostering a motivated and engaged workforce. We have a range of recognition programmes across the Group to acknowledge employee contribution, service, and behaviours aligned with TAQA values.

Common forms of employee recognition include:

- Monthly and quarterly awards presented at the senior leadership level
- Employee and Team Recognition programmes within each business unit
- Values-based awards, such as the Building on Excellence (BOE) programme, which selects one winner per value each year
- Long-service and loyalty awards granted at defined service milestones
- Recognition for retiring employees
- Safety-related awards
- Monthly Coffee Mornings, where employees are acknowledged for their recent achievements, with awards presented by the Business CEO
- Employee recognition initiatives such as 'Star of the Month',thank you letters, and appreciation letters to celebrate individual accomplishments.

Some entities have their own programmes. TAQA Distribution operates the KAFU recognition programme, with immediate, quarterly, and annual awards linked to defined criteria. In Morocco, the TAQDEER initiative recognises exceptional efforts, whether individual or team-based, by awarding employees a balance on an online purchasing platform.

EMPLOYEE WELL-BEING

At TAQA, employee well-being is a top priority. It is achieved through a combination of formal benefits, well-being programmes, health and safety practices, and engagement mechanisms. Well-being support is coordinated at the Group level by a Well-being Steering Group based at TAQA HQ.

Through the Employee Assistance Programme (EAP), support is provided to employees and their families in various areas, including financial, nutritional, psychological, and mental health. This free and confidential service is available 24/7, ensuring that assistance is accessible and anonymous whenever needed.

Employee well-being and engagement are assessed through TAQA's annual Employee Engagement Survey. The 2025 results indicate continued positive momentum across the Group, supported by strong participation and improvements in overall engagement and accountability. Leadership communication and the demonstration of TAQA's values remained among the strongest areas, reflecting sustained progress in how leaders inform, engage, and connect employees to the Group's purpose. Recognition continues to be an important area of focus, highlighting the role of timely, meaningful feedback in reinforcing performance, contribution, and employee motivation. The influence of people managers on engagement outcomes also reinforces the importance of strengthening managerial capability, particularly in coaching, feedback, and team leadership, to support high-performing and inclusive working environments across the Group.

Well-being Initiatives across TAQA

Social and Well-being Initiatives

- 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 well-being and resilience
- Awareness sessions on work-life balance and personal development
- Back-to-school flexible hours policy

Safety and Physical Health

- General health screenings
- Flu vaccination campaigns
- Fitness and sports activities (Padel tennis, cycling, football)
- Wellness days
- Breast cancer awareness and screening
- Availability of healthy eating options such as fruit 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

2025 Employee Engagement Survey – Key Results

92%▲
participation rate

4.01▲
overall engagement score (year-on-year increase of +0.08)

3.97▲
survey accountability score (year-on-year increase of +0.10)

GROWING WITH OUR PEOPLE

DIVERSITY AND EQUAL OPPORTUNITY

GRI 202-1 GRI 405-1 GRI 405-2

Diversity and equal opportunity are essential components of our workplace culture. We strive to create an inclusive and equitable environment where all employees are treated fairly, have access to opportunities, and can contribute meaningfully to TAQA's goals.

GENDER DIVERSITY

As part of its ESG Strategy, TAQA is committed to advancing gender diversity across the Group, with a target to achieve **30% representation of women in management positions by 2030**. This ambition reflects TAQA's recognition that diverse leadership strengthens decision-making, organisational resilience, and long-term performance.

To support this goal, TAQA has embedded gender diversity considerations across governance, recruitment, talent development, and workplace policies. Group-wide initiatives are complemented by targeted actions at entity level, ensuring progress is driven consistently while remaining responsive to local operating contexts.



Governance and employee-led structures

- Establishment of **Women's Councils** and **forums** across the Group to support dialogue, advocacy, and coordination of initiatives aimed at advancing female representation across grades and functions.
- Employee-led platforms enable the identification of barriers, sharing of best practices, and the design of targeted interventions aligned with TAQA's diversity ambitions.
- Regular **engagement** between **councils, HR**, and **leadership teams** helps ensure initiatives are embedded into broader people and culture priorities.

Inclusive recruitment and representation targets

- Implementation of **targeted recruitment practices and KPIs** to strengthen female representation, particularly in leadership and technical roles.
- Recruitment processes track female participation across sourcing, shortlisting, interview, and offer stages to support fair and balanced outcomes.
- Clear representation goals, including the **30% women in management target by 2030**, are cascaded across businesses and reflected in workforce planning and hiring priorities.

Leadership development and talent progression

- Delivery of **leadership development, mentoring, and capability-building programmes** designed to support women's career progression and readiness for senior roles.
- **Women-focused training initiatives** and **leadership forums** provide opportunities for **skill development, peer learning**, and exposure to **senior role models**.
- **Mentorship** and **sponsorship initiatives** support early- and mid-career female talent, strengthening succession pipelines across the Group.

Workplace enablers for participation and well-being

- Introduction of **flexible working arrangements**, including hybrid, part-time, compressed working weeks, and shared parental leave, to support work-life balance.
- Enhanced workplace policies addressing key life stages, including parental support, carers leave, fertility and menopause support, and family-friendly workplace practices.
- Provision of **dedicated facilities** and **well-being initiatives** aimed at creating an inclusive, supportive environment that enables women to thrive at all career stages.

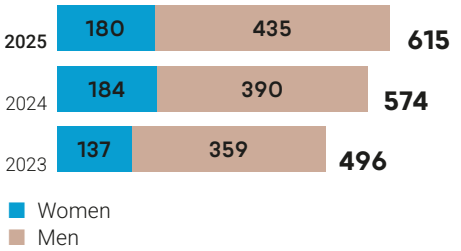
GROWING WITH OUR PEOPLE / GENDER DIVERSITY

TAQA continues to strengthen workforce diversity and talent development across the Group. In 2025, 23% of the workforce were women, while women in management increased to **20%**. Recruitment activity remained strong during the year, with **615** hires across the Group, including **180** women (about 30% of total hires), supporting the attraction of skilled talent across priority roles.

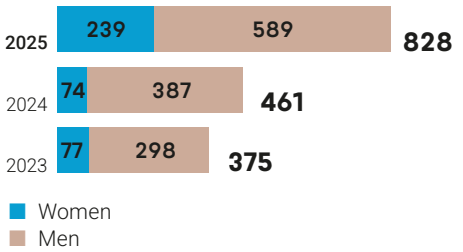
Employee turnover for the year was **11.5%.** The increase reflects planned workforce changes associated with portfolio optimisation activities, including the progression of decommissioning programmes within the Oil and Gas portfolio, as well as organisational changes linked to the unification of TAQA's branding for UAE operating companies. TAQA remains focused on retaining and developing its workforce through structured people programmes and consistent people practices across geographies.

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. Annual merit-based salary increments continue to be applied across the Group, reinforcing TAQA's commitment to eliminating gender-based differences in pay and entitlements.

FTEs hired by Gender



Turnover by Gender





Women in Workforce, %

2025[1]	2024[2]	2023
23	23	20

✓ Assured metric

Women in Management, %[3]

2025	2024[2]	2024[2]
20✓	18	17

Average female to male pay ratio[4]

1.10

Turnover rate, %

2025	2024
11.5✓	6.4

1 TAQA Neyveli is excluded in 2025 due to its divestment.
2 TAQA Water Solutions' numbers included from 2024 onwards.
3 Management Positions – Males and Females in "Manager" and above, typically linked to Grade 5 and above in HQ and international operating companies, Grade 15 and above at TAQA Transmission, Grade Lead and above at TAQA Distribution, and Level 4 and above at TAQA Water Solutions.
4 Assessment for 2025 covers TAQA Group. Previous assessments were only done for TAQA HQ.

GROWING WITH OUR PEOPLE

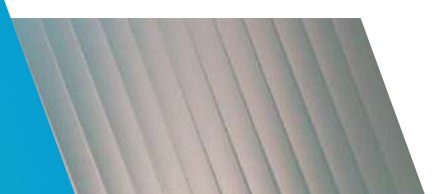
WOMEN'S COUNCIL

The Women's Council is a platform for fostering proactive female participation across TAQA. Guided by a well-defined governance structure, the Council has developed a range of programmes to support women internally and in the communities where we operate.

Initially established at TAQA HQ and TAQA Water Solutions, TAQA's Women's Councils and forums now operate across TAQA Distribution and TAQA Transmission as structured platforms. While each Council reflects local priorities and workforce composition, all operate within a common framework aligned with TAQA's ESG strategy and gender diversity objectives. They serve as a platform to:

- Support the development, retention, and progression of women
- Contribute to improved representation of women in leadership and critical roles
- Inform policy and workplace practices affecting women
- Promote inclusive culture, well-being, and work–life balance
- Encourage engagement and dialogue within TAQA and with external stakeholders

In 2025, TAQA Transmission became a signatory to the United Nations Women's Empowerment Principles (UN WEPs), signalling its commitment to gender equality and responsible workplace practices.



The Women's Councils delivers a range of initiatives across four pillars that support women internally and in the communities where they operate

1. Community Outreach

- Participation in national and international awareness initiatives
- Panel discussions and speaker events at major internal and external forums
- Engaged with Aurora50 to increase visibility of women in leadership and high-potential roles

2. Health and Well-being

- Initiatives addressing physical and mental well-being, including breast cancer awareness sessions, yoga, and meditation sessions etc.
- Improvements to female-dedicated spaces and facilities such as a women's quiet room
- Review and feedback on policies impacting women and working parents

3. Growth and Prosperity

- Participation in Noora training and other tailored leadership initiatives
- Mentoring and coaching programmes such as Tamkeen mentorship and networking cycles to support career progression
- Alignment with succession planning and talent reviews to improve leadership readiness
- Career-focused forums such as the the 'She Leads' series addressing leadership, career growth, and work–life balance

4. Culture and Environment

- Internal and cross-entity networking events such as Emirati Women's Day
- Collaboration with HR to support gender-related KPIs and leadership targets
- Review and feedback on policies impacting women and working parents

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 Aurora50. The programme brings together traditionally male-dominated industrial companies in the UAE to accelerate progress on gender diversity, recognising its role in driving organisational performance and long-term value creation.

TAQA was among the early companies to join the Challenger Programme and continues to actively contribute alongside peer organisations across the sector. Through collaboration, shared learning, and advocacy, the programme supports the advancement of women across technical, operational, and leadership roles, while promoting more inclusive workplace cultures within the UAE's heavy-industry landscape.

Focus Areas

- Representation and Pipeline
- Recruitment, Retention, and Pay Equity
- Leadership Accountability
- Culture and Inclusion

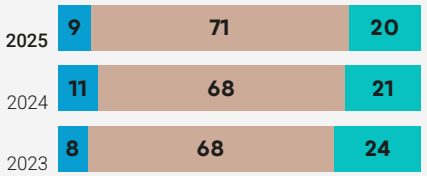
2025 Initiatives

- Mentorship and leadership development programmes
- Gender audit and assessment
- Industry-wide research
- Inclusive workplace tools and awareness initiatives

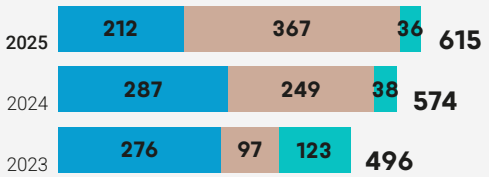
GROWING WITH OUR PEOPLE

AGE DIVERSITY

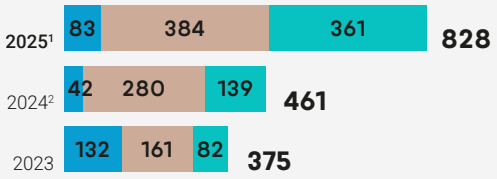
FTEs by Age Group, %



FTEs Hired by Age Group



Turnover by Age Group



- Under 30
- 31-50
- Above 50

[1] TAQA Neyveli is excluded in 2025 due to its divestment.
[2] TAQA Water Solutions' numbers included from 2024 onwards.

Youth represent a dynamic force, driving innovation and progress at TAQA, bringing fresh perspectives and energy to the Group. Across the Group, **24% of TAQA's employees are under the age of 35.** This demographic is pivotal in shaping the future.

To keep the youth engaged, TAQA has set up a Youth Council which is focussed on empowering future leaders by equipping them with the necessary skills and knowledge. The council drives initiatives across three main pillars:

Knowledge and Innovation	People and Culture	Stakeholder Engagement

Some of the prominent initiatives in which the Youth Council was involved include:

- **Organised youth-focused sessions** at the Youth Energy Forum 2025, World Utilities Congress (WUC), and Water, Energy, Technology, and Environment Exhibition (WETEX) 2025 to capture youth perspectives on accelerating the energy transition and building resilient communities.
- **Contributed to panel discussions** at the IRENA Youth Forum 2025 and Connecting Hydrogen MENA 2025, covering energy transition and innovative financing for energy projects.
- **Engaged in roundtable discussions** at the World Green Economy Summit 2025 and Abu Dhabi International Petroleum Exhibition & Conference (ADIPEC) 2025, focusing on innovation for a greener future and energy workforce transformation.
- **Represented the Youth Council at the Emirates Net Zero Forum 2025**, alongside government leaders, industry pioneers, and sustainability experts to support the UAE's journey towards Net Zero by 2050.



GROWING WITH OUR PEOPLE

PEOPLE OF DETERMINATION

TAQA is committed to fostering a culture of diversity and inclusion, embedding equal opportunity across recruitment, training, and career development to ensure People of Determination (PoD) can thrive. Creating a supportive workplace environment is a continuous process and we work closely with our PoD colleagues to learn from their experiences and strengthen our practices. Our approach to People of Determination inclusion focuses on four core areas:

1 FAIR RECRUITMENT PRACTICES

Recruitment processes are designed to be inclusive, with participation in targeted career fairs, internships, and work placement programmes to improve access to employment opportunities.

2 WORKPLACE READINESS AND ACCESSIBILITY

Entities assess and improve the physical and digital accessibility of buildings, parking, workstations, IT systems, and emergency procedures to ensure PoD can work safely and effectively.

3 AWARENESS, CAPABILITY, AND INCLUSION CULTURE

Training, workshops, and awareness campaigns are used to build understanding of disability inclusion, neurodiversity, and inclusive behaviours among employees, managers, and leadership teams.

4 PARTNERSHIP AND COMMUNITY ENGAGEMENT

Collaboration with specialist organisations, public authorities, and community partners underpins TAQA's approach to inclusive recruitment and community engagement. Through partnerships with entities such as the Emirates Rural Council, Zayed Higher Organisation, and other specialist associations, TAQA supports work placements, inclusive employment opportunities, and broader social impact beyond the workplace.

In the UAE, TAQA advanced inclusive sport by raising visibility and enabling participation for PoD, including sponsorship of the dedicated PoD 'We Can' and and Autism race categories at the Abu Dhabi Marathon in partnership with the Abilities Development Center. This reflects our commitment to empowering communities, promoting healthier lifestyles, and driving inclusion by recognising and celebrating human potential. In 2025, we also continued our partnership with the UAE Paralympic Committee through sponsorship, external promotion, and practical support related to training, accommodation, and travel.

On 15 May, and in alignment with the UAE's 'Year of Community', TAQA Distribution partnered with the Zayed Higher Organization (ZHO) to support a truly meaningful initiative, hosting the first student trip for People of Determination to SeaWorld Abu Dhabi. This special day offered more than just a visit; it created a space where exploration, connection, and belonging came to life. It was a moment to celebrate inclusion, spark joy, and reaffirm our belief that strong communities are built when every voice is welcomed, and every individual is empowered.





GROWING WITH OUR PEOPLE

HUMAN RIGHTS

GRI 2-30 GRI 406-1 GRI 407-1 GRI 408-1 GRI 409-1 GRI 411-1

TAQA demonstrates a strong commitment to human rights by embedding these principles within its Code of Ethics & Business Conduct, which applies to employees, suppliers, and business partners.

The Code goes beyond legal compliance, setting clear expectations on ethical conduct, zero tolerance for discrimination, and respect for human dignity across all operations. It strictly prohibits child labour, human trafficking, modern slavery, and forced labour, reinforcing TAQA's commitment to safeguarding the wellbeing of its workforce, communities, and value chain.

TAQA applies a structured due diligence approach to assess human rights risks across its supply chain and business relationships. Business partners are screened through due diligence tools that assess adverse media, legal and reputational risks, including indicators related to forced labour and modern slavery. Human rights and forced labour considerations are embedded within Know Your Customer (KYC) processes, with risk-based screening applied to support consistent assessment and escalation across jurisdictions. Selected TAQA entities have also applied enhanced supplier screening and compliance tools that strengthen oversight, including checks for adverse media, legal proceedings, and regulatory compliance, with non-compliant suppliers excluded from the onboarding process. These measures reinforce TAQA's zero-tolerance approach to human rights violations across its operations and supply chain.

TAQA equips its employees with targeted human rights training to strengthen awareness and support early identification of potential risks across operations and the value chain. The Group emphasises a strong speak-up culture, supported by its Speaking-up Policy, which provides clear guidance on raising concerns related to suspected breaches of laws, regulations, or internal policies. This commitment is reinforced through a third-party managed, anonymous helpline, available in multiple languages, enabling employees and external stakeholders to confidentially report concerns, including potential human rights abuses.

TAQA ensures that all regional and international operations comply with applicable labour laws and regulatory requirements in their respective jurisdictions, including provisions related to collective bargaining, union representation, and workers' rights. **Across the Group, about 19% of employees are covered by worker organisations or trade unions.** TAQA also maintains compliance with minimum hiring age requirements and other labour protections mandated under local legislation, supported by Group-wide policies and jurisdiction-specific implementation approaches.

Consistent to previous years, TAQA has no reported incidents of child labour or forced labour, reflecting the Group's commitment to upholding high ethical standards across its global operations and business relationships.



TAQA's human rights commitments are implemented in practice across different regulatory and operating contexts.

TAQA North (Canada)

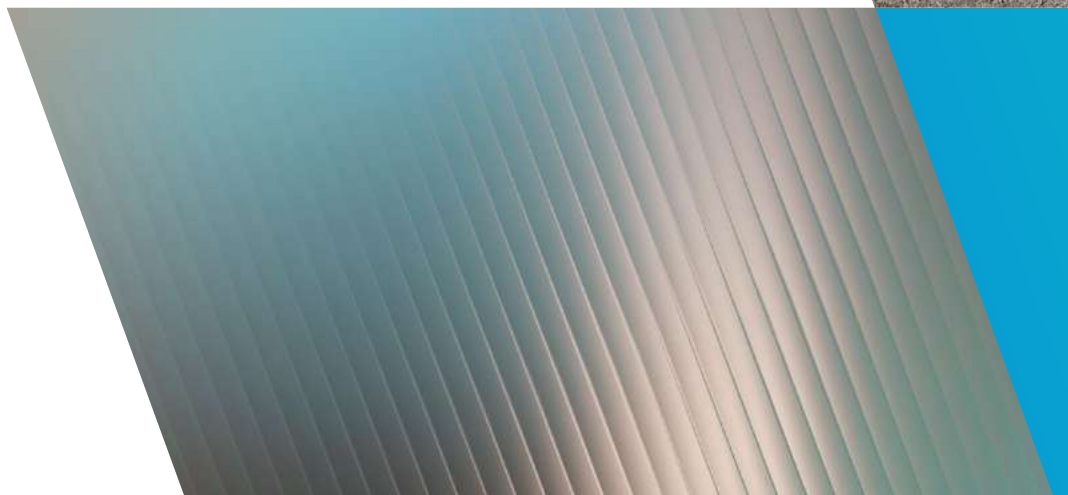
TAQA complies with the Alberta Human Rights Act, the Occupational Health and Safety Act, and the Employment Standards Code, which set minimum workplace standards. These efforts are supported by a suite of workplace policies, including the Maternity and Parental Leave Policy, Equal Opportunity Employment 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 slavery[1]. 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.

TAQA Bratani (United Kingdom)

TAQA aligns with the Human Rights Act 1998 and the UK Modern Slavery Act 2015[2], 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. This commitment is reinforced through comprehensive training, with all UK employees completing human rights and modern slavery awareness training in 2025.





As a signatory to the United Nations Global Compact (UNGC), TAQA reaffirms its commitment to implementing practices that ensure compliance with human rights.

1 TAQA Canada – Fighting against forced labour and child labour in supply chain acts.
2 TAQA UK – Modern Slavery Statement.

GROWING WITH OUR PEOPLE

COMMUNITY ENGAGEMENT

GRI 413-1 GRI 413-2

TAQA Group's Corporate Social Responsibility (CSR) initiatives played a vital role in strengthening community relations and advancing inclusive development across our operating footprint. As a company that delivers reliable power and water, two essential services that underpin daily life and economic progress, we understand what communities need to thrive. Our programmes are closely aligned with the UN Sustainable Development Goals (SDGs), contributing to 12 out of 17 SDGs, with a particular focus on education equality and environment, in line with the ESG strategy.

Grounded in our purpose and close connection to the communities we serve, TAQA's approach prioritised partnership and measurable impact. TAQA's CSR Impact Assessment Framework supports consistent evaluation of initiatives. This informs how programmes are prioritised and governed, ensuring our efforts align with TAQA's ESG Strategy and adhere to budgeting processes.

By working with impactful stakeholders, including government entities, non-profits, educational institutions, and community organisations; we supported initiatives that build capabilities, improve quality of life, and expand access to opportunity. Our CSR efforts reflected a practical understanding of people's needs, from preparing young people for future-ready careers, to promoting wellbeing, and supporting vulnerable groups. In doing so, we reinforced community resilience and helped ensure that progress is inclusive, sustained, and responsive to evolving local priorities.

TAQA's 2025 CSR initiatives were aligned with UN SDGs, covering 12 out of 17



In 2025, TAQA's total community investment stood at AED 25.6 million, reflecting our continued commitment to long-term social value creation across our operating companies. The key drivers of investment in 2025 included expanded education and STEM engagement programmes, enhanced employee wellbeing and mental health initiatives, community support, inclusion, and social empowerment programmes, and targeted donations supporting healthcare, youth, and people of determination.

Community Investment	2025[1]	2024[2]	2023
Total Investment[3] (million AED)	25.3	30.19	21.50[4]
Investment as a share of Group revenue	0.05%	0.06%	0.04%

1 TAQA Neyveli is excluded in 2025 due to its divestment.
2 2024 and onwards includes TAQA Water Solutions.
3 Include voluntary donations plus investment of funds in the broader community aligned with GRI definition.
4 Excludes one-off donation towards Morocco earthquake and COP 28 related sponsorships.

GROWING WITH OUR PEOPLE

SELECT CSR PROJECTS DELIVERED IN 2025

UNITED ARAB EMIRATES

Education, Environment & Community Wellbeing

- Delivered STEM awareness and student engagement programmes reaching **150+** secondary school students, strengthening awareness of careers in energy, sustainability, and innovation.
- Supported biodiversity and environmental awareness initiatives, including educational and environmental gift distribution to **350** students in Al Ain.
- Donated **2,593** specialised books and laboratory equipment to UAE University, enhancing academic and research capabilities in water and energy disciplines.
- Delivered multiple employee wellbeing initiatives addressing mental health, physical wellbeing, and stress management, reaching **90+** employees per session.
- Supported vulnerable groups through hospital visits, distributing gifts and emotional support to young patients at Sheikh Khalifa Medical City.

MOROCCO

Health, Education & Disaster Relief

- Continued health and education programmes, including mobile medical support, dental care, and assistance for orphaned and elderly individuals.
- Maintained disaster relief support following the national earthquake response, contributing to recovery and community resilience initiatives.

CANADA

TAQA Cares – Community Investment

- Prioritised community investment across children and youth, mental health, women in need, and safety initiatives.
- Continued long-standing support to Alberta Children's Hospital.
- Delivered employee donation matching, First Nations Fund support, and field donations, reinforcing long-term partnerships with local communities.

UNITED KINGDOM

Community & Environmental Engagement

- Supported community education funds, STEM programmes, and employability initiatives for young people.
- Continued environmental conservation efforts through biodiversity protection, river conservation, and coastal clean-up partnerships.

GHANA

Community Development & Water Access

- Supported disaster relief and community infrastructure projects, including access to potable water through well-boring initiatives.
- Contributed to education and social infrastructure upgrades, including school renovations and community library refurbishment.

NETHERLANDS

Education & Sustainability Awareness

- Supported cultural and educational programmes promoting energy efficiency, sustainability awareness, and environmental responsibility in schools.



Looking ahead, TAQA will continue to strengthen its CSR and community engagement approach by:

- Scaling programmes with measurable, long-term social outcomes
- Deepening partnerships with government entities, NGOs, and educational institutions
- Enhancing impact assessment across all the major CSR initiatives

GROWING WITH OUR PEOPLE

CUSTOMER EXPERIENCE

GRI 416-1 GRI 416-2

Delivering a positive customer experience remains a core priority for TAQA, reflecting its commitment to providing essential electricity and water services responsibly, reliably, and sustainably.

Through its Distribution business, TAQA directly serves electricity, water and wastewater to residential, commercial, and industrial customers, making access, affordability, service quality, and customer health and safety central to its operations.

TAQA continues to strengthen customer trust and long-term relationships by enhancing service delivery, safeguarding customer well-being, and ensuring that services remain accessible and affordable, particularly for vulnerable segments of society.

ACCESS AND AFFORDABILITY

Ensuring universal access to affordable electricity and water is essential to supporting social well-being and reducing socio-economic inequalities.

TAQA's approach to affordability remains aligned with the Department of Energy's policies and regulatory frameworks, with a focus on protecting customers while ensuring the sustainability of essential services. Some of these initiatives include:

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 free consumption up to a specified limit.

Subsidies for social card holders in the UAE:
Provides free 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.

↗ The full tariff guide is available here on TAQA Distribution's website.

TAQA Distribution's disconnection policy strictly prohibits the disconnection of residential customers during peak summer months, from June to September. This policy is designed to safeguard public health and well-being, ensuring uninterrupted access to electricity and water during periods of extreme heat and high humidity in the UAE.

In parallel, TAQA Distribution continues to enhance customer experience and accessibility through a range of inclusive service initiatives, aimed at ensuring fair access to essential services for all customer segments. These include:

- Simplifying communication across bills, letters, and customer messages to improve clarity and understanding.
- Providing communications in the customers' preferred language (English or Arabic).
- Offering bilingual support through contact centres and social media channels.
- Sharing regular public awareness content on safety, efficiency and demand-side management via social media.
- Providing dedicated services for elderly people and People of Determination to support the management of transactions.
- Arranging in-person support visits for customers who are unable to visit service centres.
- Ensuring the availability of agents trained in sign language for video-based customer support, where required.
- Maintaining continuity of service for customers registered as requiring life support during planned shutdowns, with alternative arrangements provided.

GROWING WITH OUR PEOPLE

SERVICE DELIVERY AND CUSTOMER RELATIONSHIPS

TAQA Distribution operates dedicated customer contact centres to manage enquiries and complaints efficiently, ensuring concerns are promptly addressed and escalated where necessary. Customer feedback mechanisms, including regular surveys, are used to monitor satisfaction levels and identify opportunities for continuous improvement.

AWARDS AND CERTIFICATIONS:

- **Best Life Moment Award** – Awarded to TAQA Distribution for their exemplary customer service as part of the inaugural Abu Dhabi Effortless Customer Experience Awards.
- **Best Sustainability Communications Programme** – TAQA Distribution was recognised for their impactful engagement and outreach efforts in driving awareness of sustainability initiatives.
- **Top-ranked government customer service performance** – TAQA Water Solutions ranked first among entities in the joint government customer relationship management system for case management and customer satisfaction for two consecutive years, handling over 15,000 cases annually.
- **IDCXS: 2022 Certification for Digital Customer Experience Excellence** – TAQA Water Solutions achieved the IDCXS: 2022 certification from the International Customer Experience Institute (ICXI), recognising excellence in digital customer experience.

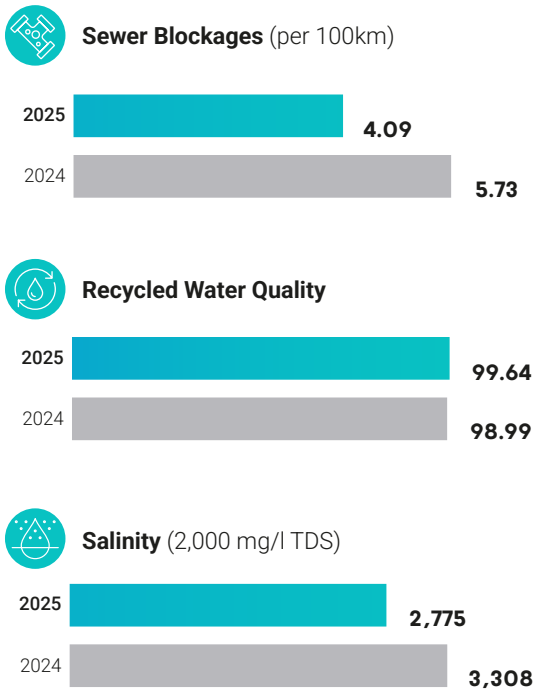
TAQA continues to invest in simplifying customer communications, providing multilingual support in Arabic and English, and expanding digital engagement channels to improve accessibility and clarity.

CUSTOMER HEALTH AND SAFETY

Customer health and safety remain a top priority at TAQA. Across the Group, 100% of power and water assets undergo regular health and safety assessments. In water operations, robust protocols are applied across the full treatment process, from desalination to disinfection, in line with the Water Quality Regulations (WQR) and international standards set by the World Health Organization (WHO) and the Abu Dhabi Department of Energy (DoE). TAQA's Transmission and Distribution businesses utilise durable materials, conduct regular chemical trials, and maintain comprehensive monitoring and reporting systems to ensure safe, high-quality water is delivered to customers.

TAQA's Consumer Protection Policy safeguards the rights and welfare of energy and water customers, with a focus on data privacy, service continuity, and support for vulnerable customers. In addition, TAQA's Transmission and Distribution companies operate in line with DoE frameworks, including rigorous water quality testing before and during network transmission to ensure only compliant water reaches consumers. Performance indicators, such as supply pressure and continuity of service, are closely monitored to enhance system reliability, manage risks, and reinforce TAQA's commitment to customer health, safety, and service excellence..

WASTEWATER TREATMENT PERFORMANCE



Water Quality Statistics	TAQA Distribution – potable water			TAQA Water Solutions – recycled water	
	2025	2024	2023	2025	2024
Number of water quality sampling tests	56,704	57,840	57,817	52,332	30,876
Water quality testing frequency compliance	99.84%	100%	99.85%	<100%	<100%
Average water quality compliance	98.66%	98.35%	97.63%	93.39%	98.30%
Physical parameters compliance	98.90%	98.85%	97.43%	98.72%	98.26%
Microbial parameters compliance	100%	100%	100%	99.30%	98.54%

06

CORPORATE GOVERNANCE

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This chapter is part of TAQA's 2025 Integrated Report.
For full context, it should be reviewed alongside the complete report.

1. INTRODUCTION

On behalf of the Board of Directors ("Board") of Abu Dhabi National Energy Company ("TAQA" or "Company"), we are pleased to present the 2025 Corporate Governance Report ("Report"). This Report has been prepared in compliance with the requirement of our market regulator, the United Arab Emirates ("UAE") Capital Markets Authority (formerly known as Securities and Commodities Authority ("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 2025

Throughout 2025, TAQA strengthened its enterprise-wide governance capabilities, with a focus on enhancing consistency, maturing Group-wide governance processes, and supporting the Company's expanding scale and geographic footprint. The Board remains committed to continuous improvements in governance across TAQA and its subsidiaries, embedding structures and practices aligned with the Group's strategic ambitions and operating model.

Key developments included:

1. **Corporate Governance Functional Operating Manual:** Following the establishment of Corporate Governance as a dedicated function within Group Legal, TAQA advanced a comprehensive operating manual defining the governance operating model, responsibilities, internal interfaces, and core workflows. This manual provides a standardised reference to promote consistent execution of governance mandates across the Group.

2. **Subsidiary Governance Reform:** TAQA continued to mature its subsidiary governance through the development of a defined subsidiary governance policy, governance playbooks, and applicable archetypes. These frameworks underwent pilot implementation across select subsidiaries to enable practical testing and refinement ahead of Group-wide deployment.

3. **Entity Management Procedure:** Significant improvements were made to the Group's entity lifecycle oversight, including registry management protocols, governance touchpoints, and assurance mechanisms to strengthen visibility and control. The aim is to improve visibility, ensure consistency and strengthen control across the Group's entity landscape.

4. **Review of Group Delegation of Authority:** In line with the refreshed corporate strategy, TAQA initiated a phased review of the Group Policy on Delegation of Authority. The review is guided by leading governance practices and seeks to establish a cohesive system of governance controls that enables clear, consistent, and efficient decision-making across the organisation.

THIS REPORT

This Report provides an overview of TAQA's corporate governance related information and practices for the period from 1 January 2025 to 31 December 2025. It has been published on the Abu Dhabi Exchange ("ADX") website and the Company's website.

H.E. Mohamed Hassan Alsuwaidi
Chairman of the Board of Directors

Mr. Hamad Abdulla Al Hammadi
Chairman of the Nomination and Remuneration Committee

H.E. Mansour Mohamed AlMulla
Chairman of the Audit Committee

Mr. Wael Nabulsi
Executive Director, Internal Audit[1]

[1] The Executive Director of Internal Audit provides assurance over the Company's internal control system.

2. IMPLEMENTATION OF GOVERNANCE GUIDE

In 2025, TAQA continued to maintain a strong governance foundation while advancing key policies and procedures to align the Group's governance framework with evolving regulatory and strategic requirements.

THE FOLLOWING SUMMARISES SOME OF THE KEY POLICIES ADOPTED BY THE GROUP:

1

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.

2

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.



2. IMPLEMENTATION OF GOVERNANCE GUIDE

3

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.

4

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.

5

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.

6

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.

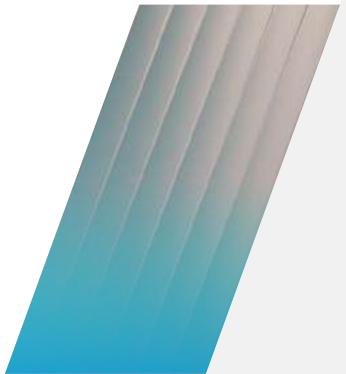
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Group Procedure for Appointment of External Auditor (non-audit services)

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 considers effective corporate governance to be a cornerstone of TAQA Group's long-term success. The consistent application of governance practices enables rigorous oversight, promotes responsible decision-making, and safeguards the interests of shareholders and other stakeholders.

TAQA Group's corporate governance framework establishes a cohesive system of principles, structures, and oversight mechanisms through which the Group is governed and controlled. The framework is designed to support strategic execution, strengthen accountability, enhance transparency, and reinforce confidence in TAQA's governance across all levels of the organisation.

Underpinned by a defined set of core governance principles, the framework informs TAQA Group's governance pillars and guides the development and application of governance arrangements across the parent company and its subsidiaries. This approach ensures clarity of roles, effective delegation, and consistent governance standards, while allowing sufficient flexibility to reflect the scale, complexity, and risk profile of individual entities within the Group.

PRINCIPLES OF CORPORATE GOVERNANCE FRAMEWORK

Accountability
Ensuring effective risk management through employing a system of checks-and balances, segregation of duties and accountability for actions (or inaction) by executives.

Responsibility
Setting the tone-at-the-top with active supervision/monitoring and evaluation.

Equity
Equitable treatment of all shareholders.

Transparency and Fair Disclosure
Accurate, timely communication of material matters to relevant stakeholders.



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

Subsidiary Governance

- Subsidiary Governance Model and Framework
- Entity Incorporation Management
- Subsidiary Board / Committee Oversight
- Subsidiary Reporting
- Advisory and Transactional Support

Delegation of Authorities

- Group Delegation of Authority
- Group Reserved Matters
- Implementation and Compliance Management

Governance Reporting and Enablers

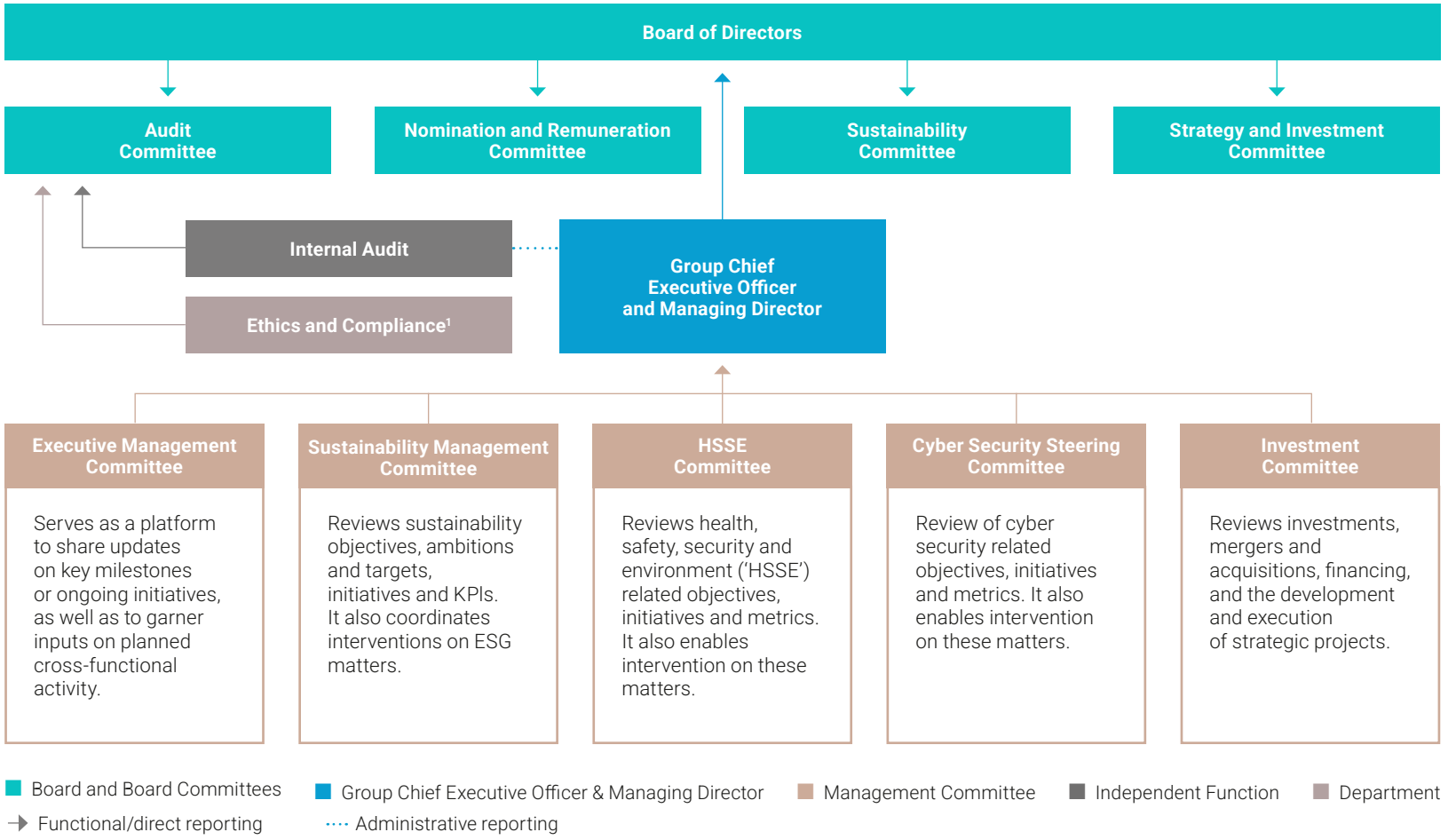
- Policies and Procedures Framework
- Governance Knowledge Management System
- Internal Governance Reporting Requirements and Disclosure

3.3 CORPORATE GOVERNANCE STRUCTURE

TAQA has established a corporate governance structure designed to support its strategic objectives and operating model, while providing clear, effective, and proportionate oversight across the Group. The structure delineates responsibilities and decision-making authority at both Board and Executive Management levels, ensuring alignment between governance oversight, strategic direction, and operational execution.

The governance structure incorporates dedicated governance forums to consider matters within defined areas of responsibility. These forums operate under clearly articulated mandates, with an appropriate composition and well-defined roles and responsibilities. This ensures that matters are subject to rigorous review, informed challenge, and focused deliberation, drawing on the relevant expertise of internal stakeholders and supporting timely, well-governed decision-making across the Group.

An overview of TAQA's key governance structure is as represented below:



[1] Compliance Officer administratively reports to the Chief Legal Officer and Board Secretary.

3.4 SUBSIDIARY GOVERNANCE

TAQA's Board and Executive Management continued to advance the effectiveness and maturity of subsidiary governance arrangements across the Group. During the year, focus shifted from framework articulation to targeted application and operational embedding of subsidiary governance expectations. Oversight arrangements were enhanced to promote clearer accountability, proportionate supervision, and consistent governance practices across TAQA's diversified operating footprint.

As part of this progression, a structured subsidiary governance model was developed, underpinned by defined governance pillars and calibrated governance archetypes. These archetypes enable a disciplined approach to determining the level of oversight, delegation, and escalation applicable to each subsidiary, based on factors such as ownership, consolidation status, strategic relevance, and risk profile. This approach ensures robust governance while maintaining appropriate subsidiary autonomy.

Governance playbooks were progressed to facilitate practical application of governance requirements, clarify interfacing roles and responsibilities between parent and subsidiary entities, and reinforce sound decision-making and escalation in practices. As part of this embedding effort, TAQA applied the subsidiary governance framework to selected entities, enabling live testing and refinement.

GOVERNANCE INTEGRATION OF TRANSMISSION INVEST GROUP (IN COLLABORATION WITH TAQA TRANSMISSION)

In collaboration with TAQA Transmission, the governance framework was deployed to Transmission Investment ("TI") to establish governance arrangements aligned with TI's strategic role and risk profile. This exercise ensured that TI's governance practices were harmonised with Group expectations, providing a successful real-world validation of the governance model and supporting future Group-wide rollout. The governance archetype model approach was used to determine appropriate oversight structures, delegated authorities, and escalation mechanisms.

This deployment served as a practical validation of the framework, enabling TAQA to refine governance tools and enhance new subsidiary integration and onboarding processes.

These actions demonstrate TAQA's progression from subsidiary governance as a policy construct to becoming an operational discipline, enabling scalable application across the Group and supporting long-term governance effectiveness.

TAQA SECRETARIES DEVELOPMENT WORKSHOP

TAQA also invested in strengthening governance capabilities across the Group through a dedicated two-day workshop for committee secretaries, legal representatives and governance professionals, delivered in collaboration with the GCC Board Directors Institute. The workshop reinforced secretarial roles and related governance protocols, documentation standards, and subsidiary governance expectations and escalation mechanisms, and further promoted consistency in the functioning of governance forums across TAQA's operations, including board and board committees. The workshop was attended by 20+ participants from across the TAQA Group.



4. BOARD OF DIRECTORS

GRI 2-10 GRI 2-11 GRI 2-12 GRI 2-13 GRI 2-14 GRI 2-16 GRI 2-17 GRI 2-18 GRI 2-19

4.1 ROLE OF THE BOARD

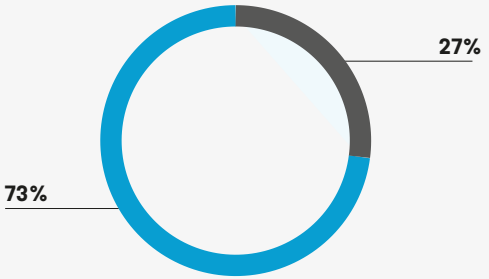
The Board of Directors is responsible for the overall leadership, strategic direction, oversight, and governance of the Company. In discharging its responsibilities, the Board provides effective stewardship of TAQA, ensuring that the Group's strategy, risk profile, and performance are aligned with its long-term objectives and the interests of shareholders and other stakeholders.

During the year, the Board exercised oversight across key areas including strategy and performance, risk management, financial reporting integrity, governance arrangements, internal controls, and compliance. The Board also retained responsibility for overseeing Executive Management remuneration, succession planning, and leadership continuity, reinforcing accountability and sustainable organisational performance.

The Board's roles, authorities, and responsibilities are set out in the Board Charter, which serves as the primary reference for Board governance. The Charter is subject to regular review to ensure its continued effectiveness and alignment with TAQA's governance framework, applicable laws and regulations, and evolving best practices, supporting disciplined and effective Board oversight.

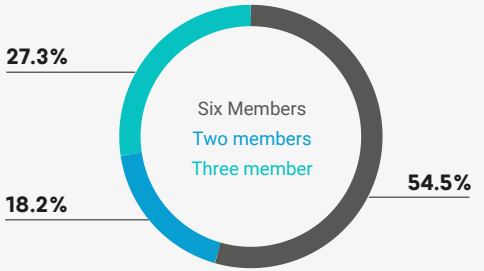
50.3
Average Age

Gender Diversity



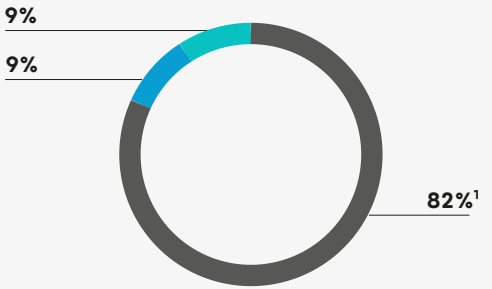
- Female
- Male

Board Tenure



- Under two years
- Between two to four years
- Over four years

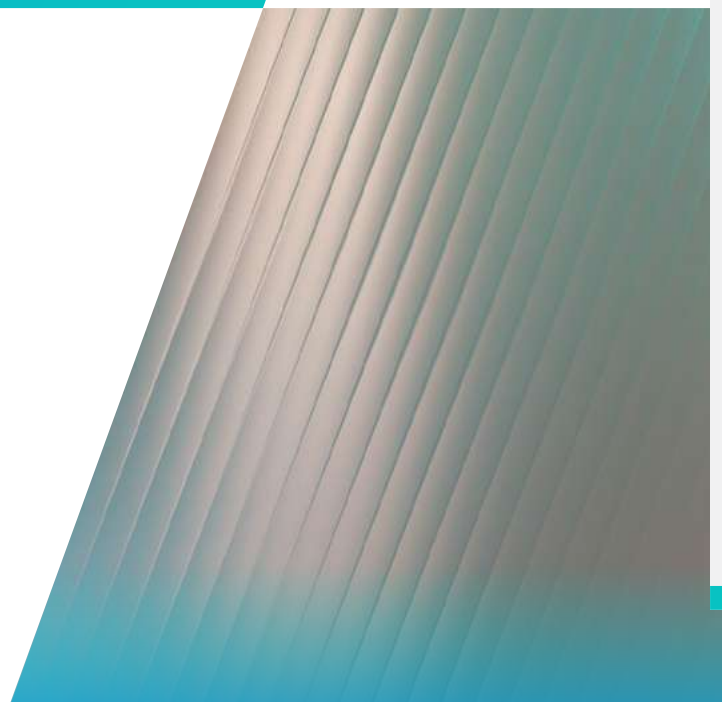
Board Composition



- Independent Non-Executive Director
- Non-Executive Director
- Executive Director

[1] In line with Governance Guide as applicable to TAQA.

4.2 PROFILE OF BOARD MEMBERS



H.E. Mohamed Hassan Alsuwaidi



Nationality: UAE

Chairman, Non-Executive, Independent Board Member, elected to the Board in 2019, elected Chairman in 2020.

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 of Abu Dhabi Development 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 as on 31 December 2025:
- Chairman – Emirates Nuclear Energy Corporation (ENEC)
- Chairman – Abu Dhabi Ports Group (AD Ports)
- Second Vice Chairman – Aldar Properties
- Non-Executive Director – Abu Dhabi Pension Fund
- Non-Executive Director – Artificial Intelligence and Advanced Technology Council
- Non-Executive Director – Emirates Investment Authority
- Non-Executive Director – XRG
- Non-Executive Director – Al Dahra Holding
- Non-Executive Director – 2PointZero Group PJSC

Mr. Khalifa Sultan Al Suwaidi



Nationality: UAE

Vice Chairman, Non-Executive, Independent Board Member, elected to the Board in 2020, elected Vice Chairman in 2023.

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 as on 31 December 2025:
- Chairman, Non-Executive Director – Agthia Group
- Vice Chairman, Non-Executive Director – AD Ports
- Non-Executive Director and member of Strategy and Investment Committee - Etihad Airways PJSC

4. BOARD OF DIRECTORS



Mr. AbdulAziz Abdulla Al Hajri

Nationality: UAE

Non-Executive, Independent Board Member, elected to the Board in 2023.

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 as on 31 December 2025:
- Non-Executive Director, Chairman of Audit Committee, Member of Strategy and Investment Committee and Member of ESG Committee – EMSTEEL PJSC



H.E. Mansour Mohamed AlMulla

Nationality: UAE

Non-Executive, Independent Board Member, elected to the Board in 2021.

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:
H.E. Mansour Mohamed AlMulla is currently the Deputy Group Chief Executive Officer at ADQ. Mr. Mansour is responsible for the growth and development of companies within the Food and Agriculture, Transport and Logistics, Financial Services and Real Estate Investments clusters. He ensures these entities align with ADQ's mandate of unlocking value and generating sustainable financial returns for Abu Dhabi. Mr. Mansour also serves as the Chairman of Wio Bank.

Previously, he held multiple leadership positions, including Managing Director and Chief Executive Officer (CEO) of Edge Group and Chief Investment Officer for Alternative Investments and M&A at ADQ. Prior to that, Mr. AlMulla also served as Chief Financial Officer for Petroleum and Petrochemicals Platform at Mubadala.

Mr. AlMulla holds a Bachelor's degree in Business Administration (Information Systems) from Portland State University in Oregon, United States.

Other Directorships as on 31 December 2025:
- Chairman, Non-Executive Director – Wio Bank
- Non-Executive Director – Etihad Airways PJSC
- Non-Executive Director – Abu Dhabi Aviation
- Non-Executive Director – AD Ports
- Non-Executive Director – Etihad Rail
- Non-Executive Director – Abu Dhabi Global Market



Mr. Hamad Abdulla Al Hammadi

Nationality: UAE

Non-Executive, Independent Board Member, elected to the Board in 2021.

Committees:
Nomination and Remuneration Committee (Chair), Strategy and Investment Committee; Sustainability Committee

Areas of Expertise:
Strategy and Investments, Energy (Utilities) and Infrastructure

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. He ensures these entities align with ADQ's mandate of unlocking value and generating sustainable financial returns for Abu Dhabi.

Prior to his current role, Hamad 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 as on 31 December 2025:
- Chairman, Non-Executive Director – Emirates Water and Electricity Company (EWEC)
- Chairman, Non-Executive Director – EMSTEEL
- Non-Executive Director – Emirates Nuclear Energy Company (ENEC)
- Non-Executive Director – TA'ZIZ ADNOC JV
- Non-Executive Director – Modon

4. BOARD OF DIRECTORS



Ms. Iman Abdulghafoor Al Qasim

Nationality: UAE

Non-Executive, Independent Board Member, elected to the Board in 2023.

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 as on 31 December 2025:
- Non-Executive Director, Chairperson of Remuneration Committee, Member of ESG Committee – E7 Group
- Non-Executive Director and Chairperson of Nomination and Remuneration Committee – Aramex
- Non-Executive Director – EGA – America
- Executive Director – Guinea Alumina Corporation



Ms. Mouza Saeed Al Romaithi

Nationality: UAE

Non-Executive, Independent Board Member, elected to the Board in 2023.

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 ADQ. With a robust background in cybersecurity of over 17 years, her leadership and expertise have been pivotal in navigating the complex landscape of information security, ensuring that the organization remains resilient against evolving cyber threats. 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 as on 31 December 2025:
- Non-Executive Director – ENEC



Ms. Samia Toufic Bouazza

Nationality: Lebanese

Non-Executive, Independent Board Member, elected to the Board in 2023.

Committees:
Sustainability Committee (Chair)

Areas of Expertise:
Investments and Communications

Career, Experience and Qualification:
Ms. Samia Toufic Bouazza is the Chief Executive Officer of 2PointZero Group PJSC (formerly Multiply Group PJSC) 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 executive education certificates in Strategic Intelligence and Digital Disruption from Harvard Business School and the University of Cambridge respectively.

Other Directorships as on 31 December 2025:
- Non-Executive Director – Emirates Driving Company
- Non-Executive Director – Tandem
- Keystone Member of Friends of Abu Dhabi Art

4. BOARD OF DIRECTORS



Dr. Klaus-Dieter Maubach

Nationality: German

Non-Executive, Independent Board Member, elected to the Board in 2023.

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 and board member of E.ON SE.

Dr. Maubach studied Electrical Engineering at the University of Wuppertal and received his Doctorate in 1994.

Other Directorships as on 31 December 2025:
- Non-Executive Director – DAH Group, Oranienburg, Germany



Mr. Christopher Geoffrey Finlayson

Nationality: United Kingdom

Non-Executive Board Member, elected to the Board in 2023.

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 TGS ASA, 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 as on 31 December 2025:
None



Mr. Jasim Husain Thabet

Nationality: UAE

Executive Board Member, elected to the Board in 2019.

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 as on 31 December 2025:
- 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 – AD Ports
- Non-Executive Director and Member of Sustainability and Strategy and Investment Committee– Abu Dhabi Future Energy Company (Masdar)

4.3 SHARE DEALINGS OF BOARD MEMBERS

In compliance with the SCA's regulations, the Ethics and Compliance Office manage 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 are 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 2025.

Board Member	Number of Shares held (as of 31 December 2025)	Total sale transactions	Total purchase transactions
H.E. Mohamed Hassan Alsuwaidi	-	-	-
Mr. Khalifa Sultan Al Suwaidi	-	-	-
Mr. AbdulAziz Abdulla Al Hajri	124	-	-
H.E. 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	-	-	-

4.4 BOARD AND BOARD COMMITTEE TRAINING

Ongoing Board and Committee training remained an essential component of TAQA's governance programme in 2025. Training sessions were structured to ensure directors remain well-informed on key industry developments, operational priorities, emerging risks, and evolving regulatory and governance expectations. These sessions support effective challenge, informed decision-making, and enhanced governance oversight.

During the year, the Board and its Committees received tailored training aligned with their respective mandates. Topics covered included network resilience and infrastructure readiness, cyber governance, global water market dynamics, ESG regulatory and investor trends, and broader sustainability-related developments. Each session was delivered by subject-matter experts from industry, advisory firms, and leading financial institutions, ensuring access to relevant and authoritative insights.

This proactive approach to continuous learning ensures that the Board's collective knowledge remains aligned with TAQA's strategic objectives, risk profile, and operational context, reinforcing the Board's ability to discharge its responsibilities effectively. Details of the training sessions, including speakers and topical and thematic areas covered, are set out below.

Relevant Forum	Event Format	Concerned Speaker/Facilitator	Topics and Themes
Board	Virtual Session	▸ Bruce Stedall, Chief Operating Officer, TAQA Transmission ▸ Dr. Afif Saif AlYafei, Chief Executive Officer, TAQA Transmission	The training session focused on the opportunity for TAQA to assess Abu Dhabi's network resilience and ensure preparedness in a changing power landscape in light of the Iberian-Peninsula blackout. The session covered an analysis of the contributing factors and grid readiness considerations.
Audit Committee	Virtual session	Mohamed Elaarag, Partner, EY Risk Consulting	The session centred on navigating Cyber Governance, providing a practical overview for the Audit Committee and focused on UAE Information Assurance standard.
Strategy and Investment Committee	Virtual session	▸ Hani Tohme, Partner – Kearney ▸ Rudolph Lohmeyer Partner – Kearney ▸ Elias Al Akiki, Principal – Kearney	The session covered various aspects of water, including the global geopolitics of water, the global water market outlook, dynamics & opportunities.
Sustainability Committee	Virtual session	▸ Cathy Shepherd, Managing Director, Global Head of Corporate Banking for Clean Energy Transition and UK Head of Natural Resources, Corporate Banking ▸ Ilan Jacobs, Managing Director, Head of UK Government Affairs ▸ Nasser Malik, Managing Director, Corporate Bank Head, Sustainability & Corporate Transitions ▸ Sanaa Mehra, Director, Head of EMEA Sustainable Debt Capital Markets	▸ Update on the recent sentiment and trends in the clean energy transition ▸ Evolution of ESG reporting regulation in Europe ▸ Landscape of Net Zero transition planning within Banks ▸ Sustainable Debt Capital Markets update including ESG investor trends



4.5 ACTIVITIES OF THE BOARD

The Board is responsible for the overall direction, oversight, and management of the Company, as set out in the Board Charter. The Charter defines the Board's roles, responsibilities, functions, and authorities, both collectively and individually, and serves as the primary reference for Board governance.

In discharging its responsibilities, the Board considers and takes decisions on matters reserved to it in accordance with the Group's delegation of authority framework. During the year, the Board convened six (6) meetings to consider a range of strategic, operational, financial, and governance matters. A summary of the matters considered at these meetings, together with attendance records, is 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	H.E. Mansour AlMulla	Mr. Hamad Al Hammadi	Ms Iman Al Qasim	Ms. Mouza Al Romaithi	Ms. Samia Toufic Bouazza	Dr. Klaus-Dieter Maubach	Mr. Christopher Finlayson	Mr. Jasim Thabet
1	**12 February 2025**	▸ FY-24 Audited Consolidated Financial Statements – Approval ▸ FY-24 Management Report – Update ▸ 2024 Group Scorecard Outturn – Approval ▸ 2025 Group Scorecard – Approval ▸ 2024 Year End Risk Review – Approval ▸ Annual General Assembly Matters – Endorsement ▸ 2024 Payment of Final Dividends – Endorsement ▸ 2025 Statutory Auditor Appointment – Endorsement	P	P	P	P	P	P	P	P	P	P	P
2	**06 March 2025**	▸ 2024 TAQA HQ Board and Board Committee Remuneration – Endorsement ▸ TAQA Employee Performance Bonus 2024 – Approval ▸ TAQA Group HR Matters – Approval	P	P	P	P	P	P	P	P	P	P	P
3	**14 May 2025**	▸ Q1 2025 Financial Statements – Approval ▸ Quarterly reforecast for 2025 – Update ▸ Q1 2025 Group Scorecard – Update ▸ First interim dividend payment – Approval ▸ Group Risks – Update	P	P	P	P	P	P	P	P	P	P	P
4	**13 August 2025**	▸ Q2 2025 Financial Statements – Approval ▸ Quarterly reforecast for 2025 – Update ▸ H1 2025 Group Scorecard – Update ▸ Interim dividend payment – Approval ▸ Q2 2025 Group Scorecard – Update ▸ Group Risks – Update	P	P	P	P	P	P	P	P	P	P	P
5	**12 November 2025**	▸ Q3 2025 Financial Statements – Approval ▸ Interim dividend payment – Approval ▸ Quarterly Reforecast for 2025 – Update ▸ Q3 YTD – 2025 Group Scorecard – Update ▸ 2026 Budget and 5 Year Plan – Approval ▸ Group Risks – Update	P	P	P	P	P	P	P	P	P	P	P
6	**11 December 2025**	▸ Group and Business Safety Performance– 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%)**

P Present

4.6 COMMUNICATION OF CRITICAL CONCERNS

GRI 2-16

TAQA has established an integrated communication and escalation framework to ensure that critical concerns, material risks, and significant issues are identified, escalated, and addressed through appropriate governance channels in a timely and consistent manner. This framework is embedded within the Group's risk management, internal control, and ethics and compliance arrangements, supporting effective oversight and informed decision-making at both Board and Executive Management levels.

As part of its oversight responsibilities, the Board receives regular management reporting covering strategic and operational developments, material risk exposures, and significant internal and external matters affecting the Group. These reports enable the Board to monitor emerging and existing risks, assess their potential impact, and provide direction where matters warrant discussion, challenge, or decision. Issues assessed as significant are escalated in accordance with established governance and escalation protocols, ensuring appropriate visibility and accountability.

At the Executive Management level, a corresponding reporting framework operates to monitor operational performance, risk indicators, and control effectiveness across the Group. This framework supports the early identification and management of critical concerns and ensures alignment between operational oversight, risk management activities, and Board-level governance.

In addition, TAQA maintains formal ethics, compliance, and grievance mechanisms through which concerns, grievances, and suspected breaches can be raised by internal and external stakeholders. These mechanisms provide for the structured reporting, investigation, and resolution of issues, with defined escalation pathways to management and, where necessary, to the Board or relevant Board committees. This approach reinforces transparency, accountability, and integrity, and ensures that material concerns related to conduct, compliance, or risk are communicated and addressed in a consistent and effective manner across the Group.

4.7 BOARD EFFECTIVENESS AND EVALUATION

The Board is committed to maintaining high standards of effectiveness, accountability, and performance in the discharge of its responsibilities. To support this commitment, the Board has established a structured evaluation framework designed to assess the effectiveness of the Board, its committees, and individual directors, and to promote continuous improvement in governance practices.

Oversight of the Board effectiveness and evaluation process is delegated to the Nomination and Remuneration Committee, which is responsible for administering the Board Assessment and Evaluation Policy. This policy sets out the principles, scope, and methodology for evaluating Board performance and ensures that the evaluation process is conducted in a systematic, objective, and confidential manner.

The evaluation process includes periodic self-assessments of the Board and each of its committees as part of the annual governance cycle. Assessments focus on matters including Board composition and structure, clarity of roles and responsibilities, quality of information and decision-making, effectiveness of oversight and challenge, and the functioning of Board and committee dynamics. Committees are assessed on their effectiveness in discharging their respective mandates, the diligence of their oversight, and their contribution to the Board's overall effectiveness.

The results of the evaluation are compiled and presented in an aggregated and anonymised manner to the Nomination and Remuneration Committee and to the Board. Key findings and agreed improvement actions are discussed and monitored to support ongoing enhancement of Board performance and governance effectiveness.

4.8 BOARD REMUNERATION

The remuneration of Board members is governed by the Company's Articles of Association and the Board Remuneration Policy, which establish the principles, structure, and approval process applicable to Board compensation. The remuneration framework is designed to promote accountability, reflect the responsibilities and time commitment of Board members, and align Board incentives with the long-term interests of shareholders, while remaining compliant with applicable regulatory requirements.

In accordance with this framework, Board remuneration, including committee fees, is proposed as a lump-sum amount. The proposed remuneration is reviewed and endorsed by the Nomination and Remuneration Committee and the Board before being submitted to shareholders for approval at the General Assembly, in line with applicable legal and governance requirements.

For the financial year ended 31 December 2025, the Board will recommend the proposed Board remuneration (including committee fees) at its meeting scheduled for 5 March 2026, for submission to shareholders for approval at the General Assembly to be held on 12 March 2026.

4.9 BOARD SECRETARY

The Board Secretary plays a central role in supporting the effective functioning of the Board and its committees and serves as a key governance interface between the Board and Executive Management. The role supports the orderly conduct of Board and committee processes and ensures that governance practices are applied consistently in line with applicable laws, regulations, and TAQA's corporate governance framework.

The Board Secretary is responsible for advising the Board on governance and procedural matters, supporting the preparation and administration of Board and committee meetings, and facilitating compliance with statutory, regulatory, and internal governance requirements. The role is supported by a qualified governance team with expertise in corporate governance, regulatory compliance, and Board support, enabling the Board to discharge its responsibilities effectively and efficiently.

THE KEY RESPONSIBILITIES OF THE BOARD SECRETARY INCLUDE:

- **Board and Committee Administration:** Supporting the preparation of agendas, papers, minutes, and resolutions, and ensuring the accurate documentation and maintenance of Board and committee records.
- **Governance Advice and Support:** Advising the Board and its committees on corporate governance matters, directors' duties, and the application of governance policies and procedures.
- **Regulatory and Governance Compliance:** Supporting compliance with applicable laws, regulations, listing requirements, and internal governance frameworks.
- **Conflicts of Interest Management:** Assisting in the identification, disclosure, and management of actual or potential conflicts of interest in accordance with established governance practices.
- **Board Effectiveness Support:** Supporting the Board evaluation and development processes, including the coordination of Board assessments and monitoring the implementation of agreed improvement actions.

The appointment and removal of the Board Secretary are matters reserved exclusively to the Board, reinforcing the independence of the role and its accountability to the Board as a whole.

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 fundamental pillars supporting the Group's resilience, accountability and long-term success. By fostering a culture of transparency and responsibility, we seek to ensure that TAQA's growth is both sustainable and well-governed, while maintaining the trust and confidence of our stakeholders."



Mohammad Sharafi

Chief Legal Officer and Board Secretary

4.10 DELEGATION OF AUTHORITY

The Board has approved a Group Policy on Delegation of Authority ("Group DOA") framework designed to support effective governance, efficient decision-making, and clear accountability across TAQA Group. The framework establishes a structured system for delegating authority while retaining appropriate Board oversight over matters of strategic, financial, and risk significance.

The Delegation of Authority framework clearly sets out:

- matters reserved to shareholders and the Board;
- authorities delegated by the Board to Board Committees; and
- authorities delegated to Executive Management to manage the day-to-day administration and operations of the Group.

This tiered delegation structure ensures that decisions are taken at an appropriate level of authority, aligned with the Group's operating model, risk appetite, and governance requirements.

Financial and non-financial authority thresholds are defined with reference to the Group's size, complexity, and strategic objectives, taking into account applicable laws, regulatory requirements, and constitutional documents. Authorities are structured to ensure adequate segregation of duties, transparency of decision-making, and effective internal controls, while enabling timely execution of approved strategies and business activities.

The Delegation of Authority framework is supported by defined reserved matters, escalation protocols, and compliance monitoring arrangements to ensure its consistent application across the Group. Compliance with delegated authorities is subject to ongoing oversight, including periodic review and assurance, to support effective governance and risk management.

The framework is reviewed and updated as necessary to reflect changes in the Group's operating structure, strategic priorities, and regulatory environment, ensuring that delegation arrangements remain appropriate, effective, and aligned with TAQA's governance standards. Effective from 1 January 2025, the delegation of authority matrices applicable to TAQA's transmission and distribution subsidiaries were revised to account for the merger of the two former distribution companies and consequential establishment of distinct Distribution and Transmission business verticals.

[1] Effective 31 December 2024, each of the Generation, Transmission, Distribution, Oil and Gas and Water Solutions continued operating as business units.

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 ransactions.

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 Units[1] including Operating Companies

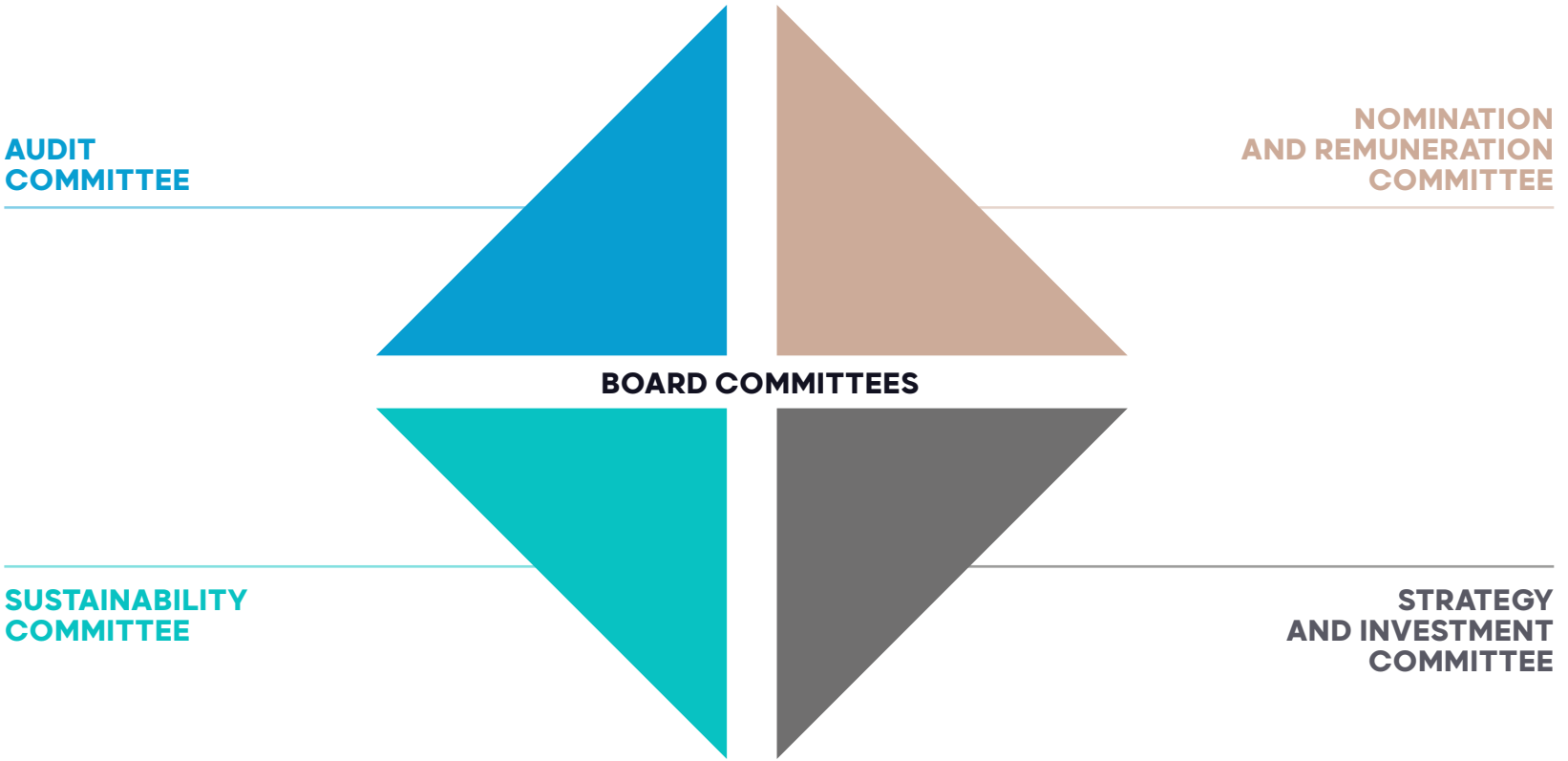
- Business Units Chief Executive Officer

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.

A. AUDIT COMMITTEE MEMBERS

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.



H.E. 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)

B. 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 2025 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 2025 significant matters included:

- 2025 impairment and write-downs
- Recognition of maximum allowed revenue (MAR)
- Classification of held for sale assets – TAQA India (Neyveli)
- UAE corporate income tax and petroleum tax return at TAQA Bratani

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 2025 audited annual financial statements.

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.

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.

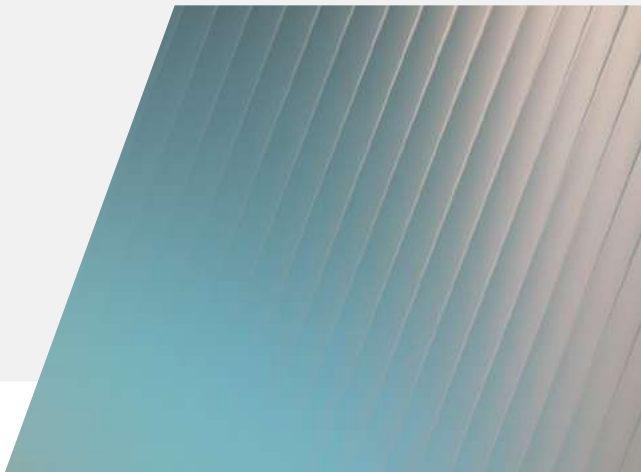
In 2025, the AC approved the updated Policy for use of Non-Assurance Services (NAS) provided by Group External Auditor to better govern the non-assurance services that an audit firm or its network firm can provide to TAQA or its controlled entities during their tenure as TAQA's Group Statutory Auditor.

MONITORING INTERNAL AUDIT EFFECTIVENESS:

The AC, as part of its mandate, monitors the effectiveness of the Group's Internal Audit function by annually approving its audit plan, strategy and scorecard. In addition, the AC approves all resources allocated to the Group's Internal Audit including organization and budgets to ensure the function remain independent. The AC further evaluates the performance of Executive Director of Internal Audit on an annual basis.

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.



C. COMMITTEE MEETING ACTIVITY AND ATTENDANCE RECORDS

No.	Date of Meeting	Key Matters Presented	Attendance of Committee Members			
			H.E. Mansour Al Mulla	Mr. AbdulAziz Al Hajri	Ms. Iman Al Qasim	Ms. Mouza Al Romaithi
1	**11 February 2025**	▸ 2024 Financial Results and Statements – Endorsement ▸ In-Camera Session with the External Auditor ▸ Use of External Auditors for Non-Audit Services – Approval ▸ 2024 End-Year Group Risks Review – Endorsement ▸ 2024 Audit Committee Performance Report – Approval	P	P	P	P
2	**25 February 2025**	▸ Q4 2024 Internal Audit – Update ▸ 2024 Internal Audit Annual Report – Update ▸ 2025 Internal Audit Strategy – Approval ▸ 2025 Internal Audit Scorecard – Endorsement ▸ 2025 Audit Plan Look ahead – Update ▸ Internal Audit Charter – Approval ▸ Compliance Programme – Update ▸ Audit Committee Calendar – Update ▸ Q4 2024 Single and Sole Source Procurement Report – Submission	P	P	P	P
3	**13 May 2025**	▸ Q1 2025 Financial Results and Statements – Endorsement ▸ Use of External Auditors for Non-Audit Services – Approval ▸ Group Risks – Update ▸ TAQA Ghana Operational Status – Update ▸ 2025 AC Meetings Calendar Updates	P	P	P	P
4	**28 May 2025**	▸ Q1 2025 Internal Audit – Update ▸ 2025 Internal Audit Resource Allocation – Update ▸ Compliance Programme – Update ▸ Q1 2025 Single and Sole Source Procurement Report – Submission	P	P	P	P
5	**12 August 2025**	▸ Q2 2025 financial results and statements – Endorsement ▸ Use of external auditors for non-audit services – Approval ▸ 2025 Mid-Year Group Risks Review – Update ▸ Audit Committee Charter – Endorsement	P	P	P	P

P Present NP Not Present

C. COMMITTEE MEETING ACTIVITY AND ATTENDANCE RECORDS

No.	Date of Meeting	Key Matters Presented	Attendance of Committee Members			
			H.E. Mansour Al Mulla	Mr. AbdulAziz Al Hajri	Ms. Iman Al Qasim	Ms. Mouza Al Romaithi
6	**26 August 2025**	▸ Q2 2025 Internal Audit – Update ▸ Compliance Programme – Update ▸ Q2 2025 Single and Sole Source Procurement Report – Submission	P	P	P	P
7	**11 November 2025**	▸ Q3 2025 financial results and statements – Endorsement ▸ 2025 External Audit Plan – Update ▸ Use of External Auditors for Non-Audit Services – Approval ▸ Use of External Auditors for TAQA Group Non-Audit Services Policy – Approval ▸ Q3 2025 Group Risks – Update	P	P	NP	P
8	**03 December 2025**	▸ Q3 2025 Internal Audit – Update ▸ 2026 Audit Plan – Approval ▸ 2026 Internal Audit Budget – Approval ▸ Annual in-camera session with Internal Audit ▸ Compliance Programme – Update ▸ Q3 2025 Single source procurements – Submission	P	NP	P	P
9	**11 December 2025**	▸ TAQA Group policy on delegation of authority – Update ▸ Subsidiary Governance policy – Update ▸ Group corporate governance documents policy – Update	P	P	P	P
Meetings Attended			**9/9 (100%)**	**8/9 (89%)**	**8/9 (89%)**	**9/9 (100%)**

P Present NP Not Present



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.

A. NOMINATION AND REMUNERATION COMMITTEE MEMBERS

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.



Mr. Hamad Al Hammadi
Chairperson (Non-Executive, Independent)



H.E. Mansour AlMulla
Member (Non-Executive, Independent)



Mr. AbdulAziz Al Hajri
Member (Non-Executive, Independent)



Ms. Iman Al Qasim
Member (Non-Executive, Independent)

5. BOARD COMMITTEES / NOMINATION AND REMUNERATION COMMITTEE

B. COMMITTEE MEETING ACTIVITY AND ATTENDANCE RECORDS

No	Date of meeting	Key Matters Presented	Attendance of Committee Members			
			Mr. Hamad Al Hammadi	H.E. Mansour Al Mulla	Mr. AbdulAziz Al Hajri	Ms. Iman Al Qasim
1	**05 February 2025**	▸ 2024 Group and Operating Companies' Performance and Scorecard Outturn – Endorsement ▸ 2025 Group Scorecard – Endorsement ▸ Project – Endorsement	P	P	P	P
2	**04 March 2025**	▸ TAQA Board remuneration and Board committee fees 2024 – Endorsement ▸ TAQA Performance Bonus 2024– Endorsement ▸ Salary adjustments and Promotions - Endorsement	P	P	P	P
3	**18 June 2025**	▸ Special Project – Endorsement ▸ TAQA Group Employee Engagement Survey Results – Update	P	P	P	P
4	**10 November 2025**	▸ Special Project – Endorsement ▸ TAQA Performance Management Curve – Endorsement	P	P	P	P
5	**9 December 2025**	▸ TAQA Salary Benchmarking – Endorsement ▸ Human Resource Programme – Endorsement ▸ TAQA Succession Planning – Update	P	P	P	P
Meetings attended			**5/5 (100%)**	**5/5 (100%)**	**5/5 (100%)**	**5/5 (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.

A. STRATEGY AND INVESTMENT COMMITTEE MEMBERS

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 ensures its effectiveness.



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)

5. BOARD COMMITTEES / STRATEGY AND INVESTMENT COMMITTEE

B. 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	**05 February 2025**	▸ 2024 Group and Operating Companies, Performance and Scorecard Outturn – Endorsement ▸ 2025 Group Scorecard – Endorsement	NP	P	P	P
2	**14 February 2025**	▸ Submission of binding offer – Endorsement ▸ Project Update	P	P	NP	P
3	**11 April 2025**	▸ Project Endorsement	P	P	P	P
4	**09 May 2025**	▸ Project Endorsement	NP	P	P	P
5	**16 May 2025**	▸ Project Endorsement	P	P	P	P
6	**17 June 2025**	▸ TAQA Bratani - Decommissioning Update YE2024 & Q1 2025 ▸ Decommissioning Update YE2024 & Q12025 – Update ▸ Project Endorsement	P	NP	P	P
7	**08 August 2025**	▸ Investment Decision for Restoration Project – Endorsement	NP	P	P	P
8	**22 October 2025**	▸ TAQA Business Plan 2026 – Endorsement	P	P	P	P
Meetings attended			**5/8 (61%)**	**7/8 (88%)**	**7/8 (88%)**	**8/8 (100%)**

P Present NP Not Present

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 risks and opportunities for TAQA; and
- ESG strategy implementation and reporting activities;
- 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.

A. SUSTAINABILITY COMMITTEE MEMBERS

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.



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)

5. BOARD COMMITTEES / SUSTAINABILITY COMMITTEE

B. COMMITTEE MEETING ACTIVITY AND ATTENDANCE RECORDS

No	Date of Meeting	Key Matters Presented	Attendance of Committee Members			
			Ms. Samia Toufic Bouazza	Mr. Hamad Al Hammadi	Dr. Klaus Maubach	Mr. Christopher Finlayson
1	**06 February 2025**	▸ 2024 ESG Performance Highlights ▸ 2025 ESG Priorities	P	P	P	P
2	**12 June 2025**	▸ Progress on 2025 ESG Priorities ▸ GHG Intensity ▸ Carbon Pricing Implications ▸ UAE Climate Change Law ▸ ESG Ratings	P	P	P	P
3	**08 October 2025**	▸ 2025 H1 ESG Performance Review ▸ Climate Risk Assessment ▸ ESG Global Drivers	P	P	P	P
Meetings attended			**3/3 (100%)**	**3/3 (100%)**	**3/3 (100%)**	**3/3 (100%)**

P Present



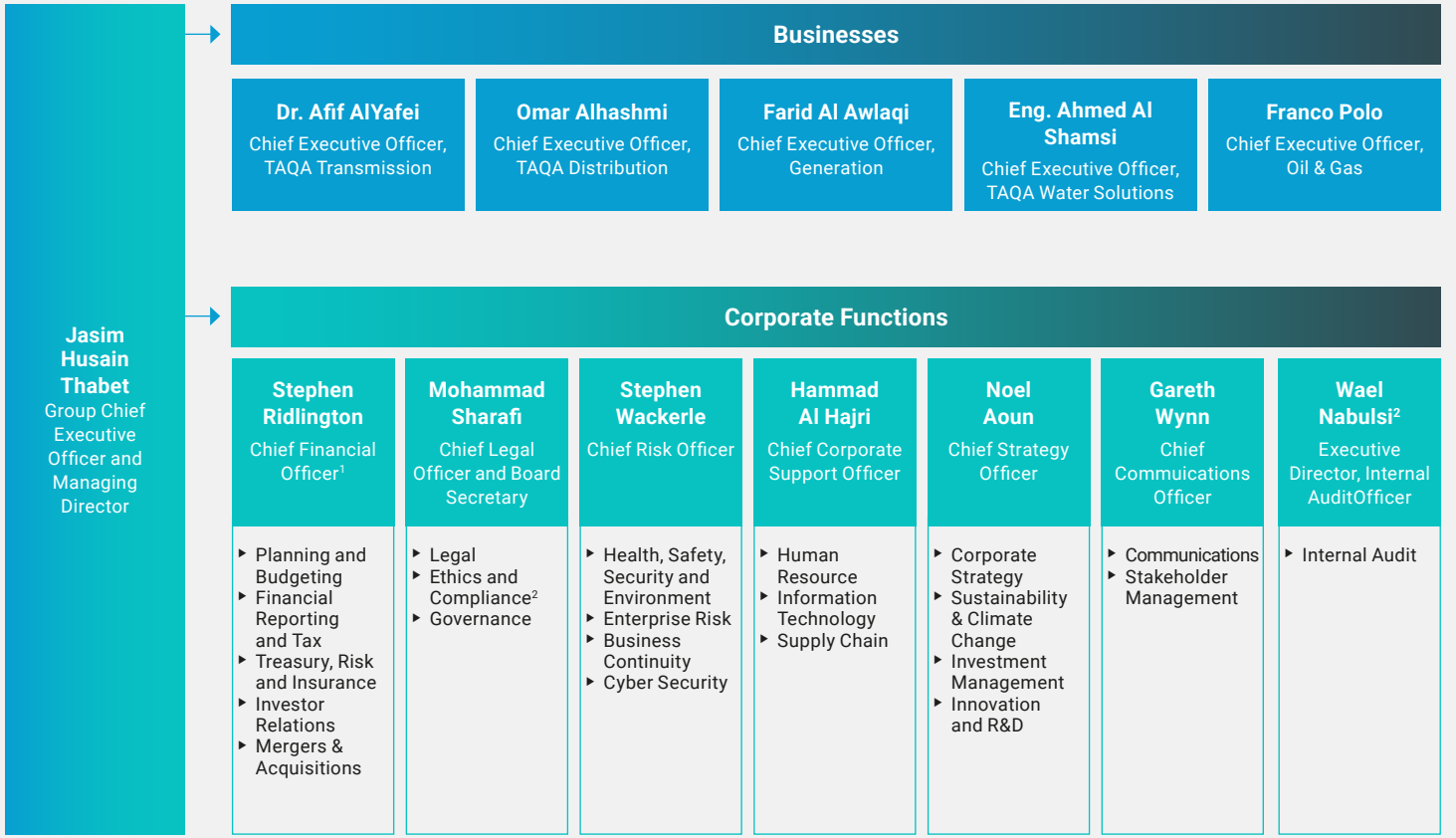
6. EXECUTIVE MANAGEMENT

GRI 2-19 GRI 2-20 GRI 2-21

Executive Management is responsible for the day-to-day management and operations of TAQA Group and for implementing the Group's strategy in accordance with the authorities delegated by the Board. Executive Management is accountable for performance delivery, resource management, risk management, and compliance with applicable laws and internal governance frameworks.

Through regular reporting to the Board and its Committees, Executive Management ensures transparency over operational performance, risk exposures, and material developments, supporting effective oversight and informed decision-making.

TAQA'S EXECUTIVE LEADERSHIP



1 Adrian Kershaw is appointed as the new Chief Financial Officer (CFO) with effect from 15th February 2026, who will replace Steve Ridlington.

2 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 governed by a structured remuneration framework designed to align leadership performance with the Group's strategic objectives and long-term value creation. The framework reinforces accountability and supports the delivery of sustainable performance in line with TAQA's governance standards.

Remuneration levels for EMT members are informed by independent market benchmarking and are reviewed by the NRC before receiving final approval from the Board.

Performance-related remuneration incorporates financial, operational, and environmental, social, and governance ("ESG") objectives, ensuring alignment with the Group's strategy and sustainability priorities. Employment arrangements for EMT members include malus and clawback provisions in support of robust governance and sound management practices.

[◯] For the financial year ending 31 December 2025, the Board will review and approve the variable compensation for executive management during its meeting on 5 March 2026, following which, the details will be updated accordingly.

Position	Date of Appointment	Total Salary and Allowances paid in 2025 (AED)[1]	Any other benefits[2] for 2025 or payable in the future (AED)
Group Chief Executive Officer and Managing Director	01 July 2020	◯	◯
Chief Financial Officer	01 July 2020	◯	◯
Chief Legal Officer and Board Secretary	01 July 2020	◯	◯
Chief Risk Officer	01 July 2020	◯	◯
Chief Corporate Support Officer	01 January 2025	◯	◯
Chief Strategy Officer	01 July 2020	◯	◯
Chief Communications Officer	03 January 2021	◯	◯
Executive Director, Internal Audit	01 August 2024	◯	◯
Chief Executive Officer, TAQA Distribution	01 July 2020	◯	◯
Chief Executive Officer, TAQA Transmission	01 July 2020	◯	◯
Chief Executive Officer, Generation	01 July 2020	◯	◯
Chief Executive Officer, Oil and Gas	01 July 2020	◯	◯
Chief Executive Officer, TAQA Water Solutions	17 June 2021	◯	◯

	2025
Ratio of annual total compensation for the Group CEO to the mean annual total compensation for all employees (excluding the CEO)	◯

[1] 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.
[2] Benefits include variable bonus, partial payment for Long Term Incentive Plan, fitness benefits and annual vacation travel allowance.

7. INTERNAL CONTROL FRAMEWORK

GRI 2-15 GRI 2-23 GRI 2-24 GRI 2-26 GRI 2-27 GRI 2-30
GRI 205-1 GRI 205-2 GRI 205-3 GRI 206-1 GRI 415-1 GRI 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:

Implement and oversee Enterprise Risk Management ("ERM") processes, fostering a strong risk culture while assessing and mitigating significant risks.

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.

Establish a governance framework, reinforce internal controls, and promote corporate culture and values from the top.

Maintain an independent Internal Audit department.

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 Enterprise Risk function works in close collaboration with all businesses across the Group and is embedded in critical processes, including the investment process, business plan development, and strategy formalization. The findings from these reviews serve as a foundation for developing management plans designed to address risks, ensure they are maintained within acceptable limits, and reduce exposure through additional actions where appropriate.

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, Pricewaterhouse Coopers (PwC), carried out an assurance engagement of ICFR. As part of this engagement, PricewaterhouseCoopers 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 Revised, 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 2025 audited annual financial statements.



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.

Wael Nabulsi is the Executive Director of Internal Audit at TAQA, a role he has held since September 2015. He has over 23 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. He is also a graduate of 2025 MBZUAI executive leadership program.



Mr. Wael Nabulsi

Executive Director, Internal Audit

HIGHLIGHTS OF THE ACTIVITIES CONDUCTED BY THE INTERNAL AUDIT FUNCTION DURING 2025.

Conducted a total of 47 assurance audits, covering 178 processes and tested 903 associated controls, across the Group.

Extended Continuous Audit Monitoring (CAM) implementation across various key business processes for Transmission and Distribution businesses.

Developed the Internal Audit value addition framework, which is an illustration of Internal Audit annual results' impact on audited business processes in terms of provided assurance, reported value at risk, identified opportunity losses, processes efficiencies and digital maturity.

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 Office ("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 E&C Office reports structurally to the Audit Committee and has direct access to the Board to address matters independently and in confidence when required. Administratively, the E&C Office reports to the Chief Legal Officer and provides quarterly updates to the Audit Committee. These updates outline progress on compliance initiatives, the status of ongoing and completed investigations (including summaries of significant cases), and other matters of relevance to the Audit Committee's oversight responsibilities.



ETHICS & COMPLIANCE CODE OF ETHICS AND BUSINESS CONDUCT, AND RELATED POLICIES

The E&C programme is underpinned by a suite of policies and procedures that articulate the ethical, behavioural, and compliance standards expected across the Group. These policies form the foundation of TAQA's governance culture and outline the requirements applicable to personnel, business partners, and other stakeholders engaging with the Group. A brief overview of TAQA's key E&C Office Policies and procedures is set out below:

Code of Ethics and Business Conduct

Sets the foundation of the Group's ethical and behavioural expectations by outlining the principles and standards that all personnel are expected to uphold.

Business Partner Code of Conduct

Sets out the ethical standards and behaviour the Group expects from its business partners.

Speak-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 approvals required for gifts, hospitality, and entertainment in line with best practice and applicable laws and regulations.

Business Partner Due Diligence Policy

Sets out the risk-based due diligence process applicable to the onboarding and ongoing monitoring of business partners and third parties, ensuring that external relationships are managed responsibly and in accordance with regulatory and ethical expectations.

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 obligations relating to record-keeping, reporting, and maintenance of accurate books and records.

ETHICS AND COMPLIANCE CODE OF ETHICS AND BUSINESS CONDUCT, POLICIES, AND PROCEDURES

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.

Competition Policy

Sets out the Group's commitment to fair competition and prohibits anti-competitive behaviour, including abuse of a dominance, price fixing, market division, group boycotts, and improper sharing of confidential information.

Data Protection, Data Retention, and Data Governance Policies

These policies define the requirements for the proper collection, use, storage, retention, disclosure, and disposal of personal and business data in line with applicable data protection laws and regulatory obligations. They also establish the governance principles for managing data assets throughout their lifecycle.

Conflicts of Interest and Insider Trading Policies are summarized in Section 2 of the Corporate Governance Report. All E&C policies are supported by detailed procedures and manuals that operationalise their application across the Group.

The TAQA Ethics & Compliance Policies are supported by a series of Procedures and Manuals that operationalise them.



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 2020-2025 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.

ETHICS AND COMPLIANCE TRAINING

Training and awareness activities form a core component of TAQA's E&C programme. The E&C Office delivers targeted training based on identified needs and risk areas, complimented by an annual mandatory comprehensive ethics and compliance training that all Group personnel (including Executive Management) are required to complete. The annual training is delivered online and uses a scenario-based approach to expose participants to realistic ethical dilemmas relevant to their roles.

In 2025, all TAQA Group personnel received comprehensive ethics and compliance training, ensuring coverage across all levels of the organisation. The training included content addressing emerging risks, best practice expectations, as well as additional modules focusing on real-world scenarios and interactive elements informed by internal risk assessments. Upon completion of training, all personnel confirmed their understanding of and adherence to applicable E&C policies, including requirements to disclose any gifts, entertainment, and hospitality (in line with the Anti-Bribery and Corruption and Anti-Fraud policy), and holdings of TAQA Group securities.

Anti-Corruption Incident Reporting

Incidents of corruption	2025	2024	2023
Number of confirmed incidents of corruption and/ or bribery	0✓	0✓	0
Number of incidents of corruption where employees were dismissed	0	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	0
Percentage of entities across TAQA that were assessed for risks related to corruption	100%	100%	100%

Anti-Competitive Behaviour Incident Report

Incidents of Anti-Competitive Behavior	2025	2024	2023
Number of legal actions pending or completed regarding anti-competitive behaviour and violations of anti-trust and monopoly legislations	0✓	0✓	0

✓ Assured metric



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 the UK, Canada and Europe, have established internal policies and agreements that address personal data protection, processing, and transfer.

Additionally, TAQA continued the implementation of its comprehensive Group-wide Data Privacy framework, supported by data privacy and security policies, standards, and procedures. These frameworks are designed to ensure the appropriate handling, storage, and protection of personal data and extend to customers as well as internal stakeholders.

TAQA's data privacy and security requirements are further reinforced through compliance with the UAE National Electronic Security Authority ("NESA") standards and the UAE Department of Energy ("DoE") Cyber Security Framework, which incorporates 188 security controls to mitigate cyber-security risks.

HIGHLIGHTS OF THE ACTIVITIES CONDUCTED BY THE E&C OFFICE DURING 2025.

In 2025, the E&C Office advanced several key initiatives to strengthen the Group's compliance culture, enhance data governance, and reinforce adherence to legal and regulatory requirements.

Privacy Programme Rollout and Awareness Activities

TAQA successfully delivered its Group-wide privacy programme, establishing a unified operating model supported by automated compliance processes and structured governance across all regions. Comprehensive privacy awareness and training sessions were rolled out globally, strengthening organisational capability and embedding consistent data-handling practices across the Group. As part of the awareness efforts, the E&C Office launched a series of AI-generated data privacy and protection videos, providing clear, practical guidance to employees and reinforcing their confidentiality and data protection responsibilities.

Data Classification and DLP Enablement

Significant progress was achieved in implementing data classification across TAQA, including the enablement of classification labelling and Data Loss Prevention ("DLP") capabilities to better safeguard sensitive information. The E&C Office also developed and deployed supporting data governance policies, procedures, and operating guidelines to ensure consistent adoption and compliance with legal, regulatory, and internal requirements. These enhancements mark an important milestone in strengthening the Group's broader data and AI governance framework.

Complaints	2025	2024	2023
Total number of complaints received concerning breaches of customer privacy from outside parties and substantiated by the organisation	0	0	0
Total number of complaints received concerning breaches of customer privacy from regulatory bodies	0	0	0
Total number of identified leaks, thefts, or losses of customer data	0	0	0

Mr. 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-I).



Mr. Abdul Rahman Al Jaabari

Director, Ethics and Compliance

8. EXTERNAL AUDITOR

The external audit forms a fundamental component of TAQA's governance and assurance framework, supporting the integrity, transparency, and reliability of the Company's financial reporting. Oversight of the external auditor is exercised by the Audit Committee, in accordance with its mandate and applicable regulatory requirements.

The Audit Committee is responsible for monitoring the independence, performance, and effectiveness of the external auditor. This includes overseeing the scope of the audit, reviewing audit findings, and ensuring that appropriate follow-up actions are taken where required. The Audit Committee maintains regular engagement with the external auditor through scheduled meetings held as part of its oversight activities.

In addition, the Audit Committee holds in-camera sessions with the external auditor, as appropriate, to facilitate open and independent dialogue on matters relating to financial reporting, audit judgments, internal controls, and other relevant issues, without the presence of Executive Management.

The appointment, re-appointment, and engagement of the external auditor, including the provision of permitted non-audit services, are governed by an established Group policy. This policy sets out the requirements applicable to auditor independence, engagement terms, and fee approvals, and establishes restrictions on non-audit services to safeguard objectivity and independence.

TAQA also complies with the requirements of the Abu Dhabi Accountability Authority ("ADAA") Chairman's Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities in relation to the appointment and rotation of external auditors, reinforcing regulatory compliance and maintaining robust standards of audit oversight.

8.1 DETAILS OF EXTERNAL AUDITOR

PricewaterhouseCoopers (PwC) Middle East has been TAQA's external auditor since 01 January 2025.

PricewaterhouseCoopers (PwC) Middle East is a regional branch of Pricewaterhouse Cooper, a global leader in professional services. PwC is among the region's leading professional services firm which specialises in areas of audit and assurance, tax services, consulting and financial advisory services. The firm has been active in the middle east region for over 40 years and operates from offices in 12 countries.

Below are the details and breakdowns of the external audit fees and other service fees incurred during 2025 for the Company:

Name of audit firm for the period (1 January 2025 – 31 December 2025)
PricewaterhouseCoopers (PwC) Middle East

Name of audit partner
Rami Sarhan

Number of years served by the audit partner as an external auditor for the Company
One (1)

Number of years served by the audit firm as an external auditor for the Company
One (1)

Total fees for auditing the financial statements of 2025
AED 2,572,800 (including quarterly reviews)

Fees and costs of special services other than auditing and reviewing the financial statements for 2025 provided to the Company
AED 12,421,748

Other audit services in relation to internal controls over financial reporting (ICFR)
AED 640,638

Pricewaterhouse Coopers (PwC) Middle East issued an unqualified audit opinion on annual consolidated financial statements for the year ended 31 December 2025.

9. STAKEHOLDER AND INVESTOR RELATIONS

TAQA recognises that effective engagement with stakeholders and investors is an important component of sound corporate governance and supports transparency, accountability, and long-term value creation. The Group's approach to stakeholder and investor engagement is guided by defined policies, processes, and disclosure standards to ensure consistent, accurate, and timely communication.

9.1 STAKEHOLDER ENGAGEMENT AND COMMITMENT TO THE ENVIRONMENT AND COMMUNITIES

TAQA engages with its stakeholders in a structured manner to understand their perspectives, manage impacts, and support informed decision-making. Stakeholder considerations are integrated into the Group's governance and sustainability frameworks, and engagement activities are conducted in line with applicable laws, regulations, and internal policies.

Details relating to TAQA's engagement with communities, its environmental and social initiatives, and cash and in-kind contributions made during the year are set out in Chapter 5 (Sustainability) of the Integrated Report.

9.2 INVESTOR RELATIONS

TAQA's Investor Relations (IR) function leads engagement with the Company's investor and analyst community and serves as the primary point of contact for capital market stakeholders. The function is responsible for the dissemination of financial and non-financial information in a transparent, consistent, and equitable manner, ensuring fair disclosure to all investors.

Investor communications and disclosures are governed by the Group Investor Relations Policy, which establishes the principles, roles, and processes for communicating material information to investors and the market. The policy supports compliance with applicable laws, listing rules, and corporate governance requirements and reinforces the Company's commitment to timely and accurate disclosure.

The IR function coordinates a range of engagement activities, including ADX announcements, quarterly results communications, investor and analyst calls, roadshows, capital markets events, and updates published on the Company's website. Feedback from investor engagement is communicated to Executive Management and, where relevant, to the Board, supporting informed oversight and strategic dialogue.

High-quality investor and analyst engagement activities are conducted regularly to support transparent communication and sustained dialogue between Executive Management and the investment community. During 2025, TAQA completed seven non-deal roadshows across the Americas, Europe, and Asia, participated in regional investor conferences, and hosted investors through reverse roadshows. These activities resulted in engagement with more than 150 existing and potential investors over the course of the year, enhancing market understanding of the Company's strategy, performance, and long-term priorities. Through this structured and proactive engagement programme, TAQA continues to strengthen its profile within the global investment community and support effective access to the capital markets.

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.



Asjad Yahya
Vice President, Investor Relations

Contact Details:
Direct telephone number: +971-2-6914637;
mobile number: +971-56-2190975;
email: **asjad.yahya@taqa.com**.

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 2025:

ABU DHABI POWER CORPORATION (ADPOWER)

101,229,022,960
number of shares held

90.034%
% of the shares held of Company's capital

TWO POINT ZERO GROUP PJSC AND ITS ASSOCIATED GROUP

8,196,721,311
number of shares held

7.2902%
% of the shares held of Company's capital

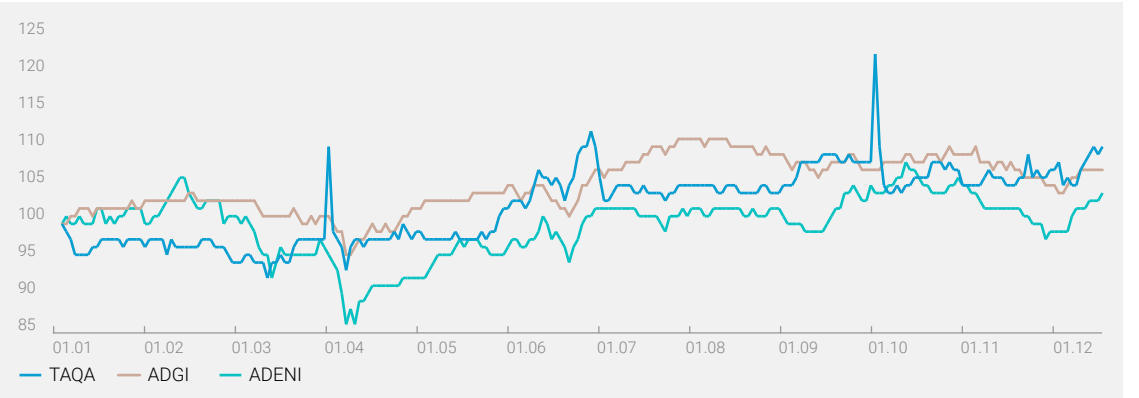
The distribution of the Company's shareholding by both investor type and category as of 31 December 2025 is presented below. Government ownership includes that of ADPower (a corporate entity) and follows the transfer of the DoE's share (a direct government entity) in the Company to ADPower in 2019. ADPower 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	0.53%	9.38%	90.03%	**99.949%**
Arab	0.02%	0.00%	0.00%	**0.020%**
Foreigner	0.01%	0.02%	0.00%	**0.031%**
Total	**0.56%**	**9.40%**	**90.03%**	**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	90,998	72,140,947	0.06%
From 50,000 to less than 500,000	729	108,341,025	0.10%
From 500,000 to 5,000,000	153	206,127,622	0.18%
More than 5,000,000	44	112,047,640,406	99.66%

Statement of the comparative performance with the general market index and sector index. The figure below sets out TAQA's share price performance (rebased to 100 as of 1 January 2025) over 2025, compared to the ADX General Index and the ADX Energy Index.



9. STAKEHOLDER AND INVESTOR RELATIONS / TAQA'S SHAREHOLDERS

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 2025.

Month (2025)	Highest closing share price (AED)	Lowest closing share price (AED)	Closing price (AED, end of month)
January	3.410	3.040	3.120
February	3.160	3.000	3.040
March	3.510	2.910	3.510
April	3.310	2.990	3.170
May	3.320	3.110	3.290
June	3.600	3.250	3.510
July	3.460	3.250	3.350
August	3.400	3.320	3.350
September	3.900	3.330	3.510
October	3.500	3.320	3.370
November	3.500	3.350	3.380
December	3.570	3.360	3.370

9.5 GENERAL ASSEMBLY

The Company held its Annual General Assembly (AGM) with its shareholders on 13 March 2025. The following matters were presented to the shareholders for approval, and all were duly approved:

- Approve the annual report and accounts and external auditors report for the financial year ending 31 December 2024;
- 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 2024;
- Approve the Board's remuneration;
- Release the members of the Board of Directors and External Auditors from liability for their activities for the financial year ended 31 December 2024, and Appoint the External Auditors of the Company for the 2025 financial year.

No further general assemblies were held during 2025. All shareholders voted electronically at the 2025 AGM.



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FINANCIAL STATEMENTS

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DIRECTORS' REPORT

For the year ended 31 December 2025

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 2025.

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 Romaithi
- 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, water treatment and reuse and upstream and midstream oil and gas operations.

REVIEW OF BUSINESS:

During the year, the Group reported revenue of AED 54,798 million (2024: AED 54,781 million). TAQA's share of profit for the year was AED 7,466 million (2024: AED 7,068 million).

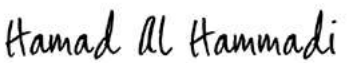
The Board of Directors approved interim dividends of AED 0.023 per share to the shareholders in respect of the first nine months of 2025 and was in line with shareholder-approved dividend policy.

On 11 February 2026, the Board of Directors proposed a final and variable dividend of AED 2,474 million, being AED 0.022 per share for the year ended 31 December 2025. The interim (AED 0.023 per share), final (AED 0.015 per share) and variable (AED 0.007 per share) dividends are subject to shareholder approval at the General Assembly meeting in March 2026.

RELEASE:

The Directors release management and the external auditors from liability in connection with their duties for the year ended 31 December 2025.

for the Board of Directors



Mr. Hamad Abdulla Al Hammadi
Member of the Board

Abu Dhabi National Energy Company PJSC (TAQA)

INDEPENDENT AUDITOR'S REPORT

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T: +971 2 694 6800
Licence no. CN-1001301, Auditors' Registry no. FC0006-02,a branch of a DIFC entity

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OUR OPINION

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Abu Dhabi National Energy Company PJSC (the "Company") and its subsidiaries (together the "Group") as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

WHAT WE HAVE AUDITED

The Group's consolidated financial statements comprise:

- the consolidated statement of profit or loss for the year ended 31 December 2025;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

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's 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities together with applicable ethical and independence requirements of United Arab Emirates that are relevant to our audit of the consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

OUR AUDIT APPROACH

OVERVIEW

Key Audit Matters	▸ Assessment of the recoverability of power and water assets ▸ Revenue from transmission and distribution of power and water, and sewerage services ▸ Impairment of intangible assets with indefinite useful lives

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters are those matters that, in our professional judgement, were 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.

Key audit matter	How our audit addressed the key audit matter
Assessment of the recoverability of power and water assets	
Management performed an assessment to consider whether there was any indication that the carrying value of power and water assets as at 31 December 2025 may be impaired. For certain cash generating units ("CGUs") for power and water, where such indicators were identified, the recoverable amounts were determined based on value-in-use calculations using discounted cash flow models. Based on a comparison of recoverable amounts with the respective carrying values, an aggregate impairment charge of AED 841 million was recorded in the consolidated financial statements. We considered this to be a key audit matter given the significant judgment and estimates involved in identifying impairment indicators and in determining recoverable amounts of power and water assets, as well as the uncertainty inherent in the underlying assumptions. The key inputs to the recoverable amounts included the following, where applicable: ▸ Discounted cash flows over the remaining contractual period of the power and water purchase agreements; and ▸ Assumptions used to calculate the Weighted Average Cost of Capital. Refer to Notes 12 and 14 to the consolidated financial statements for further information.	Our procedures included the following: ▸ We considered the appropriateness of management's determination of CGUs, based on the requirements of International Accounting Standard ("IAS") 36 'Impairment of Assets'; ▸ We considered the reasonableness of management's assessments of impairment indicators considering our knowledge of internal and external factors; ▸ We considered the completeness of the carrying amounts considered as part of the impairment tests for the relevant CGUs; ▸ With input from internal valuation experts, where considered necessary, we performed the following procedures on management's value-in-use calculations: - Assessed the reasonableness of the assumptions used in the projected cashflows; - Assessed the reasonableness of the approach and inputs used to determine the Weighted Average Cost of Capital; - Evaluated the reasonableness of the discount rates used by cross-checking the underlying assumptions against observable market data; - Tested the mathematical accuracy and logical integrity of the value-in-use calculations; and - Performed sensitivity analyses to assess the impact of changes in assumptions on the outcome of the impairment assessments. ▸ We considered the appropriateness of the related accounting policies and disclosures in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

Key audit matter	How our audit addressed the key audit matter
Revenue from transmission and distribution of power and water, and sewerage services	
The Group has recognised revenue of AED 38,603 million from transmission and distribution of power and water, and sewerage services for the year ended 31 December 2025, 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 (RC2) issued by the Department of Energy (DoE). Other operating revenue in respect of distribution 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. 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 3.2 and 3.4.	Our procedures included the following: ▸ Obtained an understanding of RC2 and the basis of calculating the maximum allowed revenue; ▸ Reperformed management's calculation of MAR and other operating revenue; ▸ Agreed the inputs used by management to those stipulated in RC2 and the relavent supporting documents to ensure the calculation is accurate and in compliance with RC2; ▸ For distribution revenue to customers, we obtained an understanding of the distribution revenue process including the billing system and performed procedures to assess the design of IT general controls and placed reliance on managmenet controls over the distibution revenue process; ▸ We considered the appropriateness of the related accounting policies and disclosures in the consolidated financial statements.
Impairment of intangible assets with indefinite useful lives	
The Group has recognised AED 4,755 million intangible assets with indefinite useful life relating to TAQA Distribution's license. In accordance with IAS 36 Impairment of Assets, intangible assets with indefinite useful lives must be tested for impairment at least annually. For the year ended 31 December 2025, management determined the recoverable amount of these assets based on a value- in-use model. Management concluded that the recoverable amount exceeded the carrying amount, and therefore no impairment was recognised in the consolidated financial statements. The key inputs to the recoverable amounts included the following, where applicable: ▸ Management cashflow forecasts; ▸ Terminal value assumptions; and ▸ Assumptions used to calculate the Weighted Average Cost of Capital. We considered this to be a key audit matter given the significant judgment and estimates involved in determining the recoverable amount of the license as well as the uncertainty inherent in the underlying assumptions. Refer to Note 14 of the consolidated financial statements for further details.	Our procedures included the following: ▸ With input from internal valuation experts, where considered necessary, we performed the following procedures on management's value-in-use calculations: ▸ Assessed the reasonableness of the assumptions used in the projected cashflows; ▸ Assessed the reasonableness of the approach and inputs used to determine the Weighted Average Cost of Capital; ▸ Evaluated the reasonableness of the discount rates used by cross-checking the underlying assumptions against observable market data; ▸ Tested the mathematical accuracy and logical integrity of the value-in-use calculations; ▸ Performed sensitivity analyses to assess the impact of changes in assumptions on the outcome of the impairment assessments; and ▸ We considered the appropriateness of the related accounting policies and disclosures in the consolidated financial statements.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the Directors' Report (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Group's Annual Report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance 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 Group's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 and their preparation in compliance with the applicable provisions of the UAE Federal Decree-Law No. (32) of 2021, as amended, and for such internal control as management determines 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.

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's Resolution No. (88) of 2021 Regarding Financial Statements Audit Standards for the Subject Entities, we exercise professional judgement and maintain professional scepticism 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, 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 Group's 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 consolidated 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, actions taken to eliminate threats or safeguards applied.

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 or regulation precludes 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Further, as required by the UAE Federal Decree-Law No. (32) of 2021, as amended, we report that:

i. we have obtained all the information we considered necessary for the purposes of our audit;
ii. the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree-Law No. (32) of 2021, as amended;
iii. the Group has maintained proper books of account;
iv. the financial information included in Directors' report is consistent with the books of account of the Group;
v. as disclosed in note 37 to the consolidated financial statements the Group has purchased or invested in shares during the year ended 31 December 2025;
vi. note 29 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted; and
vii. based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the year ended 31 December 2025 any of the applicable provisions of the UAE Federal Decree-Law No. (32) of 2021, as amended, or in respect of the Company, its Articles of Association which would materially affect its activities or its financial position as at 31 December 2025.

Further, as required by the ADAA Chairman's Resolution No. (88) of 2021 Regarding Financial Statements Audit Standards for the Subject Entities, we report, in connection with our audit of the consolidated financial statements for the year ended 31 December 2025, that 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 2025:

i. the Articles of Association which would materially affect its activities or its financial position as at 31 December 2025; and
ii. applicable provisions of the relevant laws, resolutions and circulars that have an impact on the Subject Entity's consolidated financial statements.

PricewaterhouseCoopers Limited Partnership - Abu Dhabi

11 February 2026

Rami Sarhan

Registered Auditor Number 1152

Abu Dhabi, United Arab Emirates

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Notes	31 December 2025 AED million	31 December 2024 AED million
			Restated
Continued operations			
Revenues			
Revenue from generation of power and water	3.1	11,985	12,034
Revenue from transmission and distribution of power and water	3.2	36,077	34,491
Revenue from oil and gas	3.3	4,210	5,777
Revenue from water solutions	3.4	2,526	2,479
		54,798	**54,781**
Cost of sales			
Operating expenses	4 & 39	(32,443)	(32,150)
Depreciation, depletion and amortisation	5 & 39	(9,306)	(9,553)
Provisions for impairment on non-financial assets	5	(983)	-
		(42,732)	**(41,703)**
Gross profit		12,066	13,078
Net impairment losses on financial and contract assets	39	14	(414)
General and administrative expenses	6	(2,452)	(2,851)
Finance costs	7	(3,022)	(3,077)
Net foreign exchange loss		(11)	(47)

	Notes	31 December 2025 AED million	31 December 2024 AED million
Interest income		376	540
Dividend income from an investment carried at fair value through OCI		807	612
Other income	8	578	548
Share of results of associates and joint ventures	15	319	384
Profit before tax from continuing operations		8,675	**8,773**
Income tax expense	9	(1,145)	(1,581)
Profit for the year from continuing operations		**7,530**	**7,192**
Discontinued operations			
Profit after tax for the year from discontinued operations	35	32	141
Profit for the year		7,562	**7,333**
Attributable to:			
Equity holders of the parent		7,466	7,068
Non-controlling interests		96	265
Profit for the year		**7,562**	**7,333**
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from continuing operations		0.07	0.06
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from continuing operations and discontinuing operations	10	0.07	0.06

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

		31 December	
	Notes	2025 AED million	2024 AED million
Profit for the year		7,562	7,333
Other comprehensive income (loss)			
Items that may be reclassified to statement of profit or loss in subsequent period			
Changes in fair values of derivative instruments in cash flow hedges		(91)	276
Share of other comprehensive loss of joint ventures and associates		(6)	(220)
Exchange differences arising on translation of overseas operations		964	(202)
		867	**(146)**
Items not to be reclassified to statement of profit or loss in subsequent periods:			
Remeasurement gain on defined benefit plans		-	42
Changes in fair value of investments carried at fair value through OCI	16	154	1,611
		154	**1,653**

		31 December	
	Notes	2025 AED million	2024 AED million
Net other comprehensive income for the year		1,021	1,507
Total comprehensive income for the year		**8,583**	**8,840**
Attributable to:			
Equity holders of the parent		8,587	8,428
Non-controlling interests		(4)	412
		8,583	**8,840**

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	31 December 2025 AED million	31 December 2024 AED million
			Restated
Assets			
Non-current assets			
Property, plant and equipment	12 & 39	142,511	136,000
Operating financial assets	13	6,461	6,601
Intangible assets	14	12,667	14,297
Investment in and loans to associates and joint ventures	15	17,988	16,025
Investment carried at fair value through other comprehensive income	16	13,623	13,469
Deferred tax assets	9	4,651	5,616
Derivative financial instruments	31	518	638
Other assets	17 & 39	455	707
		198,874	**193,353**
Current assets			
Accounts receivable, prepayments and other receivables	19 & 39	6,938	6,433
Inventories	18	2,656	2,695
Amounts due from related parties	29	2,651	3,573
Cash and cash equivalent	20 & 39	6,661	8,387
Restricted cash	39	214	225
Operating financial assets	13	926	1,220
Income tax prepaid		787	853
Derivative financial instruments	31	66	74
		20,899	**23,460**
Assets classified as held for sale	36	142	-
Total assets		**219,915**	**216,813**
Equity and liabilities			
Equity attributable to equity holders of the parent			
Share capital	21	112,434	112,434
Merger reserve	22	(55,437)	(55,437)
Statutory reserve	22	4,899	4,152
Retained earnings		33,100	31,275
Foreign currency translation reserve		711	(253)
Cumulative changes in fair value of derivatives in cash flow hedges		3,908	3,905
Cumulative changes in fair value of investments		2,839	2,685
		102,454	**98,761**
Non-controlling interests	23	5,141	5,968
Loans from non-controlling interest shareholders in subsidiaries	24	67	95
Total non-controlling interests, including loans		5,208	6,063
Total equity		**107,662**	**104,824**

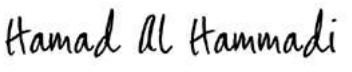
The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

		31 December	
	Notes	2025 AED million	2024 AED million
			Restated
Non-current liabilities			
Interest bearing loans and borrowings	25	57,879	54,972
Islamic loans	25	686	-
Deferred tax liabilities	9	2,005	2,343
Asset retirement obligations	26	10,700	12,198
Derivative financial instruments	31	416	333
Other liabilities	27	3,234	3,121
		74,920	**72,967**
Current liabilities			
Accounts payable, accruals, provisions and other liabilities	28 & 39	24,090	21,232
Interest bearing loans and borrowings	25 & 39	6,742	9,727
Islamic loans	25	10	-
Amounts due to related parties	29	3,617	4,518
Asset retirement obligations	26 & 39	2,072	2,185
Bank overdrafts	20	1	5
Income tax payable		692	1,246
Derivative financial instruments	31	109	109
		37,333	39,022
Total liabilities		**112,253**	**111,989**
Total equity and liabilities		**219,915**	**216,813**

To the best of our knowledge, the consolidated financial statements present fairly in all material respects, the consolidated financial position, financial performance and cashflow of the Group as of, and for, the years presented therein. These consolidated financial statements were approved and authorised for issue by the Board of Directors on 11 February 2026 and signed on their behalf by:



Member 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 2025

	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 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 for the year	-	-	-	42	(202)	(91)	1,611	1,360	147	-	1,507
Total comprehensive income for the year	-	-	-	7,110	(202)	(91)	1,611	8,428	412	-	8,840
Dividends (note 38)	-	-	-	(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**
Balance at 1 January 2025	**112,434**	**(55,437)**	**4,152**	**31,275**	**(253)**	**3,905**	**2,685**	**98,761**	**5,968**	**95**	**104,824**
Profit for the year	-	-	-	7,466	-	-	-	7,466	96	-	7,562
Other comprehensive income for the year	-	-	-	-	964	3	154	1,121	(100)	-	1,021
Total comprehensive income for the year	-	-	-	7,466	964	3	154	8,587	(4)	-	8,583
Dividends (note 38)	-	-	-	(4,894)	-	-	-	(4,894)	(823)	-	(5,717)
Transfer to reserves	-	-	747	(747)	-	-	-	-	-	-	-
Repayment of loans	-	-	-	-	-	-	-	-	-	(28)	(28)
Balance at 31 December 2025	**112,434**	**(55,437)**	**4,899**	**33,100**	**711**	**3,908**	**2,839**	**102,454**	**5,141**	**67**	**107,662**

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Notes	31 December 2025 AED million	31 December 2024 AED million
			Restated
Operating Activities			
Profit before tax from continuing operations		8,675	8,773
Profit before tax from discontinued operations	35	51	183
		8,726	**8,956**
Adjustments for:			
Depreciation, depletion and amortisation	5	9,311	9,600
Revisions in decommissioning estimates		(342)	385
Finance costs	7	3,023	3,079
Share of results of associates and joint ventures	15	(319)	(384)
Release of deferred income	39	(86)	(41)
Provisions for impairment on non-financial assets	5	983	-
Gain (loss) on sale of land, oil and gas and other assets	8	(191)	3
End of service benefit	39	84	38
Foreign exchange adjustments	39	-	38
Expected credit loss movement	39	(14)	414
Provision for slow moving and obsolete items	17	40	(275)
Other movements	39	146	(212)
Interest income		(382)	(542)
Dividend income from an investment		(807)	(612)
Revenue from operating financial assets	13	(1,429)	(1,498)
		10,017	**9,993**
Working capital changes:			
Inventories		39	507
Accounts receivables and prepayments		(250)	1,470
Amounts due from related parties		887	(589)
Amounts due to related parties		1,098	(1,077)
Accounts payable, accruals, provisions and other liabilities		(607)	(368)
Income tax paid		(991)	(1,000)
Asset retirement obligation payments	26	(1,760)	(1,589)
Cash received from operating financial assets	13	1,908	1,923
		324	**(723)**
Net cash generated from operating activities		**19,067**	**18,226**
Investing Activities			
Acquisition of subsidiary, net of cash and cash equivalents acquired	34,37,39	(1,161)	(922)
Purchases of property, plant and equipment	12	(11,879)	(8,416)

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	31 December 2025 AED million	31 December 2024 AED million
Purchases of intangible assets	14	(59)	(24)
Receipts from associates and joint ventures		412	305
Interest received		334	542
Dividend income from an investment		807	612
Advance and loans to associates and joint ventures	15	(1,386)	(8,028)
Proceeds from sale of non-core assets		518	-
Other movements		(47)	(196)
Net cash used in investing activities		**(12,461)**	**(16,127)**

The accompanying notes form an integral part of these consolidated financial statements.

For the year ended 31 December 2025

	Notes	31 December 2025 AED million	31 December 2024 AED million
			Restated
Financing Activities			
Interest bearing loans and borrowings received	25	6,216	10,163
Islamic loans received	25	696	-
Repayments of interest-bearing loans and borrowings	25	(6,254)	(8,721)
Payments of lease liabilities- principal		(347)	(214)
Interest paid		(3,039)	(2,707)
Dividend paid to non-controlling interest shareholders		(850)	(896)
Dividend paid to shareholders		(4,894)	(4,610)
Repayment of loans to non-controlling interest shareholders		(28)	(29)
Receipt of loans from non-controlling interest shareholders		171	-
Share capital reduction to non-controlling interest shareholders		-	(184)
Amounts due to related parties	39	-	(356)
Net cash used in financing activities		**(8,329)**	**(7,554)**
Net decrease in cash and cash equivalents		**(1,723)**	**(5,455)**
Net foreign exchange difference	20	1	(41)
Cash and cash equivalents at 1 January	20	8,382	13,878
Cash and cash equivalentst 31 December	**20**	**6,660**	**8,382**

SIGNIFICANT NON-CASH TRANSACTIONS:

In the year ended 31 December 2025, assets with a value of AED nil (31 December 2024: AED 411 million) and AED 315 million (31 December 2024: AED 397 million) were respectively transferred to TAQA Transmission (formally Abu Dhabi Transmission & Despatch Company PJSC) and TAQA Distribution (formally Abu Dhabi Distribution Company PJSC and Al Ain Distribution Company PJSC). 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, for the year ended 31 December 2025 the amounts have been recorded within 'Property, plant and equipment' and 'Accounts payable, accruals, provisions, and other liabilities' on the consolidated statement of financial position (2024: 'Property, plant and equipment" and "Other non-current liabilities').

The accompanying notes form an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1 CORPORATE INFORMATION

Abu Dhabi National Energy Company PJSC ("TAQA" , "Group" 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"). ADQ is wholly owned by Abu Dhabi Developmental Holding Group PJSC effectively from 19 April 2024 and ultimately owned by the Government of Abu Dhabi (the "Ultimate parent").

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.

On 24 August 2025, TAQA announced that it has signed an agreement to acquire a 100% interest in GS Inima, a global leader in water treatment and water desalination, from GS Engineering & Construction. The transaction is still subject to completion of necessary transaction requirements, including obtaining relevant third party and regulatory approvals, expected to take several months.

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 2025, retained earnings of the Group are AED 33,100 million (2024: AED 31,275 million). As at 31 December 2025, the current liabilities of the Group exceed its current assets by AED 16,434 million (2024: AED 15,562 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 2025 consolidated financial statements.

On 11 February 2025, the Ministry of Finance of the UAE released Cabinet Decision No. 142 of 2024 on the Imposition of Top-Up Tax on Multinational Enterprises, introducing a Domestic Minimum Top-Up Tax (DMTT) on multinational enterprises (MNEs). Accordingly effective from fiscal years starting on or after 1 January

2025, the DMTT Imposes a top-up tax on low-taxed UAE entities, ensuring a minimum effective tax rate of 15% in the UAE. Furthermore, on 18 August 2025, the UAEs DMTT was officially listed by the OECD on its Central Record of Legislation with Transitional Qualified Status, thereby achieving recognition as a Qualified Domestic Minimum Top-up Tax (QDMTT).

The Group is headquartered in the UAE and is within the scope of the OECD BEPS Pillar Two Global Anti-Base Erosion Model Rules (GloBE Rules). The Group has operations in countries where Pillar II legislation was in effect during 2025 (e.g., UAE, Netherlands, Canada, United Kingdom). The Group has performed an 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 or could mitigate any significant exposure through a full top-up tax computation for Pillar Two income taxes in 2025. The Group continues to monitor the legislative activity and potential impact of Pillar II on its future financial performance.

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 2025. 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.

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 the Group's 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, 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Transmission use of system charges from shared assets (licensed 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.

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)
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).

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.

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 operate under both IFRIC 12 and IFRS 16 and 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. 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.
- 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 represents operating and maintenance revenue recognised at the point in time when the contracted power and water capacity is provided to the offtaker.

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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. Revenue in the consolidated statement of profit or loss represents the Group's share of product sales net of royalty payments to governments and other mineral interest owners.

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.

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 fair value.

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 and functional currency of the Group and its major subsidiaries.

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

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.

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.

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.

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

All 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.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

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

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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).

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.

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.

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.

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.

Management assessed whether the connection service provides a distinct ongoing benefit to the customer beyond the initial installation. Management concluded that the connection and supply are required by law, where connection fees and supply tariffs are approved by DoE. Connection and supply of water and electricity are governed by separate agreements, and the connection services provide a one-off benefit to the customer by enabling access to the water and electricity network and do not transfer a service over time. Once the connection is completed, the customer does not receive incremental benefits from the connection itself, the connection fee is not required to be repaid nor the connection services are required to be re-performed upon subsequent sale or lease of the property. In addition, customers are charged the same applicable tariffs for the ongoing supply of water and electricity regardless of whether a connection fee has been paid, and the requirement to pay the connection fee arises from regulatory and legal requirements rather than from the supply contract with the customer.

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 Company 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 recognised 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

The Group's domestic (United Arab Emirates) subsidiaries have entered into long term Power and Water Purchase Agreements ("PWPA") and Power Purchase Agreements ("PPA") with EWEC. Based on the terms of the PWPA/PPA, management analysed and accounted for the PWPA entered before 2020 in accordance with IAS 17 at inception. Under IAS 17, these PWPA/PPA were classified as operating leases. This historical IAS 17 classification was carried forward under IFRS 16 lessor transition requirements in the Group's financial statements.

For PWPA/PPA entered with EWEC on or after 2020, management has performed an assessment at inception and concluded that considering the terms of these PWPA/PPA, such agreements are in scope of IFRS 16 and should be classified as finance leases. Management has exercised significant judgement in assessing whether the Group's domestic PWPA/PPA with EWEC are within the scope of IFRIC 12 which applies only where the operator has a public service obligation to provide services to the public on behalf of a grantor. Under the PWPA/PPA, the Group supplies electricity and water to EWEC as a sole offtaker, output is dispatched through a common network and is not traceable to specific plants, and EWEC may supply to a range of end users (including non-public customers). Substantive volumes of power and water being ultimately provided to non-public customers, together with absence of direct linkage of specific plants' output with volumes ultimately consumed by public, support management judgement that the Group is not considered as having public service obligation. Therefore, the plants subject to PWPA/PPA with EWEC are outside the scope of IFRIC 12.

TRANSMISSION, DISTRIBUTION AND SEWAGE INFRASTRUCTURE

The Group operates transmission, distribution and sewage infrastructure under the licenses and Regulatory Control Mechanisms provided by DoE. Management has performed an assessment whether the arrangement represents a service concession and concluded that while the government controls or regulates the services provided by the Group, as a regulated utility, it does not control the significant residual interest in the infrastructure. Therefore, the Group's transmission, distribution and sewage assets are not in scope of IFRIC 12.

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.

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.

b) Major development projects - Distribution and Sewerage assets

To connect newly developed properties to the main distribution and sewerage network, the Group receives certain distribution and sewerage infrastructure assets from various developers under asset transfer agreements and assumes full responsibility for the operation and maintenance of these assets.

Management has applied judgement in determining that a liability exists in respect of these infrastructure assets. Although formal agreements are not yet in place, the Group does not have an unconditional right to avoid settling the obligation, and therefore recognises a liability, classified as current, at the reporting date

In determining the timing of recognition of these infrastructure assets and commencement of depreciation, management considered the principles in IAS 16, including the point at which commissioning is complete and the assets are ready for their intended use - namely, when it becomes probable that economic benefits will flow to the Group given its exclusive distribution and sewerage licence, and when the infrastructure assets are operational and under the Group's use.

During the year, management assessed the detailed criteria of IAS 16 and reviewed the transfer agreements and related correspondence with developers and project consultants to determine the appropriate recognition of these assets in the Group's consolidated financial statements. Based on this assessment, management concluded that the infrastructure assets meet the capitalisation conditions under IAS 16 and are therefore depreciated from the date on which they were available for use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

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

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. The asset retirement obligations in the oil and gas sector were discounted at a real rate of 1% at 31 December 2025 (2024: 1%). A variation in this discount rate of 1% would change the decommissioning liabilities by approximately AED 203 million (2024: AED 286 million).

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:

An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

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;

a) An actual or expected significant deterioration in the operating results of the debtor;
b) Significant increases in credit risk on other financial instruments of the same debtor;
c) 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, 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 at 31 December 2024 of AED 573 million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 supplyand distribution of water and electricity based on those rights and rewards that are confirmed during the period and presented it as part of revenue from contracts with customers on the basis that it arises in the course of the Group's ordinary activities and in substance represents a compensation to end customers which is passed to them by means of regulated tariffs.

SEWERAGE SERVICES REVENUE - WATER SOLUTIONS

Revenue from sewerage services is calculated as the difference between the Maximum Allowed Revenue (MAR) and the regulated revenue. MAR is determined in accordance with a formula defined in the license document (issued by the DoE) that includes inputs stipulated by RC2, including management's estimates of capital allowance accruals calculated under that mechanism. The Group receives compensation from the Government to cover this shortfall, where management exercised significant judgement to determine that these subsidies are mainly relief granted to end users from sewerage costs and settled by the Government on their behalf. As this compensation arises from the Group's ordinary activities, it is presented as "other operating revenue" within Revenue in the consolidated statement of profit or loss.

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. Contract assets arise from unbilled consumption.

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 2025.

- Lack of Exchangeability (Amendments to IAS 21) (effective from 1 January 2025).

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.

- IFRS 18 Presentation and Disclosures in Financial Statements (effective from 1 January 2027).
- 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).
- 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 19 Presentation without Public Accountability: Disclosures (effective from 1 January 2027).

The most significant of these is IFRS 18 Presentation and Disclosure in Financial Statements IFRS 18, issued by the IASB in April 2024, replaces IAS 1 Presentation of Financial Statements and introduces enhanced requirements for the structure of the statement of profit or loss (including three new defined subtotals: operating profit, profit before financing and income taxes, and specified classifications of income and expenses into operating, investing and financing categories). It also requires specific disclosures about management-defined performance measures (MPMs) in a single note, along with improved guidance on aggregation and disaggregation.

The Group has completed an initial assessment of the potential impact of adopting IFRS 18. The standard is expected to affect the presentation and classification of certain items in the statement of profit or loss. Additional disclosures will be required as the Group communicates MPMs (such as EBITDA). Based on this initial assessment, the adoption of IFRS 18 is not expected to have a material impact on the Group's reported results, financial position or equity, as the changes are primarily presentational and relate to enhanced disclosures. The Group continues to evaluate the full impact, including any required system or process changes, and plans to adopt the standard from its effective date of 1 January 2027 (with retrospective application).

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

3 REVENUE

3.1 REVENUE FROM GENERATION OF POWER AND WATER

	31 December	
	2025 AED million	2024 AED million
Operating lease revenue	5,544	5,939
Revenue from operating financial assets	4,172	4,132
Energy payments and other related revenue	1,932	1,805
Others	587	539
	12,235	**12,415**
Generation net revenue in discontinued operations (note 35)	**(250)**	**(381)**
	11,985	**12,034**

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	
	2025 AED million	2024 AED million
TUOS charges for unlicensed activities	1,063	1,069
Revenue from supply and distribution of power and water	16,671	15,557
Distribution connection and meter installation fees	285	331
Water coupons	132	92
Other operating revenue	**17,926**	**17,442**
	36,077	**34,491**

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.3 REVENUE FROM OIL AND GAS

	31 December	
	2025 AED million	2024 AED million
Gross oil and gas revenue	3,590	5,049
Less: royalties	(224)	(266)
	3,366	**4,783**
Gas storage revenue	457	686
Net processing income	286	169
Others	**101**	**275**
	4,210	**5,913**
Oil and gas net revenue in discontinued operations (note 35)	**-**	**(136)**
	4,210	**5,777**

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	
	2025 AED million	202 AED million 4
Sewerage services	**2,526**	**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 in a common control transaction to the Company (note 34).

4 OPERATING EXPENSES

	31 December	
	2025 AED million	2024 AED million
Salaries and related expenses	3,076	2,368
Repairs, maintenance and consumables used	2,086	3,023
Bulk supply tariff (note 29)	22,449	21,652
Fuel expenses	2,710	2,675
Charges by operating and maintenance contractors	1,079	982
Oil and gas operating costs	520	514
Revisions in decommissioning estimates	(342)	385
Transportation costs	298	323
Insurance costs	194	191
Others	**576**	**315**
	32,646	**32,428**
Operating expenses in discontinued operations (note 35)	**(203)**	**(278)**
	32,443	**32,150**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 DEPRECIATION, DEPLETION, AMORTISATION AND PROVISIONS FOR IMPAIRMENT

	31 December	
	2025 AED million	2024 AED million
Depreciation of property, plant and equipment and depletion of oil and gas assets (note 12)	8,244	8,347
Amortisation of intangible assets (note 14)	**1,067**	**1,253**
	9,311	**9,600**
Depreciation, depletion and amortisation in discontinued operations(note 35)	**(5)**	**(47)**
	9,306	**9,553**

	31 December	
	2025 AED million	2024 AED million
Provisions for impairment on property, plant and equipment (note 12)	142	-
Provisions for impairment on intangible assets (note 14)	**841**	**-**
	983	**-**

2025:
During the year ended 31 December 2025, the following impairment charges have been recognised:

a) Pre-tax impairment charge of AED 142 million was recognised in the consolidated profit or loss statement, representing the write down of certain assets in Canada to their recoverable amounts. These assets are included in the oil and gas segment. Refer to note 12.

b) Pre-tax impairment charge of AED 841 million was recognised in the consolidated profit or loss statement, representing the write down of certain assets in UAE to their recoverable amounts. These assets are included in the generation segment. Refer to note 14.

2024:
During the year ended 31 December 2024, no impairment charges or reversals have been recognised.

6 GENERAL AND ADMINISTRATIVE EXPENSES

	31 December	
	2025 AED million	2024 AED million
Salaries and related expenses	1,661	1,778
Professional fees and business development expenses	680	973
IT and communications	288	285
Corporate social contributions	8	3
Others	**471**	**501**
	3,108	**3,540**
General and administrative expenses allocations out	**(649)**	**(668)**
	2,459	**2,872**
General and administrative expenses in discontinued operations (note 35)	**(7)**	**(21)**
	2,452	**2,851**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 FINANCE COSTS

	31 December	
	2025 AED million	2024 AED million
Finance costs relating to bonds and global medium term notes	1,676	1,264
Finance costs relating to interest bearing loans and borrowings and Islamic loans	981	1,531
Interest credit on interest rate swaps	(72)	(215)
Asset retirement obligations accretion expense (note 26)	400	442
Lease liability interest	**38**	**57**
	3,023	**3,079**
Finance costs in discontinued operations (note 35)	**(1)**	**(2)**
	3,022	**3,077**

8 OTHER INCOME

	31 December	
	2025 AED million	2024 AED million
Deferred income - grant released	86	41
Gain (loss) on sale of land, oil and gas and other assets	191	(3)
Asset retirement obligation relief deed income	-	56
Fines, penalties and compensation	19	18
Claim settlement	-	77
Revenue diversity function	86	70
Insurance claim	32	38
Other	**164**	**254**
	578	**551**
Other income in discontinued operations (note 35)	**-**	**(3)**
	578	**548**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 INCOME TAX

The major components of income tax expense (credit) for the years ended 31 December 2025 and 2024 are:

	31 December	
	2025 AED million	2024 AED million
Consolidated profit or loss		
Current income tax:		
Current income tax charge	606	1,371
Adjustment in respect to income tax of previous years	(140)	(144)
Deferred income tax:		
Relating to origination and reversal of temporary differences	698	411
Adjustment in respect to deferred tax of previous years	-	(15)
Other tax related expenses:		
Pillar II income taxes	-	-
	1,164	**1,623**
Income tax expense in discontinued operations (note 35)	**(19)**	**(42)**
	1,145	**1,581**

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 2025 and 2024 is as follows:

	31 December	
	2025 AED million	2024 AED million
Profit before tax	8,726	8,956
Non-taxable profit (including income in non-taxable jurisdictions)	**-**	**(66)**
Total taxable profit	**8,726**	**8,890**
Applicable tax charge at statutory rates – weighted average of 13.0% (2024: 20.5%)	1,134	1,820
Adjustment in respect to income tax of previous years	(140)	(144)
Adjustment in respect to deferred income tax of previous years	-	(15)
Withholding taxes	63	15
Tax incentives	-	-
Special production taxes on upstream activities	(83)	(161)
Tax effect on non deductible expenses	175	(53)
Other	**15**	**161**
Income tax expense reported in the profit or loss	**1,164**	**1,623**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DEFERRED TAX

Deferred income tax at 31 December relates to the following:

	Consolidated statement of financial position		Consolidated statement of profit or loss	
	2025 AED million	2024 AED million	2025 AED million	2024 AED million
Deferred tax assets:				
Temporary difference on property, plant and equipment	218	204	77	268
Temporary difference arising on asset retirement obligations	3,078	3,633	551	97
Tax losses	743	871	67	(146)
Petroleum revenue tax temporary differences	739	978	239	241
Others	**(127)**	**(70)**	**57**	**(55)**
	4,651	**5,616**	**991**	**405**
Deferred tax liabilities:				
Temporary difference on property, plant and equipment	943	1,161	(218)	(32)
Relating to enactment of UAE corporate income tax	1,056	1,165	(109)	(33)
Others	**6**	**17**	**(11)**	**(12)**
	2,005	**2,343**	**(338)**	**(77)**

Based on the latest available forecast of future profits, the Group has determined AED 1,948 million of tax losses (2024: AED 1,906 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 (2024: nil) will expire in the next five year period.

The Group has undistributed earnings of AED 5,302 million (2024: AED 3,727 million) which, if paid out as dividends, would be subject to tax by the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognized, since TAQA is able to control the timing of distributions from its subsidiaries and is not expected to distribute these profits in the foreseeable future.

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	
	2025 AED million	2024 AED million
Profit for the year attributable to equity holders of the parent from continuing and discontinued operations (*AED million*)	7,466	7,068
Weighted average number of ordinary shares issued (million)	112,434	112,434
Basic earnings per share from (AED)	**0.07**	**0.06**

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

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 five reportable operating segments as follows:

- Power and Water Generation Segment
- Power and Water Transmission Segment
- Power and Water Distribution Segment
- Oil and Gas Segment
- Water Solutions Segment (note 34)

During 2025, following a change in internal reporting, the Group revised its segment structure. Transmission and Distribution ("T&D"), previously reported as a single segment, are now presented as two separate reportable segments. Comparative information for 2024 has been restated accordingly. with no impact on the Group's consolidated profit, total assets, or total liabilities.

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 Segment

This segment is engaged in transmission of water and electricity from the generation and desalination plants mainly in the UAE.

Power and Water Distribution Segment

This segment is engaged in 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.

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 Power and Water Generation – Others	➤	Generation
Power and Water Transmission – mainly UAE	➤	Transmission
Power and Water Distribution – UAE	➤	Distribution
Oil and Gas – Canada Oil and Gas – Europe	➤	Oil & Gas
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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

The following table presents revenue and profit information for the Group's operating segments:

	Distribution AED million	Transmission 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 2025:							
Revenue from external customers	34,961	1,116	11,985	2,526	4,210	-	54,798
Revenue intra-group	178	5,145	171	135	-	(5,629)	-
Operating expenses	(29,829)	(926)	(4,738)	(941)	(1,628)	5,619	(32,443)
Depreciation, depletion, and amortisation	(1,944)	(1,578)	(4,201)	(731)	(837)	(15)	(9,306)
Gross profit	**3,366**	**3,757**	**2,376**	**989**	**1,603**	**(25)**	**12,066**
Net impairment losses on financial and contract assets	8	-	(2)	1	7	-	14
General and administrative expenses	(802)	(448)	(514)	(199)	(153)	(336)	(2,452)
Finance costs	(4)	(22)	(1,372)	(106)	(341)	(1,177)	(3,022)
Net foreign exchange (losses) gains	-	(2)	112	(1)	28	(148)	(11)
Share of results of associates and joint ventures	-	(115)	426	-	-	8	319
Other income	131	128	229	4	18	68	578
Interest income	32	64	178	24	21	57	376
Dividend income from an investment	-	-	-	-	-	807	807
Income tax expense	(317)	(93)	(371)	(42)	(273)	(49)	(1,145)
Profit from discontinued operations	**-**	**-**	**32**	**-**	**-**	**-**	**32**
Profit for the year	**2,414**	**3,269**	**1,094**	**670**	**910**	**(795)**	**7,562**
Non-controlling interests	-	-	(64)	(32)	-	-	(96)
Profit for the year							
Attributable to equity holders of the parent	**2,414**	**3,269**	**1,030**	**638**	**910**	**(795)**	**7,466**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	Distribution AED million	Transmission 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	33,359	1,132	12,034	2,479	5,777	-	54,781
Revenue intra-group	170	5,141	162	143	-	(5,616)	-
Operating expenses	(28,492)	(756)	(4,598)	(917)	(3,003)	5,616	(32,150)
Depreciation, depletion, and amortisation	(1,954)	(1,570)	(4,490)	(753)	(804)	18	(9,553)
Provisions for impairment	**-**	**-**	**-**	**-**	**-**		**-**
Gross profit	**3,083**	**3,947**	**3,108**	**952**	**1,970**	**18**	**13,078**
Net impairment losses on financial and contract assets	10	(10)	(436)	-	-	22	(414)
General and administrative expenses	(906)	(468)	(458)	(121)	(218)	(680)	(2,851)
Finance costs	(2)	(1)	(1,568)	(127)	(440)	(939)	(3,077)
Net foreign exchange (losses) gains	-	-	(42)	-	19	(24)	(47)
Share of results of associates and joint ventures	-	-	440	-	-	(56)	384
Other income	162	118	222	(3)	86	(37)	548
Interest income	98	66	183	21	161	11	540
Dividend income from an investment	-	-	-	-	-	612	612
Income tax expense	(145)	(225)	(476)	(64)	(578)	(93)	(1,581)
Profit from discontinued operations	**-**	**-**	**75**	**-**	**66**	**-**	**141**
Profit for the year	**2,300**	**3,427**	**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	**2,300**	**3,427**	**815**	**626**	**1,066**	**(1,166)**	**7,068**

The following table presents segment assets and liabilities of the Group's operating segments:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	Distribution AED million	Transmission AED million	Generation AED million	Water Solutions AED million	Oil & Gas AED million	Adjustments, eliminations & unallocated AED million	Consolidated AED million
At 31 December 2025							
Property, plant and equipment	43,854	47,317	26,647	19,580	5,288	(175)	142,511
Operating financial assets	-	-	7,387	-	-	-	7,387
Investment in associates, joint ventures and related balances	-	1,215	16,773	-	-	-	17,988
Intangible assets	4,884	276	7,429	-	79	(1)	12,667
Investments carried at FVOCI	-	-	-	-	-	13,623	13,623
Deferred tax assets	-	-	13	-	4,638	-	4,651
Other assets	3,974	530	10,719	609	2,136	2,978	20,946
Assets classified as held for sale	**-**	**-**	**6**	**-**	**-**	**136**	**142**
Segmental assets	**52,712**	**49,338**	**68,974**	**20,189**	**12,141**	**16,561**	**219,915**
Segmental liabilities	**15,566**	**7,063**	**35,186**	**6,923**	**12,372**	**35,143**	**112,253**
Other disclosures at 31 December 2025							
Additions- property, plant and equipment	2,431	6,719	3,212	1,202	927	-	14,491
Additions- intangible assets	33	4	5	-	14	3	59
At 31 December 2024							
Property, plant and equipment	43,359	42,167	26,318	18,841	5,347	(32)	136,000
Operating financial assets	-	-	7,821	-	-	-	7,821
Investment in associates, joint ventures and related balances	-	1,160	14,657	-	-	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	**4,470**	**894**	**9,801**	**360**	**1,876**	**6,184**	**23,585**
Segmental assets	**52,584**	**44,221**	**68,080**	**19,202**	**12,849**	**19,877**	**216,813**
Segmental liabilities	**14,079**	**5,575**	**35,636**	**6,531**	**14,412**	**35,756**	**111,989**
Other disclosures at 31 December 2024							
Additions- property, plant and equipment	2,898	2,752	2,276	785	1,057	-	9,768
Additions- intangible assets	-	-	-	1	18	5	24

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

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	Canada AED million	United Kingdom AED million	Morocco AED million	Others AED million	Total AED million
2025						
Revenue	**46,642**	**2,190**	**1,167**	**3,613**	**1,186**	**54,798**
Non-current assets	**149,695**	**4,087**	**930**	**5,716**	**1,666**	**162.094**
2024						
Revenue	**45,176**	**2,078**	**2,473**	**3,533**	**1,521**	**54,781**
Non-current assets	145,965	4,076	474	5,681	1,409	157,605

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:

	Distribution AED million	Transmission AED million	Generation AED million	Water Solutions AED million	Oil & Gas AED million	Adjustments, eliminations & unallocated AED million	Consolidated AED million
2025							
Customer 1	**-**	**1,063**	**7,949**	**-**	**-**	**-**	**9,012**
	-	**1,063**	**7,949**	**-**	**-**	**-**	**9,012**
2024							
Customer 1	**-**	**804**	**8,165**	**-**	**-**	**-**	**8,969**
	-	804	8,165	-	-	-	8,969

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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
2025						
Cost:						
At 1 January 2025	**226,142**	**18,565**	**543**	**16,631**	**1,201**	**263,082**
Additions	1,725	927	26	11,813	470	**14,961**
Revision of ARO	6	35	-	-	-	**41**
Disposals of assets	(15)	(619)	-	-	-	**(634)**
Other movements	292	(48)	(2)	-	-	**242**
Transfers	3,674	-	-	(3,674)	-	**-**
Exchange adjustment	82	990	-	1	1	**1,074**
At 31 December 2025	**231,906**	**19,850**	**567**	**24,771**	**1,672**	**278,766**
Depreciation and depletion:						
At 1 January 2025	**110,835**	**14,933**	**374**	**-**	**940**	**127,082**
Charge for the year (note 5)	7,100	770	33	-	341	**8,244**
Provisions for impairment (note 5)	-	142	-	-	-	**142**
Disposals of assets	(14)	(619)	-	-	-	**(633)**
Other movements	(36)	454	-	-	33	**451**
Exchange adjustment	**42**	**926**	**-**	**-**	**1**	**969**
At 31 December 2025	**117,927**	**16,606**	**407**	**-**	**1,315**	**136,255**
Net carrying amount:						
At 31 December 2025	**113,979**	**3,244**	**160**	**24,771**	**357**	**142,511**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	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
Restated	-	-	-	584	-	584
Restated at 1 January 2024	189,325	20,431	278	12,796	993	223,823
Transfer of entities under common control (note 34)	32,199	-	173	989	-	33,361
Additions	3,955	1,055	108	4,650	262	10,030
Revision of ARO	(13)	(257)	-	-	-	(270)
Disposals of assets	(856)	(2,098)	(16)	(26)	(53)	(3,049)
Transfers	1,781	-	-	(1,781)	-	-
Exchange adjustment	(249)	(181)	-	3	(1)	(428)
At 31 December 2024	**226,142**	**18,950**	**543**	**16,631**	**1,201**	**263,467**
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	697	38	-	262	8,347
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**	**15,318**	**374**	**-**	**940**	**127,467**
Net carrying amount:						
At 31 December 2024	**115,307**	**3,632**	**169**	**16,631**	**261**	**136,000**

Property, plant and equipment with a carrying amount of AED 23,316 million (2024: AED 24,956 million) are pledged as security for the related loans.

During the year ended 31 December 2025, borrowing costs of AED 160 million (2024: AED 126 million) were capitalised. The capitalisation rate used to determine the amount of borrowing costs to be capitalised is 6% to 8% (2024: 6% to 8%).

The Group's costs at 1 January 2025 include AED 69,515 million (2024: AED 69,297 million) in operating leases and additions include AED 593 million (2024: AED 232 million) to operating lease assets. The depreciation at 1 January 2025 include AED 44,997 million (2024: AED 41,775 million) in operating leases and AED 2,983 million (2024: AED 3,222 million) for depreciation in operating lease assets. The net carrying value at 31 December 2025 is AED 22,128 million (2024: AED 24,532 million).

OIL AND GAS ASSETS - IMPAIRMENT APPROACH AND KEY ASSUMPTIONS

During the year ended 31 December 2025, management performed an impairment test of oil and gas assets and reserves relating to its Canadian operations following a decline in oil and gas prices, which constituted an indicator of impairment in accordance with IAS 36.

Based on the impairment test performed, a pre-tax impairment charge of AED 142 million (2024: nil) was recognised in the consolidated statement of profit or loss. The impairment charge relates to the write-down of certain oil and gas cash-generating units ("CGUs") to their respective recoverable amounts.

The recoverable amounts of the oil and gas CGUs have been determined based on fair value less costs of disposal ("FVLCD"). In estimating FVLCD, management applied a discounted cash flow ("DCF") valuation model, using market-based assumptions that reflect the perspective of a market participant.

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.

Management considers that the impairment calculations are not sensitive to reasonable possible changes in the key 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 (2024: 2%).

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 using post-tax discount rates ranging from 7% to 14% (2024: 7% to 9%).

[1] Rates from 2031 and beyond are the same as 2030.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Foreign exchange rates and commodity prices

A summary of the 2025 key assumptions are provided below:

	2026	2027	2028	2029	2030
Commodity prices[1]					
WTI (US$/bbl)	60.00	65.00	70.00	72.00	74.00
AECO (US$/mmbtu)	2.20	2.50	2.60	2.70	2.70
Summer/Winter gas spread (Euro/MWh)	2.20	2.20	2.20	2.20	2.20
Foreign exchange rates[1]					
CAD$/US$	1.34	1.34	1.34	1.34	1.34
EUR/US$	0.90	0.90	0.90	0.90	0.90

POWER AND WATER ASSETS - IMPAIRMENT APPROACH AND KEY ASSUMPTIONS

During the year ended 31 December 2025, management performed an impairment test of certain power and water cash-generating units ("CGUs") following a change in the long-term outlook for interest rates, which constituted an indicator of impairment under IAS 36.

Based on the impairment test performed, a pre-tax impairment charge of AED 841 million (2024: nil) was recognised in the consolidated statement of profit or loss. The impairment relates to intangible assets arising from power and water purchase agreements (note 14). The impairment charge represents the write-down of these intangible assets to their recoverable amounts.

The recoverable amount of the power and water asset is based on Value in Use ("VIU"). In determining VIU, a discounted cash flow model was used. The valuation is based on entity-specific assumptions and projected cash flows derived from the most recent Board-approved business plans.

Key assumptions applied in the determination of VIU include forecast electricity and water demand, operating and maintenance costs, long-term inflation rates, terminal values where applicable, and the discount rate, which reflects current market assessments of the time value of money and the risks specific to the assets. Management has exercised judgement in determining the values assigned to these assumptions, having regard to observable market data where available.

The calculation of VIU for power and water generation assets is based upon the following key assumptions:

- Future cash flows throughout the term of the current PWPAs;
- Inflation rates; and
- Discount rates.

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 internal experts. 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 (2024: 2%).

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 VIU methodology, future cash flows are discounted using post-tax rates ranging from 6% to 7% (2024: 4% to 10%). The impairment assessment is most sensitive to changes in the discount rate. An increase / decrease of 0.25% in the discount rate, with all other assumptions held constant, would result in an approximate increase / decrease of AED 250 million in the impairment charge.

[1] Rates from 2031 and beyond are the same as 2030.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 OPERATING FINANCIAL ASSETS

The movement in operating financial assets is as follows:

	31 December	
	2025 AED million	2024 AED million
At 1 January	7,821	8,786
Recognised during the year	1,429	1,498
Consideration received during the year	(1,908)	(1,923)
Movement in expected credit loss (ECL) provision	-	(436)
Disposal of assets (note 35)	(178)	-
Exchange losses recognised in the consolidated income statement	**223**	**(104)**
	7,387	**7,821**

Analysed in the consolidated statement of financial position as follows:

	31 December	
	2025 AED million	2024 AED million
Non-current portion	6,461	6,601
Current portion	**926**	**1,220**
	7,387	**7,821**

As at 31 December 2025, TAQA manages two concession contracts as defined by IFRIC 12, mainly covering electricity generation. The foreign subsidiaries, namely TAQA Morocco (formerly Jorf Lasfar Energy Company SCA (JLEC)) 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.

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.

NEYVELI:

TAQA Neyveli was disposed of during the year ended 31 December 2025 (note 35).

Operating financial assets with a carrying amount of AED 7,387 million (2024: AED 7,634 million) are pledged as security for the related borrowings in the subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 INTANGIBLE ASSETS

	Exploration, and evaluation assets AED million	Distribution licenses AED million	Power (and water) purchase agreements AED million	Connection rights AED million	Goodwill AED million	Other AED million	Total AED million
2025							
Cost:							
At 1 January 2025	**8**	**4,755**	**14,170**	**676**	**-**	**231**	**19,840**
Additions	10	-	-	-	-	49	**59**
Other movements	-	-	-	-	-	(64)	**(64)**
Business combination (note 37)	-	-	-	-	203	73	**276**
Exchange adjustment	-	-	-	-	-	12	**12**
At 31 December 2025	**18**	**4,755**	**14,170**	**676**	**203**	**301**	**20,123**
Amortisation:							
At 1 January 2025	**-**	**-**	**4,824**	**676**	**-**	**43**	**5,543**
Amortisation for the year (note 5)	-	-	1,044	-	-	23	**1,067**
Provision for impairment (note 5)	-	-	841	-	-	-	**841**
Exchange adjustment	-	-	-	-	-	5	**5**
At 31 December 2025	**-**	**-**	**6,709**	**676**	**-**	**71**	**7,456**
Net carrying amount:							
At 31 December 2025	**18**	**4,755**	**7,461**	**-**	**203**	**230**	**12,667**

	Exploration, and evaluation assets AED million	Distribution licenses 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**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	Exploration, and evaluation assets AED million	Distribution licenses AED million	Power (and water) purchase agreements AED million	Connection rights AED million	Other AED million	Total AED million
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**

In the year ended 31 December 2025, the Group recognised a pre-tax impairment charge of AED 841 million (2024: nil) in the consolidated statement of profit or loss, reflecting the write-down of certain assets under UAE power and water purchase agreements to their recoverable amounts (refer to note 12).

DISTRIBUTION LICENSES

TAQA Distribution ("TQD") holds distribution licence agreements with the Abu Dhabi Department of Energy (DoE), which commenced in 1999 and grant TQD the exclusive right to distribute power and water throughout the Emirate of Abu Dhabi. The licences may only be revoked following a minimum notice period of 25 years. Given the absence of a foreseeable limit to the period over which the licences are expected to generate net cash inflows, management has determined that the distribution licences have an indefinite useful life. Accordingly, the licences are not amortised and are tested for impairment annually in accordance with IAS 36 Impairment of Assets.

The recoverable amount of the distribution licences has been determined based on value in use, calculated using a discounted cash flow model. The valuation is based on entity-specific assumptions and projected cash flows derived from the most recent Board-approved business plans.

Management has assessed the sensitivity of the recoverable amount to reasonably possible changes in key assumptions and concluded that the impairment assessment is not materially sensitive to such changes. Based on the impairment testing performed, the recoverable amount of the distribution licences exceeds their carrying amount, and accordingly no impairment loss has been recognised for the year.

The key assumptions used in the impairment calculations are detailed below:

- **Discount rate**

The valuation is based on discounted free cash flows and a terminal value. The discount rate represents 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 pre-tax rate used was 6% (2024: 6%).

- **Inflation rates**

Estimates are obtained from published indices for the countries from which products and services are sourced. Forecast figures are used if data is publicly available. A long-term growth rate of 2% (2024: 2%) has been applied.

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 impairment assessment methodologies and key assumptions are outlined in note 12 together management's approach to determining the recoverable amount of each CGU.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 INVESTMENT IN AND LOANS TO ASSOCIATES AND JOINT VENTURES

The Group has the following investments:

	Country of incorporation ownership and operation	2025	2024
Associates			
Massar Solutions PJSC[i]	UAE	49.00%	49.00%
Jubail Energy Company[ii]	Saudi Arabia	25.00%	25.00%
Sohar Aluminium Company LLC[iii]	Oman	40.00%	40.00%
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%	51.0%
Mirfa 2 RO Operations and Maintenance Company LLC[xiii]	UAE	40.0%	40.0%
Shuweihat RO Operations and Maintenance Company LLC[xiv]	UAE	40.0%	40.0%
Talimarjan Operations and Maintenance LLC[xv]	Uzbekistan	40.0%	40.0%
Talimarjan Power Plant 1 LLC[xvi]	Uzbekistan	40.0%	40.0%
Tanajib Operations and Maintenance Company[xvii]	KSA	40.0%	40.0%
Najim Jeera Operations and Maintenance Limited[xviii]	KSA	51.0%	51.0%
Juranah Water Reservoir Company[xix]	KSA	35.0%	35.0%
Hydro System Operations and Maintenance Company Limited[xx]	KSA	50.0%	50.0%
Nawras Operation and Maintenance Company LLC[xxi]	KSA	49.0%	-
Nawras Power Company LLC[xxii]	KSA	49.0%	-
TA'ZIZ Utilities Holding Company Limited[xxiii]	UAE	49.0%	-
Rihab Elawal Power Company LLC[xxiv]	KSA	49.0%	-
Rihab Elawal Operation and Maintenance Company LLC[xxv]	KSA	49.0%	-
Transmission Capital Partners[xxvi]	UK	50.0%	-

[i] Massar Solution PJSC is mainly involved in the leasing and management of vehicles and equipment and as at 31 December 2025 classified as an asset held for sale (note 36).
[ii] Jubail Energy Company ("Jubail") is involved in the generation of electricity and as at 31 December 2025 classified as an asset held for sale (note 36).
[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. On 1 July 2025, the Group sold its stake in Lakefield
[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 in 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] Juranah 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.
[xxi] Nawras Operation and Maintenance Company LLC will be involved in the management of a combined cycle gas turbine power plant.
[xxii] Nawras Power Company LLC is involved in the development of a combined cycle gas turbine power plant.
[xxiii] TA'ZIZ Utilities Holding Company Limited is involved in the development of power, steam, cooling, demineralised water and wastewater services to enable various chemical projects.
[xxiv] Rihab Elawal Power Company LLC is involved in the development of a combined cycle gas turbine power plant.
[xxv] Rihab Elawal Operations and Maintenance Company LLC will be involved in the management of a combined cycle gas turbine power plant.
[xxvi] Transmission Capital Partners is involved in bidding on, winning, and managing UK offshore transmission assets.

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Despite percentage ownership other than 50%, TAQA recognises it's investment in these entities as a joint venture or associate. Through the entity's Articles of Associations and Board structures, all shareholders have equal and joint ability to direct the relevant activities of these entities.

All new joint ventures during the year ended 31 December 2025 were incorporated except for Transmission Capital Partners which was acquired (note 37).

Summary information for associates and joint ventures:

	Massar Solution1 AED million	Sohar Aluminium3 AED million	Tanajib Cogeneration10 AED million	Masdar11 AED million	Others AED million
Year ended 31 December 2025:					
Revenue	478	3,897	-	3,779	785
Depreciation, depletion, and amortisation	(121)	(448)	-	(842)	(119)
Finance costs	(27)	(123)	-	(1,406)	(377)
Interest income	-	23	-	273	36
Income tax expense	(4)	(99)	-	(191)	(22)
Profit for the year	22	561	-	278	107
As at 31 December 2025:					
Non-current assets	729	3,237	924	59,102	32,274
Current assets	409	1,501	32	11,412	2,786
Non-current liabilities	(300)	(2,372)	(888)	(32,155)	(25,191)
Current liabilities	**(292)**	**(697)**	**(7)**	**(3,814)**	**(8,178)**
Net assets of Associate/JV	546	1,669	61	34,545	1,691
TAQA share of net assets	268	668	30	14,854	621
Equity accounting adjustments	(132)	(140)	230	(275)	2,006
Classified as loans/advances	**-**	**-**	**(154)**	**(9,824)**	**(2,372)**
TAQA carrying amount of investment	**136**	**528**	**106**	**4,755**	**255**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Summary information for associates and joint ventures:

	Massar Solutions1 AED million	Sohar Aluminium3 AED million	LWP Lessee6 AED million	Masdar11 AED million	Others AED million
Year ended 31 December 2024:					
Revenue	408	3,682	169	2,485	519
Depreciation, depletion, and amortisation	(115)	(455)	-	(1,642)	(123)
Finance costs	(20)	(201)	-	(623)	(327)
Interest income	4	24	3	519	36
Income tax expense	(2)	(101)	-	(176)	(1)
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**

The following entities at 31 December 2025 are included within 'Others' and are currently individually immaterial:

- 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);
- 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);
- Hydro System Operations and Maintenance Company Limited (note xx);
- Nawras Operations and Maintenance Company LLC (note xxi);
- Nawras Power Company LLC (note xxii);
- TA'ZIZ Utilities Holding Company Limited (note xxiii);
- Rihab Elawal Power Company LLC (note xxiv);
- Rihab Elawal Operation and Maintenance Company LLC (xxv); and
- Transmission Capital Partners (xxvi).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 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	
	2025 AED million	2024 AED million
Carrying amount of investments	5,780	5,061
Carrying amount of investments classified as held for sale (note 36)	142	-
Group's share of the associates' and joint ventures:		
Profit for the year	319	384
Other comprehensive loss	(6)	(220)
Total comprehensive income	**313**	**164**

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	
	2025 AED million	2024 AED million
Abu Dhabi Offshore Power Infra Limited LLC	797	797
Abu Dhabi Future Energy Company PJSC ("Masdar")	9,824	9,173
Dhafrah Solar Energy Holding Company LLC	272	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
TA'ZIZ Utilities Holding Company Limited	361	-
Talimarjan Power Plan 1 LLC	286	4
Others	159	64
	12,350	**10,964**

2025

During the year ended 31 December 2025, TAQA provided a shareholder loan of AED 651 million to Masdar. 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.

2024

During the year ended 31 December 2024, TAQA provided a shareholder loan of AED 7,749 million to Masdar. 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.LC 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.

An immaterial ECL provision is recognised against the loans (2024: not material).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16 INVESTMENT 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.

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 are 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	
	2025 AED million	2024 AED million
Investment carried at fair value through other comprehensive income	**13,623**	**13,469**

The investment is recorded at fair value using the fair value techniques disclosed in note 31.3. Movement in investment in financial assets carried at fair value through other comprehensive income is as follows:

	31 December	
	2025 AED million	2024 AED million
At 1 January	13,469	11,858
Change in fair value	154	1,611
	13,623	**13,469**

An ECL provision of nil (2024: nil) is recognised against the investment.

17 OTHER ASSETS

	31 December	
	2025 AED million	2024 AED million
Deposit receivable	-	65
Asset retirement obligation relief deed receivable	217	198
Non-current financial assets[1]	213	176
Others	25	268
	455	**707**

18 INVENTORIES

	31 December	
	2025 AED million	2024 AED million
Fuel and crude oil	1,620	1,568
Spare parts and consumables	1,957	2,008
	3,577	**3,576**
Provision for slow moving and obsolete items	(921)	(881)
	2,656	**2,695**

The cost of inventories recognised as an expense in the consolidated statement of profit or loss is AED 914 million (2024: AED 865 million).

[1] 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

Inventories with a carrying amount of AED 2,356 (2024: AED 2,406 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	
	2025 AED million	2024 AED million
At 1 January	881	1,156
Charge/(reversal) for the year	40	(275)
At 31 December	**921**	**881**

19 ACCOUNTS RECEIVABLE, PREPAYMENTS AND OTHER RECEIVABLES

	31 December	
	2025 AED million	2024 AED million
Net trade receivables (note (i))	3,078	2,736
Contract assets (note (i))	1,429	1,239
Accrued revenue	504	616
Crude stock underlift	42	497
Deposits	1	22
Advances to suppliers	84	93
Prepaid expenses	793	916
Tax receivable	713	243
Other receivables	294	71
	6,938	**6,433**

Other receivables are considered to have low credit risk where they have a low risk of default, and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(i) TRADE RECEIVABLES AND CONTRACT ASSETS

As at 31 December 2025, trade receivables and contract assets at a nominal value of AED 687 million (2024: AED 603 million) were impaired and provided for under the ECL mechanism. Trade receivables and contract assets 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	
	2025 AED million	2024 AED million
At 1 January	603	675
Expected credit loss movement for the year	(15)	(36)
Foreign exchange movements	99	(36)
At 31 December	**687**	**603**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Foreign exchange movements relating to loss allowances are recognised in "Net foreign exchange loss" in the consolidated statement of profit or loss.

As at 31 December, the ageing analysis of trade receivables and contract assets is as follows:

						Past due
	Total AED million	Not past due AED million	30 – 60 days AED million	60 – 90 days AED million	90 – 120 days AED million	>120 days AED million
2025						
Net trade receivables and contract assets	**4,507**	**2,738**	**547**	**225**	**132**	**865**
Expected credit loss provision	**687**	**108**	**44**	**30**	**20**	**485**
Expected credit loss rate (%)	**13**	**4**	**7**	**12**	**13**	**36**
2024						
Net trade receivables and contract assets	3,975	2,286	596	340	299	454
Expected credit loss provision	603	146	19	14	41	383
Expected credit loss rate (%)	13	6	3	4	12	46

Subsequent to the balance sheet date, the Group collected AED 37 million (2024: AED 49 million) of balances past due for more than 120 days. Trade receivables and contract assets net of provisions are expected, on the basis of past experience, to be fully recoverable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following amounts:

	31 December	
	2025 AED million	2024 AED million
Cash at banks and on hand	3,799	4,094
Short term deposits	2,862	4,293
Total cash and short term deposits	6,661	8,387
Bank overdrafts	**(1)**	**(5)**
Net cash and cash equivalents	**6,660**	**8,382**

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 2025, the Group had available AED 19,726 million (2024: AED 13,397 million) of undrawn committed borrowing facilities in respect of which all conditions precedent have been met.

Cash and short term deposits are with banks rated BB+ to AA- (2024: BB+ to AA-) and assessed to have low credit risk of default. 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. An ECL provision of AED 2 million (2024: AED 2 million) is recognised against cash and cash equivalents.

21 SHARE CAPITAL

	31 December	
	2025 AED million	2024 AED million
Share capital	**112,434**	**112,434**

22 OTHER EQUITY

	31 December	
	2025 AED million	2024 AED million
Statutory reserve (i)	4,899	4,152
Merger reserve (ii)	**(55,437)**	**(55,437)**

(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 and creation of a 'Merger reserve'.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23 NON-CONTROLLING INTERESTS

Financial information of subsidiaries that have material non-controlling interests are provided below:

		Proportion of equity interests held by non-controlling interests	
	Country of incorporation ownership and operation	2025	2024
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%	40.0%
Al Etihad Biwater Waste Water Company PJSC	UAE	40.0%	40.0%
Mirfa 2 RO Water Desalination Company LLC	UAE	40.0%	40.0%
Shuweihat RO Desalination Company LLC	UAE	40.0%	40.0%

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 with the exception of Taweelah Asia Power Company PJSC. Therefore, the following disclosures have been provided on an aggregated basis.

	31 December	
	2025 AED million	2024 AED million
Revenue	8,170	8,429
Profit	104	885
Other comprehensive (loss) income	(264)	330
Total comprehensive (loss) income	**(160)**	**1,215**
Profit allocated to non-controlling interests	21	339
Other comprehensive income allocated to non-controlling interests	(105)	133
Cash flows from operating activities	6,486	6,792
Cash flows used in investing activities	(2,197)	(1,810)
Cash flows used in financing activities	(4,331)	(4,999)
Net decrease in cash and cash equivalents	**(42)**	**(17)**
Dividends paid to non-controlling interests	**(759)**	**(855)**
Non-current assets	36,259	38,997
Current assets	6,732	6,535
Non-current liabilities	23,877	23,549
Current liabilities	7,596	7,668
Total equity	**11,518**	**14,315**
Equity attributable to parent	7,224	8,684
Equity attributable to non-controlling interests	**4,294**	**5,631**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 LOANS FROM NON-CONTROLLING INTEREST SHAREHOLDERS IN SUBSIDIARIES

	31 December	
	2025 AED million	2024 AED million
Shuweihat Asia Power Investment B.V.	19	27
M Power Holding Company	43	59
Sweihan Solar Holding Company	5	9
	67	**95**

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, BORROWINGS AND ISLAMIC LOANS

	31 December	
	2025 AED million	2024 AED million
Abu Dhabi National Energy Company Global Medium Term notes (note i)	27,123	30,101
Revolving credit facilities (note ii)	-	-
Abu Dhabi National Energy Company bonds (note iii)	4,135	4,152
Other subsidiaries' bonds (note iv)	8,111	8,108
Term loans (note v)	24,686	21,763
Islamic loans (note vi)	696	-
Accrued interest expense	566	575
	65,317	**64,699**

Analysed in the consolidated statement of financial position as follows:

	31 December	
	2025 AED million	2024 AED million
Non-current portion	57,879	54,972
Non- current portion- Islamic loans	686	-
Current portion	6,742	9,727
Current portion- Islamic loan	10	-
	65,317	**64,699**

The Group's interest bearing loans, borrowings and Islamic loan (before purchase price allocation fair value adjustments and deducting prepaid finance costs) are repayable as follows:

	31 December	
	2025 AED million	2024 AED million
Within 1 year	7,033	9,576
Between 1 – 2 years	2,556	5,675
Between 2 – 3 years	9,448	1,885
Between 3 – 4 years	4,582	4,694
Between 4 – 5 years	7,287	3,646
After 5 years	34,200	37,371
	65,106	**62,847**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	1 January AED million	Cash flows (note i) AED million	Other (note ii) AED million	31 December AED million
2025				
Current:				
Interest bearing loans and borrowings	9,152	(6,254)	3,278	6,176
Islamic loan	-	10	-	10
Accrued interest expense	575	(2,993)	2,984	566
Lease liabilities	291	(393)	406	304
	10,018	**(9,630)**	**6,668**	**7,056**
Non-current:				
Interest bearing loans and borrowings	54,972	6,216	(3,309)	57,879
Islamic loans	-	686	-	686
Lease liabilities	280	-	126	406
	55,252	**6,902**	**(3,183)**	**58,971**
	65,270	**(2,728)**	**3,485**	**66,027**

	1 January AED million	Cash flows (note i) AED million	Other (note ii) AED million	31 December AED million
2024				
Current:				
Interest bearing loans and borrowings	6,211	(6,334)	9,275	9,152
Accrued interest	567	(2,662)	2,670	575
Lease liabilities	230	(259)	320	291
	7,008	**(9,255)**	**12,265**	**10,018**
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**
	62,715	**(1,479)**	**4,034**	**65,270**

(i) The cash flows relates to the net movements in interest bearing loans and borrowings, Islamic loans and interest paid 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, fair value adjustments and accrued interest expense. In the year ended 31 December 2025 a reclassification between current to non-current occurred as a result of the Fujairah Asia Power Company PJSC (FAPCO) breach of a loan covenant being rectified. 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

(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	2025 AED million	2024 AED million
Current liabilities					
US $750,000,000	99.95%	4.38%	April 2025	-	2,765
US $500,000,000	99.00%	4.50%	June 2026	1,742	-
US $500,000,000	104.60%	3.80%	June 2026	1,965	-
				3,707	**2,765**
Non-current liabilities					
US $500,000,000	99.00%	4.50%	June 2026	-	1,772
US $500,000,000	104.60%	3.80%	June 2026	-	2,024
US $750,000,000	99.80%	2.03%	April 2028	2,749	2,746
US $500,000,000	99.39%	4.50%	January 2029	1,825	1,821
US $1,000,000,000	99.96%	4.88%	April 2030	4,013	4,149
US $900,000,000	99.29%	4.49%	October 2031	3,294	3,265
US $1,000,000,000	100.00%	4.70%	April 2033	3,659	3,657
US $850,000,000	99.24%	4.83%	March 2037	3,108	3,081
US $500,000,000	100.00%	4.00%	October 2049	2,024	2,077
US $750,000,000	100.00%	3.40%	April 2051	2,744	2,744
				23,416	**27,336**
				27,123	**30,101**

The term notes liability is stated net of transaction costs amounting to AED 74 million (2024: AED 137 million), which are amortised over the repayment period using the effective interest rate method.

2025

On 23 April 2025, the Group's AED 2,754 million bond (US $750 million) matured and was repaid in full.

2024

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.

(II) REVOLVING CREDIT FACILITIES

The following table summarises drawn revolving credit facilities net of transaction costs:

	31 December	
	2025 AED million	2024 AED million
Non-current liabilities		
US $3.5 billion facility	-	-

2025

On 2 June 2025, the Group utilised AED 918 million (US $250 million) of its revolving credit facility. As at 31 December 2025, it has been fully repaid.

2024

On 23 September 2024, the Group utilised AED 2,387 million (US $650 million) of its revolving credit facility. As at December 2024, 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 20 million as at 31 December 2025 (2024: AED 36 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 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. The following table summarises the bonds net of discount and transaction costs:

	Issue rate %	Effective interest rate %	Repayment date	2025 AED million	2024 AED million
Non-current liabilities					
US $1,500,000,000	99.05%	6.57%	October 2036	4,135	4,152

The bonds liability is stated net of transaction costs amounting to AED 26 million (2024: AED 28 million), which are amortised over the repayment period using the effective interest rate method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(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	2025 AED million	2024 AED million
Non-current liabilities					
Emirates Sembcorp Water & Power Company					
US $400,000,000	4.45%	4.79%	February 2029 to August 2035	1,559	1,568
Ruwais Power Company					
US $825,000,000	6.0%	6.18%	August 2036	3,531	3,579
Sweihan PV Power Company PJSC					
US $700,800,000	3.63%	3.63%	January 2049	2,328	2,398
TAQA Morocco					
MAD 2,700,000,000	3.75%	3.82%	March 2038	693	563
				8,111	**8,108**

The bonds liability is stated net of transaction costs amounting to AED 84 million (2024: AED 92 million), which are amortised over the repayment period using the effective interest rate method.

(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	2025 AED million	2024 AED million
Current liabilities					
Gulf Tractebel Power Company PJSC[1]	USD	+0.80%	2026	290	276
Taweelah Asia Power Company PJSC					
Term loan (1)[1]	USD	+1.65%	2026	-	162
Term loan (2)[1]	USD	+1.65%	2026	-	206

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	Currency	Effective interest rate %	Repayment date	2025 AED million	2024 AED million
Emirates SembCorp Water and Power Company PJSC[2]	USD	+1.28%- 1.63%	2026	260	261
Fujairah Asia Power Company PJSC					
Term loan (1)[1]	USD	+0.90%	2026	229	1,484
Term loan (2)[1]	USD	+0.50%	2026	343	2,192
Ruwais Power Company PJSC[1]	USD	+2.53% - 2.79%	2026	366	319
TAQA Morocco[2]	MAD	5.78%	2026	102	275
Jorf Lasfar Energy Company 5&6 S.A.[3]	MAD	4.75%	2026	140	126
Takoradi International Company[4]	USD	+4.25% - 4.35%	2026	109	99
Shuweihat Asia Power Company PJSC[1]	USD	+1.82% -2.76%	2026	215	209
Mirfa International Power and Water Company PJSC[1]	USD	+1.30%	2026	142	139
Mirfa 2 RO Water Desalination Company LLC	USD	5.00%	2026	36	448
Al Wathba Veolia Besix Waste Water Company PJSC	USD	+1.65%-2.03%	2026	79	69
Al Etihad Biwater Waste Water Company PJSC`	USD	+0.75%-1.00%	2026	50	51
Al Dhafra Project Power Generation LLC					
VAT facility (2)	AED	+0.90%	2026	34	-
				2,395	**6,316**
Non-current liabilities					
Abu Dhabi National Energy Company PJSC	AED	+0.45%	2027	3,850	-
Gulf Tractebel Power Company PJSC[1]	USD	+0.80% - 0.95%	2029	707	995
Emirates SembCorp Water and Power Company PJSC[1]	USD	+1.28% - 1.63%	2029	727	985
Fujairah Asia Power Company PJSC					
Term loan (1)[1]	USD	+1.10%	2030	1,043	-
Term loan (2)[1]	USD	+0.50%	2030	1,539	-
Ruwais Power Company PJSC[1]	USD	+2.53% - 2.93%	2031	2,215	2,578
TAQA Morocco[2]	MAD	5.78%	2034	330	257
Jorf Lasfar Energy Company 5&6 S.A.[3]	MAD	4.34% - 5.49%	2042	2,161	2,065
Takoradi International Company[4]	USD	+4.25% - 4.35%	2028	119	226
Shuweihat Asia Power Company PJSC[1]	USD	+1.82% -2.76%	2034	2,091	2,306
Shuweihat CMS International Power Company PJSC	USD	+1.55%-2.05%	2041	380	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	Currency	Effective interest rate %	Repayment date	2025 AED million	2024 AED million
Mirfa International Power and Water Company PJSC[1]	USD	+1.30% -2.10%	2042	3,319	3,454
Mirfa 2 RO Water Desalination Company LLC[4]	USD	4.70%	2056	1,292	1,012
Shuweihat RO Water Desalination Company LLC					
Term loan[4]	USD	+1.10%	2056	404	205
Equity bridge loan	USD	+1.10%	2029	155	155
Al Wathba Veolia Besix Waste Water Company PJSC	USD	+1.65%-2.05%	2032	607	714
Al Etihad Biwater Waste Water Company PJSC[4]	USD	+0.75%-1.00%	2033	444	495
Al Dhafra Project Power Generation LLC					
Term loan (1)	USD	+1.15	2049	908	-
				22,291	**15,447**
				24,686	**21,763**

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 211 million (2024: AED 189 million), which are amortised over the repayment period using the effective interest rate method. Interest payable is normally settled throughout the financial year in accordance with the terms of the loans.

There are no indications that the Group would have difficulties complying with the covenants when they will next be tested in 2026.

2025

On 21 August 2025, the Group secured an AED 8,500 million corporate term loan facility. The facility is a two year AED floating rate loan, with a one year extension option. As at 31 December 2025, the Group utilised AED 3,850 million. Amounts borrowed carry interest of EIBOR plus a margin.

2024

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 had been classified as current liabilities in the statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(VI) ISLAMIC LOANS

Islamic loans are with respect to the following subsidiary and carried an effective rental rate of SOFR plus the margin stated unless noted otherwise:

	Currency	Effective rental rate %	Repayment date	2025 AED million	2024 AED million
Current liabilities					
Mirfa 2 RO Water Desalination Company LLC[1]	**USD**	**5.40%**	**2026**	**10**	**-**
Non-current liabilities					
Al Dhafra Project Power Generation LLC[1]	USD	+1.15%	2049	240	-
Shuweihat CMS International Power Company PJSC[1]	USD	+1.55%-2.05%	2041	54	-
Mirfa 2 RO Water Desalination Company LLC[1]	USD	5.40%	2056	259	-
Shuweihat RO Water Desalination Company LLC[1]	USD	+1.10%	2056	133	-
				686	**-**

[1] The loans are secured, subject to various covenants and there are requirements to enter into interest rate swap agreements (note 31).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 and a discount rate of 3% (2024: 3%). 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 provision has been estimated using existing technology at current prices, escalated at 2% (2024: 2%) and discounted at 3% (2024:3%). 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	
	2025 AED million	**2024 AED million**
At 1 January	14,383	15,661
Utilised during the year	(1,760)	(1,589)
Provided during the year	(21)	(7)
Accretion expense (note 7)	400	442
Revision in estimated cash flows	(431)	151
Disposal of assets	-	(96)
Exchange adjustment	201	(179)
	12,772	**14,383**

Analysed in the consolidated statement of financial position as follows:

	31 December	
	2025 AED million	**2024 AED million**
Non-current portion	10,700	12,198
Current portion	2,072	2,185
	12,772	**14,38**

27 OTHER LIABILITIES

	31 December	
	2025 AED million	**2024 AED million**
Deferred income-grant[1]	1,662	1,734
Employee's end of service benefits	508	454
Loan from related party (note 29)	13	15
Amount due to a related party (note 29)	-	33
Loan from a non-controlling party	171	-
Lease liabilities	406	280
Provisions	109	232
Others	365	373
	3,234	**3,121**

[1] 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

28 ACCOUNTS PAYABLE, ACCRUALS, PROVISIONS AND OTHER LIABILITIES

	31 December	
	2025 AED million	2024 AED million
Trade payables	1,161	1,788
Retention creditors	796	771
Mega development projects payable	11,364	10,919
Contract accruals for capital expenditure	3,243	1,262
Customer deposits	889	857
Accrual for operating costs	2,218	1,685
Payable for capital expenditure	318	168
Deferred income- grant and connection fees	85	133
Crude stock overlift	25	356
Lease liability	304	291
Accrued employee related expenses	509	580
Advances from customers	252	203
Deferred revenue	575	474
Others	2,351	1,745
	24,090	**21,232**

Terms and conditions of the above liabilities:

- Trade payables are non-interest bearing and are normally settled between 30 to 60 day terms.

29 RELATED PARTY BALANCES AND TRANSACTIONS

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 Group is a government-related entity as defined by IAS 24 Related Party Disclosures. Accordingly, the Group applies the disclosure exemption for transactions and outstanding balances with other government and government-related entities that arise in the normal course of business and are not individually significant. Only individually significant related-party transactions, or those necessary for an understanding of the financial statements, are disclosed. The nature of transactions with government and government-related entities that are not individually disclosed comprises distribution and sale of electricity and water, including routine operational and support services, infrastructure-related activities, connection and access services, and other ancillary services provided or received in the ordinary course of business. These transactions are conducted on terms consistent with applicable regulatory frameworks and established commercial practices.

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	
	2025 AED million	2024 AED million
Emirates Water and Electricity Company:		
TUOS and connection charges for unlicensed activity	1,063	1,069
Revenue from electricity and water	7,949	8,165
Energy costs	(149)	(148)
Electricity and water bulk supply tariff[1]	(22,449)	(21,652)
	(13,586)	**(12,566)**

[1] 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

	31 December	
	2025 AED million	2024 AED million
Other operating revenue	**20,452**	**19,921**
Other transactions		
License fees to DoE	(121)	(99)
Massar vehicle leasing	(27)	(24)
Charges for provision of IT support services	(56)	(49)
Finance costs	(28)	(4)
Interest income	39	61

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.

BALANCES WITH RELATED PARTIES

Balances with related parties that are disclosed in the consolidated statement of financial position as follows:

	31 December	
	2025 AED million	2024 AED million
Non-current asset		
Advance and loans to associates and joint ventures[1]	**12,350**	**10,964**
Current assets		
Bank balances with UAE government banks	**3,344**	**4,722**

	31 December	
	2025 AED million	2024 AED million
Amounts due from Emirates Water and Electricity Company (EWEC)	1,795	1,792
Amounts due from Abu Dhabi Power Corporation (ADPC)	190	184
Amounts due from other related parties	666	1,597
	2,651	**3,573**
Non-current liabilities		
Loan from Abu Dhabi Power Corporation (ADPC)	13	15
Amounts due to Department of Energy (DoE)	-	33
Bank loans with government owned bank	-	125
	13	**173**
Current liabilities		
Amounts due to Emirates Water and Electricity Company (EWEC)	2,249	3,457
Amounts due to Abu Dhabi Power Corporation (ADPC)	107	994
Amounts due to Department of Energy (DoE)	100	62
Amounts due to other related parties	1,161	5
	3,617	**4,518**
Available undrawn bank facilities with UAE government banks	**6,704**	**382**

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.

[1] During the year ended 31 December 2025, TAQA provided shareholder loans of AED 651 million to 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 2024 to Masdar of AED 7,749 million

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 2025, related parties receivables at nominal value of AED 21 million (2024: AED 20 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	
	2025 AED million	2024 AED million
At 1 January	20	6
Provision/ECL for the year	1	14
At 31 December	**21**	**20**

As at 31 December, the ageing analysis of related party receivables is as follows:

						Past due
	Total AED million	Not past due AED million	30 – 60 days AED million	60 – 90 days AED million	90 – 120 days AED million	>120 days AED million
2025	**2,651**	**2,058**	**522**	**-**	**-**	**71**
2024	3,573	3,232	267	1	2	71

COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of senior key management personnel of the Group during the year was as follows:

	31 December	
	2025 AED million	2024 AED million
Short term benefits	53	46
Long term benefits	25	18
	78	**64**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 COMMITMENTS AND CONTINGENCIES

(i) Capital expenditure commitments

The authorised contracted capital expenditure contracted for at 31 December 2025 but not provided for amounted to AED 23,035 million (31 December 2024: AED 11,791 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	
	2025 AED million	2024 AED million
Within one year	5,660	5,980
After one year but not more than five years	19,483	21,652
More than five years	16,817	19,497
At 31 December	**41,960**	**47,129**

(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 946 million (31 December 2024: AED 861 million).

The Group's associates and joint ventures have capital commitments of AED 1,585 million as at 31 December 2025 (31 December 2024: AED 1,796 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

31 FINANCIAL INSTRUMENTS

31.1 HEDGING ACTIVITIES

	31 December 2025			31 December 2024		
		Fair value			Fair value	
	Notional amount AED million	Current AED million	Non-current AED million	Notional amount AED million	Current AED million	Non-current AED million
Cash flow hedges						
Liabilities						
Interest rate swaps - hedged	13,278	109	416	14,621	86	323
Forward foreign exchange contracts		-	-	1,603	7	10
Future and forward contracts		-	-		16	-
		109	**416**		**109**	**333**
Assets						
Interest rate swaps- hedged	8,782	32	495	5,514	60	638
Forward foreign exchange contracts	1,096	34	23	791	14	-
		66	**518**		**74**	**638**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(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 2025 and 31 December 2024:

	Notional amount		Derivative liabilities		Derivative assets		Fix leg on instrument	
	2025 AED million	2024 AED million	2025 AED million	2024 AED million	2025 AED million	2024 AED million	2025	2024
Subsidiary								
GTTPC	1,134	1,150	-	-	11	36	2.63% to 3.76%	2.63% to 3.76%
TAPCO	-	1,847	-	-	-	-	-	3.64% to 4.10%
ESWPC	341	341		-	14	42	2.80% to 5.85%	2.80% to 5.85%
FAPCO	3,021	3,524	107	98	44	72	0.84% to 5.72%	0.84% to 5.72%
MIPCO	3,505	2,503	-	3	294	370	2.67% to 2.80%	2.67% to 2.80%
SAPCO	2,376	2,534	119	105	40	60	1.63% to 5.10%	1.63% to 5.10%
RPC	2,636	2,963	95	68	-	-	4.62% to 5.40%	4.62% to 5.40%
Al Etihad Biwater	495	544	88	94	-	-	8.21%	8.21%
Al Wathba Veolia Besix	503	552	2	-	8	16	2.58% to 4.80%	2.58% to 4.80%
MIRFA 2RO	3,573	3,557	-	-	4	38	3.50% to 4.09%	3.50% to 4.09%
Shuweihat RO	1,678	380	97	41	109	55	3.45% to 4.01%	3.45% to 4.01%
TICO	168	240	-	-	3	9	2.20% to 2.31%	2.20% to 2.31%
SCIPCO	1,282	-	15	-	-	-	3.65% to 4.05%	-
Dhafra Power	1,348	-	2	-	-	-	3.33% to 3.39%	-
	22,060	**20,135**	**525**	**409**	**527**	**698**		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(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 2025 and 31 December 2024:

	Notional amount		Derivative liabilities		Derivative assets	
	2025 AED million	2024 AED million	2025 AED million	2024 AED million	2025 AED million	2024 AED million
Subsidiary						
SAPCO	-	157	-	8	-	-
TAQA Bratani Limited	1,096	2,237	-	9	57	14
	1,096	**2,394**	**-**	**17**	**57**	**14**

(iii) Future and Forward Contracts

TAQA Energy B.V. employed 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 2025, there are no outstanding hedges (2024: negative AED 16 million). The notional amount associated with the gas volumes covered by the derivative instrument is nil (2024: 635 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	
	2025 AED million	2024 AED million	2025 AED million	2024 AED million
Operating financial assets (note i)	7,387	7,821	7,410	7,865
Interest bearing loans and borrowings (note ii)	39,368	42,361	36,455	36,619

(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.

	Fair value AED million	Carrying value AED million	Fair value hierarchy
At 31 December 2025			
Financial assets measured at fair value			
Interest rate swaps- hedged	527	527	Level 2
Forward foreign exchange contracts	57	57	Level 2
Listed equity investments	13,623	13,623	Level 1
Financial assets disclosed at fair value			
Operating financial assets	7,410	7,387	Level 3
Financial liabilities measured at fair value			
Interest rate swaps – hedged	525	525	Level 2
Financial liabilities disclosed at fair value			
Interest bearing loans and borrowings	36,455	39,368	Level 1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	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

During the year ended 31 December 2025 and 2024 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

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 2025 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
Transmission Investment Holding Limited (TI)	100%	UK	Utility investment platform
Domestic subsidaries			
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	Generation of electricity and the production of desalinated water
Gulf Total Tractebel Power Company PJSC (GTTPC)	60%	UAE	
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	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Subsidiaries	Effective ownership%	Country of incorporation and operations	Principal activities
Taweelah Shared Facilities Company LLC	60%	UAE	Operating & maintenance
Shuweihat Shared Facilities Company LLC	52%	UAE	Operating & maintenance
Abu Dhabi Sustainable Water Solutions Company PJSC	100%	UAE	
Al Wathba Veolia Besix Waste Water Company PJSC	60%	UAE	Water solutions
Al Etihad Biwater Waste Water Company PJSC	60%	UAE	
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			
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 2025, The Group rebranded effective 1 January 2025, its wholly owned operating subsidiaries as follows:

(i) Abu Dhabi Transmission and Despatch Company (TransCo) became TAQA Transmission,
(ii) Sustainable Water Solutions Holding (SWS Holding) became TAQA Water Solutions,
(iii) Abu Dhabi Distribution Company (ADDC) and Al Ain Distribution Company (AADC) was brought under a single new brand, TAQA Distribution.

On 16 April 2025, The Group acquired 100% of Transmission Investment Holding Limited (TI), a leading UK based energy and utility investment platform (note 37). On 1 July 2025, the Group sold it's 50% stake of LWP Lessee LLC, a wind farm in USA. In addition, the disposal of TAQA Neyveli Power Company Private Limited was completed (note 35). There were no other changes in the major operating subsidiaries, joint ventures, and associates. Additional joint ventures were added that involve projects under development and managing offshore UK transmission assets, and are not major to the group.

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). There were no other changes in the major operating subsidiaries, joint ventures, and associates. Additional joint ventures were added that involve projects under development and are not major to the group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 2025, after taking into account the effect of interest rate swaps, approximately 94% of the Group's borrowings are at a fixed rate of interest (2024: 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
2025		
+15 basis points increase in interest rate	(5)	44
-15 basis points decrease in interest rate	5	(44)
2024		
+15 basis points increase in interest rate	(4)	35
-15 basis points decrease in interest rate	4	(35)

(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, and Moroccan Dirhams 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, and CAD rates	Effect on profit before tax AED million	Effect on equity AED million
2025	+5%	94	65
	-5%	(94)	(65)
2024	+5%	379	316
	-5%	(379)	(316)

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 Netherland's 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

(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 43% of outstanding trade receivables and amounts due from related parties at 31 December 2025 (2024: 42%). 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 2025 and 2024 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 2025 and 2024 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 2025, 10% of the Group's debt will mature in less than one year (2024: 15%) 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 2025 and 2024 based on contractual undiscounted payments:

	< 1 year AED million	1-5 years AED million	> 5 years AED million	Total AED million
At 31 December 2025				
Accounts payable, accruals, provisions and other liabilities[1]	22,289	-	-	22,289
Bank overdrafts	1	-	-	1
Interest bearing loans, borrowings and Islamic loans	7,033	23,873	34,200	65,106
Advances and loans from related parties	-	-	13	13
Amounts due to ADPC and other related parties	3,617	-	-	3,617
Derivative financial instruments	307	760	64	1,131
	33,247	**24,633**	**34,277**	**92,157**
At 31 December 2024				
Accounts payable, accruals, provisions and other liabilities4	19,565	-	-	19,565
Bank overdrafts	5	-	-	5
Interest bearing loans, borrowings	9,576	15,900	37,371	62,847
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
	34,160	**17,328**	**37,613**	**89,101**

[1] Accounts payable, accruals, provisions and other liabilities excluding non-financial liabilities such as customer deposits, deferred income (grants and connection fees), advances from customers, and deferred revenue.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

Refer to note 39 for details of reclassifications related to 'Interest bearing loans and borrowings and Islamic Loans' in the comparative period.

	< 1 year AED million	1-5 years AED million	> 5 years AED million	Total AED million
At 31 December 2025				
Inflows	289	681	76	1,046
Outflows	(307)	(760)	(64)	(1,131)
Net				
	(18)	(79)	12	(85)
Discounted at the applicable interbank rates	**(11)**	**(24)**	**20**	**(15)**
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**

(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	
	2025 AED million	2024 AED million
Interest bearing loans and borrowings and Islamic loans	65,317	64,699
Less cash and cash equivalents	(6,660)	(8,382)
Net debt	58,657	56,317
Equity	**107,662**	**104,824**
Equity and net debt	**166,319**	**161,141**
Gearing ratio	**35%**	**35%**

Refer to note 39 for details of reclassifications related to 'Interest bearing loans and borrowings and Islamic Loans' in the comparative period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 remining 50% 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.

In the year ended 31 December 2025, TAQA Water Solutions contributed AED 2,526 million (2024: AED 2,479 million) of revenue and AED 638 million (2024: 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	18,831
Other assets	50
Inventories	16
Amounts due from related parties	1,080
Cash and bank balances	463
Accounts receivable and prepayments	1,207
	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

35 DISCONTINUED OPERATIONS

(I) TAQA NEYVELI

On 30 October 2025, the Group completed the disposal of its 100% stake in TAQA Neyveli Power Company Private Limited (TAQA Neyveli) to MEIL Energy Private Limited, and affiliate of Megha Engineering & Infrastructures Limited (MEIL) for a cash consideration of INR 9.26 billion (approximately AED 385 million). As at 31 December 2025, the results and cashflows generated from TAQA Neyveli, were recognised within the Generation operating segment and classified as a discontinued operation.

Comparative amounts for discontinued operations in the consolidated statement of profit or loss for prior year are reclassified to reflect the classification in the consolidated statement of profit or loss for the current year.

FINANCIAL PERFORMANCE AND CASH FLOW INFORMATION:

The financial performance and cash flow information presented below are for the ten months ended 30 October 2025 (2025 column) and the year ended 31 December 2024.

	31 December	
	2025 AED million	2024 AED million
Revenues	250	381
Operating expenses	(203)	(260)
Depreciation, depletion and amortisation	(5)	(6)
Gross profit	**42**	**115**
General and administrative expenses	(7)	(10)
Finance costs	(1)	(2)
Net foreign exchange gain	11	9
Interest income	6	2
Other income	-	3
Profit before tax from discontinued operations	**51**	**117**
Tax expense	(19)	(42)

	31 December	
	2025 AED million	2024 AED million
Profit for the year from discontinued operations	**32**	**75**
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from discontinued operations	**0.00**	**0.00**
Net cash generated from operations	60	65
Net cash generated from investing	10	1
Net cash used in financing activities	(4)	(42)
Net increase in cash generated by the discontinued operations	**66**	**24**

DETAILS OF THE SALE OF THE SUBSIDIARY:

	31 December	
	2025 AED million	2024 AED million
Total consideration received	385	-
Carrying amount of net assets sold	(234)	-
Gain on sale before income tax	**151**	**-**
Income tax expense on gain	(28)	-
Gain on sale after income tax	**123**	**-**

The carrying amount of total assets and total liabilities of as at the date of disposal were AED 702 million and AED 468 million, respectively, resulting in net assets of AED 234 million directly associated with the disposal. Gain on sale before income tax forms part of 'Gain (loss) on sale of land, oil and gas and other assets' (note 8).

(II) TAQA ATRUSH

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 with no gain or loss arising on disposal. As at 31 December 2024, TAQA Atrush was classified as a discontinued operation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL PERFORMANCE AND CASH FLOW INFORMATION:

The financial performance and cash flow information presented below are for the period ended 7 August 2024 (2024 column).

TAQA Atrush's contribution to the Group's results are presented below:

	31 December
	2024 AED million
Revenues	136
Operating expenses	(18)
Depreciation, depletion and amortisation	(41)
Gross profit	**77**
General and administrative expenses	(11)
Profit before tax from discontinued operations	**66**
Tax expense	-
Profit for the year from discontinued operations	**66**
Basic and diluted earnings per share attributable to equity holders of the parent (AED) from discontinued operations	**0.00**
Net cash used in operations	(45)
Net cash generated from investing	8
Net cash used in financing activities	-
Net decrease in cash consumed by the discontinued operations	**(37)**

36 ASSETS HELD FOR SALE

On 7 October 2025, TAQA entered into definitive agreements with Speed Holding Limited for the sale of its interest in Massar Solutions PJSC. The sale is expected to be completed in 2026, and is subject to obtaining applicable regulatory approvals. As at 31 December 2025, the assets in UAE contained within the adjustments, eliminations and unallocated segment were classified as a disposal group held for sale.

On 22 December 2025, TAQA entered into definitive agreements with National Power Company Holding for the sale of its interest in Jubail Energy Company LLC. The sale is expected to be completed in 2026, and is subject to obtaining applicable regulatory approvals. As at 31 December 2025, the assets in KSA contained within the generation segment were classified as a disposal group held for sale.

The major classes of assets held for sale are as follows:

	31 December
	2025 AED million
Investment in and loans to associates and joint ventures	142
Assets classified as held for sale	**142**

37 BUSINESS COMBINATION

On 16 April 2025, the Group acquired a 100% equity interest in Transmission Investment Holding Limited ("TI") for total consideration of AED 450 million. The transaction was accounted for as a business combination using the acquisition method in accordance with IFRS 3.

TI is a UK-based energy and utilities investment platform and a leading operator of offshore transmission (OFTO) assets connecting offshore wind farms to the UK electricity grid. The acquisition strengthens the Group's position in offshore electricity transmission and supports its energy transition strategy.

CONSIDERATION TRANSFERRED

The consideration comprised cash of AED 396 million paid on completion and contingent consideration with a fair value of AED 54 million recognised at the acquisition date.

The contingent consideration relates to earn-out payments based on the achievement of EBITDA targets and specified project milestones over a three-year period. Its fair value was determined using discounted cash flow techniques based on forecast EBITDA and expected milestone cash flows. The contingent consideration is classified as a financial liability and will be remeasured at fair value through profit or loss.

The contingent consideration is based on multiple performance and project-based conditions and, as a result, the range of possible outcomes and maximum potential payment cannot be reliably estimated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GOODWILL

Goodwill arising on acquisition primarily reflects expected synergies from new contracts and projects, together with the value of the assembled workforce and technical expertise.

Goodwill recognised is not expected to be deductible for tax purposes.

The fair value of identifiable assets and liabilities of TI at the acquisition date based on the final purchase price allocation are as follows:

	At 16 April 2025 AED million
Assets	
Intangible assets	73
Property, plant and equipment	2
Investment in joint ventures	93
Accounts receivable, prepayments and other receivables	6
Cash and bank balances	102
	276
Liabilities	
Accounts payable, accruals, provisions and other liabilities	29
Total net assets at fair value	**247**
Goodwill arising on acquisition	**203**
Total purchase consideration	**450**

In the year ended 31 December 2025, TI contributed AED 24 million of revenue and AED 9 million of loss to the Group.

38 DIVIDENDS

2025

At the General Assembly meeting in March 2025, the shareholder's approved a final and variable dividend of AED 2,363 million, being AED 0.021 per share for the year ended 31 December 2024. Both dividends were paid in the three month period ended 31 March 2025.

On 14 May 2025, the Board of Directors approved an interim dividend of AED 843 million, being AED 0.008 per share for the quarter ended 31 March 2025. The interim dividend was paid on 28 May 2025.

On 13 August 2025, the Board of Directors approved an interim dividend of AED 843 million, being AED 0.008 per share for the quarter ended 30 June 2025. The interim dividend was paid on 27 August 2025.

On 12 November 2025, the Board of Directors approved an interim dividend of AED 843 million, being AED 0.008 per share for the quarter ended 30 September 2025. The interim dividend was paid on 11 December 2025.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

39 RECLASSIFICATIONS OF PRIOR YEAR BALANCES

Certain comparative figures have been reclassified, aggregated or disaggregated in these consolidated financial statements to align with the requirements in IFRS Accounting Standards. These adjustments relate solely to presentation and do not affect the Group's total assets, liabilities, equity, profit, or net decrease in cash and cash equivalents. There is no impact on the opening balance of equity at the beginning of the earliest comparative period, and the adjustments have no effect on basic or diluted earnings per share.

EXPECTED CREDIT LOSSES (ECL) - CONSOLIDATED STATEMENT OF PROFIT OR LOSS

ECL charges of AED 414 million, previously included in "Operating expenses" is reclassified to be presented separately as "Net impairment losses on financial and contract assets" for the year ended 31 December 2024 in the consolidated statement of profit or loss. As a result, gross profit for the year ended 31 December 2024 was increased by the same amount.

REVISIONS IN DECOMMISSIONING ESTIMATES - CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Amounts relating to changes in decommissioning estimates AED 385 million were previously included within "Depreciation, depletion and amortisation" as at 31 December 2024. These revisions are now disclosed within "Operating Expenses" as at 31 December 2025 and 2024.

RESTRICTED CASH - CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Restricted cash balance of AED 225 million previously included in "Cash and cash equivalents" is presented separately as "Restricted cash" as at 31 December 2024 (1 January 2024: AED 239 million).

ASSET RETIREMENT OBLIGATIONS - CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Asset retirement obligations balance of AED 2,185 million previously included within "Accounts payable, accruals, provisions and other liabilities" (within current liabilities) is disaggregated and presented separately as "Asset retirement obligations' (within current liabilities) as at 31 December 2024 (1 January 2024: AED 2,094 million).

ACCRUED INTEREST - CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Accrued interest of AED 575 million previously presented within "Accounts payable, accruals, provisions and other liabilities" (within current liabilities) is reclassified as "Interest bearing loans and borrowings" (within current liabilities) as at 31 December 2024 (1 January 2024: AED 567 million).

CONTRACTOR ADVANCES - CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Advances of AED 861 million and AED 197 million paid to contractors for construction of long-lived assets have been reclassified from "Other assets" (non-current assets) and "Accounts receivable, prepayments and other receivables" (current asses), respectively, to "Property, plant and equipment" as at 31 December 2024 (1 January 2024: AED 521 million and AED 98 million, respectively) to reflect the non-current capital nature of the balances.

ACQUISITION RELATED CASH FLOWS - CONSOLIDATED STATEMENT OF CASH FLOWS

Cash outflow of AED 523 million for the acquisition of TAQA Water Solutions previously presented within financing activities in the consolidated statement of cash flows is reclassified to "Acquisition of subsidiary, net of cash and cash equivalents acquired" within investing activities for the year ended 31 December 2024. As a result, net cash used in financing activities was reduced and net cash used in investing activities increased by the same amount.

Cash outflows for acquisition of TAQA Water Solutions of AED 1,385 million (including the impacts from reclassification of acquisition related cost of AED 523 million) and cash acquired in this subsidiary of AED 463 million previously presented separately in the consolidated statement of cash flows are aggregated into single line "Acquisition of subsidiary, net of cash and cash equivalents acquired" within investing activities for the year ended 31 December 2024.

40 EVENTS AFTER REPORTING DATE

DIVIDENDS

On 11 February 2026, the Board of Directors proposed a final and variable dividend of AED 2,474 million, being AED 0.022 per share for the year ended 31 December 2025. The dividends will be subject to shareholder approval at the General Assembly meeting in March 2026.

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APPENDICES

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APPENDIX 1 - SCA INDEX

APPENDIX 1 - SCA INDEX

S. No (reference to the SCA's / CMA's prescribed report template 2025)	Disclosure	Report reference
		Chapter-Section no.
1	A statement describing the measures adopted during 2025 to complete and enhance the Company's corporate governance framework, and how such measures were implemented.	06 - 02, 06 - 03
2	A statement detailing the ownership of, and transactions in, the Company's securities during 2025 by Board members, their spouses, and their children	06 - 04.3
3	Board Composition	06 - 04
	A statement setting out the current composition of the Board, including the names of members appointed and those who resigned	06 - 04.2
	A statement indicating the percentage of female representation on the Board during 2025. Where there was no female representation, this must be expressly stated.	06 - 04.1
	A statement of bonuses, allowances, and fees received by Board members, including: a. Total remuneration paid during 2024. b. Total proposed remuneration for 2025, to be submitted to the Annual General Meeting for approval. c. Allowances paid for attending Board committee meetings during 2025 d. Details of any additional allowances, salaries, or fees paid—other than attendance allowances—together with the reasons for such payments.	06 - 04.8
	A statement indicating the number and dates of Board meetings held during 2025, including in-person attendance and attendance by proxy. The names of Board members must correspond to those disclosed under point number 3 above	06 - 04.5
	A statement indicating the number of resolutions adopted by circulation during 2025 and the dates on which they were passed.	06 - 04.5
4	Board Committees	06 - 05
5	A statement describing any delegation of powers or responsibilities by the Board to a Board member or to executive management during 2025, including the duration and scope of such delegation	06 - 04.10

APPENDIX 1 - SCA INDEX

S. No (reference to the SCA's / CMA's prescribed report template 2025)	Disclosure	Report reference
		Chapter-Section no.
6	A statement detailing transactions conducted with related parties during 2025	06 - 07.3
7	Board Performance Evaluation	06 - 04.7
8	Organizational Structure and Executive Management	06 - 06
9	External Auditor	06 - 08
10	Internal Control System	06 - 07
11	A statement detailing violations committed during 2025, including their causes and the remedial measures taken to prevent recurrence.	06 - 07.3
12	A statement of cash and in-kind contributions made by the Company during 2025 to community development and environmental initiatives. If none, this must be expressly stated.	Included in Chapter 5 (Sustainability) of the Integrated Report 2025
13	General Information	06 - 09
13 H	Board Secretary	06 - 04.9
13 I	A statement detailing material events and disclosures concerning the Company during 2025.	Included in Chapter 2 (Overview) of the Integrated Report 2025
13 J	A statement detailing related-party transactions during 2025 amounting to 5% or more of the Company's share capital.	06 - 07.3
13 K	A statement indicating Emiratization percentages at the end of 2023, 2024, and 2025, excluding employees of construction companies.	Included in Chapter 5 (Sustainability) of the Integrated Report 2025
13 I	A statement of innovation-related projects and initiatives implemented or under development by the Company during 2025.	Included in Chapter 3 (Strategy) of the Integrated Report 2025

APPENDIX 2 - REPORTING BOUNDARY AND SCOPE

GRI 2-2 GRI 2-3

This report covers data for the financial year 2025, 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) 'Industry standards' (now part of International Financial Reporting Standards (IFRS) Foundation), Taskforce on Climate Related Financial Disclosures (TCFD), World Economic Forum (WEF) and United Nations Global Compact (UNGC). In addition, our disclosures are informed by the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information, and IFRS S2 Climate-related Disclosure Standard (aligned to the TCFD recommendations).

TAQA has engaged DNV Business Assurance Services UK Limited (DNV) to provide Independent Assurance on selected sustainability indicators. The assured indicators are marked with "√" symbol.

TAQA's GRI alignment is assessed against the GRI's Advanced Content Index service with SDG mapping, including alignment with European Sustainability Reporting Standards (ESRS), underscoring TAQA's ambition to have the best transparency around sustainability. The review confirmed that its disclosures are clearly presented, and its r 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 leading reporting standards, considering the practicalities associated with data collection and consolidation from these entities.

APPENDIX 2 - REPORTING BOUNDARY AND SCOPE

Financial Reporting:	Environmental topics:	Social topics:	Governance Topics:
Subsidiaries are fully integrated into TAQA's consolidated statements when the company has established effective 'control'[1] over them. Joint venture[2] and associates[3] are included in the Group's consolidated financial statements through the equity method of accounting.	GHG emissions are primarily reported following the 'financial control' approach outlined in the GHG Protocol. Emissions from subsidiaries are fully consolidated at 100%, while emissions from joint ventures are consolidated using the equity method (proportional to beneficial ownership)[4]. This approach is applied throughout the corporate structure irrespective of the operational control. Environmental impacts of unincorporated joint ventures within our oil and gas 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. Emissions data included in this report for its affiliates are covered under Category 15 of Scope 3.	Reported data, including health and safety, follow the 'operational control' approach. Entities that TAQA operates[5] are included in the consolidation of these metrics.	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.

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	Country	TAQA share	Financial consolidation	TAQA operated?	Sustainability topics	
					Environmental (financial control)	Social (operational control)
TAQA Transmission						
TAQA Transmission	UAE	100%	Subsidiary	Yes	100%	100%
Transmission Investment[1]	UK	100%	Subsidiary	Yes	Excluded	Excluded
TAQA Distribution						
TAQA Distribution	UAE	100%	Subsidiary	Yes	100%	100%
TAQA Energy Services	UAE	100%	Subsidiary	Yes	100%	100%
Generation						
UAE Generation						
Taweelah A1	UAE	60%	Subsidiary	No	100%	Excluded
Taweelah B	UAE	70%	Subsidiary	No	100%	Excluded
Shuweihat S1[2]	UAE	60%	Subsidiary	No	100%	Excluded
Shuweihat S2	UAE	60%	Subsidiary	No	100%	Excluded
Shuweihat S3	UAE	60%	Subsidiary	No	100%	Excluded
Umm Al Nar	UAE	60%	Subsidiary	No	100%	Excluded
Fujairah F1	UAE	60%	Subsidiary	No	100%	Excluded
Fujairah F2	UAE	60%	Subsidiary	No	100%	Excluded
Fujairah F3	UAE	40%	Associate	No	Excluded	Excluded
Al Mirfa	UAE	60%	Subsidiary	No	100%	Excluded
AMPC	UAE	100%	Subsidiary	Yes	100%	Included
Sweihan PV1	UAE	60%	Subsidiary	No	100%	Excluded
Al Dhafrah PV2	UAE	40%	Associate	No	Excluded	Excluded
Taweelah RO	UAE	20%	Associate	No	Excluded	Excluded
Masdar Renewables	UAE	43%	Associate	No	Excluded	Excluded
Masdar Green Hydrogen	UAE	24%	Associate	No	Excluded	Excluded

[1] Environmental and social data not included as these are immaterial compared to TAQA Transmission and overall Group.
[2] Currently under reconfiguration from a cogeneration power and water desalination facility to a power only plant. Values as a result of its operations in 2025 prior to reconfiguration included in the reporting.

APPENDIX 2 - REPORTING BOUNDARY AND SCOPE

Entity	Country	TAQA share	Financial consolidation	TAQA operated?	Sustainability topics	
					Environmental (financial control)	Social (operational control)
International 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%
Jubail	Saudi Arabia	25%	Associate	No	Excluded	Excluded
Sohar	Oman	40%	Associate	No	Excluded	Excluded
Talimarjan-1	Uzbekistan	40%	Associate	No	Excluded	Excluded
TAQA Oil and Gas						
TAQA Bratani	UK	100%	Subsidiary	Yes	100%	100%
TAQA Energy	Netherlands	100%	Subsidiary	Yes	100%	100%
TAQA North	Canada	100%	Subsidiary	Yes	100%	100%
TAQA Water Solutions						
TAQA Water Solutions	UAE	100%	Subsidiary	Yes	Yes	100%
Corporate						
Massar Solutions	UAE	49%	Associate	No	Excluded	Excluded
ADNOC Gas	UAE	5%	Equity Investment	No	Excluded	Excluded

Impact of investments or divestments are adjusted in previous years' for GHG emissions and associated metrics, with their numbers restated as per the GHG Protocol. For other sustainability indicators, restatements are not made unless otherwise stated next to the metric's disclosures.

APPENDIX 3 - BASIS OF REPORTING

1. SCOPE 1 GHG EMISSIONS (MILLION TCO_2E)

SCOPE

Direct GHG emissions covering the greenhouse gases of CO_2, CH_4, N_2O, SF_6 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 Sulfur hexafluoride (SF_6) during electricity generation, transmission, and distribution
e. Use of CO_2 in fire suppression systems and during other energy related operations
f. Use of refrigerants
g. Other fugitive emissions such as leaks.

METHODOLOGY

Activity data and local emission factors (as available) from each entity are entered into the Group's digital GHG data management platform by the respective entity level focal points monthly. The platform then estimates the GHG emissions based on a combination of local and default emission factors and conversion factors; as per leading GHG accounting and reporting standards or guidelines by GHG Protocol, Intergovernmental Panel on Climate Change and UK's Department for Environment, Food & Rural Affairs (DEFRA). The activity data is sourced from a combination of meter readings and supplier invoices.

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 - LOCATION BASED (MILLION TCO_2E)

SCOPE

Indirect energy-related GHG emissions covering the greenhouse gases of CO_2, CH_4, N_2O, associated with the import of electricity, cooling and steam.

METHODOLOGY

Activity data and local emission factors (as available) from each entity are entered into the Group's digital GHG data management platform by the respective entity level focal points monthly. The platform then estimates the GHG emissions based on a combination of local and default emission factors and conversion factors; as per leading GHG accounting and reporting standards or guidelines by GHG Protocol, Intergovernmental Panel on Climate Change and UK's Department for Environment, Food & Rural Affairs (DEFRA). The activity data is sourced from a combination of meter readings and supplier invoices.

Electricity consumption or import of TAQA's entities within the UAE are from the grid powered by TAQA's Generation entities. Therefore, Scope 2 emissions of these electricity consuming entities are not added to the Group total to avoid double counting with the Scope 1 emissions associated with the Generation entities in the UAE.

REPORTING BOUNDARY

The whole TAQA Group as per the financial control consolidation approach defined by the GHG Protocol. Please see **"Appendix 2 – Reporting Scope and Boundary"** section of this Integrated Report for the list of entities covered.

APPENDIX 3 - BASIS OF REPORTING

3. SCOPE 3 GHG EMISSIONS, CATEGORY 3 (FUEL- AND ENERGY-RELATED ACTIVITIES NOT INCLUDED IN SCOPE 1 OR SCOPE 2) (MILLION TCO_2E)

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 CO_2, CH_4, N_2O) that are not included in Scope 1 or Scope 2.

METHODOLOGY

Fuel used by all the entities (under TAQA's financial control boundary only), towards electricity generation and water desalination is multiplied with respective emission factors associated with the production of each fuel type and source. Activity data, i.e. fuel used, is sourced from each entity and is entered into the Group's digital GHG data management platform by the respective entity level focal points monthly. In terms of emission factors, local emission factors of ADNOC Gas and Dolphin Energy are used for the respective natural gas consumption in the UAE. For all other emission factors and sources, DEFRA 2025 factors are used which are well-to-tank factors associated with extraction, refining and transportation of the raw fuel sources to an organisation's site (or asset), prior to combustion. These factors also include category 4 related emissions.

GHG emissions associated with fuel consumption in Oil and Gas business, electricity import and mobile combustion across the TAQA Group are excluded in the estimations, as their contribution is immaterial and as evident in the Scope 1 and Scope 2 inventory.

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) (MILLION TCO_2E)

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 CO_2, CH_4, N_2O), 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 are products produced (crude oil, natural gas and natural gas liquids) and not the products sold.

METHODOLOGY

Activity data, i.e. each fuel type produced as per financial reporting (natural gas, crude oil and natural gas liquids) by the Oil and Gas business, is sourced from the Finance function. For the emission factors, a combination of DEFRA 2025 reporting factors and 2006 IPCC Guidelines are used.

Apart from the Oil and Gas business, there are no other businesses with sold products whose emissions have not been accounted in Scope 1 or Scope 2 GHG emissions.

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.

APPENDIX 3 - BASIS OF REPORTING

5. SCOPE 3 GHG EMISSIONS, CATEGORY 15 (INVESTMENTS) (MILLION TCO_2E)

SCOPE

GHG emissions associated with TAQA's equity investments in associate companies (or affiliated companies) in the reporting year (covering the greenhouse gases of CO_2, CH_4, N_2O), where TAQA does not have financial control and hence not covered in scope 1 and 2 emissions.

METHODOLOGY

Scope 1 and 2 GHG emissions of each associate is multiplied with the respective equity stake of TAQA and then aggregated towards the Group total. Equity stake applied sourced from Group Finance function, is as per the financial ownership in the financial reporting or company prospectus. At the time of reporting, GHG emissions data for some associates were not available. As a result, a combination of estimation techniques and reasonable assumptions were applied to calculate financed emissions. Scope 1 and 2 GHG emissions for each associate are estimated as follows:

- F3 – follows the same approach as that of scope 1 and 2 for entities in financial control boundary.
- Sohar – annual hot metal production is multiplied with the total emissions intensity (covering smelter, power plant and port). Both the inputs are sourced from the entity.
- ADNOC Gas – annual gas production is multiplied with the Scope 1 and 2 GHG intensity in 2024. Both inputs are sourced from the public disclosures of ADNOC Gas.
- TPP1 – annual natural gas consumption (sourced from the entity) used towards electricity generation is multiplied with IPCC emission factor.
- Jubail – 2024 electricity generation (sourced from the entity) is multiplied with a conservative emission factor of 0.5 tCO_2e per MWh. 2025 estimates are therefore same as 2024 values.
- Masdar – annual generation of geothermal plant (sourced from the entity is multiplied with an emission factor from a World Bank research paper.
- Massar Solutions – considered as zero as it is immaterial and the entity provide services but does not control the fuel usage.
- Taweelah RO – considered as zero as the material emission source is related to electricity consumption which is sourced from TAQA's Generation plants whose emissions are included in Scope 1 GHG emissions.

REPORTING BOUNDARY

The whole TAQA Group's associate entities listed in the **"Appendix 2 – Reporting Scope and Boundary"** section of this Integrated Report.

6. GHG EMISSIONS INTENSITY METRICS

SCOPE

GHG emissions intensity is calculated by dividing total Scope 1 and Scope 2 emissions by the relevant operational output for each business segment:

Electricity Generation

Intensity Metric (tCO_2e per megawatt-hour (MWh) of gross electricity generated)

Desalinated Water Supplied

Intensity Metric (tCO_2e per Million Imperial Gallon (MIG) of desalinated water supplied)

Oil and Gas Production

Intensity Metric (tCO_2e per million barrel of oil equivalent (mboe) produced)

METHODOLOGY

The numerator, i.e. GHG emissions are estimated as per the above respective metrics. Denominator is sourced from the various businesses and their entities.

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 from the system planner for the respective TAQA entities. The *fuel allocation factor* is defined in the power purchase agreement between the system planner and the respective TAQA entities.

Intensity for oil and gas does not include scope 3 category 11 emissions. Intensity for water desalination exclude emissions of transmission and distribution in the numerator (as they are immaterial) and include water production of associates (Taweelah RO) in the denominator.

REPORTING BOUNDARY

As per the respective boundaries of the numerator's GHG emissions and denominator's products. Please see **"Appendix 2 – Reporting Scope and Boundary"** section of this Integrated Report for the list of entities covered.

APPENDIX 3 - BASIS OF REPORTING

7. WATER CONSUMPTION (MILLION IMPERIAL GALLON)

SCOPE

This includes the desalinated water that is supplied by TAQA to its customers and auxiliary consumption during the operations.

METHODOLOGY

The final reported figures are obtained after the summation of the following:

- Gross water generation by all subsidiaries and associates producing water, sourced from each entity based on their meter records. Gross water generation includes auxiliary consumption in the UAE Generation, network losses (transmission and distribution) and desalinated water supplied.
- Auxiliary consumption of every international subsidiaries (associates excluded), sourced from each entity based on their meter records or supplier invoice or best estimates.

REPORTING BOUNDARY

Material part of the metric i.e. gross water generation covers all the subsidiaries and associate Taweelah RO. Auxiliary consumption only include TAQA's subsidiaries. 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[1] injury or occupational illness, regardless of the time intervening between the incident causing the injury or exposure or causing illness and the death.

METHODOLOGY

Data is sourced from the Group HSE Performance book which is a summation of data from the respective HSE performance book of each business. HSE focal point at each entity enters data into the performance book following guidelines as per TAQA's Commitment to Operational Excellence, TAQA's HSSE Management System.

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. Both employees and contractors are covered in the boundary.

[1] These include the working hours when an employee or the contractor is at the workplace and does not include the period of commute to and from the workplace.

APPENDIX 3 - BASIS OF REPORTING

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 an 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.

METHODOLOGY

Data is sourced from the Group HSE Performance book which is a summation of data from the respective HSE performance book of each business. HSE focal point at each entity enters data into the performance book following guidelines as per TAQA's Commitment to Operational Excellence, TAQA's HSSE Management System.

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. Both employees and contractors are covered in the boundary.

10. RECORDABLE INJURIES

SCOPE

The sum of injuries resulting in Fatalities, Lost Time Injuries, Restricted Work Cases and Medical Treatment Cases.

- Fatalities as defined above.
- 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.

METHODOLOGY

Data is sourced from the Group HSE Performance book which is a summation of data from the respective HSE performance book of each business. HSE focal point at each entity enters data into the performance book following guidelines as per TAQA's Commitment to Operational Excellence, TAQA's HSSE Management System.

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. Both employees and contractors are covered in the boundary.

APPENDIX 3 - BASIS OF REPORTING

11. RECORDABLE INJURY RATE

SCOPE

The number of recordable Injuries per 1,000,000 exposure hours.

METHODOLOGY

Data is sourced from the Group HSE Performance book which is a summation of data from the respective HSE performance book of each business. HSE focal point at each entity enters data into the performance book following guidelines as per TAQA's Commitment to Operational Excellence, TAQA's HSSE Management System.

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. Both employees and contractors are covered in the boundary.

12. NUMBER AND VOLUME OF SPILLS (GREATER THAN ONE BARREL)

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 TAQA or contractor facilities and equipment and impacts soil or water environments.

METHODOLOGY

Data is sourced from the Group HSE Performance book which is a summation of data from the respective HSE performance book of each business. HSE focal point at each entity enters data into the performance book following guidelines as per TAQA's Commitment to Operational Excellence, TAQA's HSSE Management System.

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.

APPENDIX 3 - BASIS OF REPORTING

13. WOMEN IN MANAGEMENT

SCOPE

Women in management is measured as the proportion of "females" in management roles among all employees in management positions. The definitions of management positions at each business are as follows:

- Grade 5 and above in HQ and international operating companies
- Grade 15 and above in Transmission
- Grade Lead and above in Distribution
- Level 4 and above in Water Solutions

The definition of management positions differs across Operating Companies to reflect differences in organisational structures, grading frameworks and governance models. The thresholds applied are aligned to equivalent levels of seniority across the Group to ensure comparability of the metric.

METHODOLOGY

Data is sourced as a summation of data from the respective HR performance books of each entity. HR focal point collects the data as per the employment records in each entity towards their HR performance book.

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.

14. EMPLOYEE TURNOVER

SCOPE

Rate of employees who leave the organisation during the reporting period, including both voluntary and involuntary departures.

METHODOLOGY

Total full-time equivalents (FTEs) who leave the organisation during the year divided by the average of total FTEs at the end of the previous year and the total FTEs at the end of current year. Data is sourced as an aggregation of data from the respective HR performance books of each entity. HR focal point collects the data as per the employment records in each entity towards their HR performance book.

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.

APPENDIX 3 - BASIS OF REPORTING

15. TOTAL NUMBER OF CONFIRMED INCIDENTS OF CORRUPTION AND/ OR BRIBERY

SCOPE

Corruption is defined as an act done with an intent to give some improper advantage inconsistent with official duty and the rights of others; misuse of authority to secure some benefit either personally or for someone else contrary to duty and to the rights of others.

Bribery is 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.

METHODOLOGY

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 Ethics and Compliance Office are thoroughly investigated. The confirmed incidents as per the above scope during the reporting year are reported under this metric.

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.

16. NUMBER OF LEGAL ACTIONS FOR ANTI-COMPETITIVE BEHAVIOR AND ANTI-TRUST

SCOPE

The total number of legal actions concluded during the reporting period related to anti-competitive behaviour, and violations of anti-trust and monopoly legislation in which the organisation was found to be at fault or did not receive regulatory clearance.

METHODOLOGY

The final numbers reported are as per the analysis of TAQA's Legal functions across the Group as per the scope mentioned above.

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

APPENDIX 4 - ESG ASSURANCE STATEMENT

WHEN TRUST MATTERS

Independent Limited Assurance Report

to the Directors of Abu Dhabi National Energy Company PJSC

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 2025 (the "Report") for the reporting year ended 31st December 2025.

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 below.

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 in the Appendix.

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 (the "Criteria"), included in the section *'Appendix 3 – Basis of Reporting'* within the Report.

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.

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.

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.

WHEN TRUST MATTERS

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 2025 – 31st December 2025.
- Site visits to UAE power generation asset Shuweihat S3 and TAQA Distribution 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, Taweelah Asia Power Company, Fujairah Asia Power Company PJSC, Takoradi International Company and TAQA Morocco. 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.
- 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 did not come across limitations to the agreed scope of assurance engagement.

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
27th February 2026

Digitally signed by Arun Aravind A
Date: 2026.02.27 13:27:31 Z

Arun Aravind A
Lead Verifier
DNV Business Assurance Services UK Limited

Digitally signed by Paul O'Hanlon
Date: 2026.02.27 14:25:11 Z

Paul O'Hanlon
Technical Reviewer
DNV Business Assurance Services UK Limited

DNV-2026-ASR-C830671

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 2025 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.

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 Business Assurance Services UK Limited

DNV Business Assurance Services UK Limited is part of DNV – DNV is an independent assurance and risk management provider, operating in more than 100 countries, with the purpose of safeguarding life, property, and the environment. As a trusted voice for many of the world's most successful organisations, we help seize opportunities and tackle the risks arising from global transformations. We use our broad experience and deep expertise to advance safety and sustainable performance, set industry standards, and inspire and invent solutions.

WHEN TRUST MATTERS

Appendix: Selected Information

The scope and boundary of our work is restricted to the Selected Information, listed below.

Key Performance Indicators	Reported value	Unit
Scope 1 Greenhouse Gas (GHG) emissions	43.26	million tonnes of CO_2e
Scope 2 GHG emissions, location-based	0.12	million tonnes of CO_2e
Total Scope 1 and 2 GHG emissions	43.38	million tonnes of CO_2e
Scope 3 GHG emissions - Category 3: Fuel and Energy related activities (not included in Scope 1 or 2)	4.27	million tonnes of CO_2e
Scope 3 GHG emissions - Category 11: Use of sold products	11.53	million tonnes of CO_2e
Scope 3 GHG emissions - Category 15: Investments	5.24	million tonnes of CO_2e
Group GHG intensity for electricity generated	0.45	tCO_2e/MWh
GHG intensity for desalinated water supplied	30.74	tCO_2e/MIG
GHG intensity for oil & gas production	29.67	tCO_2e/mboe
Water consumption	255,185	million imperial gallon (MIG)
Fatalities	3	number
Lost Time Injuries	12	number
Recordable Injuries	34	number
Recordable Injury Rate	0.39	incident / million hours
Spills (greater than one barrel) - uncontained	5	number
Volume of Spills (greater than one barrel) - uncontained	21,177	litres
Women in management positions	20	percentage
Employee turnover	11.5	percentage
Total number of confirmed incidents of corruption and bribery	0	number
Number of legal actions for anti-competitive behaviour and anti-trust	0	number

APPENDIX 5 - CONTENT INDICES

APPENDIX 5.1 - GRI CONTENT INDEX

GRI CONTENT INDEX ADVANCED SERVICE 2026

GRI GRI-ESRS & SDG LINKAGE ADD-ON 2026

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. GRI Services provided the linkages of the GRI disclosures presented in the GRI content index to the European Sustainability Reporting Standards (ESRS), based on the "GRI-ESRS Standards datapoint mapping" document and the GRI disclosures.

Statement of use	TAQA has reported in accordance with the GRI Standards for the period 1st January – 31st December 2025
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability, ESG Strategy, Ambition, p. 91			
	3-2 List of material topics	Sustainability, ESG Strategy, Ambition, p. 91			
Grid Resiliency					
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Review, Operational Review, p. 62			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Business Review, Operational Review, p. 62		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. 62		SDG 1 - No Poverty SDG 3 - Good Health and Well-being SDG 8 - Decent Work and Economic Growth	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Electrification					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Energy and Emissions, p. 102			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Sustainability, Managing Our Resources, Energy and Emissions, p. 102		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. 102		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. 102		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. 102		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. 102		SDG 7 - Affordable and Clean Energy SDG 8 - Decent Work and Economic Growth SDG 12 - Responsible Consumption and Production SDG 13 - Climate Action	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Climate Change					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Energy and Emissions, p. 102			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability, Managing Our Resources, Energy and Emissions, p. 102		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. 102		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. 102		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. 102		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. 102		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. 102		SDG 3 - Good Health and Well-being SDG 12 - Responsible Consumption and Production	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Air Quality					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Energy and Emissions, p. 102			
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NO_x), sulphur oxides (SO_x), and other significant air emissions	Sustainability, Managing Our Resources, Energy and Emissions, p. 102		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					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Energy and Emissions, p. 102			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Sustainability, Managing Our Resources, Energy and Emissions, p. 102		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. 102		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. 102		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. 102		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. 102		SDG 7 - Affordable and Clean Energy SDG 8 - Decent Work and Economic Growth SDG 12 - Responsible Consumption and Production SDG 13 - Climate Action	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Water					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Water, p. 111			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Sustainability, Managing Our Resources, Water, p. 111		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. 111		SDG 6 - Clean Water and Sanitation	
	303-3 Water withdrawal	Sustainability, Managing Our Resources, Water, p. 111		SDG 6 - Clean Water and Sanitation	
	303-4 Water discharge	Sustainability, Managing Our Resources, Water, p. 111		SDG 6 - Clean Water and Sanitation	
	303-5 Water consumption	Sustainability, Managing Our Resources, Water, p. 111		SDG 6 - Clean Water and Sanitation	
Waste and Circular Economy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Waste, p. 114			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Sustainability, Managing Our Resources, Waste, p. 114		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. 114		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. 114		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	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
	306-4 Waste diverted from disposal	Sustainability, Managing Our Resources, Waste, p. 114		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. 114		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	
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Biodiversity, p. 116			
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Sustainability, Managing Our Resources, Biodiversity, p. 116		SDG 6 - Clean Water and Sanitation SDG 14 - Life below Water SDG 15 - Life on Land	
	101-2 Management of biodiversity impacts	Sustainability, Managing Our Resources, Biodiversity, p. 116		SDG 1 - No Poverty SDG 6 - Clean Water and Sanitation SDG 11 - Sustainable Cities and Communities SDG 12 - Responsible Consumption and Production SDG 14 - Life below Water SDG 15 - Life on Land	
	101-3 Access and benefit-sharing	Sustainability, Managing Our Resources, Biodiversity, p. 116		SDG 1 - No Poverty SDG 15 - Life on Land	
	101-4 Identification of biodiversity impacts	Sustainability, Managing Our Resources, Biodiversity, p. 116			
	101-5 Locations with biodiversity impacts	Sustainability, Managing Our Resources, Biodiversity, p. 116		SDG 1 - No Poverty SDG 6 - Clean Water and Sanitation SDG 11 - Sustainable Cities and Communities SDG 12 - Responsible Consumption and Production SDG 14 - Life below Water SDG 15 - Life on Land	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
	101-6 Direct drivers of biodiversity loss	Sustainability, Managing Our Resources, Biodiversity, p. 116		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 SDG 14 - Life below Water SDG 15 - Life on Land	
	101-7 Changes to the state of biodiversity	Sustainability, Managing Our Resources, Biodiversity, p. 116		SDG 6 - Clean Water and Sanitation SDG 14 - Life below Water SDG 15 - Life on Land	
	101-8 Ecosystem services	Sustainability, Managing Our Resources, Biodiversity, p. 116		SDG 1 - No Poverty SDG 11 - Sustainable Cities and Communities	
Supply Chain					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Supply Chain, p. 118			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainability, Managing Our Resources, Supply Chain, p. 118		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. 118			
	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainability, Managing Our Resources, Supply Chain, p. 118			
GRI 414: Supplier Social Assessment 2016	414-1: New suppliers that were screened using social criteria	Sustainability, Managing Our Resources, Supply Chain, p. 118		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. 118		SDG 5 - Gender Equality SDG 8 - Decent work and Economic Growth SDG 16 - Peace, Justice, and Strong Institutions	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Energy Security					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Managing Our Resources, Energy and Emissions, p. 102			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Sustainability, Managing Our Resources, Energy and Emissions, p. 102		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. 102		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. 102		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. 102		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. 102		SDG 7 - Affordable and Clean Energy SDG 8 - Decent Work and Economic Growth SDG 12 - Responsible Consumption and Production SDG 13 - Climate Action	
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. 141			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability, Growing With Our People, Customer Experience, p. 141		SDG 16 - Peace, Justice, and Strong Institutions	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Occupational Health and Safety, p. 120			
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. 120		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. 120		SDG 8 - Decent Work and Economic Growth	
	403-3 Occupational health services	Sustainability, Growing With Our People, Occupational Health and Safety, p. 120		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. 120		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. 120		SDG 8 - Decent Work and Economic Growth	
	403-6 Promotion of worker health	Sustainability, Growing With Our People, Occupational Health and Safety, p. 120		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. 120		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. 120		SDG 8 - Decent Work and Economic Growth	
	403-9 Work-related injuries	Sustainability, Growing With Our People, Occupational Health and Safety, p. 120		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.		

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Workforce Development					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Development and Diversity, p. 125			
GRI 2: General Disclosures 2021	2-7 Employees	Sustainability, Growing With Our People, Development and Diversity, p. 125		SDG 8 - Decent Work and Economic Growth SDG 10 - Reduced Inequalities	
	2-8 Workers who are not employees	Sustainability, Growing With Our People, Development and Diversity, p. 125		SDG 8 - Decent Work and Economic Growth	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability, Growing With Our People, Development and Diversity, p. 125		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, Development and Diversity, p. 125		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, Development and Diversity, p. 125		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, Development and Diversity, p. 125		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, Development and Diversity, p. 125		SDG 8 - Decent Work and Economic Growth	
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability, Growing With Our People, Development and Diversity, p. 125		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, Development and Diversity, p. 125		SDG 8 - Decent Work and Economic Growth	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Customer Centricity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Customer Experience, p. 141			
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. 141			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability, Growing With Our People, Customer Experience, p. 141		SDG 16 - Peace, Justice, and Strong Institutions	
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. 83 Corporate Governance, Internal Control Framework, p. 175		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, Development and Diversity, p. 125			
GRI 2: General Disclosures 2021	2-19 Remuneration policies	Corporate Governance, Executive Management, p. 173 Corporate Governance, Executive Management, p. 173			
	2-20 Process to determine remuneration	Corporate Governance, Executive Management, p. 173			
	2-21 Annual total compensation ratio	Corporate Governance, Executive Management, p. 173			
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	Sustainability, Growing With Our People, Development and Diversity, p. 125			
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, Development and Diversity, p. 125		SDG 1 - No Poverty SDG 5 - Gender Equality SDG 8 - Decent Work and Economic Growth	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability, Growing With Our People, Development and Diversity, p. 125		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, Development and Diversity, p. 125		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.		
Energy Affordability					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Customer Experience, p. 141			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Business Review, Operational Review, p. 62		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. 62		SDG 1 - No Poverty SDG 3 - Good Health and Well-being SDG 8 - Decent Work and Economic Growth	
Community Engagement					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability, Growing With Our People, Community Engagement, p. 139			
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. 139			
	413-2 Operations with significant actual and potential negative impacts on local communities	Sustainability, Growing With Our People, Community Engagement, p. 139		SDG 1 - No Poverty SDG 2 - Zero Hunger	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Ethics and Compliance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance, Internal Control Framework, p. 175			
GRI 2: General Disclosures 2021	2-15 Conflicts of interest	Corporate Governance, Internal Control Framework, p. 175		SDG 16 - Peace, Justice and Strong Institutions	
	2-23 Policy commitments	Corporate Governance, Internal Control Framework, p. 175		SDG 16 - Peace, Justice and Strong Institutions	
	2-24 Embedding policy commitments	Corporate Governance, Internal Control Framework, p. 175			
	2-27 Compliance with laws and regulations	Corporate Governance, Internal Control Framework, p. 175			
	2-30 Collective bargaining agreements	Sustainability, Growing With Our People, Human Rights, p. 137		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. 175		SDG 16 - Peace, Justice and Strong Institutions	
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Corporate Governance, Internal Control Framework, p. 175		SDG 16 - Peace, Justice and Strong Institutions	
	205-2 Communication and training about anti-corruption policies and procedures	Corporate Governance, Internal Control Framework, p. 175		SDG 16 - Peace, Justice and Strong Institutions	
	205-3 Confirmed incidents of corruption and actions taken	Corporate Governance, Internal Control Framework, p. 175		SDG 16 - Peace, Justice and Strong Institutions	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
GRI 207: Tax 2019	207-1 Approach to tax	Financial Statements, p. 189		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. 189		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. 189		SDG 1 - No Poverty SDG 10 - Reduced Inequalities SDG 17 - Partnerships for the Goals	
	207-4 Country-by-country reporting	Financial Statements, p. 189		SDG 1 - No Poverty SDG 10 - Reduced Inequalities SDG 17 - Partnerships for the Goals	
GRI 406: Non-discrimination 2016	406-1: Incidents of discrimination and corrective action taken	Sustainability, Growing With Our People, Human Rights, p. 137		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. 137		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. 137		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. 137		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. 89		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. 137		SDG 2 - Zero Hunger	
GRI 415: Public Policy 2016	415-1 Political contributions	Corporate Governance, Internal Control Framework, p. 175		SDG 16 - Peace, Justice, and Strong Institutions	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Corporate Governance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance, Group Corporate Governance Framework and Structure, p. 147			
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Corporate Governance, Group Corporate Governance Framework and Structure, p. 147		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. 151		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. 151		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. 151		SDG 16 - Peace, Justice and Strong Institutions	
	2-13 Delegation of responsibility for managing impacts	Corporate Governance, Board of Directors, p. 151			
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance, Board of Directors, p. 151 Sustainability, ESG Strategy, Governance, p. 94			
	2-16 Communication of critical concerns	Corporate Governance, Board of Directors, p. 151			
	2-17 Collective knowledge of the highest governance body	Corporate Governance, Board of Directors, p. 151			
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance, Board of Directors, p. 151			
	2-22 Statement on sustainable development strategy	Sustainability, ESG Strategy, Ambition, p. 91			
	2-26 Mechanisms for seeking advice and raising concerns	Corporate Governance, Internal Control Framework, p. 175		SDG 16 - Peace, Justice and Strong Institutions	

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Data Privacy and Security					
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Review, Business Resilience, Enterprise Risk Management, p. 83 Corporate Governance, Internal Control Framework, p. 175			
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. 83 Corporate Governance, Internal Control Framework, p. 175		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. 83			
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	Business Review, Business Resilience, Enterprise Risk Management, p. 83			
Responsible Investment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Review, Business Resilience, Enterprise Risk Management, p. 83			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Statements, p. 188		SDG 8 - Decent Work and Economic Growth SDG 9 - Industry, Innovation and Infrastructure	
	201-2 Financial implications and other risks and opportunities due to climate change	Business Review, Business Resilience, Enterprise Risk Management, p. 83 Sustainability, ESG Strategy, Climate Risks, p. 98		SDG 13 - Climate Action	
	201-4 Financial assistance received from government	Financial Statements, p. 188			

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GRI Standard	Disclosure	Number, chapter reference, direct answers	Omission	SDG Mapping	Linked ESRS Requirements
Stakeholder Engagement					
GRI 3: Material Topics 2021	3-3 Management of material topics	Overview, Stakeholder engagement, p. 26			
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. 278			
	2-3 Reporting period, frequency, and contact point	Appendix, Reporting Boundary and Scope, p. 278			
	2-4 Restatements of information	Restatements made for GHG emissions (immaterial change), waste, energy use and air emissions data based on recommendations during internal review and external audit.			
	2-5 External assurance	Appendix, Assurance Statement, p. 290			
	2-6 Activities, value chain and other business relationships	Overview, About TAQA, p. 14			
	2-28 Membership associations	Overview, Stakeholder engagement, p. 26			
	2-29 Approach to stakeholder engagement	Overview, Stakeholder engagement, p. 26			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Business Review, Operational Review, p. 62		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. 62		SDG 1 - No Poverty SDG 3 - Good Health and Well-being SDG 8 - Decent Work and Economic Growth	
Innovation					
GRI 3: Material Topics 2021	3-3 Management of material topics	Strategy, Innovation, Digital, and Artificial Intelligence, p. 45			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Strategy, Innovation, Digital, and Artificial Intelligence, p. 45		SDG 9 - Industry, Innovation and Infrastructure SDG 11 - Sustainable Cities and Communities	
	203-2 Significant indirect economic impacts	Strategy, Innovation, Digital, and Artificial Intelligence, p. 45			

APPENDIX 5 - CONTENT INDICES

APPENDIX 5.2 - ADX ESG DISCLOSURES

Environment

Data	Metric	Report Reference
E1. Environmental Operations	E1.1: Does your company follow a formal Environmental Policy? (Yes/No)	Sustainability, Managing Our Resources, Energy and Emissions
	E1.2: Does your company follow specific waste, water, energy, and/or recycling policies? (Yes/No)	Sustainability, Managing Our Resources, Energy and Emissions
	E1.3: Does your company use a recognised energy management system? (Yes/No)	Sustainability, Managing Our Resources, Energy and Emissions
E2. Water Usage	E2.1: Total amount of water consumed	Sustainability, Managing Our Resources, Water
	E2.2: Total amount of water reclaimed	Sustainability, Managing Our Resources, Water
E3. Waste Generation	E3.1: Total waste generated, per waste type	Sustainability, Managing Our Resources, Waste
	E3.2: Percentage of waste recycled, per waste type	Sustainability, Managing Our Resources, Waste
E4. Energy Usage	E4.1: Total amount of energy directly consumed	Sustainability, Managing Our Resources, Energy and Emissions
	E4.2: Total amount of energy indirectly consumed	Sustainability, Managing Our Resources, Energy and Emissions
E5. Energy Intensity	E5.1: Total direct energy usage per output scaling factor	Sustainability, Managing Our Resources, Energy and Emissions
E6. Energy Mix	E6.1: Percentage: Energy usage by generation type	Sustainability, Managing Our Resources, Energy and Emissions
E7. GHG Emissions	E7.1: Total amount in CO_2 equivalents, for Scope 1	Sustainability, Managing Our Resources, Energy and Emissions
	E7.2: Total amount in CO_2 equivalents, for Scope 2 (if applicable)	Sustainability, Managing Our Resources, Energy and Emissions
	E7.3: Total amount in CO_2 equivalents, for Scope 3 (if applicable)	Sustainability, Managing Our Resources, Energy and Emissions
E8. Emissions Intensity	E8.1: Total GHG emissions per output scaling factor	Sustainability, Managing Our Resources, Energy and Emissions
	E8.2: Total non-GHG emissions per output scaling factor	Sustainability, Managing Our Resources, Energy and Emissions

APPENDIX 5 - CONTENT INDICES

Data	Metric	Report Reference
E9. Climate Strategy	E9.1: Describe the climate-related risks and opportunities that could reasonably be expected to affect your organisation's prospects	Sustainability, ESG Strategy, Governance
	E9.2: Describe the current and anticipated impacts of climate-related risks and opportunities on your organisation's business model and value chain	Sustainability, ESG Strategy, Governance
	E9.3: How has your organisation responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making?	Sustainability, ESG Strategy, Governance
	E9.4: What are the current effects of climate-related risks and opportunities on financial position, performance, and cash flows?	Sustainability, ESG Strategy, Governance
E10. Climate-Related Risks and Opportunities	E10.1: Describe the processes used to identify, assess, and prioritise climate-related risks and opportunities	Sustainability, ESG Strategy, Governance
	E10.2: Whether and how your organisation uses climate-related scenario analysis	Sustainability, ESG Strategy, Governance
E11. Climate Governance	E11.1: Which governance body is responsible for oversight of climate-related risks and opportunities?	Sustainability, ESG Strategy, Governance
	E11.2: How does the governance body oversee climate-related risks and opportunities?	Sustainability, ESG Strategy, Governance
	E11.3: Are performance metrics related to climate targets included in remuneration policies? If so, how?	Sustainability, ESG Strategy, Governance
	E11.4: How is the role of overseeing climate-related risks delegated to management?	Sustainability, ESG Strategy, Governance
E12. Climate Targets	E12.1: Are performance metrics related to climate targets included in remuneration policies? If so, how?	Sustainability, ESG Strategy, Governance

APPENDIX 5 - CONTENT INDICES

Social

Data	Metric	Report Reference
S1. CEO Pay Ratio	E11.4: Has your organisation delegated the role of overseeing climate-related risks and opportunities to a specific management-level position or committee, and how is oversight over this role or committee exercised?	Corporate Governance, Executive Management
S2. Gender Pay Ratio	E11.3: Are performance metrics related to climate targets included in remuneration policies?	Sustainability, Growing With Our People, Development and Diversity
S3. Employee Turnover	S3.1: Percentage: Year-over-year change for full-time employees	Sustainability, Growing With Our People, Development and Diversity
	S3.2: Percentage: Year-over-year change for part-time employees	NA
	S3.3: Percentage: Year-over-year change for contractors / consultants	NA
S4. Gender Diversity	S4.1: Percentage: Total enterprise headcount held by men and women	Sustainability, Growing With Our People, Development and Diversity
	S4.2: Percentage: Entry- and mid-level positions held by men and women	Sustainability, Growing With Our People, Development and Diversity
	S4.3: Percentage: Senior- and executive-level positions held by men and women	Corporate Governance, Board of Directors
S5. Temporary Worker Ratio	S5.1: Percentage: Total enterprise headcount held by part-time employees	NA
	S5.2: Percentage: Total enterprise headcount held by contractors and/or consultants	NA
S7. Nationalisation	S7.1: Percentage of national employees, per employment category	Sustainability, Growing With Our People, Development and Diversity
S8. Non-Discrimination	S8.1: Does your company follow a non-discrimination policy?	Sustainability, Growing With Our People, Human Rights
S9. Health, Safety and Wellbeing	S9.1: Does your company follow an occupational health and/or health & safety policy?	Sustainability, Growing With Our People, Occupational Health and Safety
S10. Injury Rate	S10.1: Percentage: Frequency of injury events relative to total workforce time	Sustainability, Growing With Our People, Occupational Health and Safety
S11. Child and Forced Labour	S11.1: Does your company follow a child and/or forced labour policy?	Sustainability, Growing With Our People, Human Rights
	S11.2: If yes, does the policy also cover suppliers and vendors?	Sustainability, Growing With Our People, Human Rights
S12. Human Rights	S12.1: Does your company follow a human rights policy?	Sustainability, Growing With Our People, Human Rights
	S12.2: If yes, does the policy also cover suppliers and vendors?	Sustainability, Growing With Our People, Human Rights
S13. Community Investment	S13.1: 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 Independence	G1.1: Does company prohibit CEO from serving as board chair	Corporate Governance, Board of Directors
	G1.2: Percentage: Total board seats occupied by independent board members	Corporate Governance, Board of Directors
G2. Board Diversity	G2.1: Percentage: Total board seats occupied by men and women	Corporate Governance, Board of Directors
	G2.2: Percentage: Committee chairs occupied by men and women	Corporate Governance, Board Committees
G3. Supplier Code of Conduct	G3.1: Are vendors or suppliers required to follow a Code of Conduct	Sustainability, Managing Our Resources, Supply Chain
	G3.2: Percentage of suppliers that have formally certified compliance with the Code of Conduct	Sustainability, Managing Our Resources, Supply Chain
G4. Ethics and Prevention of Corruption	G4.1: Does the company follow an Ethics and/or Prevention of Corruption policy	Corporate Governance, Internal Control Framework
	G4.2: Percentage of workforce that has formally certified compliance with the policy	Corporate Governance, Internal Control Framework
G5. Data Privacy	G5.1: Does the company follow a Data Privacy policy	Business Review, Business Resilience, Cyber Security
	G5.2: Steps taken to comply with GDPR rules	Business Review, Business Resilience, Cyber Security
G6. Sustainability Strategy	G6.1: Sustainability-related risks and opportunities that could reasonably be expected to affect the organisation's prospects	Sustainability, ESG Strategy, Governance
	G6.2: Current and anticipated impacts of sustainability-related risks and opportunities on the business model and value chain	Sustainability, ESG Strategy, Governance
	G6.3: How the organisation has responded, and plans to respond, to sustainability-related risks and opportunities in strategy and decision-making	Sustainability, ESG Strategy, Governance
	G6.4: Current and anticipated effects of sustainability-related risks and opportunities on financial position, performance, and cash flows	Sustainability, ESG Strategy, Governance
G7. Sustainability Risks Management	G7.1: Processes and policies used to identify, assess, prioritise, and monitor sustainability-related risks	Sustainability, ESG Strategy, Risk Management
	G7.2: Integration of sustainability-related risks and opportunities into enterprise risk management	Sustainability, ESG Strategy, Risk Management
G8. Sustainability Governance	G8.1: Governance body responsible for oversight of sustainability-related risks and opportunities	Corporate Governance, Board of Directors
	G8.2: How the governance body oversees sustainability-related risks and opportunities	Corporate Governance, Board of Directors
	G8.3: Inclusion of sustainability-related performance metrics in remuneration policies	Corporate Governance, Remuneration
	G8.4: Delegation of oversight of sustainability-related risks to management	Sustainability, ESG Strategy, Governance
G9. Sustainability Targets	G9.1: Metrics used to measure and monitor sustainability-related risks or opportunities	Sustainability, ESG Strategy, Performance
G10. Disclosure Practices	G10.1: Publication of a sustainability report	Appendix, Reporting Boundary and Scope
	G10.2: Publication of a GRI, IFRS, CDP, SASB, IIRC, or UNGC-based report	Appendix, Content Indices
G11. External Assurance	G11.1: Assurance or verification of sustainability disclosures 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_2O), (2) SO_X, (3) particulate matter (PM10), (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
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

APPENDIX 5 - CONTENT INDICES

Topic	Accounting Metric	Report Reference or Direct Answers	Applicable SASB Standard
	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 32 wells of TAQA North (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	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
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	0.22	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

APPENDIX 5 - CONTENT INDICES

Topic	Accounting Metric	Report Reference or Direct Answers	Applicable SASB Standard
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
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

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Topic	Accounting Metric	Report Reference or Direct Answers	Applicable SASB Standard
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** 2025 – 71.79	Electric Utilities and Power Generators
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

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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
	Number of: (1) residential, (2) commercial, and (3) industrial customers served	Residential – 59% Commercial – 31% Government – 3% Agriculture – 7%	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

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Topic	Accounting Metric	Report Reference or Direct Answers	Applicable SASB Standard
	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 – 73% Commercial – 23% Industrial- 0.2% Government – 1% Agriculture – 1% Customers served via tankers – 1%	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
	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 - TCFD DISCLOSURES

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, 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, Climate Risks
b) Describe the impact of climate- related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Sustainability, ESG Strategy, 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, 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, Climate Risks
b) Describe the organisation's processes for managing climate- related risks.	Business Review, Business Resilience, Enterprise Risk Management Sustainability, ESG Strategy, 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, 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

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, Development and Diversity
	Pay equality	Corporate Governance, Executive Management Sustainability, Growing With Our People, Development and Diversity
	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, Development and Diversity
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, Development and Diversity
	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	Stated 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

APPENDIX 5 - CONTENT INDICES

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