

Corporate Governance Philosophy

The Company's corporate governance philosophy is firmly rooted in fostering a culture of performance excellence and adherence to applicable laws and regulations, specifically tailored for its role in the power generation sector. This approach is essential for succeeding in the highly competitive and technical field of electricity generation in a manner that is responsible, sustainable, and value-creating for all stakeholders. The Board of Directors of the Rural Areas Electricity Company SAOC (RAEC) is dedicated to upholding the highest standards of corporate governance within the generation domain. The Company's governance policies and procedures are meticulously crafted to prioritize its responsibilities towards stakeholders, with a particular emphasis on optimizing generation efficiency and ensuring long-term value for shareholders.

The Company acknowledges the significance of all its stakeholders, including shareholders, employees, customers, suppliers, and the communities where it generates power. This acknowledgment guides the governance practices and processes established by the Board. RAEC's corporate governance framework within the generation segment is driven by a commitment to the highest standards of business integrity, ethical values, and professional conduct in all its operational activities. This dedication is directed towards consistently delivering the best value to its customers and achieving excellence in the generation sector year after year.

Role of the Board of Directors and its Committees:

Board of Directors

The Board of Directors retains a set of specific powers and authorities that are fundamental to the effective governance and strategic direction of the Company. These reserved powers encompass several key areas. In terms of strategic direction and oversight, the Board provides high-level guidance in shaping the Company's strategic plans, ensuring they align with its long-term operational and financial objectives. With regard to corporate governance, the Board is responsible for monitoring and evaluating governance systems to ensure compliance with relevant legal, regulatory, and internal standards. The Board also plays a critical role in risk management and internal controls, overseeing the Company's control framework and risk mitigation processes to uphold operational integrity and sustainability.

In matters of major transactions and capital allocation, the Board approves significant acquisitions, disposals, joint ventures, and capital expenditures that could materially impact the Company's financial health or strategic positioning. Furthermore, the Board oversees human resources and leadership succession, regularly reviewing HR policies and focusing on succession planning for senior executives and top management to ensure continuity in leadership. Lastly, under its financial oversight responsibilities, the Board approves the balance sheet, annual financial statements, and strategic business plans, ensuring the Company's financial practices support its broader strategic objectives.

Sub Committees of the Board

The Board is responsible for the establishment and functioning of all Sub Committees, and the appointment of members to these committees and their compensation. The Board has delegated responsibilities to two Board sub-committees namely Audit & Risk Committee and Board Executive Committee.

Audit & Risk Committee (ARC)

In accordance with the Code of Corporate Governance for Closed Joint Stock Companies, the Audit Committee holds a critical role in safeguarding the integrity of the Company's financial reporting and internal control environment. Among

its key responsibilities is the nomination and assessment of the external auditor, where the Committee evaluates proposed candidates by reviewing their fees, terms of engagement, and the potential impact of any non-audit services on their independence and objectivity. Based on this evaluation, the Committee makes informed recommendations to the Board of Directors for submission to the Annual General Meeting (AGM) for formal appointment.

In terms of audit planning and review, the Committee is responsible for reviewing and approving the external auditor's audit plan to ensure it sufficiently addresses key risk areas. It also assesses the results of the audit process, ensuring that auditors are granted full and unrestricted access to all necessary information and documentation.

Furthermore, the Committee is tasked with upholding financial integrity and fraud oversight by investigating any instances of fraud, misstatements, or financial irregularities. It ensures the implementation and enforcement of robust internal controls and sound accounting practices that fairly and accurately reflect the Company's financial position in compliance with applicable accounting standards and regulatory requirements.

Board Executive Committee (BEC)

The Board Executive Committee (BEC) serves as a pivotal governance body within RAEC, offering strategic leadership and oversight across key areas of the organization. One of its core responsibilities lies in strategy and oversight, where the Committee reviews and approves RAEC's strategic plans, ensuring that these align with the company's long-term goals. It also monitors the implementation and progress of strategic initiatives to ensure their effectiveness and alignment with overall corporate objectives.

In the area of policy oversight and governance, the BEC plays a central role in shaping the company's policy framework. It develops, reviews, and recommends policies and procedures for Board approval, ensuring consistency with Nama Holding's strategic direction and full compliance with applicable legal and regulatory standards. The Committee also ensures the consistent application of approved policies, recommends amendments when necessary, and evaluates requests for policy exemptions. Additionally, it undertakes any other responsibilities assigned by the Board.

With respect to human resources strategy and oversight, the BEC is responsible for reviewing and recommending updates to RAEC's N-I organizational structure to support operational efficiency. It also oversees the development and implementation of succession planning for key executive positions, ensuring continuity in leadership and the long-term stability of the organization.

Major Tender Committee (MJTC)

The Major Tender Committee (MJTC) was established by the Board in line with the OIA's Procurement and Tendering Policy and in line with Procurement Guidelines issued by Nama Holding. It is a key body within the company's procurement framework, responsible for overseeing significant procurement processes to ensure transparency, efficiency, and compliance with internal policies. The committee includes executive management representatives as well as two members of the Board of Directors, reflecting the strategic importance and oversight required for critical generation decisions.

Board of Directors Composition:

Being a closed joint stock company, NEGC is subject to the provisions of the Commercial Companies Law No. 4/1974 (18/2019) as amended and NEGC Articles of Association. In this context, NEGC's Board is composed as follows:

Name of the Board Member	Position in the Board	Type of Representation	Membership of other Committees	Membership of Board Members in other companies	Last attended AGM meeting
Mr. Said Mohammed Salim Al Maktumi	Chairman	Independent	-	-	24 March 2025
Mr. Hassan Ali Saleh Al Ajmi	Vice Chairman	Non-independent, Non-executive Director	2	-	24 March 2025
Ms. Salama Khalifa Al Hajri	Member	Non-independent, Non-executive Director	2	-	24 March 2025
Mr. Ali Mohamed Ali Al Raiisi	Member	Independent	2	-	-
Mr. Musallam Said Salim Al Maashani	Member	Independent	2	NDS DIDIC	-

Attendance of Directors at Board and Committee Meeting in 2025:

Table I presents the detailed schedule and remuneration for the Board of Directors' meetings at Nama Electricity Generation Company for the year 2025. This structured overview highlights the board's active engagement throughout the year and provides transparent disclosure of the financial remuneration allocated for their dedicated service.

Table 01: 2024 Board of Director's and Committee Meetings

Member Names	Said Mohammed Salim Al Maktumi	Hassan Ali Saleh Al Ajmi	Ali Mohamed Ali Al Raiisi	Musallam Said Salim Al Maashani	Salama Khalifa Al Hajri
BOD Meetings Ref No and Dates	Chairman	Vice Chairman	Member	Member	Member
BoD 01/2025 (5 Feb 2025)	Attend	Attend	Attend	Attend	Absent
BoD 02/2025 (5 Mar 2025)	Attend	Attend	Attend	Attend	Attend
BoD 03/2025 (1 May 2025)	Attend	Attend	Attend	Attend	Attend
BoD 04/2025 (2 Jun 2025)	Attend	Attend	Attend	Attend	Attend
BoD 05/2025 (7 Aug 2025)	Attend	Attend	Attend	Attend	Attend
BoD 06/2025 (5 Sep 2025)	Attend	Attend	Attend	Attend	Attend
BoD 07/2025 (7 Sep 2025)	Attend	Attend	Attend	Attend	Attend

BoD 08/2025 (30 Sep 2025)	Attend	Attend	Attend	Attend	Attend
BoD 09/2025 (6 Nov 2025)	Attend	Attend	Attend	Attend	Attend
BoD 10/2025 (17 Nov 2025)	Attend	Attend	Attend	Attend	Attend
BoD 11/2025 (19 Nov 2025)	Attend	Attend	Attend	Attend	Attend
BoD 12/2025 (24 Dec 2025)	Attend	Attend	Attend	Attend	Attend
Total Number of BOD Attended	12	12	12	12	11
Sitting Fees (OMR)	6,000	4,200	4,800	4,200	3,900

Audit & Risk Committee (ARC)

Member Names	Hassan Ali Saleh Al Ajmi	Musallam Said Salim Al Maashani	Salama Khalifa Al Hajri
ARC Meetings Ref No and Dates	Member	Chairman	Member
ARC 01/2025 (4 Mar 2025)	Attend	Attend	Attend
ARC 02/2025 (27 Apr 2025)	Attend	Attend	Attend
ARC 03/2025 (4 Aug 2025)	Attend	Attend	Attend
ARC 04/2025 (10 Sep 2025)	Attend	Attend	Attend
ARC 5/2025 (29 Sep 2025)	Attend	Attend	Attend
ARC 06/2025 (3 Nov 2025)	Attend	Absent	Attend
ARC 07/2025 (4 Dec 2025)	Absent	Attend	Attend
Total Number of ARC Attended	6	6	7
Sitting Fees (OMR)	1,200	1,200	1,500

Board Executive Committee (BEC)

Member Names	Ali Mohamed Ali Al Raiisi	Musallam Said Salim Al Maashani	Salama Khalifa Al Hajri
BEC Meetings Ref No and Dates	Chairman	Member	Member
BEC 01/2025 (27 Apr 2025)	Attend	Attend	Attend
BEC 02/2025 (4 Aug 2025)	Attend	Attend	Attend
BEC 03/2025 (3 Nov 2025)	Attend	Absent	Attend
Total Number of BEC Attended	3	2	3
Sitting Fees (OMR)	600	600	600

Major Tender Committee (MJTC)

2025 Major Tender Committee Meetings

Member Names		Mr. Hassan Ali Saleh Al Ajmi	Mr. Ali Mohammed A L Raiisi
MJTC Meetings No	Dates	Chairman	Vice Chairman
1	02 nd Jun 2025	Attend	Attend
2	04 th Aug 2025	Attend	Attend
3	22 nd Oct 2025	Attend	Attend
Total Number of MJTC Attended		3	3
Sitting Fees (OMR)		600	600

Annual General Meeting (AGM):

Annual General Meeting (AGM) refers to the general meeting of the Company which is held annually. Article No. 172 of the Commercial Companies Law mandates Nama Electricity Generation Company to hold an AGM within 90 days from the end of each financial year. In 2025, Nama Electricity Generation Company held the Annual General meeting on 24 March 2025.

Management Discussion and Analysis Report

Refer to The Annual Report and the Report of the Financial Statements, Chairman Message, Director Report and CEO Message providing Key information on the company's financial performance, in addition to the key strategic projects and sustainability projects. The Company's financial performance gives a view of the current financial standing and future

projections. The reports assist investors and shareholders in understanding how the Management and Board implement the decision-making process, and the company's core principles and financial fundamentals.

Compliance with the Code of Governance for OIA Entities

The Company was in full compliance with the Code of Governance for OIA Entities.

Communications with Shareholders & Investors

Pursuant to the Royal Decree 78/2004 (Sector Law) and its amendments, the Company maintains close liaison with Electricity Holding Company SAOC and Nama Shared Service LLC, on various policy issues. All the information relating to the Company, news and the financial results are available on the Company's website. The Annual General Meeting offers a further opportunity for the directors to meet with shareholders. The Annual Report includes the Management Discussions and Analysis Report.

Statutory Auditors

EY is a global leader in assurance, tax, strategy & transactions, and consulting services. EY is committed to doing its part in building a better working world. The insights and quality services which EY delivers help build trust and confidence in the capital markets and in economies the world over.

The MENA practice of EY has been operating in the region since 1923. For over 100 years, we have grown to over 8,500 people united across 27 offices and 14 countries, sharing the same values and an unwavering commitment to quality. Globally, EY operates in more than 150 countries and employs over 400,000 professionals. EY operates as one firm, with 3 geographic areas, and EY member firms are grouped into 10 regions. Please visit ey.com for more information about EY. The fees of the Statutory Auditor for the year 2025 approved by the shareholder amounted RO. 15,228

Code of Ethics & Business Conduct:

The Code of Ethics and Business Conduct Policy was amended to be in line with OIA Communication Policy. The Code of Ethics and Business Conduct (CEBC) applies to NG companies' Boards of Directors and employees, as well as all consultants, contractors, suppliers, and persons representing NG in their commercial operations. The revision stipulates that OIA Entities shall cover the internal and external communications and the social media protocols. Principles and ethics have always been an integral part of Nama Group and a static foundation to achieve our vision and goals. All Nama Group achievements reflect a direct indication of our commitment to apply them. Based on the principle of sustaining ethical conduct, the Code of Conduct Policy has been developed electronically to facilitate employees' access and review of the Policy easily and encourage them to continue complying and implementing the Policy.

Details of Non-Compliance:

The company received Regulation notice 116 in 2025 from APSR. However, NEGC currently adheres to all applicable regulatory requirements ensuring full compliance with relevant authorities. The Company complies with the provisions of the Code of Corporate Governance outlined in OIA Public Disclosure.

Whistle Blowing:

To ensure the performance of duties under the best corporate governance practices, a Whistle Blowing Policy was developed in line with the Sector's Policy Statement on Fraud Deterrence and pursuant to the OIA Code of Corporate Governance. The main purposes of this Policy are to:

Support the mission and values of Nama Group;

- Ensure that Target Users are aware of their right to report any Misconduct;
- Explain the process for reporting misconduct clearly and the procedures undertaken to investigate such alleged misconduct;
- Provide a transparent, safe, and confidential space within the organization for reporting such Misconduct.

The Policy has been amended, and a digital platform system has been created with integrated case management. Target users can report any wrongdoing on an anonymous basis, as outlined in the policy. The website for the platform is: <http://wajib.integrityline.com>



Chairman



Board Member