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C.R. No. 1224013
PR No. HMH/15/2015; HMA/9/2015

AGREED-UPON PROCEDURES REPORT ON FACTUAL FINDINGS TO THE SHAREHOLDERS OF OMAN POWER AND WATER PROCUREMENT COMPANY SAOC IN RESPECT OF CORPORATE GOVERNANCE REPORT

Scope and purpose

We have performed the procedures agreed with you pursuant to the Oman Investment Authority (OIA), the shareholder of the Company, issued the Public Disclosure Policy for OIA entities (the "Policy") dated 4 April 2024 which aims to provide a systematic, transparent and accountable method for presenting and disclosing financial and non-financial information by OIA entities to OIA and the public. The Policy, among other things, requires the Company to prepare a Corporate Governance Report (the "Report") in accordance with Annexure No. 1 to the Policy.

Restricted use

This agreed-upon procedures report ("AUP Report") is intended solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose. This report relates only to the accompanying corporate governance report of the Company to be included in its annual report for the year ended 31 December 2025 and does not extend to any financial statements of Oman Power and Water Procurement Company SAOC, taken as a whole.

Responsibilities of the Board of Directors

The Board of Directors have acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement and are responsible for identifying and ensuring that the contents of the Report comply with the Code on which the agreed-upon procedures are performed. The sufficiency of these procedures is solely the responsibility of the Company and its Board of Directors.

Responsibilities of the Practitioner

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness, or the sufficiency of the agreed-upon procedures described below either for the purpose for which this AUP Report has been requested or for any other purpose.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Our independence and quality management

In performing the Agreed-Upon Procedures engagement, we complied with the ethical requirements in the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA) and the independence requirements in accordance with the relevant regulations in the Sultanate of Oman. We are the independent auditor of the Company and therefore we also complied with the independence requirements of the IESBA Code that apply in the context of the financial statement audit. EY applies International Standard on Quality Management 1, which requires us to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



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AGREED-UPON PROCEDURES REPORT ON FACTUAL FINDINGS TO THE SHAREHOLDERS OF
OMAN POWER AND WATER PROCUREMENT COMPANY SAOC IN RESPECT OF CORPORATE
GOVERNANCE REPORT (continued)

Description of procedures performed

We have performed the procedures described below, which were agreed upon with you on the compliance of the Report with the Code for the year ended 31 December 2025.

Our procedures and findings included:

No.	Procedures	Findings
(a)	We have obtained the Policy from the Company.	No exceptions noted.
(b)	We have obtained the Corporate Governance Report (the "Report") from the Company Secretary issued by the Board of Directors and checked that the Report of the Company includes as a minimum, all items as detailed in Annexure No.1 'The Corporate Governance Report' to the Policy.	No exceptions noted.
(c)	We have obtained the details regarding areas of non-compliance with Annexure No. 1 'The Corporate Governance Report' to the Policy, identified by the Board of Directors of the Company for the year ended 31 December 2025, sourced from the Company Secretary or relevant personnel, along with supporting documentation and compared these with those included in the Report in the section "Details of non-compliance". Additionally, we obtained written representations from the Board of Directors that there were no other areas of non-compliance with the Code for the year ended 31 December 2025 of which they were aware.	No exceptions noted.

Ernst & Young
30 April 2026
Muscat



CORPORATE GOVERNANCE REPORT

Good governance is fundamental to PWP's ability to deliver water and electricity for the Sultanate of Oman in accordance with its statutory and regulatory obligations. PWP upholds governance best practises and is structured to make timely decisions under the auspices of its regulatory framework; manage risks appropriately; act with transparency and integrity; and engage effectively with its stakeholders.

The role of the Board of PWP is to approve the strategic direction of PWP, to guide and monitor the management of PWP and its businesses in achieving its strategic plans, and to oversee good governance practice. In performing its role, the Board is committed to a high standard of corporate governance practice and fostering a culture of compliance that values ethical behaviour, personal and organisational integrity, transparency, fairness and accountability.

The Chief Executive Officer, the Chief Energy Transition Officer and the remainder of the executive management are responsible for executing the strategic objectives put in place by the Board along with the day-to-day management and operations of PWP in line with internal policies and regulatory approvals.

PWP's governance and compliance system comprises the Code of Ethics and Business Conduct, Conflict of Interest Policy and Fraud Deterrence Policy both of which serve to emphasise the Company's commitment to ethics and compliance with the law, sets forth standards of ethical and legal behaviour, provide reporting mechanisms for known or suspected ethical or legal violations, and help prevent and detect wrongdoing.

Additionally, PWP has in place a share prohibition in which no member of the Board or any of the employees of PWP are permitted to own shares in any of the project companies from whom PWP purchases power and water.

The Board and PWP employees are required to sign an annual declaration in which they confirm adherence to the Code of Ethics and Business Conduct, Fraud Deterrence Policy and Conflict of Interest Policy and confirmation that there is no actual or perceived, direct or indirect conflict of interest.

BOARD OF DIRECTORS

All of the current five board members were appointed in 2023 except for the current Chairman of the board who was appointed in mid-2024 following the resignation of the previous Chairman of the Board. The total numbers of meetings held by the Board and its committees and the attendance of members is as shown in the below table:

Table 9 Current Board Members

Board Members	Designation	Board Meetings	Status	Member of other Companies' Board/ Committees	Date of Last AGM Meeting Attended
Ahmed Al Subhi	Chairman	8	Independent	Board Chairman - Be'ah Board Chairman – Nama Holding	24 March 2025
Fatma Al Rashdi	Deputy Chairperson	7	Not Independent	No	27 March 2024
Ahmed Al Hooti	Member	8	Independent	No	24 March 2025
Faiza Al Harthi	Member	8	Independent	No	24 March 2025
Aflah Al Lawati	Member	8	Independent	OQEP	24 March 2025

During the year 2025, there were 8 meetings for board of directors as per the below table:

Board Number	Date of the Meeting
Meeting 1/2025	February 27, 2025
Meeting 2/2025	May 15, 2025
Meeting 3/2025	July 24, 2025
Meeting 4/2025	October 1, 2025
Meeting 5/2025	October 23, 2025
Meeting 6/2025	November 06, 2025
Meeting 7/2025	November 23, 2025
Meeting 8/2025	December 18, 2025

BOARD COMMITTEES

BOARD AUDIT AND RISK COMMITTEE (BARC)

The Board Audit Committee (BAC) operates under a mandate approved by the Board and is responsible for overseeing the Company's internal controls, risk management, and governance processes. The BAC ensures that the internal audit function is effective, independent, and aligned with the Company's strategic objectives. It approves the annual audit plan, reviews the findings of internal audits, and monitors the implementation of audit recommendations. The BAC also evaluates the adequacy of the Company's financial reporting processes and compliance with statutory obligations.

The total number of meetings held by the Board Audit committee and the attendance of members is as shown in the table below:

Table 11 Board Audit and Risk Committee Meeting

Board Members		Number of Meeting Attended	Status
Aflah Al Lawati	Chairman	5	Independent
Faiza Al Harthi	Member	5	Independent
Ahmed Al Hooti	Member	5	Independent

During the year 2025, there were 5 meetings for board audit and risk committee as per the below table.

Board Audit and Risk Committee Number	Date of the Meeting
Meeting 1/2025	February 24, 2025
Meeting 2/2025	May 14, 2025
Meeting 3/2025	July 23, 2025
Meeting 4/2025	October 22, 2025
Meeting 5/2025	November 23, 2025

OTHER SUB COMMITTEES OF THE BOARD

BOARD EXECUTIVE COMMITTEE

The Executive Committee comprises a blend of Board members along with members of the PWP executive and aims to facilitate efficient and timely decision making in the areas delegated to it by the Board and in accordance with its Board approved Terms of Reference.

Below is the list of the members of the executive committee and the number of meetings attended:

Table 12 Board Executive Committee Meeting

Board Members		Number of Meeting Attended	Status
Ahmed Al Subhi	Chairman	3	Independent
Fatma Al Rashdi	Member	2	Not Independent
Ahmed Al Abri	Member (Management)	3	Not Independent
Abdullah Al Sawafi	Member (Management)	3	Not Independent
Iftiaal Al Adawi	Member (Management)	3	Not Independent

MAJOR TENDER COMMITTEE

The Major Tender Committee is responsible for overseeing procurements exceeding OMR 5 million with a special focus on capacity procurements. The committee includes executive management representatives as well as two members of the Board, reflecting the strategic importance and oversight required for critical procurement decisions.

Below is the list of the members of the Major Tender Committee and the number of meetings attended:

Table 13 Current Major Tender Committee Members

Board Members		Number of Meeting Attended	Status
Ahmed Al Subhi	Chairman	17	Independent
Fatma Al Rashdi	Member	10	Not Independent
Ahmed Al Abri	Member (Management)	15	Not Independent
Saud Al Mahrouqi	Member (Management)	15	Not Independent
Iftiaal Al Adawi	Member (Management)	16	Not Independent

During the year 2025, there were 17 meetings for Major Tender Committee as per the table below.

Board Audit and Risk Committee Number	Date of the Meeting
Meeting 1/2025	January 15, 2025
Meeting 2/2025	March 06, 2025
Meeting 3/2025	March 25, 2025
Meeting 4/2025	March 27, 2025
Meeting 5/2025	April 20, 2025
Meeting 6/2025	May 06, 2025
Meeting 7/2025	May 22, 2025
Meeting 8/2025	May 28, 2025
Meeting 9/2025	June 15, 2025
Meeting 10/2025	June 19, 2025
Meeting 11/2025	June 25, 2025
Meeting 12/2025	Jul 07, 2025
Meeting 13/2025	Jul 24, 2025
Meeting 14/2025	August 28, 2025
Meeting 15/2025	September 18, 2025
Meeting 16/2025	October 30, 2025
Meeting 17/2025	November 19, 2025

DETAILS OF NON-COMPLIANCE

There were no penalties and strictures imposed on the Company by the regulator or any regulatory authority during 2025.

RISK MANAGEMENT

PWP, to support the achievement of its strategic objectives and safeguard the continuity of its operations, has established a comprehensive Enterprise Risk Management (ERM) Framework that enables systematic identification, assessment, and management of risks across the organization. The framework supports informed decision-making and strengthens the Company's resilience by ensuring that key risks and emerging uncertainties are proactively managed.

Risks are evaluated against the Company's approved risk appetite and tolerance levels, considering their likelihood of occurrence and potential impact on operational, financial, regulatory, reputational, and environmental performance. The Enterprise Risk Register is maintained and regularly updated to reflect the evolving risk landscape and to ensure that appropriate mitigation measures are implemented.

Executive management is responsible for the implementation and ongoing monitoring of risk management activities across the organization. Oversight of the ERM framework is provided by the Board Audit and Risk Committee (BARC), which reviews the Enterprise Risk Register, key risk exposures, and mitigation strategies on a quarterly basis. This governance structure ensures

that significant risks are appropriately escalated, monitored, and managed in line with the Company's strategic priorities and risk appetite. Through this structured approach, PWP enhances transparency, strengthens corporate governance, and supports sustainable long-term value creation.

BUSINESS CONTINUITY MANAGEMENT

PWP is committed to ensuring the resilience and continuity of its critical operations and maintaining the reliable delivery of services to its stakeholders. To support this objective, the Company has implemented a Business Continuity Management (BCM) Framework that establishes policies, procedures, and recovery plans designed to effectively respond to and recover from potential disruptions. The framework has been developed in accordance with the governance guidelines issued by the Oman Investment Authority (OIA).

The BCM framework complements the Company's Enterprise Risk Management approach by focusing on preparedness for high-impact operational disruptions and strengthening organizational resilience. It includes the identification of critical business activities, assessment of potential disruption scenarios, and the development of response and recovery strategies to minimize operational impacts.

All BCM-related activities are monitored and reported through established governance channels and are escalated to the BCM Committee to ensure effective coordination and oversight. In addition, management conducts periodic reviews and updates of Business Continuity Plans (BCPs) to ensure their continued relevance, effectiveness, and alignment with evolving risks and OIA requirements.

INTERNAL AUDIT

The Internal Audit function provides an independent and objective assessment of the adequacy and effectiveness of the Company's risk management, internal control, and governance, along with recommendations to improve those systems. The function operates independently of management, under a mandate approved by and kept under review by the Board Audit Committee (BAC). A risk-based approach is used to identify, prioritize and focus on internal audit activities. The annual audit plan is presented to the BAC for approval. The BAC meets the internal auditors to discuss the results of the quarterly internal audit.

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.

CHANNELS OF COMMUNICATION WITH THE STAKEHOLDERS

Pursuant to the Royal Decree 78/2004 (Sector Law) and its amendments, the Company maintains close liaison with Electricity Holding Company SAOC, Numo Institute for Competency Development LLC and Nama Shared Service LLC, on various policy issues. The Company maintains an active communication program with its shareholders. Annual Reports are posted on the Company's website for all stakeholders and mailed directly to shareholders.

STATUTORY AUDITOR

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 26 offices and 15 countries, sharing the same values and an unwavering commitment to quality. EY MENA forms part of EY's EMEIA practice. Globally, EY operates in more than 150 countries and employs 400,000 professionals in 700 offices. Please visit ey.com for more information about EY. The Statutory Auditor fees for the year 2025 approved by the shareholder amounted **18,537 OMR**.

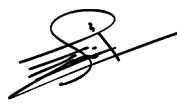
Total fees paid to each board member during the year is as stated below:

Board Member	Total Fees (OMR)
Ahmed Al Subhi	6,300
Fatma Al Rashdi	6,000
Aflah Al Lawati	6,300
Ahmed Al Hooti	6,300
Faiza Al Harthi	6,300
Total fee paid during the year	31,200

** All sitting fees for the board and associated committees are capped at OMR 6,000 per member. However, there are some fees related to the year 2024 where the company did not account for in 2024 and were paid in 2025.*



Chairman



Board member