

CREATING VALUE TO MEET AMBITIONS

As a leading utility player, our business model is centered on:

Optimization



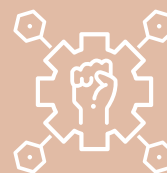
- Create an integrated, efficient, digital utility
- Partner with the government to continue to support an optimal regulatory system
- Ensure prudent financial stewardship and return cash to shareholders through transparent dividend policy

Growth



- Enhance position as Abu Dhabi's low carbon power and water champion
- Selectively seek value-added growth outside of Abu Dhabi

Capability-building



- Develop competences around core strengths

TAQA represents a unique investment proposition based on the stability of strategic government ownership, scale and leadership in our key markets, stable and predictable cash generation from long-term contracts and regulated network assets, and future growth potential through exclusivity rights in Abu Dhabi.

As one of the largest publicly listed companies in the UAE and an issuer of listed securities, the company is committed to international best practice in regulatory disclosure. TAQA has a well-developed investor relations function that facilitates information flow and engagement with the global financial community.

TAQA's ambition is to achieve a balance of roles between asset owner and investor, operator and developer. In the coming years, the company will take on greater responsibility for operations and development as it invests to build capacity in the UAE and pursues select opportunities internationally. While these capabilities will be developed organically, TAQA also looks to strengthen existing relationships and forge new partnerships with leading companies who share similar values.

Our value proposition

Leading sector transformation

- National champion and one of the largest listed integrated utility companies by regulated assets in EMEA
- Vertically integrated across the value chain, benefiting from exclusivity rights over strategic power and water infrastructure assets

Strengthened credit profile

- Highly predictable and secure cash flow profile
- Long-standing, transparent and internationally-aligned regulatory framework

Essential infrastructure company for Abu Dhabi

- Strong ties to Abu Dhabi Government and fully aligned with Abu Dhabi Economic Vision 2030
- Positioned to capture infrastructure growth expected in the UAE

Active contributor towards net zero targets

- Ambitions for growth in low carbon power and water in Abu Dhabi and beyond
- Focused on reducing carbon emissions across business lines – Generation, Transmission & Distribution and Oil & Gas

Best-in-class capabilities span across asset management and operations, safety and an internationally experienced leadership team

Alignment to UN Sustainable Development Goals

To measure our contribution to the UN Sustainable Development Goals (SDGs), TAQA focuses on the SDGs most relevant to the core utilities industries in which it operates and the business models in place. We also support and indirectly contribute to the remaining SDGs given the critical products and services provided by the Group's businesses.

The SDGs as part of TAQA Group's strategy



For more information on our sustainability efforts, refer to our latest Sustainability Report.



<https://bit.ly/TAQASustainabilityReport>

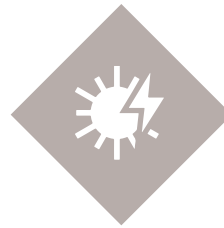
OUR STRATEGY

TAQA is on a journey to become the recognized low carbon power and water champion of Abu Dhabi through growth, optimization and capability building:



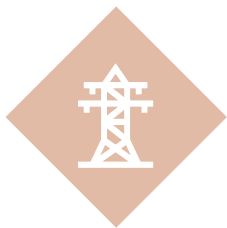
HOME MARKET

Our focus will be in our home market of the UAE, and we will leverage our expertise and experience to grow in international markets where we can add value.



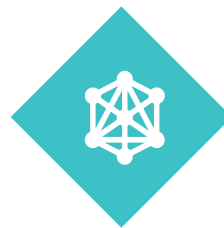
CLEAN ENERGY

We will focus on clean energy for growth – with a particular focus on renewable power generation and efficient reverse osmosis technology.



NETWORK GROWTH

We will grow our transmission and distribution network capacity to meet increasing customer demand.



EFFICIENT NETWORKS

We will drive efficiency across our businesses including optimization, digitalization and modernization in our transmission and distribution networks.



COMMITMENT TO ESG

Our business will be rooted in a strong commitment to ESG principles and practices, and we will set out a clear plan and bold targets for the reduction of carbon emissions by 2030.



FINANCIAL STRENGTH

We will deliver on our strategy while protecting our financial strength and valuing our people, shareholders and the communities in which we operate.



REDUCED EXPOSURE
















We will focus on commercially viable opportunities to reduce our exposure in oil and gas.



TALENT DEVELOPMENT

We will enhance our workforce’s capabilities to drive TAQA’s continued growth, with a focus on talent development and performance excellence to achieve our operational ambitions.

OUR STRATEGIC PILLARS

Capture growth at home	Selectively pursue international growth	Protect our financial strength
<p>Increase gross power capacity to 30 GW, up from 18 GW</p> <p></p> <hr/> <p>Retire 8 GW+ of existing older power plant technology and 50% of energy intensive water desalination capacity in the UAE, offset by 9 GW of new clean capacity, acquisitions and more efficient reverse osmosis water desalination plants</p> <p></p> <hr/> <p>Increase renewables in our portfolio to more than 30%– up from 5%</p> <p></p> <hr/> <p>Ensure highly efficient reverse osmosis makes up two-thirds of our desalination fleet</p> <p></p> <hr/> <p>Invest AED 40 billion to maintain and grow our regulated asset base</p> <p></p> <hr/> <p>Grow new services in demand-side management</p> <p></p>	<p>Add up to 15 GW of clean gross power capacity internationally</p> <p></p> <hr/> <p>Explore opportunities to develop low-cost low carbon solutions and drive efficiencies in new markets where we can add value</p> <p></p> <hr/> <p>Seek investment in projects that align with our low carbon power and water strategy</p> <p> </p> <hr/> <p>Pursue 'green' projects for which investors have a strong appetite</p> <p></p>	<p>Maintain investment-grade credit ratings</p> <p></p> <hr/> <p>Continue to deliver on our dividend policy with quarterly dividend payments and an annual increase of 10% to returns in 2021 and 2022</p> <p></p> <hr/> <p>Attract foreign investment in TAQA</p> <p></p> <hr/> <p>Continue to enable a diversified investor base that encourages foreign direct investment into the UAE</p> <p></p>

STRATEGIC PILLARS

 GROWTH

 OPTIMIZATION

 CAPACITY BUILDING

Limit exposure to commodity markets

Focus on commercially viable opportunities to reduce our exposure in oil and gas



Continue to pursue top quartile operations performance



Continue to protect the value of our Oil & Gas business



In our coal-fired power generation assets, we will continue to invest to ensure they run safely and efficiently



Anchor TAQA in ESG principles and practices

Ensure that we maintain high standards of transparency for environmental and social impact



Continue to ensure governance practices are in line with regulatory requirements and informed by international best practices



Develop a clear plan and bold targets to reduce greenhouse gas emissions



Not invest any capex in the expansion of our coal-fired capacity



Drive efficiency and customer satisfaction

Continue focus on operational excellence and optimization across entire value chain to become a high-performing, reliable and efficient utilities leader



Optimize the Transmission & Distribution assets for top quartile performance



Emphasize digitalization to achieve operational improvement



Work to streamline the water value chain in Abu Dhabi to capture synergies



Continue to focus on customer experience and satisfaction



Enhance our workforce's capabilities

Continue to invest in the workforce's development, professional growth and performance to enable business to deliver on ambitions



Implement strong operating model and build on workforce's core strengths



Strengthen competences around safety, business development, asset management and operations, regulatory management and digital



Corporate



Generation



Transmission & Distribution



Oil & Gas