حكومة دبي
GOVERNMENT OF DUBAI

هيئة كهرباء ومياه دبي
Dubai Electricity & Water Authority

DEWA PJSC INTEGRATED REPORT 2023

Sheikh Zayed bin Sultan Al Nahyan, may his soul rest in peace

Founder of the UAE (1918 - 2004)

“ The UAE will continue to play a leading role in shaping initiatives which serve humanity and help to achieve stability, prosperity and sustainable development. ”

His Highness
Sheikh Mohamed bin Zayed Al Nahyan

President of the United Arab Emirates

We have developed a sustainable infrastructure that will serve new generations. This infrastructure has been built by young Emiratis who will lead our country through the next phase of growth. We are proud of our nation's advancements in clean energy and green economy.

His Highness
Sheikh Mohammed bin Rashid Al Maktoum

Vice President and Prime Minister of the UAE and Ruler of Dubai

His Highness

Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum

Crown Prince of Dubai and Chairman of the Executive Council of Dubai

His Highness

Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum

First Deputy Ruler of Dubai, Deputy Prime Minister and Minister of Finance

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CHAIRMAN'S MESSAGE

HE MATAR HUMAID AL TAYER
Chairman of Dubai Electricity and Water Authority (DEWA)

Thanks to the vision and directives of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, Dubai has made significant progress in last few decades and has become a global hub for trade, tourism and green economy and an inspiring and attractive destination for investment. We are proud of DEWA's significant contribution to Dubai›s success story by providing electricity, water and cooling services according to highest levels of reliability and efficiency and putting in place robust infrastructure to meet the demands of Dubai's growing population. DEWA is developing major projects, particularly in clean and renewable energy, in line with the Dubai Clean Energy Strategy 2050 and the Dubai Net-Zero Carbon Emissions Strategy 2050, to provide 100% of the energy production capacity from clean energy sources by 2050.

DEWA is focused on its strategic objective of delivering sustainable growth, staying at the forefront of smart and innovative operational excellence, and optimizing returns for all its stakeholders while minimizing its environmental footprint. In 2023, DEWA reduced 9.1 million tonnes of CO2 emissions, with 6.6 million tonnes from efficiency improvement and emission reduction initiatives and 2.5 million tonnes from the operating phases of the Mohammed bin Rashid Al Maktoum Solar Park.

We accord high priority to good corporate governance and believe it has contributed to the distinguished results achieved. DEWA is ranked in the top position globally in 10 KPIs relevant to the utility sector including Customer Minutes Lost (CML) and Electricity and Water line losses. In 2023, DEWA›s annual consolidated revenue increased by 7% to AED 29.2 billion, driven mainly by an increase in demand for electricity, water, and cooling services. I am confident that DEWA will continue on the path of success and excellence in 2024.

I would like to thank our shareholders for their support and trust in DEWA and I also extend my thanks to DEWA's management and work teams who are doing their best to ensure that DEWA provides its services according to the highest levels of quality, reliability and efficiency and thereby generate sustainable value for all stakeholders.

Matar Humaid Al Tayer

Chairman of the Board

MD & CEO MESSAGE

HE SAEED MOHAMMED AL TAYER
MD & CEO of DEWA

Dubai Electricity and Water Authority (DEWA) continues its journey of excellence and sustainable growth, guided by the vision of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, and the directives of His Highness Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of the Executive Council of Dubai, and His Highness Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum, First Deputy Ruler of Dubai and Deputy Prime Minister and Minister of Finance of the UAE. In 2023, DEWA achieved annual revenue of AED 29.2 billion, operating profit of AED 8.8 billion and EBITDA of AED 14.8 billion, which are the highest in its history.

Sustainability is an integral part of our strategy and it is embedded in all our operations and processes. In line with our objective to be a globally leading, sustainable and innovative corporation, we are aggressively reducing our carbon footprint in the journey to attain Net-Zero by 2050. The priority we accord to environmental, social, and economic aspects of sustainability is evidenced in our close alignment with the United Nations Sustainable Development Goals (SDGs) 2030. Our effective governance practices too have contributed to DEWA achieving globally competitive benchmarks in several utility metrics.

DEWA provides services to over 1.2 million customers in Dubai at the highest levels of quality, reliability and efficiency. By the end of 2023, DEWA's installed capacity reached 15.7 gigawatts (GW) of electricity and 495 million imperial gallons of desalinated water per day. The Mohammed bin Rashid Al Maktoum Solar Park, the largest single-site solar park in the world, provides the main thrust in DEWA's transition to green energy. As at end of 2023 its generation capacity was 2,627 MW and will eventually reach over 5,000 MW of Solar PV and Concentrated Solar Power by 2030.

In 2023, DEWA held the top position among utilities world-wide in more than 10 Key Performance Indicators (KPIs), surpassing companies in the EU and US. DEWA's electricity line loss was 2% compared to 6-7% in Europe and the USA and Water network loss was 4.6% compared to around 15% in North America. DEWA also set a new world benchmark for lowest electricity Customer Minutes Lost (CML) of 1.06 minutes per customer per year, which compares to approximately 15 minutes recorded by leading utilities in the European Union.

Our strategy is centered on long-term value creation through committed stewardship, continuous innovation and investment in state-of-the-art infrastructure. By adopting a customer-centric approach, leveraging smart services, digitalisation capabilities and embracing ESG leadership, we aim to deliver sustainable returns and position the company as an industry leader and reliable investment choice. I extend my sincere thanks to our shareholders for their confidence in us and to our dedicated employees and other stakeholders for their participation and contribution to building an efficient and customer focused utility.

Saeed Mohammad Al Tayer

MD & CEO of DEWA

ABOUT DEWA PJSC

DEWA (PJSC) & ITS REPORTING PRACTICES

ABOUT DEWA

Established on January 1, 1992, through a decree issued by the late Sheikh Maktoum bin Rashid Al Maktoum, DEWA emerged from the merger of Dubai Electricity Company and Dubai Water Department, previously operating independently since their establishment by the late Sheikh Rashid bin Saeed Al Maktoum in 1959. With full support from Dubai government, these entities were tasked with meeting the electricity and water needs of Dubai's citizens and residents.

Over the years, DEWA has achieved significant milestones, earning recognition as one of the world's premier utilities.

In April 2022, DEWA marked another a milestone by being listed on the DFM and becoming the market's largest listed company with a market value of AED 124 billion (USD 33.8 billion). This was achieved by the sale of 9 billion shares, representing 18% of its capital.

Serving as the exclusive power and water provider and the dominant cooling services provider in Dubai, DEWA extends its services to 3.6 million people residing in the city and to an active daytime population exceeding 4.8 million. By 2040 we anticipate these numbers to increase to 5.8 million and 7.8 million respectively.

At the end of 2023, DEWA is catering to 1,211,475 customer accounts, marking an increase of 4.66% compared to the previous year. Notably 53,974 new customer accounts were added in 2023.

VISION

A globally leading sustainable innovative corporation committed to achieving Net-Zero by 2050.

MISSION

We are committed and aligned to Dubai's 8 Guiding Principles and 50-Year Charter supporting the UAE's directions through the delivery of global leading services and innovative energy and potable water solutions enriching lives and ensuring the happiness of our stakeholders for a sustainable Net-Zero carbon 2050.

MOTTO

For generations to come

VALUES

- Stakeholder Happiness
- Sustainability
- Innovation
- Excellence
- Good Governance

PURPOSE

Providing globally leading sustainable, efficient, and reliable power and water services, and related innovative smart solutions towards Net-Zero Future.

KEY HIGHLIGHTS IN 2023

Q1

1. We inaugurated the green data centre of Moro Hub (Data Hub Integrated Solutions LLC), a subsidiary of Digital DEWA, our digital arm.

2. DEWA integrated ChatGPT technology into its services, becoming the first utility globally to use this technology.

3. Launched our virtual employee Rammas on Instagram, becoming the first government entity in the UAE to use a chatbot on Instagram.

4. Inaugurated Cyber Security Innovation Lab, Waee Cybersecurity Centre and Identity Intelligence Centre.

5. We won first place in the Ministry of Energy and Infrastructure's 'Research and Innovation Award' in the category of government sector organisations in balanced national energy.

6. We won the Hydrogen Project of the Year 2023 Award for our green hydrogen project at the Mohammed bin Rashid Al Maktoum Solar Park.

7. We won prestigious awards at the American Great Place to Work Institute 2023.

8. Established the Disruptive Labs at Al Hudaiba building, which will serve as a hub to implement the Innovation and Future Shaping Framework.

Q2

1. Launched SAT-2, a 6U nanosatellite, to enhance operational efficiency and remote sensing capabilities, marking another step in our Space-D programme.

2. DEWA received a world record low bid of USD 1.621 cents per KWh on the IPP (Independent Power Producer) tender for its 1800 MW solar PV plant at Mohammed bin Rashid Al Maktoum Solar Park.

3. DEWA achieved a world record by receiving the lowest bid of 0.36536 USD/m^3 of desalinated water for the construction and operation of the 180 Million Imperial Gallon per Day (MIGD) Sea Water Reverse Osmosis Hassyan Phase 1 Independent Water Producer (IWP) project.

4. We commissioned our 60 MIG Lusaily water reservoir.

5. Our generation plants maintained a world-leading availability and reliability factor of 91.15% and 99.86% respectively, representing an increase in availability from the same period in 2022.

Q3

1. We commissioned 676 11kV distribution substations across Dubai in the first half of 2023.

2. HH Sheikh Mohammed bin Rashid Al Maktoum witnessed the signing of an agreement between DEWA and Abu Dhabi Future Energy Company PJSC (Masdar) to build and operate the1,800 MW 6th phase of the landmark Mohammed bin Rashid Al Maktoum Solar Park.

Q4

1. We commissioned the second unit in the 4th phase of the Mohammed bin Rashid Al Maktoum Solar Park, adding 200MW of clean energy using parabolic basin complex technology. This phase uses the IPP model with total investment of AED 15.78 billion.

2. We signed a water purchase agreement and shareholder agreement with ACWA Power for phase 1 of the world's largest solar energy-powered desalination plant.

3. We received the ISO 37301:2021 certification in compliance management making us one of the first international and local entities to obtain this certificate. This recognises the implementation of all applicable laws, legislation, and requirements in all our business.

4. His Highness Sheikh Mohammed bin Rashid Al Maktoum, witnessed the signing of an agreement between Expo City Dubai and DEWA to fully power Expo City with renewable energy, marking a significant milestone in its journey towards achieving net-zero emissions by 2050.

5. His Highness Sheikh Mohammed bin Rashid Al Maktoum inaugurated the largest CSP project in the world within the fourth phase of the Mohammed bin Rashid Al Maktoum Solar Park.

6. We signed an agreement with Dubai Municipality on a project to generate electricity from landfill biogas.

7. We achieved two new records at the Mohammed bin Rashid Al Maktoum Solar Park; for 'The Tallest Concentrated Solar Power Tower' at 263.126 metres, and 'the largest thermal energy storage plant' at 5,907 megawatt hours using CSP based with Molten Salt technology. We received the two certificates from Guinness World Records representatives during COP28, which the UAE hosted at Expo City Dubai.

General

1. Peak power demand in 2023 reached 10.408 GWH, an increase of 9% over 2022.

2. Peak daily desalinated water demand in 2023 reached 433.72 MIG, an increase of 4.91% over 2022

3. Our H Station at Al Aweer reached a project progress of 94.5%, while the Hatta pumped storage hydroelectric power plant has reached a project progress of 82.5% in 2023.

4. DEWA commissioned 14 new 132/11 kV transmission substations in 2023.

5. DEWA was honoured with the prestigious Sword of Honour Award by British Safety Council for health and Safety for unprecedented 16th consecutive year.

6. DEWA also received the Globe of Honor Award for environmental compliance for the 12th consecutive year.

7. DEWA received prestigious awards for Corporate Excellence in 2023, maintaining global leadership in "Innovation Kitemark" and "IDXCS" surveillance.

8. DEWA achieved 99.6% Smart Adoption and scored 98.3% in the Instant Happiness Meter ranking 1 among all Dubai Government Departments.

9. DEWA maintains strong infrastructure and network security controls and was successful in achieving Zero cyber breaches in the year.

DEWA'S PORTFOLIO

DEWA has a portfolio of related business interests, apart from its primary business activity of producing and supplying electricity and water:

CORE PORTFOLIO

Empower, is currently the world's largest district cooling services provider by connected capacity, is 56% owned by DEWA, and it owns, manages, operates and maintains district cooling plants and affiliated distribution networks across Dubai.

Mai Dubai is a water-bottling, manufacturing and distribution company, which distributes water within the UAE and to other markets. Mai Dubai is a wholly-owned subsidiary of DEWA and it commenced operations in 2014. Mai Dubai is currently the number one ranked water-bottling company in the UAE for both distribution and sales.

Etihad ESCO is a wholly-owned subsidiary of DEWA. It was established under a mandate from the Dubai Supreme Council of Energy to implement energy efficiency projects in Dubai. Etihad ESCO is a commercial energy services company, and its activities have been expanded to include solar PV projects, as well as electromechanical and facility management services. The company has successfully completed a number of significant building retrofit projects for major public and private sector clients in the UAE.

Digital DEWA was created as a holding company to group several subsidiaries that deliver digital business solutions. Three companies operate under Digital DEWA.

- **Moro (Data Hub Integrated Solutions)** is currently the backbone and core entity at the heart of Digital DEWA. Moro is a company that provides data centre services, cloud solutions and hosting services, managed business solutions and managed IT services for DEWA and other external public and private organisations.

- **Digital X** was formed in October 2019 to offer digital services, resource augmentation, intelligent automation solutions, robotics, advanced data analytics solutions for optimal decision-making and mission-critical analytical modelling systems. DigitalX's services assist companies with designing, implementing and managing technologies to enhance their business capabilities as well as accelerating their digital transformation by building cutting-edge and easy-to-use systems powered by AI.

- **Infra X** was formed in October 2019 and focuses on connecting Digital DEWA's value-added services from its data centres and cloud services to customers. InfraX leverages DEWA's infrastructure to offer a secure, reliable, and independent super-fast network that meets the future digital transformation demands. InfraX is considered to be the first non-telecom company in the UAE to receive a special purpose IoT license from the Telecommunications and Digital Government Regulatory Authority (TDRA) to commercialise IoT networks and services. In addition, Infra X partners with local service providers to provide 5G technologies.

IPP PORTFOLIO

- **Shuaa Energy 1** is a solar photovoltaic independent power plant project that has a contracted electricity generation capacity of 200 MW, which is located in, and constitutes the second phase of the MBR Solar Park.

- **Shuaa Energy 2** is a solar photovoltaic independent power plant project that has a contracted electricity generation capacity of 800 MW, which is located in, and constitutes the third phase of the MBR Solar Park.

- **Shuaa Energy 3** is a solar photovoltaic independent power plant project that will have a contracted electricity generation capacity of 900 MW, which is located in, and constitutes the fifth phase of the MBR Solar Park.

- **Shuaa Energy 4** is a solar photovoltaic independent power plant project that will have a total capacity of 1,800MW, located in, and constitutes the 6th phase of the MBR Solar Park.

- **Noor Energy 1** is an independent power plant project that has a 700 MW CSP and 250 MW PV (contracted electricity generation) capacity, and which is located in, and constitutes the fourth phase of the MBR Solar Park. Upon completion, it is expected to become the largest single-site CSP plant in the world using a combination of a central tower and parabolic trough CSP technologies.

- **Hassyan Energy** Phase 1 is an independent power producer project with a total electricity generation capacity of 2,400 MW. While the plant was designed to be operated on dual fuel, DEWA, as off-taker, took the decision that the plant should operate using only natural gas as the primary fuel, and the formal shift was publicly announced by DEWA. In addition, the Hassyan Power Plant uses ultra-supercritical technology in its operations, in compliance with set international standards.

- **Hassyan Water** is an independent water producer project with a total capacity of 180 MIGD of desalinated water.

FINANCIAL COMPANIES PORTFOLIO

- **Dubai Green Fund Investments** is the first specialised green impact investment fund in the MENA region. It is backed by the Government and is currently 100% owned by DEWA. Its mandate is to invest in green projects and support Dubai's position as a global hub for the green economy. Dubai Green Fund's current portfolio of green investments is expected to save approximately 8.5 million metric tonnes of CO2 emission per year over the next 30 years.

- **Forward Investments** is DEWA's corporate venture capital unit. Forward Investments was established in 2020 with a mandate to invest in venture investments in renewable energy, distributed generation, energy storage, utility digitisation, smart technology and security, cleantech and other diversification opportunities relevant to DEWA's strategy. To date, the company has entered into a number of successful investments across the United States and Asia.

- **Etihad Clean Energy Development Company** is a is a DED-licensed limited liability company with the main objective of financing solar-bot projects executed by Etihad ESCO.

The above-related business interests are excluded from the reported data found within this report.

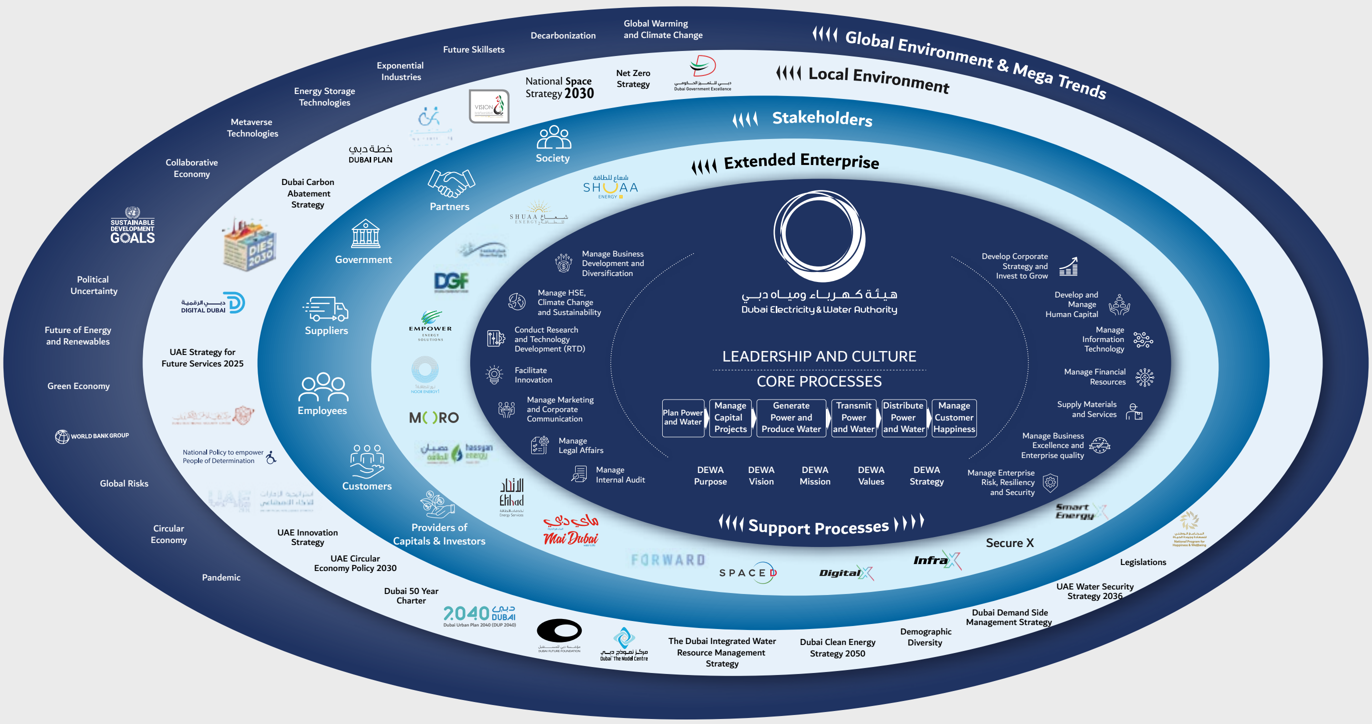
DEWA'S ECOSYSTEM

The DEWA ecosystem delineates DEWA's engagement with the external environment through its five key components which are:

- DEWA's core business and support activities
- Extended enterprise (Subsidiaries)
- DEWA's stakeholders
- The local environment
- The global environment and megatrends.

This framework outlines the fundamental business processes from planning to customer happiness, underscored by auxiliary support functions. The interplay of these elements aims to generate sustainable value for all stakeholders, incorporating feedback mechanisms for continuous enhancement through innovative practices.

Furthermore, the ecosystem illustrates DEWA's influential role and leadership within its domain, motivating and exemplifying achievements that benefit both DEWA and others. The five integral components of the DEWA ecosystem encompass DEWA's core business and support functions, extended enterprises (subsidiaries), stakeholders, the local environment, and the global environment with its associated megatrends.



STRATEGY, POLICIES, & PRACTICES

STRATEGY

Strategically Driven

As the UAE and Dubai continue to impress the world with sky-high aspirations and achievements, DEWA updates its strategy on an annual basis, and continuously aligns itself with major global developments and national strategies, to ensure its effective and sustainable contribution to the long-term prosperity of Dubai and the UAE.

DEWA has an agile strategy that is always ready to cope with internal and external factors, as it closely tracks emerging trends and gathers facts and figures to increase its understanding of the macro-environment and considers several corporate scenarios based on emerging trends and underlying drivers.

In addition, stakeholder engagement is a key component of the organisation's strategy formulation process, as it continuously gathers and analyses their inputs through different tools, ensuring exceeding their needs and expectations.

DEWA Strategy Framework

DEWA's Strategy Framework
Consists of 3 consecutive phases, enriched by strategic intelligence, and powered by continuous learning, communication & innovation

Strategy Formulation
Define overall strategic direction and design the corporate strategy, leveraging strategic insights and foresight

Organisation Alignment
Align divisions and employees with DEWA's overall strategy, and plan strategic initiatives for its achievement

Execution & Assessment
Implement corporate and divisional strategies, and assess implementation progress, including both performance (KPIs) and strategic initiatives

STRATEGY FOCUSED ORGANISATION

DEWA is proud to be the first organization in MENA region to receive the Hall of Fame Award back in 2008 for implementing 3rd generation Balanced Scorecard in strategic plan, and the first organisation to score 4.3 higher than the global average in execution premium assessment (XPA) for strategic planning & execution practices that was conducted by Palladium Group the international authority for Balanced Scorecard framework.

DEWA Strategy Map

A globally leading sustainable innovative corporation committed to achieving Net-Zero by 2050

SUSTAINABLE GROWTH 30%

TRIPLE BOTTOMLINE

- **TBL01:** Optimized costs, revenues and diversified global investments
- **TBL02:** Pioneering socially responsible practices
- **TBL03:** Minimized environmental footprint

STAKEHOLDERS

- **S01:** Available, Reliable and high quality supply of electricity and water
- **S02:** Engaged & Happy Stakeholders

INTERNAL PROCESSES

Operational and Smart Services Excellence 10%

- **IP03:** Leading Innovative customer experience
- **IP02:** Leading Health, Safety and Environment practices
- **IP01:** Leading Standards of availability, reliability, and efficiency

Agility and Governance

- **IP06:** Leading governance and management standards
- **IP05:** Leading Integrated, resilience and agility framework
- **IP04:** Leading Corporate Security System

10X The Future

- **IP09:** Sustainable energy mix and effective supply & demand side management
- **IP08:** Leading through Digital DEWA
- **IP07:** Disruptive technologies including: AI, Robotics, Space and Iot

LEARNING & GROWTH

Enablers of Success 10%

- **LG01:** Attract and retain talent
- **LG02:** Motivated & Happy Human Capital
- **LG03:** Enabling AI & Disruptive Digital Technologies
- **LG04:** National identity and effective Emiratization
- **LG05:** Building Capabilities & Future Leaders

DEWA Strategic Priorities

SUSTAINABLE GROWTH

TRIPLE BOTTOM LINE

STAKEHOLDERS

Deliver our future vision through balancing economic, environmental, and social impacts of our growth strategy. It also has a stakeholders' happiness strategy; it aims to be a pioneer in the global utility industry and deliver the best leading results; and it has effectively aligned its strategy to local, federal, and global development goals, with a particular focus on the United Nations Sustainable Development Goals.

INTERNAL PROCESSES

Operational and Smart Service Excellence

DEWA's routes to excellence are pioneering service levels through effective enterprise asset management, preserving the health and safety of our stakeholders, being environmentally responsible, and envisioning a futuristic customer experience.

Agility & Governance

This focuses on safeguarding DEWA's future by maintaining leading practices in corporate governance, integrated corporate security, corporate resilience, Enterprise Risk Management, Business Continuity Management, and Crisis Management.

10X & Net-Zero Future

This theme involves disrupting and creating a sustainable future by implementing the 3Ds of Digitisation, Diversification of the energy mix and Demand Side Management.

LEARNING & GROWTH

Enablers of Success

This is building and developing capacities for the future, planning, and acquiring future talents, developing and enabling future leaders, futuristic technology-enabled workplace and promoting National Identity and Emiratisation.

The United Nations Sustainable Development Goals 2030

DEWA has taken proactive steps to recognise the importance of the United Nations Sustainable Development Goals (UNSDGs) 2030 since its announcement in 2015. It created an award-winning approach to the SDGs based on five essential pillars:

- Acknowledge and affirm the importance of the SDGs
- Identify the SDGs of greatest relevance
- Align DEWA's strategy to the SDGs
- Build capacity and embed SDGs into decision-making processes
- Report publicly on progress

Prioritising the SDGs

The Sustainable Development Goals (SDGs) have been prioritised by DEWA into three main tiers. These tiers are based on the goals' relevance to DEWA as a stakeholder in Dubai and globally, as well as its business critical as a successful electricity and water utility, and its leadership commitments as a leading sustainable innovative global corporation.

A highlight on progress towards the SDGs

DEWA continues to enhance its operations and develop new projects to increase the reliability and efficiency of its power and water services. In 2023, DEWA has established its Distribution Network Smart Center.

Distribution Network Smart Center works as a centralized automated hub and repository that gathers, monitors and analyzes data from the smart devices installed in the distribution power network. Some of the key objectives of the Smart Centre are:

- To monitor and analyze the infrastructure of DEWA's smart initiatives.
- To get the best value and benefits from the remote capabilities of the smart meters, green charging devices and smart applications.
- To provide data and analysis reports and support business needs on their operations.

It provides a real-time view and assessment of the current status of the network and conducts diagnostic analysis to find effective and proactive solutions to any disturbances that may occur. By utilizing artificial intelligence and automation, the Smart Centre minimizes human interference, automates system study, analyzes data, and derives detailed reports to enrich data-driven decision making. All of this is built on a robust security platform which protects sensitive data in compliance with security standards and data privacy rules. The Smart Centre currently has 27 use cases that serve the Advanced Metering Infrastructure for Electricity, Shams Dubai initiative and Green Charger initiative.

In serving these main initiatives and enhancing DEWA's electricity services with the use of the latest modern technologies, the Distribution Network Smart Centre contributes to Goal 7 (Ensure access to affordable, reliable, sustainable and modern energy for all), Goal 9 (Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation) and Goal 11 (Make cities and human settlements inclusive, safe, resilient and sustainable) of the United Nations Sustainable Development Goals.

POLICIES

Over the years, DEWA has built different policies to affirm its commitments and business activities that are in line with national and global strategies, goals, laws and regulations in relation to economic, environment, social and human rights aspects. For further details, you may refer to DEWA's policies on its website

PRACTICES

EMPLOYEE GRIEVANCES AND COMPLAINTS

DEWA is dedicated to the enforcement of equitable, consistent, and expeditious administrative measures to discourage negative workplace behaviour. The organisation has instituted regulations and mechanisms for handling grievances and complaints from its employees, whether they are directly employed or seconded to DEWA. Utilising its internal platform, Freejna, DEWA offers employees extensive information and guidance on administrative procedures and complaints regulations, complemented by an electronic form for the submission of complaints. Additionally, DEWA has established the Grievances & Complaints Committee to oversee and adjudicate cases referred to it pertaining to employee grievances and complaints.

CUSTOMER FEEDBACK PROCESS

04 The Unified Interactive Platform Between Dubai Government and its Customers, is a system that enables customers to submit suggestions, comments and complaints smoothly via an omnichannel and seamless experience.

04 The Unified Platform aligns with Dubai's '360 Services' policy, which places customers at the heart of developing government services and provides them with a unified platform to voice their opinions, offer suggestions and raise any challenges or complaints.

In addition to the centralized portal, customers have additional channels to share their feedback which again will be tracked through 04 Portal, including:

- Website: www.dewa.gov.ae
- Email: customercare@dewa.gov.ae
- Customer Care Centre:
  Tel: 04-6019999
- Smart devices at
  Customer Happiness Centres
- Smart App
- Radio
- Chatbot
- Facebook
- X (Formally Twitter)

UNIVERSAL SERVICE CENTRE

The Universal Service Centre delivers a complete digital experience, providing customers with comprehensive, reliable, and secure services. Leveraging the latest AI technologies, the centre assists customers in completing their transactions seamlessly. Additionally, it uses digital interactive solutions that enable customers to communicate remotely with the respective team.

CUSTOMER CARE CENTRE

DEWA has transformed its Customer Care Centre into an innovative and interactive digital hub, enhancing the customer experience across various channels for seamless transactions. The centre, equipped with an Interactive Voice System (IVR) enhanced by AI, operates 24/7, offering a range of pioneering services. These include procedural and informational support for electricity and water requests, EV Green Charger services, and access to the Smart Living dashboard for comprehensive information on all DEWA services. The digital database, continually updated, prioritises calls based on customer segments, ensuring high standard of professionalism and service quality. AI is employed to identify caller accounts, modify options based on account status, and efficiently direct customers to the most suitable choices. The system also analyses calls, keywords, and customer satisfaction indicators, enabling DEWA to gather valuable insights for service improvement and quick decision-making to enhance customer happiness and experience. Based on the above transformation, the Customer Care Centre has been recognised as one of the top 3 Best Contact Centres in Dubai in 2021. This was announced by the Dubai Model Centre. DEWA's Customer Care Centre achieved a high-performance in-Service Quality Level of 96.72% with an abandoned rate of 0.59%.

THE CUSTOMER HAPPINESS CHARTER

DEWA has developed the Customer Happiness Charter that sets its quality standards and defines customer service expectations in order to foster engaged stakeholder participation to ensure the excellence of Government services. It identifies the key responsibilities of the organisation, including the customers themselves in order to guarantee an outstanding customer experience.

The Charter comprises a set of commitments that outline various responsibilities, such as fair and equal services for all customers, catering to customer needs with full transparency, commitment towards the privacy of customer information and data, practising high principles in service delivery, provision of innovative solutions, in addition to other commitments. The Charter is reviewed and updated annually and is promoted to all stakeholders.

Note: For further details about the Customer Happiness Charter please scan the below QR code:

MECHANISMS FOR SEEKING ADVICE AND RAISING CONCERNS

DEWA acknowledges the importance of avoiding misconduct, such as violation of laws, in its operations and business connections. It is dedicated to conducting its business with honesty and ethics. DEWA commits to maintaining transparency and integrity in all business transactions and relationships, implementing an effective system to prevent, detect and address any offence across its operations.

DEWA has adopted a robust Ethics and Compliance management system supported by a comprehensive set of policies and procedures related to the Code of Conduct, Anti-Bribery & Corruption and Fraud, Anti-Money Laundering, and Whistleblowing Policy.

DEWA adopts a zero-tolerance approach towards any occurrence of fraud, bribery or corruption across its business activities and operations. DEWA recognises that the prevention of fraud, bribery and corruption is an integral component of good governance and affirms its commitment to conduct its business and operations in an honest, transparent and ethical manner and as per the applicable UAE federal laws and the Emirate of Dubai legislations.

For full details about the Mechanisms for seeking advice and raising concerns, please scan the below QR code:

MEMBERSHIP ASSOCIATIONS

DEWA plays an active role in several national and international organisations, councils, and committees. These include, but are not limited to, the following Councils and Committees:

1. Dubai Council
2. The Executive Council of Dubai
3. The Dubai Supreme Council of Energy
4. Dubai Future Council on Energy
5. Strategic Affairs Council
6. United Nations Global Compact
7. World Green Economy Organisation
8. The Carbon Abatement Committee
9. The Dubai Demand Side Management Committee
10. Dubai Supreme Fiscal Committee

Committees

The Management team is assisted in its work by several additional committees, which include members of the management team or other DEWA division representatives. These include the Complaints & Grievances Committee; Women's Committee; DEWA Youth Council; Investment Committee; Takaful and Theqa Committee; Administration Violation Committee; Scrap Verification Committee; DEWA Excellence Award Committee; Crisis Management Committee; Group Risk and Resilience Committee; Health, Safety & Environment Committee; Corporate Governance Committee; IT Security Response Team, Drones Robotics Committee, ISO 50001 Energy Management System-Top Management Committee, Cyber Emergency Response Committee, Tender Opening Committee and Digital Transformation Committee.

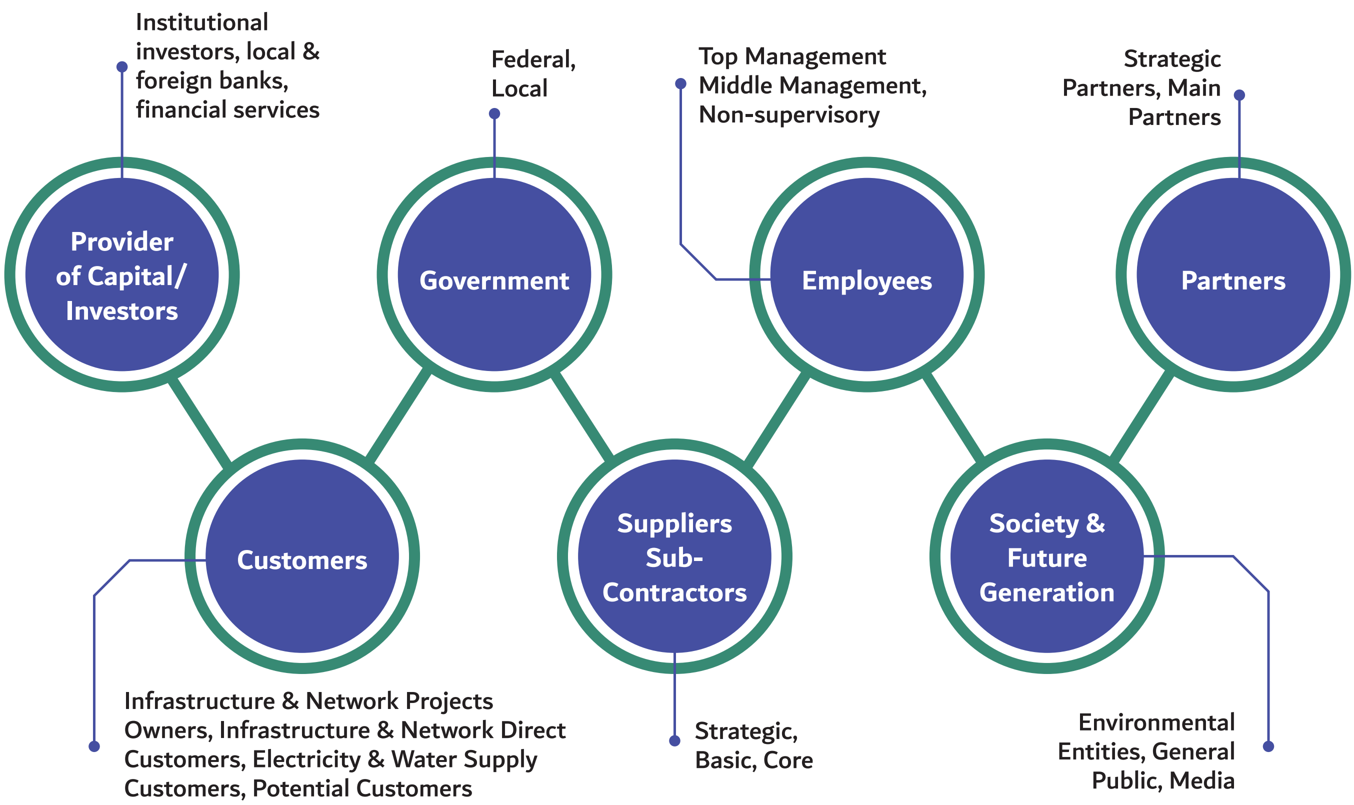
STAKEHOLDER ENGAGEMENT

Every strategy revolves around the stakeholders, as they play a major role in assuring the success, continuity, and effectiveness of the strategy. DEWA positions stakeholders at the core of its strategic framework, fostering continuous communication and collaboration with them. For this reason, stakeholder engagement is crucial, along with understanding their needs and expectations. This enables DEWA to keep improving its performance, services, and initiatives to ensure the best possible happiness results and service delivery.

The stakeholder management framework is DEWA's way of identifying the methods of delivering the best and most inclusive engagement to ensure valuable outcomes, in alignment with the principles of both the AA1000 Stakeholder Engagement Standard 2015 and the Global Reporting Initiatives' Sustainability Reporting Standards. DEWA's key strategic initiatives relating to its stakeholders were developed from the strategic objective **"S02 engaged and happy stakeholders"** key initiatives and are continuously reviewed. They include:

- Organising stakeholder-engagement workshops for key stakeholder groups
- Defining a compelling, overarching value proposition for each stakeholder group
- Managing and responding to stakeholders' needs and expectations
- Seeking new opportunities through multi-stakeholder partnerships to advance sustainable development
- Establishing community-based initiatives that benefit Dubai and the UAE.

DEWA's Corporate Strategy department in coordination with the Stakeholder department are annually responsible for reviewing the list and updating it, if necessary, as well as ensuring that DEWA's strategic plan includes fulfilling the needs and expectations of prioritised stakeholder groups.



DEWA STAKEHOLDER ENGAGEMENT ACTIVITIES

DEWA has established a dedicated Stakeholder Happiness Department, tasked with overseeing and coordinating stakeholder management efforts across all DEWA divisions to meet stakeholder expectations effectively. The implementation of the Happiness Strategy is instrumental in enabling DEWA to discern the needs of its diverse stakeholder groups, including Customers, Employees, Government, Capital Investors, Partners, Suppliers, and Society. DEWA consistently strives to not only meet but exceed stakeholder expectations and proactively anticipates their future requirements. This commitment is upheld through ongoing measurement of stakeholder happiness levels, enabling DEWA to make responsive adjustments. Collectively, these elements contribute to DEWA's mission to represent the UAE optimally on the global stage while fostering sustainable value for all stakeholders. In line with DEWA's dedication to creating sustainable value for its stakeholders, the Stakeholder Happiness Department has identified key divisions within DEWA to serve as champions responsible for managing the happiness of specific stakeholder groups. These Happiness Champions are tasked with monitoring and reporting on the outcomes of associated projects and initiatives.

To further enhance stakeholder engagement, DEWA has introduced a registry form designed to delineate stakeholder definitions, sub-categories, preferred communication channels, factors influencing DEWA's relationship with each stakeholder, and the most effective modes of engagement.

DEWA runs an annual engagement lab with each of its stakeholder groups. During the meeting, DEWA presents its latest achievements, and the champions provide information and updates relevant to the stakeholder group. It is an opportunity to get direct feedback from, and brainstorm new ideas with stakeholders.

On a regular basis, DEWA engages with its stakeholders through a range of initiatives and communication channels, such as satisfaction surveys, roadshows, joint ventures, and partnerships with government agencies on regulatory matters as shown below.

INFORM

One way process of providing information to stakeholder

- Awareness sessions
- Market campaigns
- Media events
- Incentive programmes
- Corporate strategy
- presentation sessions
- Student visit
- Road shows

CONSULT

Stakeholder asking questions & organisation providing answers

- Happiness Surveys for all stakeholder groups
- Written and verbal communication
- Topic-specific surveys
- Direct customer feedback
- Supervisor interaction

INVOLVE

Two-way engagement & learning but stakeholders act independently

- One-on-one meetings
- Supplier management Seminars
- Various programmes
- Customer suggestion schemes
- Mystery shoppers

COLLABORATE

Joint learning decision & actions

- Sustainability stakeholder workshops
- Joint ventures
- Public private partnerships

EMPOWER

Stakeholder play a role in governance

- Actively supporting government policy & regulation

STAKEHOLDER NEEDS & EXPECTATIONS

DEWA strives to achieve a transparent and consistent communication approach to engage directly with its stakeholders in the most suitable manner. This is reflected in the stakeholders' register form, which documents the communication options available and preferred for each category to ensure accessibility for all. DEWA engages with its stakeholder groups in a variety of ways. In 2023, the Stakeholders' Happiness Department organised a Happiness Workshop for the Stakeholder Champions and Agents. This event marked the beginning of the year, where new plans were unveiled, achievements from the previous year were celebrated, challenges were discussed, and team building takecentre stage. The team building activity was held at Mohammed Bin Rashid Library and aimed at enhancing teamwork skills and fostering creativity in the workplace.

Another avenue for engagement involved the Stakeholders' Happiness Department participating in Agility Week. During this event in June 2023, the Stakeholders' Happiness team provided insights into stakeholders within DEWA and highlighted the connections between stakeholders and agility. For each stakeholder category, the following table shows the most important needs expressed during its engagement activities.

Stakeholder	Needs & Expectations
Government	• Aligning with national development plans & programmes • Commitment to good citizenship • Regulatory compliance
Customers	• Quality safety and cost - effectiveness of service • Ethical business • Reducing the environmental impact of organisation activities
Employees	• Secure working environment • Competetive salaries • Ethical behaviour • Non-discrimination & recognition • Investment in professional developments • Career progression & recognition
Partners	• Sharing best practices • Continuous and systematic dialogue and engagement • MoUs to collaborate on issues
Society and Future generation	• Transparency and effective communicaton • Raising awareness on sustainability issues • Supporting social and cultural initiatives • Management of environmental impacts of organisation activities
Suppliers	• Supplier qualification based on cost and quality including environmental and social assessment • Transparent procurement processes • Profitability
Providers of capital/Investors	• Creating value in the short and long term • Reliability, profitability and transparency

STAKEHOLDER HAPPINESS RATE

DEWA recognises the importance of stakeholder management to the achievement of its business objectives. DEWA gives special attention to its stakeholder's voice and strives to collect their input and feedback through different channels, methodologies and frequencies, leveraging on the added-value from engaging all stakeholders in the journey to excellence.

In order to ensure the effectiveness of the stakeholders' management framework, DEWA systematically evaluates stakeholder experience, captures their perceptions about DEWA and regularly monitors the level of their happiness on both relationship and transactional dimensions.

DEWA's annual Stakeholder Happiness Survey is a key tool to understand stakeholder expectations to measure the effectiveness and improvement of its work. The survey addresses key issues relating to various factors, including specific questions addressed to each stakeholder group. The outcomes from the survey are used to analyse gaps in DEWA's approach to Stakeholder Happiness and evaluate areas for further improvement. Finally, a continuous benchmarking of these KPIs is conducted for this purpose.

DEWA Stakeholders Overall Happiness Results 2023 are as follows:

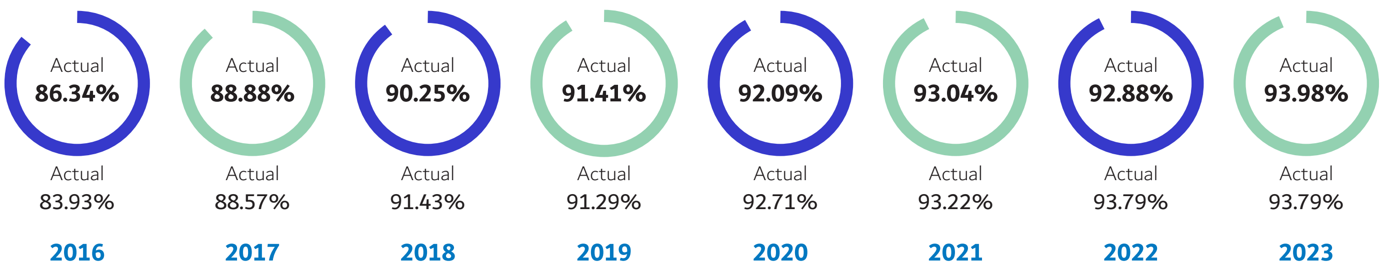
Survey	Result
Digital Dubai Authority Customer Instant Happiness Score	98.3%
Employee Happiness Rate	90.59%
Partner Happiness Rate	94.10%
Supplier Happiness Rate	90.78%
Society Happiness Rate	93.55%
Government Happiness Rate	95.81%
Provider of Capital Happiness Rate	94.83%

DEWA is keen to engage with the stakeholders and measure their perception on DEWA's role towards sustainability:

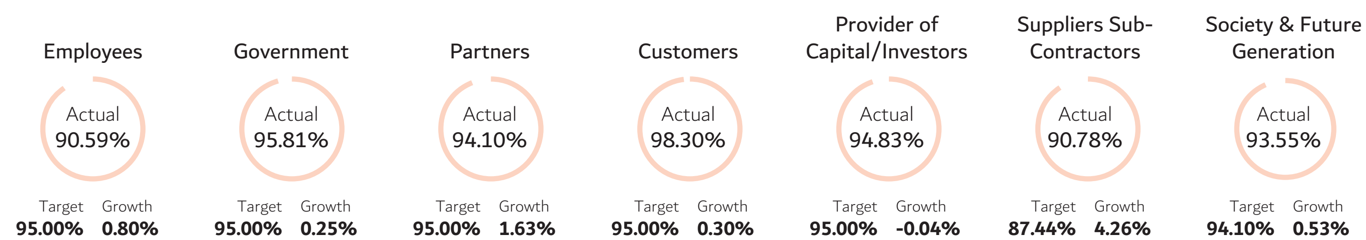
Topic	Rate
Understanding of DEWA's efforts in contributing to the United Nations Sustainable Development Goals 2030 - Employees	98.2%
Awareness of DEWA's efforts to communicate its commitment to circular economy - Employees	98.7%
Happiness with DEWA acting as a pioneer for sustainable solutions - Providers of Capital	92.50%
Readiness to supply DEWA with more sustainable and environmentally friendly products and/or services - Suppliers	92.28%

DEWA employs a centralised Happiness Index Dashboard that was fully revamped in 2023, making it easily accessible to top management, to evaluate the effectiveness of stakeholder engagement activities. It also highlights specific happiness initiatives for stakeholder champions, tracks their progress, and presents benchmarking results at local and international levels. Moreover, it includes stakeholders' prioritisation weights and registry information for comprehensive reporting and analysis.

Overall - Stakeholder Happiness Index



2023



SUSTAINABILITY CULTURE INDICATOR (SCI)

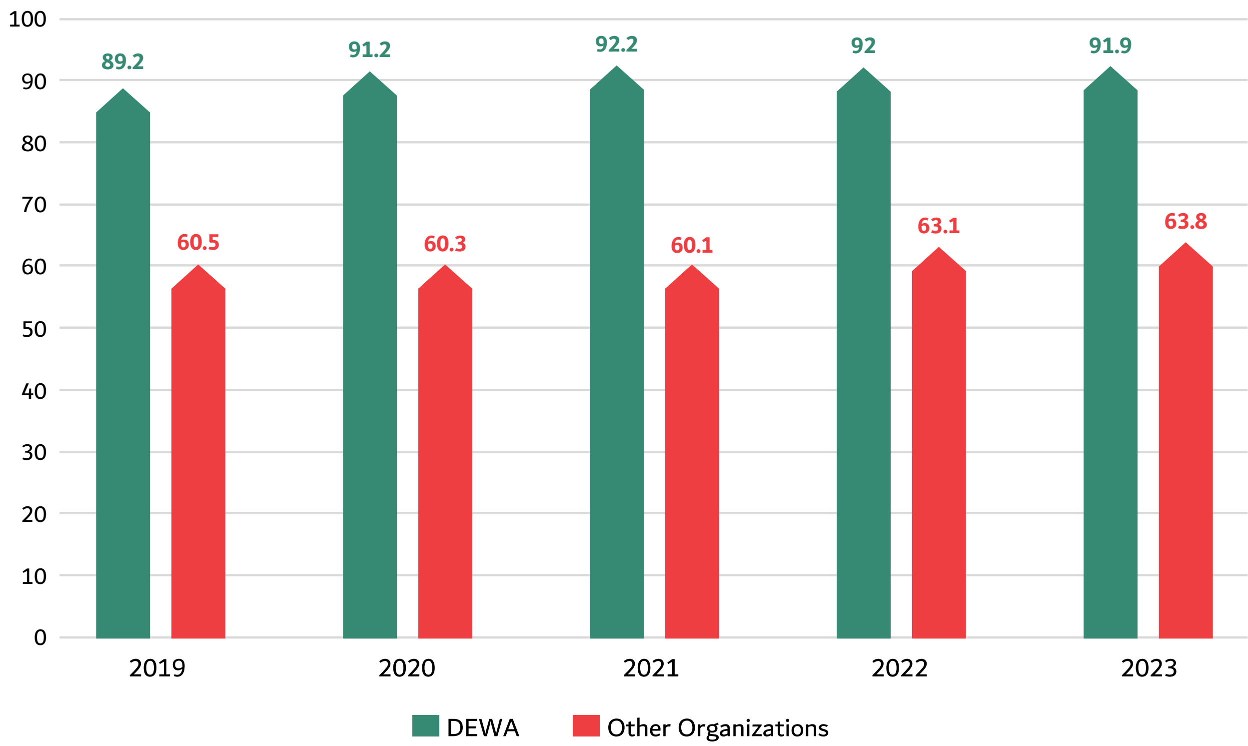
The Sustainability Culture Indicator (SCI) is an employee survey designed to gauge attitudes towards sustainability and identify factors that either facilitate or impede DEWA staff in achieving sustainability goals. The survey focuses on various aspects that contribute to a culture of sustainability, including individual factors (such as psychological and attitudinal elements) and organisational factors (such as support mechanisms).

By evaluating the presence of these enablers within DEWA, the survey helps in prioritising and targeting activities aimed at integrating sustainability into the organisation's culture.

DEWA has conducted the SCI for the 10th consecutive time, with 3,181 employees completing a customised version of the survey in December 2023.

DEWA's sustainability effort stands at 91.9%, surpassing the results of all other participating organisations in the survey. Continued efforts to raise awareness and reinforce DEWA's sustainability commitments are expected to further embed sustainability into the organisational culture in the coming years.

DEWA's Overall Sustainability Efforts Level



CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Dubai Electricity and Water Authority (PJSC)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Dubai Electricity and Water Authority PJSC ("DEWA" or "the Authority" or "the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. 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.

Accrual of accrued electricity and water revenue

Refer Notes 3.23, 5.1(a), 17 and 28 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
The Group recognizes revenue on sales of electricity and water in accordance with IFRS 15 "Revenue from Contracts with Customers". The recognition of the Group's electricity and water revenue includes an estimation of the value of electricity and water supplied to customers between the date of the last cyclical meter reading and the year-end date ('accrued revenue'). The value of such electricity and water revenue of AED 1,081 million (2022: AED 972 million) is shown as accrued revenue and included within revenue and trade receivables. The method of estimating such revenues is complex and involves judgement including: • Management estimating the volume of units of electricity and water consumed by customers between their last cyclical meter reading and the year-end. Management's estimate for accrued revenue at the year-end is based on historical consumption pattern as per customer categories; and • Management applies the most appropriate tariff rates to the volume estimates given the range of tariffs operated by the Group. Management applies the tariff rate (depending on customer category and tariff slab) to the estimated consumed units of electricity and water to be accrued at year end to arrive at the total estimated value of electricity and water revenue. We have identified accrual of accrued electricity and water revenue as key audit matter because of the complexities and estimation involved in arriving at the accrued revenue figure as described above and because of the potentially material impact on the consolidated financial statements if errors were made in this calculation or if the assumptions used in estimating consumption patterns had been incorrectly applied.	**Our procedures involved:** • We obtained an understanding of the accrual of accrued electricity and water revenue process implemented by the Group; • We have performed test of design and implementation of relevant controls; • We recalculated accrued electricity and water revenue, by using actual historical data to set an expectation of accrued electricity and water revenue and compare this with the management's estimate, obtaining explanations for any significant differences; • We obtained and tested management's underlying assumptions and base reference data relating to volume and price used in determining the level of accrued revenue, including: **Volume** We agreed the core volume data used for calculating the estimated accrued volumes with the units generation report, internal consumption report and units billed report extracted from the internal systems. We performed testing of the key information technology automated controls, manual controls and substantive testing on the reports. We have also verified the line losses with the previous years and sought explanations for any variances. **Tariff rates** We tested the assumptions for selection of tariff rate per unit from the tariff rate slab by comparing the tariff rate applied in the estimation model with current data for each customer category. • We assessed the overall consistency of the calculated accrued revenue compared to the prior year based on our knowledge of the trends and the process; and • We considered the adequacy of the Group's disclosures in the consolidated financial statements relating to this area.

Expected credit loss for trade receivables

Refer Notes 3.7, 4.1 (i)(a), 5.1(b) and 17 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
As at 31 December 2023, the Group recognized net trade receivables from sale of electricity and water of AED 3,022 million (2022: AED 3,737 million), net of expected credit loss allowance ("ECL allowance") of AED 536 million (2022: AED 490 million). In accordance with the requirements of IFS 9 "Financial Instruments", the Group has applied expected credit loss model to account for the mpairment of trade receivable balances. Allowance for expected credit loss is a key audit matter due to the significance of the trade receivable balances to the consolidated financial statements and the inherent complexity of the Group's Expected Credit Loss (ECL) models (ECL models) used to measure ECL allowances. These models are reliant on data and a number of estimates ncluding the impact of multiple economic scenarios. Due to the complexity of the requirements under IFRS 9, the significant judgement and estimation and assessment of historical recovery trends, the audit of ECL for trade receivables is a key area of focus.	**Our procedures involved:** • Obtained an understanding of the process implemented by the Group relating to the determination of allowance for credit loss of trade receivables; • Performed test of design and implementation of relevant controls; • Assessed the completeness and accuracy of the aging report for receivables from sale of electricity and water; • Evaluated the reasonableness of the methodology, assumptions and estimates used by management in preparing the expected credit loss model; and • Evaluated the adequacy of disclosures made by management in the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditors' report thereon. We obtained the Directors' Report prior to the date of our auditors' report, and we expect to obtain the remaining sections of the Annual Report after the date of the auditors' report.

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 have obtained prior to the date of this auditors' 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.

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 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.

Auditors' 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 auditors' 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 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 o 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 at to continue as a going concern. If we conclude that a material uncertainty exists, we ar required to draw attention in our auditors' 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 out auditors' 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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 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 auditors’ 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 we report that for the year ended 31 December 2023:

i) We have obtained all the information and explanations 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;

iii) The Group has maintained proper books of account;

iv) The financial information included in the Directors’ report is consistent with the books of account of the Group

v) As disclosed in note 39 to the consolidated financial statements, the Group has purchased shares during the year ended 31 December 2023

vi) Note 27 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted;

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 financial year ended 31 December 2023 any of the applicable provisions of the UAE Federal Decree Law No. 32 of 2021 or in respect of the Authority, its Articles of Association, which would materially affect its activities or its consolidated financial position as at 31 December 2023; and

viii) Note 30 to the consolidated financial statements discloses the social contributions made during the year ended 31 December 2023.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT

	Note	As at 31 December 2023 AED'000	2022 AED'000
Assets			
Non-current assets			
Property, plant and equipment	7	**155,917,149**	154,029,411
Intangible assets	8	**462,367**	471,123
Investments accounted for using the equity method	9.3	**640**	640
Derivative financial instruments	10	**980,417**	1,294,802
Financial assets at fair value through other comprehensive income	11	**54,153**	52,911
Investment property	12	**85,645**	72,859
Deferred tax assets	13	**91,902**	-
Other assets	14	**1,205,646**	1,134,897
Financial assets at fair value through profit or loss	15.1	**155,663**	118,438
Other financial assets at amortised cost	15.2	**3,285,620**	1,339,518
Total non-current assets		**162,239,202**	158,514,599
Current assets			
Derivative financial instruments	10	**584,850**	492,106
Other assets	14	**625,241**	131,845
Financial assets at fair value through profit or loss	15.1	**10,000**	-
Other financial assets at amortised cost	15.2	**2,688,441**	3,133,758
Inventories	16	**1,401,155**	1,445,216
Trade receivables	17	**3,420,058**	4,215,117
Short-term deposits	18	**4,894,389**	7,532,503
Cash and cash equivalents	19	**5,300,171**	5,287,415
Total current assets		**18,924,305**	22,237,960
Total assets		**181,163,507**	180,752,559
Equity and liabilities			
Equity			
Share capital	20	**500,000**	500,000
Capital contribution	20	**40,042,997**	40,042,885
Retained earnings	20	**47,253,178**	47,338,862
Statutory reserve	20	**591,346**	591,346
Hedging reserve	20	**824,722**	954,247
Equity attributable to the Owners of the Company		**89,212,243**	89,427,340
Non-controlling interests	9.2	**3,489,111**	2,953,130
Total equity		**92,701,354**	92,380,470

Liabilities			
Non-current liabilities			
Derivative financial instruments	10	**3,732**	4,578
Borrowings	21	**27,341,537**	37,317,975
Retirement benefit obligations	22	**1,020,240**	1,010,493
Lease liabilities	23	**16,281**	23,528
Other long-term liabilities	24	**33,391,742**	32,802,528
Total non-current liabilities		**61,773,532**	71,159,102
Current liabilities			
Borrowings	21	**11,546,029**	3,371,854
Lease liabilities	23	**15,966**	12,884
Trade and other payables	25	**14,926,695**	13,732,906
Total current liabilities		**26,488,690**	17,117,644
Total liabilities		**88,262,222**	88,276,746
Total equity and liabilities		**180,963,576**	180,657,216
Regulatory deferral account credit balance	26	**199,931**	95,343
Total equity, liabilities and regulatory deferral account credit balance		**181,163,507**	180,752,559

To the best of our knowledge, these consolidated financial statements fairly represent in all material respects, the consolidated financial position, results of operation and cash flows for the Group as of and for the year ended 31 December 2023.

These consolidated financial statements were approved by the Board of Directors on 7 March 2024 and signed on their behalf by:

H.E Matar Humaid Al Tayer
Chairman of the Board

H.E Saeed Mohammad Al Tayer
MD & CEO of DEWA

The independent auditors' report is set out on pages 30 to 34.
The notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	For the year ended 31 December 2023 AED'000	2022 AED'000
Revenue	28	**29,178,009**	27,335,534
Cost of sales	29	**(17,932,654)**	(16,488,998)
Gross profit		**11,245,355**	10,846,536
Administrative expenses	30	**(3,013,466)**	(2,880,592)
Credit impairment losses	15, 17 & 18	**(125,665)**	(154,302)
Other income	31	**651,110**	404,286
Operating profit		**8,757,334**	8,215,928
Finance costs	32	**(1,617,165)**	(1,005,765)
Finance income	32	**806,278**	552,532
Finance costs – net	32	**(810,887)**	(453,233)
Profit for the year before net movement in regulatory deferral account		**7,946,447**	7,762,695
Net movement in regulatory deferral account	26	**(104,588)**	283,681
Profit for the year after net movement in regulatory deferral account		**7,841,859**	8,046,376
Deferred tax credit	13	**91,902**	-
Profit for the year after net movement in regulatory deferral account and tax		**7,933,761**	8,046,376
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurements of retirement benefit obligations	22.1	**86,068**	70,468
Items that may be reclassified to profit or loss			
Cash flow hedges – reclassified to profit or loss		**(584,379)**	58,916
Cash flow hedges – effective portion of changes in fair value of derivate financial instruments	10	**352,004**	4,118,994
Debt instrument at FVOCI – change in fair value	11	**1,242**	(5,202)
Other comprehensive income for the year		**(145,065)**	4,243,176
Total comprehensive income for the year		**7,788,696**	12,289,552
Profit for the year attributable to			
- Owners of the Company		**7,700,823**	7,722,834
- Non-controlling interests		**232,938**	323,542
		7,933,761	8,046,376
Total comprehensive income for the year attributable to			
- Owners of the Company		**7,654,791**	9,976,453
- Non-controlling interests		**133,905**	2,313,099
		7,788,696	12,289,552
Earnings per share			
Basic and diluted earnings per share (AED)	33	**0.154**	0.154

The independent auditors' report is set out on pages 30 to 34.

The notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital AED'000	Capital contribution AED'000	General reserve AED'000	Statutory reserve AED'000	Hedging reserve AED'000	Retained earnings AED'000	Total AED'000	Non-controlling interests AED'000	Total equity AED'000
At 1 January 2022	500,000	40,037,040	53,343,435	355,467	(1,236,145)	-	92,999,797	591,911	93,591,708
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	7,722,834	7,722,834	323,542	8,046,376
Other comprehensive income	-	-	-	-	2,190,392	63,227	2,253,619	1,989,557	4,243,176
Total comprehensive income for the year	-	-	-	-	2,190,392	7,786,061	9,976,453	2,313,099	12,289,552
Transfer to reserve (refer note 20 (d))	-	-	-	305,879	-	(305,879)	-	-	-
Transfer to retained earnings (refer note 20 (c))	-	-	(43,343,435)	-	-	43,343,435	-	-	-
Transactions with the Owners									
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	839,385	839,385
Capital contribution – value of lands (net) (refer notes 7 (g) and (h))	-	5,845	-	-	-	-	5,845	-	5,845
Dividend paid (refer note 38)	-	-	(10,000,000)	-	-	(5,130,000)	(15,130,000)	(1,025,090)	(16,155,090)
Total contributions and distributions	-	5,845	(10,000,000)	-	-	(5,130,000)	(15,124,155)	(185,705)	(15,309,860)
Changes in ownership interest									
Partial disposal without change in control (refer note 1)	-	-	-	-	-	1,669,070	1,669,070	140,000	1,809,070
Change in statutory reserve	-	-	-	(70,000)	-	-	(70,000)	70,000	-
Change in other reserve	-	-	-	-	-	(23,825)	(23,825)	23,825	-
Total changes in ownership interest	-	-	-	(70,000)	-	1,645,245	1,575,245	233,825	1,809,070
At 31 December 2022	500,000	40,042,885	-	591,346	954,247	47,338,862	89,427,340	2,953,130	92,380,470
At 1 January 2023	**500,000**	**40,042,885**	**-**	**591,346**	**954,247**	**47,338,862**	**89,427,340**	**2,953,130**	**92,380,470**
Total comprehensive income for the year									
Profit for the year	**-**	**-**	**-**	**-**	**-**	**7,700,823**	**7,700,823**	**232,938**	**7,933,761**
Other comprehensive income	**-**	**-**	**-**	**-**	**(129,525)**	**83,493**	**(46,032)**	**(99,033)**	**(145,065)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(129,525)**	**7,784,316**	**7,654,791**	**133,905**	**7,788,696**
Transactions with the Owners									
Capital contribution by non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**780,306**	**780,306**
Capital contribution – value of lands (net) (refer notes 7 (g))	**-**	**112**	**-**	**-**	**-**	**-**	**112**	**-**	**112**
Dividend paid (refer note 38)	**-**	**-**	**-**	**-**	**-**	**(7,870,000)**	**(7,870,000)**	**(378,230)**	**(8,248,230)**
At 31 December 2023	**500,000**	**40,042,997**	**-**	**591,346**	**824,722**	**47,253,178**	**89,212,243**	**3,489,111**	**92,701,354**

The notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the year ended 31 December	
		2023	2022
		AED'000	AED'000
Cash flows from operating activities			
Profit for the year		**7,841,859**	8,046,376
Adjustments for:			
Depreciation	7	**6,043,114**	5,374,739
Amortisation – intangible assets	8	**83,864**	86,736
Write-off of property, plant and equipment		**-**	92,246
Gain on modification of lease		**(23)**	(1,461)
Provision for obsolete inventories	16	**8,403**	14,368
Reversal of impairment of property, plant and equipment	7	**-**	(12,727)
Fair value adjustments		**116,119**	(29,701)
Credit impairment losses	15, 17 & 18	**125,665**	154,302
Deferred income	28.1	**(1,091,252)**	(1,036,658)
Retirement benefit obligations – gratuity	22	**148,384**	132,870
Retirement benefit obligations – pensions	22	**123,226**	113,852
Ineffective portion of gain on derivative financial instrument	32	**(5,307)**	(14,663)
Profit on sale of property, plant and equipment		**(401)**	(313)
Finance costs	32	**1,617,044**	811,625
Finance income	32	**(800,850)**	(343,729)
Operating cash flows before changes in operating assets and liabilities		**14,209,845**	13,387,862
Changes in operating assets and liabilities:			
Inventories	16	**35,658**	(8,434)
Other assets		**(564,146)**	191,755
Trade receivables		**786,299**	(506,285)
Other financial assets at amortised cost		**(230,860)**	(494,476)
Trade and other payables		**1,817,889**	2,119,576
Regulatory deferral account credit balance	26	**104,588**	(283,681)
Net operating cash flows		**16,159,273**	14,406,317
Payment for retirement benefit obligations – gratuity	22	**(45,309)**	(51,630)
Payment for retirement benefit obligations – pensions	22	**(132,115)**	(122,781)
Net cash generated from operating activities		**15,981,849**	14,231,906

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the year ended 31 December 2023 AED'000	2022 AED'000
Net cash generated from operating activities		**15,981,849**	14,231,906
Investing activities			
Purchase of property, plant and equipment net of movements in capital payables and other long-term liabilities		**(6,383,859)**	(8,630,297)
Deposits with original maturity of greater than three months – placed	18	**(517,426)**	(4,172,725)
Deposits with original maturity of greater than three months – matured	18	**3,149,054**	430,856
Investment in debt instruments – placed		**(861,571)**	(381,922)
Investment in debt instruments – matured		**378,390**	398,882
Investment in equity instruments – placed		**(47,225)**	-
Purchase of intangible assets	8	**(21,437)**	(8,627)
Additions to investment properties		**(12,786)**	-
Interest received		**732,824**	286,117
Acquisition of a subsidiary		**(892,500)**	-
UAE National Bonds and Sukuk Bonds – placed	15	**(837,710)**	(672,903)
UAE National Bonds and Sukuk Bonds – matured	15	**938,692**	-
Proceeds from disposal of property, plant and equipment		**135,573**	4,235
Net cash used in investing activities		**(4,239,981)**	(12,746,384)
Financing activities			
Repayments of borrowings		**(4,298,320)**	(4,581,208)
Proceeds from borrowings		**2,367,440**	18,511,444
Interest paid on borrowings		**(2,377,823)**	(1,833,852)
Repayment of lease liabilities	23	**(29,220)**	(12,451)
Proceeds from partial disposal of subsidiary without loss of control		**-**	1,755,564
Capital contribution by non-controlling interests		**780,306**	580,319
Dividends paid to the Owners	38	**(7,870,000)**	(15,130,000)
Dividends paid to non-controlling interests		**(378,230)**	(1,025,090)
Net cash used in financing activities		**(11,805,847)**	(1,735,274)
Net decrease in cash and cash equivalents		**(63,979)**	(249,752)
Cash and cash equivalents at the beginning of the year	19	**4,722,296**	4,972,048
Cash and cash equivalents at the end of the year	19	**4,658,317**	4,722,296

The independent auditors' report is set out on pages 2 to 7.

The notes on pages 14 to 92 form an integral part of these consolidated financial statements.

1. ESTABLISHMENT AND OPERATIONS

Dubai Electricity and Water Authority ("DEWA" or "the Authority" or "the Company") was incorporated on 1 January 1992 in the Emirate of Dubai by a decree ("the Original Decree") issued by H.H. The Ruler of Dubai, effective 1 January 1992, as an independent public authority having the status of a body corporate, and financially and administratively independent from the Government. In accordance with the Original Decree, all rights, property and assets of Dubai Electricity Company ("DEC") and Dubai Water Department ("the Department") belonging to the Government, were vested in the Authority, and the Authority was held responsible for all liabilities and debts of DEC and the Department, of any kind whatsoever. Together, DEC and the Department formed DEWA from the effective date of the Original Decree.

The principal activities of the Authority, in accordance with the Original Decree and Decree No. 13 of 1999 which amended some of the provisions of the Original Decree, comprise water desalination and distribution and the generation, transmission and distribution of electricity, throughout the Emirate of Dubai. The registered address of the Authority is P.O. Box 564, Dubai, United Arab Emirates ("UAE").

In prior years, the Authority was wholly owned by the Government of Dubai which announced its plan to list the shares of the Authority on the Dubai Financial Market (DFM). In previous year, Department of Finance (DoF), Government of Dubai had sold 18% of its shareholding in the Authority through an Initial Public Offering ("IPO"). The Authority got listed on the Dubai Financial Market (DFM) and its shares started trading with effect from 12 April 2022.

During the current year, the Government of Dubai passed Law No. (25) of 2023 establishing Dubai Investment Fund (DIF). The Government of Dubai transferred its shareholding in Dubai Electricity and Water Authority (PJSC) to DIF. The ultimate controlling party of the Group is Government of Dubai. The ownership structure of the Authority is as follows:

	Ownership %
Dubai Investment Fund (DIF)	**82%**
Local and international investors (including institutional and retail investors)	**18%**
	100%

DEWA and its subsidiaries are collectively referred to as "the Group". The Group either directly or indirectly controls following significant subsidiaries, which are domiciled in UAE:

Name of the entity	Percentage of beneficial ownership		Principal business activities
	31 Dec. 2023	31 Dec. 2022	
Al Etihad Energy Services Company LLC	**100**	100	Implement energy efficiency measures in buildings
Etihad Clean Energy Development Company LLC	**100**	100	Buildings energy efficiency services, solar energy systems rental and solar energy systems installation
Jumeirah Energy International Holdings LLC (JEIHL)	**100**	100	Holding Company
Jumeirah Energy International LLC (JEI)	**100**	100	Holding Company
Mai Dubai LLC	**100**	100	Purification and sale of potable water
Hassyan Energy 1 Holdings LLC	**100**	100	Holding Company
Shuaa Energy 2 Holdings LLC	**100**	100	Holding Company
Shuaa Energy 3 Holdings LLC	**100**	100	Holding Company
Jumeirah Energy International Capital Holding LLC	**100**	100	Holding Company
Jumeirah Energy International Silicon Valley LLC	**100**	100	Holding Company
Noor Energy 1 Holdings LLC	**100**	100	Holding Company
Data Hub Integrated Solutions LLC (MORO)	**100**	100	Established to provide services including IT, and infrastructure, networking and computer system housing services
Digital DEWA LLC	**100**	100	Investment in commercial, industrial, retail trade and energy enterprises and management
Infra X	**100**	100	To provide services including IT and computer housing services
Dubai Green Fund Investments LLC	**100**	100	To invest and manage commercial, industrial, retail trade and energy enterprises
Utilities Management Company LLC	**78**	78	Holding Company
Emirates Central Cooling Systems Corporation PJSC (EMPOWER)	**56**	56	Provision of district cooling services, management, maintenance of central cooling plants and related distribution networks
EMPOWER FM LLC	**56**	56	Air conditioning, ventilation and air filtration system, installation and maintenance
EMPOWER Engineering & Consultancy LLC	**56**	56	Project development consultant services
Palm Utilities LLC	**56**	56	Establish and operate district cooling projects and provide air conditioning, ventilator and refrigeration services
Palm District Cooling LLC (PDC)	**56**	56	Establish and operate district cooling projects and provide air conditioning, ventilator and refrigeration services.
EMPOWER Logstor LLC	**54.3**	54.3	Manufacturing of pre-insulated pipes, mainly for district cooling
Shuaa Energy 2 P.S.C	**60**	60	Establish and provide full range of services for generation of electricity

	Percentage of beneficial ownership		Principal business activities
Innogy International Middle East LLC	**51**	51	Energy projects consultancy, desalination and sewage treatment plants operations and maintenance
Shuaa Energy 1 P.S.C	**51**	51	Establish and provide full range of services for generation of electricity
Hassyan Energy Phase 1 P.S.C	**51**	51	Establish and provide full range of services for generation of electricity
Noor Energy 1 P.S.C	**51**	51	Establish and provide full range of services for generation of electricity
Digital X LLC	**100**	100	Establish and provide full range of services for information technology, data entry, network consultancies
Smart Energy X LLC	**100**	100	Establish and provide full range of services for parking management electronic systems installation and maintenance
Shuaa Energy 3 P.S.C	**60**	60	Establish and provide full range of services for generation of electricity
Forward Investments Limited	**100**	100	Holding Company
Dubai Carbon Centre of Excellence	**100**	100	Energy projects engineering consultancy and carbon control systems trading
SecureX	**100**	100	Computer systems housing services, communication equipment, software design, data classification & analysis services, IT infrastructure, data centre co-location services and information technology network services
Space D	**100**	100	Managing & operating satellites & provision satellite services, wired & wireless communication systems installation and space situational tracking, monitoring & awareness services
EMPOWER Snow LLC	**56**	56	Establish and operate district cooling projects and provide air-conditioning, ventilation and refrigeration services
Hassyan Water Company A Holdings LLC *	**100**	-	Holding Company
Shuaa Energy 4 Holding LLC *	**100**	-	Holding Company
Shuaa Energy 4 P.S.C *	**60**	-	Establish and provide full range of services for generation of electricity
Hassyan Water Company A P.S.C *	**60**	-	Establish and provide full range of services for production of desalinated water

*During the year ended 31 December 2023, the Group has two new holding companies each with 100% ownership of the Authority. The perspective is to invest in project companies through these holding companies towards expansion of generation of electricity and desalination of water. The project companies have also been incorporated during the current year with 60% ownership.

2. BASIS OF PREPARATION

The principal accounting policies applied by the Group in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

In addition, the Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the consolidated financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in material accounting policies (2022: significant accounting policies) in certain instances in line with the amendments.

2.1 STATEMENT OF COMPLIANCE

These consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS and applicable provisions of UAE Federal Decree Law No. (32) of 2021. These consolidated financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB) and applicable provisions of UAE Federal Decree Law No. (32) of 2021.

These consolidated financial statements are presented in UAE Dirhams (AED), which is the Authority's functional currency and have been rounded to nearest thousands. Subsidiaries and joint ventures determine their own functional currency and items included in the financial statements of these companies are measured using that functional currency.

2.2 BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on a historical cost basis except for financial assets and financial liabilities measured at fair value, wherever applicable.

2.3 USE OF ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements in conformity with International Financial Reporting Standards ("IFRS") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group's consolidated financial statements are disclosed in note 5.

3. MATERIAL ACCOUNTING POLICIES

3.1 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

A number of new standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted, however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

	Effective date
Non-current liabilities with covenants – Amendments to IAS 1	1 January 2024
Lease liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
Supplier finance arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024
Lack of exchangeability – Amendments to IAS 21	1 January 2025
Sale or Contribution of Assets between an Investor and its Associates or Joint Venture – Amendments to IFRS 10 and IAS 28	Effective date deferred indefinitely

3.2 OTHER NEW OR AMENDED STANDARDS

The following new or amended standards that are required to be adopted in annual periods beginning on or after 1 January 2023 that do not have a significant impact on the Group's consolidated financial statements are as follows:

	Effective date
IFRS 17 insurance contracts	1 January 2023
Disclosure of accounting policies – Amendments to IAS 1 and IFRS practice statement 2	1 January 2023
Definition of accounting estimates – Amendments to IAS 8	1 January 2023
Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12	1 January 2023
International tax reform – Pillar two model rules – Amendments to IAS 12	23 May 2023

3.3 BASIS OF CONSOLIDATION

(a) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

(b) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(c) Non-controlling interests (NCI)

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(d) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(e) Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

(f) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, other than land and capital work in progress, are stated at historical cost less accumulated depreciation and any provisions for impairment. The initial cost of an asset comprises its purchase price or construction cost and any costs directly attributable to bringing the asset into operation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

When parts of property, plant and equipment are significant in cost in comparison to the total cost of the item, and where such parts/components have a useful life different than other parts and are required to be replaced at different intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhaul is performed, the directly attributable cost of the overhaul is recognised in the carrying amount of the plant and equipment if the recognition criteria are satisfied. This is recorded as a separate component with a useful life generally equal to the time period up to the next scheduled major overhaul.

Subsequent expenditure incurred to replace a component of an item of property, plant and equipment or to improve its operational performance, that is accounted for separately, is included in the asset's carrying amount or recognised as a separate asset as appropriate when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced asset is subsequently derecognised.

Expenditure on major inspection and overhauls of production plant is capitalised when it meets the asset recognition criteria and is depreciated over the period until the next major overhaul. All other repair and maintenance costs are charged to profit or loss during the year in which they are incurred.

Generation and desalination plants, supply lines and substation equipment are capitalised from the date these are available for use, after satisfactory completion of trial and reliability runs.

Capital work in progress is stated at cost, less any impairment. When commissioned, capital work in progress is transferred to the appropriate property, plant and equipment category and depreciated in accordance with the Group's policies.

Land received for free is initially measured at a fair value. The valuation is based on valuation received from Land Department of the Government of Dubai, which is considered the deemed cost and is not depreciated.

Depreciation on other assets is calculated using the straight-line method at rates calculated to reduce the cost of assets to their estimated residual values over their estimated useful lives or in case of leased assets, the shorter term.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

	Years
Buildings	10 to 30
Generation and desalination plants	10 to 38
Transmission and distribution networks	10 to 30
Other equipment and assets	2 to 20

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

The carrying amount of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Any gain and loss on disposal of an item of property, plant and equipment is recognised in profit of loss and determined as the difference between the proceeds received and the asset's carrying amount.

Capital spares acquired together with the plant or purchased subsequently that are (i) only expected to be used during emergency breakdown situations and (ii) critical to the plant operation and must be available at stand-by at all times; are capitalised within property, plant and equipment and depreciated from purchase date over the remaining useful life of the plant in which it is to be utilised. These do not form part of inventory provided the capitalisation criteria for property, plant and equipment is met.

3.5 INTANGIBLE ASSETS

(a) Recognition and measurement

Intangible assets mainly include expenditure incurred on computer software by the Group. These are measured at cost upon initial recognition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The costs of acquired computer software are capitalised on the basis of the costs incurred to acquire and bring into use the specific software. Costs directly associated with the development of computer software programmes that are expected to generate economic benefits over a period in excess of one year are also capitalised and amortised over their estimated useful lives. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(c) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. The estimated useful lives for current and comparative periods are 3 to 5 years.

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

Gains or losses arising from derecognising an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

3.6 FINANCIAL INSTRUMENTS

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- The contractual rights to the cash flows from the financial asset expire; or
- It transfers the rights to receive the contractual cash flows in a transaction in which either:
- Substantially all of the risks and rewards of ownership of the financial asset are transferred; or

- The Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its consolidated statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates and certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Hedges directly affected by interest rate benchmark reform

When the basis for determining the contractual cash flows of the hedged item or hedging instrument changes as a result of IBOR reform and therefore there is no longer uncertainty arising about the cash flows of the hedged item or the hedging instrument, the Group amends the hedge documentation of that hedging relationship to reflect the change(s) required by IBOR reform. For this purpose, the hedge designation is amended only to make one or more of the following changes:

- Designating an alternative benchmark rate as the hedged risk;
- Updating the description of the hedged item, including the description of the designated portion of the cash flows or fair value being hedged; or
- Updating the description of the hedging instrument.

The Group also amends the description of the hedging instrument if the following conditions are met

- It makes a change required by IBOR reform by using an approach other than changing the basis for determining the contractual cash flows of the hedging instrument;
- The chosen approach is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
- The original hedging instrument is not derecognised.

The Group amends the formal hedge documentation by the end of the reporting period during which a change required by IBOR reform is made to the hedged risk, hedged item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If changes are made in addition to those changes required by IBOR reform described above, then the Group first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in the discontinuation of the hedge accounting relationship, then the Group amends the formal hedge documentation for changes required by IBOR reform as mentioned above.

When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by IBOR reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Group deems that the hedging reserve recognised in OCI for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

More information about the Group's accounting policies and risk management activities related to derivative financial instruments and hedge accounting is provided in Note 4.1 (iii) (c), cash flow and fair value interest rate risk.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in a cost of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

3.7 IMPAIRMENT

(i) Non-derivative financial assets

Financial instruments and contract assets

The Group recognises loss allowances for ECLs on:

- Financial assets measured at amortised cost;
- Debt investments measured at FVOCI; and
- Contract assets.

The Group also recognises loss allowances for ECLs on lease receivables, which are disclosed as part of trade and other receivables.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk

(i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 360 days past due.

The Group considers the credit risk on the investments in government bonds and bank deposits to be low at the reporting date, as these financial assets have low risk of default, the borrowers have strong capacity to meet their 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.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

The Group assesses on a forward-looking basis the expected credit losses ("ECL") associated with its debt instrument assets carried at amortised cost. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of resources; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- A breach of a contract such as default or being more than 360 days past due, except for receivables from government entities;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- It is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) financial asset has become more than 12 months overdue, (ii) ceasing enforcement activity and (iii) where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

The Group may write-off financial assets that are still subject to enforcement activity. The Group still seeks to recover amounts it is legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.

(ii) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

The Group's impairment calculation is based on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units ("CGU") to which the individual asset is allocated. Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

3.8 LEASES

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the consolidated statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

3.9 INVENTORIES

Inventories comprise consumables and repair spares and operating stock of fuel. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average principle. Cost comprises of direct materials, and where applicable, direct labour and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable selling expenses.

3.10 BORROWING COSTS

Borrowing costs consists of interest and other costs that the Group incurs in connection with the borrowing of funds. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The Group has determined the substantial period to be greater than 1 year.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the year in which they are incurred.

3.11 TRADE RECEIVABLES

Trade receivables comprise of trade receivables, due from related parties and accrued revenue. Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business. Trade receivables are recognised initially at fair value, which is the original invoice amount, and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade receivables are impaired as per the policy explained in notes 3.7 and 17 to the consolidated financial statements which is in compliance with requirements of IFRS 9.

The carrying amount of an asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss.

When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in profit or loss.

3.12 CASH AND CASH EQUIVALENTS AND SHORT-TERM DEPOSITS

(a) Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, current and call accounts with the banks and other institutions and term deposits held with banks. Term deposits with banks from original maturities less than three months are disclosed as cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

For the purposes of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at current and call accounts with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

(b) Short-term deposits

Short-term deposits comprise of fixed deposits held with the banks. Term deposits with banks with original maturities greater than twelve months are disclosed as non-current assets.

3.13 ADVANCE RECEIVED FOR NEW CONNECTIONS AND SECURITY DEPOSITS

(a) Advances for new connections

The Group receives amounts from customers for construction and installation of equipment. These amounts are classified as advances received for new connections until the construction or installation of the equipment is completed. On completion, these amounts are transferred from advances received for new connections to deferred revenue under liabilities.

Management estimates the current portion of the advances for new connections based on historical experience and anticipated refunds to contractual parties. The remaining amounts are classified as non-current liabilities.

(b) Security deposits

The Group receives security deposits against electricity and water connections from its customers. These deposits are refundable to the customers only at the time of disconnection. The Group classifies all amounts received as security deposits as current liabilities as these amounts are repayable to the customer on demand upon disconnection.

3.14 DEFERRED REVENUE

Deferred revenue represents amounts transferred from advances for new connections upon completion of construction and installation of equipment. Deferred revenue is amortised and recognised in the statement of profit or loss on a straight-line basis over the estimated useful life of the related equipment. Deferred revenue also includes the assets taken over by the Group at free of cost.

3.15 BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

3.16 EMPLOYEE BENEFITS

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Liabilities for wages and salaries, including non-monetary benefits and accumulating leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current liability in the consolidated statement of financial position.

Post-employment obligations

(a) Defined benefit plan

Pension obligations for UAE nationals retired before 1 January 2003

The Group operates a defined benefit pension plan for eligible UAE national employees retired before 1 January 2003. The cost of providing pensions is charged to profit or loss.

Post-employment benefit obligations for eligible expatriates

The Group operates a defined benefit payment plan for eligible expatriates and specific UAE national employees in accordance with the Dubai Government Human Resource Management Law No. (27) of 2006.

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets, as applicable.

The net benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market for such bonds, the market rates on government bonds are used.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan, as applicable.

To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), as applicable, are recognised immediately in OCI.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.

Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(b) Defined contribution plan

Pension obligations for UAE national from 1 January 2003

Effective 1 January 2003, the Group joined the pension scheme operated by the Federal Pension General and Social Security Group which is a defined contribution plan. The Group's contributions for eligible active UAE national employees are calculated as a percentage of the employees' salaries and charged to profit or loss, in accordance with the provisions of Federal Law No. (7) of 1999 on Pension and Social Security. The Group has no legal or constructive obligation to pay any further contributions.

Obligations for contributions to defined contribution plans are expenses as the related service is provided. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in future payments is available.

3.17 TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting year. Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method. Trade and other payables are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

3.18 PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised in profit or loss.

3.19 DIVIDENDS

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

3.20 CAPITAL CONTRIBUTION

Amounts contributed to the Authority by the Government of Dubai to finance the activities of the Authority are classified as equity. There is no contractual obligation for the Authority to pay these funds back to the Government of Dubai. Increase in the capital contribution (previously Government of Dubai account) is generally additional contributions either monetary or non-monetary. Non-monetary contributions are measured at fair value.

Land received for free is initially measured at a fair value. The valuation is based on valuation received from Land Department of the Government of Dubai. The fair value measurement had been categorised as a Level 3 fair value based on the inputs to the valuation techniques used. Refer note 7 (b).

3.21 GENERAL RESERVE/ RETAINED EARNINGS

General reserve represents surplus distributable profit of the Group. The transfer to general reserve is determined based on the profit for the year after deducting cash and non-cash distributions. Refer note 20 (c).

3.22 STATUTORY RESERVE

In accordance with Article 241 of the UAE Federal Commercial Companies Law, a minimum of 10% of the net profit of the Authority and the subsidiaries that fall under the definition of UAE Federal Commercial Companies Law, are allocated each year to a non-distributable statutory reserve. Such allocations may cease when the statutory reserve equals half of the nominal value of the paid-up share capital. This reserve is not available for distribution except as stipulated by law. Refer note 20 (d).

3.23 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

Step 1: Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

(a) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or

(b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

(c) The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue comprises the fair value of consideration received or receivable for the sales of goods and services in the ordinary course of Group's activities and is shown net of discounts and allowances.

The Group recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below:

(a) Supply of electricity and water

Revenue from the supply of electricity and water is recognised on the basis of electricity and water supplied during the period on an accrual basis with reference to meter readings. A management estimate is included for the value of units supplied to customers between the date of their last meter reading and the accounting period end. The estimate is calculated using historical consumption patterns and is included in trade and other receivables as accrued revenue.

(b) District cooling services

Demand and consumption charges revenue comprises of available capacity and variable output provided to customers and is recognized when services are provided.

Other revenue comprises services that are recognized as and when services are rendered.

(c) Meter rental

Meter rental income is recognised on a time proportion basis over the period during which the meter is provided to the customer.

(d) Interest income

Interest income is recognised on a time-proportion basis using the effective interest rate method.

(e) Dividends

Dividends are recognised as other income when the right to receive payment is established.

(f) Amortisation of deferred revenue

Deferred revenue is amortised and recognised as income on a straight-line basis over the estimate useful life of the related equipment. Refer notes 3.13 and 3.14.

(g) Other services

Revenue from other services include handling charges, reconnection and disconnection charges, which are recognised in the accounting period in which the services are rendered.

3.24 FOREIGN CURRENCY TRANSLATIONS

(a) Functional and presentation currency

These consolidated financial statements are presented in UAE Dirhams (AED), which is the Group's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated. Subsidiaries and joint ventures determine their own functional currency and items included in the financial statements of these companies are measured using that functional currency.

(b) Transactions and balances

Transactions in foreign currencies are translated into the respective functional currency of group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- An investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- Qualifying cash flow hedges to the extent that the hedges are effective.

3.25 REGULATORY DEFERRAL ACCOUNT

The Group has been allowed by the Dubai Supreme Council of Energy ("the regulator") to bill the increase in fuel prices considering 2010 as the base year. Regulatory deferral account balance arises on account of amounts billed to and collected from customers as fuel surcharge in excess/short of amounts to be billed to customers. The deferral account is deferred and adjusted against the next change in tariff approved by the regulator. Regulatory deferral account is not described as a liability/asset for the purposes of the Group's consolidated financial statements and is disclosed as a separate line item in the consolidated statement of financial position.

3.26 FAIR VALUE MEASUREMENT

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 at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

3.27 INCOME TAX

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI. Refer note 13 for application UAE Tax law related to current and deferred tax.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that:
- Is not a business combination; and
- At the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences:
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax asset against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and current tax liabilities on a net basis.

4. FINANCIAL RISK MANAGEMENT

4.1 FINANCIAL RISK FACTORS

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Board of the Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and products offered. The Group, through its management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations. The Board of Directors review and agree policies for managing each of these risks which are summarised below.

The Group has exposure to the following risks arising from financial instruments:

Credit Risk | Liquidity Risk | Market Risk

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, other financial assets at amortised cost and investments in debt securities.

The carrying amounts of financial assets represent the maximum credit exposure. Impairment losses on financial assets and contract assets recognised in profit or loss were as follows:

	2023	2022
	AED'000	AED'000
Impairment loss on other financial assets at amortised cost (refer note 15.2)	**71,940**	9,766
Impairment loss on trade receivables (refer note 17)	**47,239**	144,529
Impairment loss on short-term deposits (refer note 18)	**6,486**	7
	125,665	154,302

(a) Trade Receivables

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the consolidated statement of financial position are net of provision for impairment of receivables.

The Group has a wide customer base in the Emirate of Dubai and services commercial, industrial and governmental organisations as well as residential customers including UAE nationals and expatriates. Carrying amount of trade receivables best represent the maximum exposure to credit risk at the end of each reporting period presented.

The Group taking into consideration the exposure to the customer, when appropriate, manages credit risk by requesting additional deposits, disconnection of services and implementing payment plans for customers in arrears.

Due to large and diversified customer base, concentration of credit risk on few customers is limited.

Expected credit loss assessment for customers

The Group uses an allowance matrix to measure the ECLs of fee receivables from customers. Loss rates are calculated using "roll rate" method based on the profitability of a receivable progressing through successive stages of delinquency to write off. Roll rates are calculated separately to exposures in different segments based on common credit risks characteristics.

The Group considers the credit risk on the outstanding balances from government customers to be low at the reporting date, as these financial assets have low risk of default, the counterparties have strong capacity to meet their 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 counterparties to fulfil its contractual cash flow obligations.

To measure the expected credit losses, trade receivables and accrued revenue have been grouped together based on its shared credit risk characteristics and the days past due. Accrued revenue has substantially the same risk characteristics as the trade receivables and therefore concluded that the expected loss rates for trade receivables and accrued revenue are a reasonable approximation of the loss rates for the contract assets.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets from individual customers for 2023 and 2022:

As at 31 December 2023	**Expected loss rate**	**Gross carrying amount AED'000**	**Loss allowance AED'000**
Current	2.68%	**2,384,195**	**63,895**
More than 30 days past due	3.96%	**246,696**	**9,765**
More than 60 days past due	10.10%	**211,101**	**21,321**
More than 120 days past due	19.04%	**320,035**	**60,920**
More than 360 days past due	52.55%	**872,343**	**458,411**
		4,034,370	**614,312**

As at 31 December 2022	Expected loss rate	Gross carrying amount AED'000	Loss allowance AED'000
Current	0.91%	**2,202,998**	**19,994**
More than 30 days past due	2.09%	**594,132**	**12,425**
More than 60 days past due	8.21%	**346,025**	**28,425**
More than 120 days past due	19.48%	**535,067**	**104,248**
More than 360 days past due	36.41%	**1,103,968**	**401,981**
		4,782,190	**567,073**

(b) Other financial assets

With respect to credit risk arising from the other financial assets at amortised cost of the Group, which comprise cash and cash equivalents, other financial assets at amortised cost and due from related parties, the Group's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

The Group limits its credit risks with regard to bank deposits by dealing only with reputable banks.

Other financial assets at amortised cost include investments in UAE National bonds which are unrated and other receivables are held with reputed counter parties which management do not expect any loss from their non-performance. The Group uses the general approach to estimate the expected credit losses of government, semi-government entities and financial assets at amortized cost. The expected credit loss is calculated over the 12-month period or Lifetime ECL depending on the change in credit risk associated with financial assets.

Balances due from related parties are held with reputed counter parties and management do not expect any loss from their non-performance. The Group uses the general approach to estimate the expected credit losses of government, semi-government entities and financial assets at amortized cost. The expected credit loss is calculated over the 12-month period or Lifetime ECL depending on the change in credit risk associated with financial assets.

(c) Cash and cash equivalents

The Group held cash and cash equivalents of AED 5,300 million as at 31 December 2023 (2022: AED 5,287 million). The cash and cash equivalents are held with bank and financial institution counterparties and related parties having credit rating as detailed below:

Credit ratings	**Source**	**2023 AED'000**	2022 AED'000
AA-	Fitch	**90,283**	53,009
A+	Fitch	**4,705,578**	2,768,327
A	Fitch	**492,914**	2,455,958
A-	Fitch	**4,417**	577
BBB+	Fitch	**5,864**	8,393
BB	Fitch	**7**	-
Baa1	Moody's	**167**	18
Ba2	Moody's	**6**	6
Caa1	Moody's	**-**	42
Caa3	Moody's	**76**	10
C	Fitch	**410**	508
		5,299,722	5,286,848

(d) Short-term deposits

The Group held short-term deposit of AED 4,903 million as at 31 December 2023 (2022: AED 7,534 million). The short-term deposits are held with banks and financial institutions having credit rating as detailed below:

Credit ratings	**Source**	**2023 AED'000**	2022 AED'000
A+	Fitch	**2,866,297**	3,659,296
A	Fitch	**640,591**	1,766,750
A-	Fitch	**918,250**	1,922,044
Baa1	Moody's	**50,000**	100,000
BBB+	Fitch	**427,624**	86,300
		4,902,762	7,534,390

(e) UAE National Bonds and Sukuk Bonds

The Group held UAE National Bonds and Sukuk Bonds of AED 1,265 million as at 31 December 2023 (2022: AED 1,366 million). The UAE National Bonds and Sukuk Bonds are held with National Bonds Corporation having credit rating as detailed below:

Credit ratings	Source	2023 AED'000	2022 AED'000
AA-	Fitch	**1,264,731**	1,365,712

(f) Derivatives

The derivatives are entered into with bank and financial institution counterparties, which are related to AA- to AA+ based on Fitch ratings. All other financial assets are unrated (refer note 10).

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents, deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group monitors its risk of shortage of funds using cash flow budgeting in which it considers both the cash outflows as well as their sources of funding.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

	Less Than 1 Year AED'000	1 to 2 Years AED'000	Over 2 Years AED'000	Total AED'000	Carrying Amount AED'000
Non-derivative financial liabilities					
31 December 2023					
Secured borrowings (refer note 21)	**7,964,557**	**2,622,087**	**38,071,992**	**48,658,636**	**29,359,923**
Unsecured borrowings (refer note 21)	**5,307,347**	**272,142**	**4,647,359**	**10,226,848**	**9,527,643**
Trade and other payables* (refer note 25)	**13,102,616**	**-**	**-**	**13,102,616**	**13,102,616**
Other long-term liabilities* (refer note 24)	**-**	**346,249**	**322,244**	**668,493**	**613,418**
Lease liabilities (refer note 23)	**15,966**	**11,697**	**7,042**	**34,705**	**32,247**
	26,390,486	**3,252,175**	**43,048,637**	**72,691,298**	**52,635,847**

	Less than 1 year AED'000	1 to 2 years AED'000	Over 2 years AED'000	Total AED'000	Carrying amount AED'000
Non-derivative financial liabilities					
31 December 2022					
Secured borrowings (refer note 21)	4,125,697	5,315,295	40,699,799	50,140,791	27,359,623
Unsecured borrowings (refer note 21)	804,069	238,949	13,146,147	14,189,165	13,330,206
Trade and other payables* (refer note 25)	11,984,411	-	-	11,984,411	11,984,411
Other long-term liabilities * (refer note 24)	-	365,888	493,372	859,260	806,220
Lease liabilities (refer note 23)	12,884	13,779	13,107	39,770	36,412
	16,927,061	5,933,911	54,352,425	77,213,397	53,516,872

*These do not include advances for new connections, deferred revenue and retirement benefits obligations as these are non-financial liabilities.

	Less than 1 year AED'000	**1 to 2 years AED'000**	**Over 2 years AED'000**	**Total AED'000**	**Carrying amount AED'000**
Derivative financial liabilities 31 December 2023 Interest rate swaps used for hedging	**-**	**-**	**3,732**	**3,732**	**3,732**
	Less than 1 year AED'000	1 to 2 years AED'000	Over 2 years AED'000	Total AED'000	Carrying amount AED'000
Derivative financial liabilities 31 December 2022 Interest rate swaps used for hedging	-	-	4,578	4,578	4,578

Refer notes 10 and 37.

(iii) Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Foreign exchange risk

Currency risk arises on recognised assets or liabilities that are primarily denominated in a currency that is not the Group's functional currency. The Group has no significant exposure to this risk as the majority of its transactions are denominated in AED. The Group has certain transactions in foreign currencies, mainly in Euros. However, the foreign currency exposure arising out of foreign currency denominated balances as at 31 December 2023 and 2022 are not material.

(b) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual instrument or its issuers or factors affecting all the instruments traded in the market. Hence, the Group has no exposure to price risk as there is no price sensitive financial instruments.

(c) Cash flow and fair value interest rate risk

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The alternative reference rate for US dollar LIBOR is the Secured Overnight Financing Rate (SOFR). As announced by the Financial Conduct Authority (FCA) in early 2022, the panel bank submissions for the overnight and 12-month US dollar LIBOR ceased on 30 June 2023. In addition, the FCA announced in early 2023 that the one-, three- and six-month synthetic US dollar LIBOR settings will cease on 30 September 2024. As at 31 December 2023, the Group is in transition to reform the IBOR for its derivative financial instruments. Since the IBOR reform is in transition, the Company have had negotiations with banks during the year and designated three-month synthetic US dollar LIBOR (an alternative benchmark rate) as the hedged rate. There is no change in contractual cashflows of the hedging instruments and hedging relationship of the hedge instruments. The Group is aiming to update the description of hedge items, description of designated portion of hedge cashflows and description of hedge instruments in order to reform IBOR exposure before 30 September 2024.

The variable rate borrowings of the Group are based on LIBOR and EIBOR. The Group has entered into interest rate swaps to mitigate the risk of variable rate borrowings (refer note 10). The table below shows the exposure of Group's variable and fixed rate borrowings:

	2023	2022
	AED'000	AED'000
Variable rate borrowings	**34,401,529**	38,247,344
Effect of interest rate swaps	**(21,183,952)**	(22,321,464)
	13,217,577	15,925,880
Fixed rate borrowings	**4,486,037**	2,442,485
Effect of interest rate swaps	**21,183,952**	22,321,464
	25,669,989	24,763,949
	38,887,566	40,689,829

Cashflow sensitivity analysis for variable-rate borrowings

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) consolidated equity and consolidated profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit Or Loss		**Equity**	
	100 bp Increase	**100 bp Decrease**	**100 bp Increase**	**100 bp Decrease**
	AED'000		**AED'000**	
31 December 2023				
Variable rate borrowings	**(132,176)**	**132,176**	**-**	**-**
Interest rate swaps	**-**	**-**	**211,840**	**(211,840)**
Cash flow sensitivity, net	**(132,176)**	**132,176**	**211,840**	**(211,840)**
31 December 2022				
Variable rate borrowings	(159,259)	159,259	-	-
Interest rate swaps	-	-	223,215	(223,215)
Cash flow sensitivity, net	(159,259)	159,259	223,215	(223,215)

Fair value sensitivity analysis for fixed-rate borrowings

The Group does not account for any fixed-rate financial assets or financial liabilities, at FVTPL, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A change of 100 basis points in interest rates would have increased or decreased equity by AED 212 million (2022: AED 223 million). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

4.2 CAPITAL RISK MANAGEMENT

The Group monitors and responds pragmatically to market conditions and business developments both locally and internationally, and ensures adequate funds are available to meet the needs of its businesses and support sound value enhancement objectives. The Group's strategic focus is the active management of the business portfolio in order to deal with its debt service obligations and to enhance the value of the Owner's equity.

4.3 FAIR VALUE ESTIMATION

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. These financial assets and liabilities are subsequently measured at amortised cost except the financial assets at fair value through other comprehensive income and derivative financial instruments.

Fair value of cash and cash equivalents, trade receivable, trade payable, borrowings, other current assets and liabilities are considered to approximates their carrying amount except derivatives, which are the only financial instruments which are carried at fair value and fall into level 2 of the fair value hierarchy (refer notes 10 and 11).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods.

5.1 CRITICAL ACCOUNTING ESTIMATES

(a) Revenue recognition – unread electricity and water meters

Revenue for electricity and water supply includes an assessment of electricity and water supplied to customers between the date of the last cyclical meter reading and the year-end (unread). Unread electricity and water supplied is estimated by using historical consumption patterns of respective customer categories. Management applies judgement to the measurement of the estimated electricity and water units supplied to customers and the valuation such units consumed. The application of a 5% increase to management estimate of total units for all customer categories, in isolation would result in the increase in revenue and profit by AED 57 million (2022: AED 52 million). The application of a 5% decrease to management estimate of total units for all customer categories, in isolation would result in the decrease in revenue and profit by AED 57 million (2022: AED 52 million).

(b) Expected credit loss (ECL) assessment

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics and age of customer relationship.

The Group reviews its trade receivables to assess impairment on a regular basis. In determining whether impairment losses should be reported in profit or loss, the Group makes assessment for expected credit loss for trade receivables.

Exposure within each credit risk grade is based on customer segments and ECL rate is calculated for each segment based on actual credit loss experience over the past years. These rates are multiplied by macro-economic factors to reflect the differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the trade receivables.

Accordingly, an allowance for impairment is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The Group's estimation process for the determination of provision for impairment loss on trade receivables based on the ECL model is disclosed in notes 3.7 and 4.1.

5.2 CRITICAL ACCOUNTING JUDGEMENTS

(a) Component parts of property, plant and equipment

The Group's assets, classified within property, plant and equipment, are depreciated on a straight-line basis over their useful lives. When determining the useful life of an asset, it is broken down into significant component parts such that each significant component part is depreciated separately. Judgement is required in ascertaining the significant components of a larger asset, and while defining the significance of a component, management considers quantitative materiality of the component part as well as qualitative factors such as difference in useful life as compared to related asset, its pattern of consumption and its replacement cycle/maintenance schedule.

(b) Determination of control over certain subsidiaries

The Group has entered into various agreements to establish Shuaa Energy 1 P.S.C, Hassyan Energy Phase 1 P.S.C, Shuaa Energy 2 P.S.C, Shuaa Energy 3 P.S.C, Noor Energy 1 P.S.C, Shuaa Energy 4 P.S.C and Hassyan Water Company A P.S.C for construction of power plant and generation of electricity from renewable and non-renewable sources. To determine control over these entities, the Group considers the purpose and design of these entities along with the fact that whether it has the power to govern the financial and operational strategy of the respective entities and whether a significant portion of the entity's activities are carried on the behalf of the Group.

Management has therefore concluded that the relevant activities of these entities are directed via contractual arrangements in the normal course of business as the Authority is the sole offtaker. Additionally, the management has control over relevant activities of these entities through right to appoint key management personnel and majority of board members. Consequently, has consolidated the results of these entities in these consolidated financial statements. The Group will continue to evaluate these circumstances at each reporting date to determine whether this judgement continues to be valid. If the Group determines that it no longer has control over any of these entities, it will de-consolidate the entities and account for these entities using the equity method from the date that control is deemed to cease.

6. OPERATING SEGMENTS

(i) Basis for segmentation

The chief operating decision-makers (CODM) have been identified as the Board of Directors of the Group that make all the strategic decisions related to the Group's activities. The Board of Directors reviews the Group's internal reporting in order to assess the performance and allocate its resources based on which the operating segments have been determined.

For the Board of Directors, the Group is currently organised into four major operating segments.

Reportable segments	Operations
DEWA	DEWA is engaged in the generation, transmission and distribution of electricity and water desalination, transmission and distribution to residential, commercial, industrial and government customers in the Emirate of Dubai.
EMPOWER	EMPOWER and its subsidiaries are engaged in the provision of district cooling, maintenance of central cooling plants and manufacturing and sale of insulated pipes.
IPP	JEIHL and its subsidiaries are engaged in provide full range of services for the development, operation and maintenance of power and water plants under the independent power producer (IPP) model.
Others	The other operations of group include purification and sale of potable water, providing services including IT, and infrastructure, networking and computer system housing services, invest and manage commercial, industrial, retail trade and energy enterprises and implement energy efficiency measures in buildings.

(ii) Information about reportable segments and reconciliations of information on reportable segments to the amount reported in the consolidated financial statements

Information related to each reportable segment is set out below. Segment profit (loss) before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

a) Segment wise statement of financial position

	DEWA	EMPOWER	IPP	Others	Eliminations	Total
31 December 2023	**AED'000**	**AED'000**	**AED'000**	**AED'000**	**AED'000**	**AED'000**
Segment assets						
Non-current assets	138,265,694	8,761,136	32,286,973	3,227,245	(20,301,846)	162,239,202
Current assets	11,960,209	967,030	3,090,836	4,497,709	(1,591,479)	18,924,305
Total assets	**150,225,903**	**9,728,166**	**35,377,809**	**7,724,954**	**(21,893,325)**	**181,163,507**
Segment liabilities						
Non-current liabilities	45,058,859	4,871,282	27,433,664	68,208	(15,658,481)	61,773,532
Current liabilities	17,640,360	1,545,883	4,759,462	4,382,218	(1,839,233)	26,488,690
Regulatory deferral account credit balance	199,931	-	-	-	-	199,931
Total liabilities and regulatory deferral account credit balance	**62,899,150**	**6,417,165**	**32,193,126**	**4,450,426**	**(17,497,714)**	**88,462,153**
Net segment assets	**87,326,753**	**3,311,001**	**3,184,683**	**3,274,528**	**(4,395,611)**	**92,701,354**

31 December 2022	DEWA AED'000	EMPOWER AED'000	IPP AED'000	Others AED'000	Eliminations AED'000	Total AED'000
Segment assets						
Non-current assets	132,111,470	7,776,101	31,016,060	2,194,551	(14,583,583)	158,514,599
Current assets	14,829,640	1,878,874	2,825,200	4,133,381	(1,429,135)	22,237,960
Total assets	146,941,110	9,654,975	33,841,260	6,327,932	(16,012,718)	180,752,559
Segment liabilities						
Non-current liabilities	47,483,807	4,859,945	27,933,985	135,690	(9,254,325)	71,159,102
Current liabilities	12,063,188	1,760,288	2,597,068	3,237,266	(2,540,166)	17,117,644
Regulatory deferral account credit balance	95,343	-	-	-	-	95,343
Total liabilities and regulatory deferral account credit balance	59,642,338	6,620,233	30,531,053	3,372,956	(11,794,491)	88,372,089
Net segment assets/(liabilities)	87,298,772	3,034,742	3,310,207	2,954,976	(4,218,227)	92,380,470

b) Segment wise statement of profit or loss and other comprehensive income

31 December 2023	**DEWA AED'000**	**EMPOWER AED'000**	**IPP AED'000**	**Others AED'000**	**Eliminations AED'000**	**Total AED'000**
Sale of electricity	**19,750,705**	**-**	**1,896,075**	**-**	**(2,969,378)**	**18,677,402**
Sale of water	**5,612,782**	**-**	**-**	**-**	**(213,707)**	**5,399,075**
District cooling	**-**	**3,017,829**	**-**	**-**	**-**	**3,017,829**
Others	**1,630,664**	**56,085**	**-**	**1,470,727**	**(1,073,773)**	**2,083,703**
Segment revenue	**26,994,151**	**3,073,914**	**1,896,075**	**1,470,727**	**(4,256,858)**	**29,178,009**
Cost of sales	**(16,982,134)**	**(1,740,878)**	**(1,312,135)**	**(819,753)**	**2,922,246**	**(17,932,654)**
Gross profit	**10,012,017**	**1,333,036**	**583,940**	**650,974**	**(1,334,612)**	**11,245,355**
Other income	**1,021,159**	**7,120**	**80,701**	**28,260**	**(486,130)**	**651,110**
Credit impairment losses	**(105,238)**	**-**	**-**	**(20,427)**	**-**	**(125,665)**
Administrative expenses	**(2,783,998)**	**(220,285)**	**(201,156)**	**(496,486)**	**688,459**	**(3,013,466)**
Operating profit	**8,143,940**	**1,119,871**	**463,485**	**162,321**	**(1,132,283)**	**8,757,334**
Finance income	**311,464**	**43,593**	**391,072**	**177,184**	**(117,035)**	**806,278**
Finance costs	**(531,582)**	**(220,833)**	**(1,366,284)**	**(34,160)**	**535,694**	**(1,617,165)**
Finance (costs)/income – net	**(220,118)**	**(177,240)**	**(975,212)**	**143,024**	**418,659**	**(810,887)**
Net movement in regulatory deferral account credit balance	**(104,588)**	**-**	**-**	**-**	**-**	**(104,588)**
Income tax (expense) / benefit	**-**	**17,454**	**-**	**-**	**74,448**	**91,902**
Profit for the year after tax	**7,819,234**	**960,085**	**(511,727)**	**305,345**	**(639,176)**	**7,933,761**

	DEWA	EMPOWER	IPP	Others	Eliminations	Total
Other comprehensive income						
Remeasurements of retirement benefit obligations	**78,636**	**7,432**	**-**	**-**	**-**	**86,068**
Items that may be reclassified to profit or loss						
Cash flow hedges – reclassified to profit or loss	**-**	**-**	**(584,379)**	**-**	**-**	**(584,379)**
Cash flow hedges – effective portion of changes in fair value of derivate financial instruments	**-**	**-**	**352,004**	**-**	**-**	**352,004**
Debt instrument at FVOCI – change in fair value	**-**	**1,242**	**-**	**-**	**-**	**1,242**
Other comprehensive income for the year	**78,636**	**8,674**	**(232,375)**	**-**	**-**	**(145,065)**
Total comprehensive income for the year	**7,897,870**	**968,759**	**(744,102)**	**305,345**	**(639,176)**	**7,788,696**

	DEWA	EMPOWER	IPP	Others	Eliminations	Total
31 December 2022	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Sale of electricity	18,354,897	-	1,129,646	-	(1,965,424)	17,519,119
Sale of water	5,469,315	-	-	-	(297,722)	5,171,593
District cooling	-	2,766,231	-	-	-	2,766,231
Others	1,336,982	26,308	5,076	1,241,492	(731,267)	1,878,591
Segment revenue	25,161,194	2,792,539	1,134,722	1,241,492	(2,994,413)	27,335,534
Cost of sales	(15,624,075)	(1,520,576)	(719,014)	(761,705)	2,136,372	(16,488,998)
Gross profit	9,537,119	1,271,963	415,708	479,787	(858,041)	10,846,536
Other income	4,445,173	7,765	54,924	27,062	(4,130,638)	404,286
Credit impairment losses	(127,834)	(17,865)	-	(8,603)	-	(154,302)
Administrative expenses	(2,653,090)	(209,977)	(27,269)	(441,492)	451,236	(2,880,592)
Operating profit	11,201,368	1,051,886	443,363	56,754	(4,537,443)	8,215,928
Finance income	251,689	35,554	249,770	131,262	(115,743)	552,532
Finance costs	(603,588)	(86,685)	(674,665)	(29,987)	389,160	(1,005,765)
Finance (costs)/income – net	(351,899)	(51,131)	(424,895)	101,275	273,417	(453,233)
Net movement in regulatory deferral account	283,681	-	-	-	-	283,681
Profit for the year after tax	11,133,150	1,000,755	18,468	158,029	(4,264,026)	8,046,376
Other comprehensive income						
Remeasurements of retirement benefit obligations	62,171	8,297	-	-	-	70,468
Items that may be reclassified to profit or loss						
Cash flow hedges – reclassified to profit or loss	-	-	58,916	-	-	58,916
Cash flow hedges – effective portion of changes in fair value of derivate financial instruments	-	-	4,120,500	(1,506)	-	4,118,994
Debt instrument at FVOCI – change in fair value	-	(5,202)	-	-	-	(5,202)
Other comprehensive income for the year	62,171	3,095	4,179,416	(1,506)	-	4,243,176

Total comprehensive income for the year	11,195,321	1,003,850	4,197,884	156,523	(4,264,026)	12,289,552

c) Other segment information

	DEWA	EMPOWER	IPP	Others	Eliminations	Total
31 December 2023	**AED'000**	**AED'000**	**AED'000**	**AED'000**	**AED'000**	**AED'000**
Capital expenditure (property, plant and equipment)	**5,550,286**	**275,625**	**2,432,927**	**137,438**	**(276,507)**	**8,119,769**
Depreciation (property, plant and equipment)	**4,929,502**	**332,884**	**449,408**	**367,027**	**(35,707)**	**6,043,114**

	DEWA	EMPOWER	IPP	Others	Eliminations	Total
31 December 2022	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Capital expenditure (property, plant and equipment)	4,849,905	332,887	4,767,497	169,314	-	10,119,603
Depreciation (property, plant and equipment)	4,734,106	311,807	237,337	98,332	(6,843)	5,374,739

(iii) Geographic information

Majority of the Group's revenues, profits and assets relate to its operations in Dubai.

7 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings AED'000	Right-of-use assets AED'000	Generation and desalination plants AED'000	Transmission and distribution networks AED'000	Other equipment and assets AED'000	Capital work in progress AED'000	Total AED'000
Year ended 31 December 2022							
Opening net book amount	39,088,117	23,856	33,437,273	48,574,168	804,203	27,544,444	149,472,061
Additions	7,842	17,037	107,939	413,280	111,862	9,461,643	10,119,603
Transfer to right of use assets	-	18,316	(7,780)	-	(10,536)	-	-
Reversal of impairment	-	-	-	-	-	12,727	12,727
Reclassification to investment property (refer note 12)	(2,536)	-	-	-	-	(70,323)	(72,859)
Transfers	604,118	-	2,147,084	4,288,607	119,198	(7,159,007)	-
Transfers to intangible assets (refer note 8)	-	-	-	-	(320)	(19,335)	(19,655)
Modification of right-of-use assets	-	(11,558)	-	-	-	-	(11,558)
Disposals, net	-	-	(3,853)	(92,247)	(69)	-	(96,169)
Depreciation	(365,773)	(12,827)	(2,048,742)	(2,620,607)	(326,790)	-	(5,374,739)
Closing net book amount	39,331,768	34,824	33,631,921	50,563,201	697,548	29,770,149	154,029,411
At 31 December 2022							
Cost	43,600,056	64,678	55,574,765	78,069,768	3,478,813	29,770,149	210,558,229
Accumulated depreciation	(4,268,288)	(29,854)	(21,942,844)	(27,506,567)	(2,781,265)	-	(56,528,818)
Net book amount	39,331,768	34,824	33,631,921	50,563,201	697,548	29,770,149	154,029,411
At 31 December 2023							
Opening net book amount	**39,331,768**	**34,824**	**33,631,921**	**50,563,201**	**697,548**	**29,770,149**	**154,029,411**
Additions	**357**	**25,153**	**201,837**	**430,969**	**105,230**	**7,356,223**	**8,119,769**
Transfers	**384,133**	**1,064**	**20,081,691**	**3,098,692**	**205,719**	**(23,771,299)**	**-**
Transfers to intangible assets (refer note 8)	**-**	**-**	**-**	**-**	**-**	**(53,671)**	**(53,671)**
Modification of right-of-use assets	**-**	**(75)**	**-**	**-**	**-**	**-**	**(75)**
Disposals, net	**(377)**	**-**	**(132,233)**	**(2,283)**	**(278)**	**-**	**(135,171)**
Depreciation	**(472,185)**	**(30,249)**	**(2,585,967)**	**(2,721,995)**	**(232,718)**	**-**	**(6,043,114)**
Closing net book amount	**39,243,696**	**30,717**	**51,197,249**	**51,368,584**	**775,501**	**13,301,402**	**155,917,149**
At 31 December 2023							
Cost	**43,982,776**	**90,344**	**75,539,246**	**81,581,463**	**3,661,079**	**13,301,402**	**218,156,310**
Accumulated depreciation	**(4,739,080)**	**(59,627)**	**(24,341,997)**	**(30,212,879)**	**(2,885,578)**	**-**	**(62,239,161)**
Net book amount	**39,243,696**	**30,717**	**51,197,249**	**51,368,584**	**775,501**	**13,301,402**	**155,917,149**

(a) The Group has engaged in a joint operation pertaining to Emirates National Grid Corporation ("ENGC" The Group's share in the carrying amount of ENGC's assets as at 31 December 2023 is AED 101 million (2022: AED 109 million) and is included under transmission and distribution networks.

(b) During 2008, by way of a Decree issued by H.H. The Ruler of Dubai, all existing plots of land held by the Authority were transferred to the Authority. As a result, the Authority has capitalised the plots of land on the basis of valuations (i.e. valuation based on use limitations) obtained from the Land Department of the Government of Dubai, which is considered the deemed cost and has been treated as a capital contribution by the Government of Dubai.

As per communication from Department of Finance, Government of Dubai, effective 10 March 2022, the new land policy in respect of allotment and granting of lands in the Emirate of Dubai by the Dubai Land Department to the Authority will be in consideration for a rental value of AED 1 per plot per annum for 30 years. This policy shall apply to all future lands that will be allotted to the Authority, but not on the existing lands that are currently being governed under the existing regime. The Department of Finance, Government of Dubai and the Authority shall coordinate to take all actions and procedures to procure the issuance of a decree that shall formalize the proposed policy for all future lands.

(c) The carrying value of property, plant and equipment, pledged as collateral on borrowings, amounts to AED 31,518 million (2022: AED 27,886 million) (refer note 21).

(d) Capital work in progress mainly comprises construction of additional electricity generation, water desalination facilities, transmission and distribution networks and district cooling facilities.

(e) The capitalised borrowing costs related to construction of electricity and water plants and transmission substations amounted to AED 813 million (2022: AED 1,164 million), which was calculated using a capitalisation rate of 4.87% (refer note 32).

(f) Right-of-use assets mainly represents vehicles and other equipment as of the reporting date.

(g) During the current year, the Group received plots of land from the Land Department of the Government of Dubai amounting to AED 112 thousand (2022: AED 65 million).

(h) During the previous year, one of the subsidiaries of the Group returned eleven plots of land to related parties amounting to AED 59 million which were granted to the subsidiary by the related parties in prior years.

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(i) Depreciation is allocated as detailed below:

	2023	2022
	AED'000	AED'000
Cost of sales:		
- Generation and desalination expenditure (refer note 29.1)	**2,813,730**	2,186,590
- Transmission and distribution expenditure (refer note 29.2)	**2,988,699**	2,886,817
Administrative expenses (refer note 30)	**240,685**	301,332
	6,043,114	**5,374,739**

8. INTANGIBLE ASSETS

	Computer software	Others	Total
Year ended 31 December 2022	AED'000	AED'000	AED'000
Opening net book amount	165,281	364,296	529,577
Additions	8,627	-	8,627
Transfer from property, plant and equipment (refer note 7)	19,655	-	19,655
Amortisation (refer note 30 & 29.1)	(74,579)	(12,157)	(86,736)
Closing net book amount	118,984	352,139	471,123
At 31 December 2022			
Cost	551,373	364,696	916,069
Accumulated amortisation	(432,389)	(12,557)	(444,946)
Net book amount	118,984	352,139	471,123

	Computer software	Others	Total
Year ended 31 December 2023	**AED'000**	**AED'000**	**AED'000**
Opening net book amount	**118,984**	**352,139**	**471,123**
Additions	**21,437**	**-**	**21,437**
Transfer from property, plant and equipment (refer note 7)	**53,671**	**-**	**53,671**
Amortisation (refer note 30 & 29.1)	**(71,707)**	**(12,157)**	**(83,864)**
Closing net book amount	**122,385**	**339,982**	**462,367**
At 31 December 2023			
Cost	**626,481**	**364,696**	**991,177**
Accumulated amortisation	**(504,096)**	**(24,714)**	**(528,810)**
Net book amount	**122,385**	**339,982**	**462,367**

Others relate to a contract entered into by a subsidiary in prior year, wherein, a part was recorded under intangible assets and the balance under other financial assets at amortised cost (refer note 15.2).

9. INTERESTS IN OTHER ENTITIES

9.1 MATERIAL SUBSIDIARIES

The Group's material subsidiaries are Jumeirah Energy International Holdings LLC ("JEIHL") and EMPOWER.

JEIHL holds investments in Shuaa Energy 1 P.S.C, Shuaa Energy 2 P.S.C, Shuaa Energy 3 P.S.C, Shuaa Energy 4 P.S.C, Noor Energy 1 P.S.C, Hassyan Energy Phase 1 P.S.C, and Hassyan Water Company A P.S.C.

EMPOWER holds investments in Empower Logstor LLC ("ELIPS"), Palm District Cooling LLC, Palm Utilities LLC, Empower FM LLC, Empower Engineering & Consultancy LLC, Empower Snow LLC, and DXB CoolCo. FZCO.

Refer note 1.

9.2 NON-CONTROLLING INTERESTS

Proportion of ownership interests held by non-controlling interests is as follows:

	2023	2022
JEIHL	**%**	%
Shuaa Energy 1 P.S.C	**49**	49
Shuaa Energy 2 P.S.C	**40**	40
Shuaa Energy 3 P.S.C	**40**	40
Shuaa Energy 4 P.S.C	**40**	-
Noor Energy 1 P.S.C	**49**	49
Hassyan Energy Phase 1 P.S.C	**49**	49
Hassyan Water Company A P.S.C	**40**	-
EMPOWER		
Emirates Central Cooling Systems Corporation PJSC (EMPOWER)	**44**	44
EMPOWER FM LLC	**44**	44
EMPOWER Engineering & Consultancy LLC	**44**	44
Palm Utilities LLC	**44**	44
Palm District Cooling LLC (PDC)	**44**	44
EMPOWER Logstor LLC	**45.7**	45.7
EMPOWER Snow LLC	**44**	44
DXB CoolCo. FZCO	**52.4**	-

The summarised financial information for JEIHL and EMPOWER group before inter-company eliminations is as follows:

Summarised statements of financial position

	JEIHL		EMPOWER	
	2023	2022	**2023**	2022
	AED'000	AED'000	**AED'000**	AED'000
Non-current				
Assets	**32,286,973**	31,016,060	**8,761,136**	7,776,101
Liabilities	**(27,433,664)**	(27,933,985)	**(4,871,282)**	(4,859,945)
	4,853,309	3,082,075	**3,889,854**	2,916,156
Current				
Assets	**3,090,836**	2,825,200	**967,030**	1,878,874
Liabilities	**(4,759,462)**	(2,597,068)	**(1,545,883)**	(1,760,288)
	(1,668,626)	228,132	**(578,853)**	118,586
Net assets (100%)	**3,184,683**	3,310,207	**3,311,001**	3,034,742
Net assets attributable to NCI	**2,109,303**	1,780,488	**1,394,062**	1,186,896

Other non-material subsidiary includes negative net assets attributable to NCI amounting to AED 14,254 thousand (2022: AED 14,254 thousand).

Summarised statements of profit or loss and other comprehensive income

	JEIHL		EMPOWER	
	2023	2022	**2023**	2022
	AED'000	AED'000	**AED'000**	AED'000
Revenue	**1,896,075**	1,134,722	**3,073,914**	2,792,539
Profit/(loss) for the year	**(511,727)**	18,468	**960,085**	1,000,755
Remeasurements of retirement benefit obligations	**-**	-	**1,242**	8,297
Debt instrument at FVOCI – change in fair value	**-**	**-**	**7,432**	(5,202)
Cash flow hedges – reclassified to profit or loss	**(584,379)**	58,916	**-**	-
Cash flow hedges – effective portion of changes in fair value of derivate financial instruments	**352,004**	4,120,500	-	-
Total comprehensive income/ (loss)	**(744,102)**	4,197,884	**968,759**	1,003,850
Total comprehensive income/ (loss) allocated to non-controlling interests	**(289,761)**	1,995,076	**423,666**	318,023
Dividends paid to non-controlling interests	**4,230**	5,090	**374,000**	1,020,000

Summarised statement of cash flows

	JEIHL		EMPOWER	
	2023	2022	**2023**	2022
	AED'000	AED'000	**AED'000**	AED'000
Net cash inflow from operating activities	**1,250,133**	416,619	**1,391,591**	1,424,636
Net cash outflow from investing activities	**(1,667,000)**	(3,495,378)	**(1,208,743)**	(195,777)
Net cash inflow/(outflow) from financing activities	**329,907**	2,835,774	**(1,117,976)**	(1,000,539)
Net (decrease) /increase in cash and cash equivalents	**(86,960)**	(242,985)	**(935,128)**	228,320
Cash and cash equivalents, as at 1 January	**1,276,101**	1,519,086	**1,473,908**	1,245,588
Cash and cash equivalents, as at 31 December	**1,189,141**	1,276,101	**538,780**	1,473,908

9.3 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The entities listed below have share capital solely consisting of ordinary shares, which are held by the Group.

Name of the entity	**Country of incorporation**	**Effective % of holding**		**Carrying value**	
		2023	2022	**2023**	2022
		%	%	**AED'000**	AED'000
Utility Management LLC	UAE	**50**	50	**490**	490
Etihad Smart Energy Solutions LLC	UAE	**50**	50	**150**	150
				640	**640**

All joint ventures are accounted for using the equity method of accounting and are immaterial to the Group individually.

10. DERIVATIVE FINANCIAL INSTRUMENTS

The Group is exposed to interest rate movements on various borrowings maturing between 2023 and 2042. Certain subsidiaries have entered into a series of interest rate swaps for the duration of the borrowings to mitigate the risk of variation in future interest rates. These interest rate swaps were designated as cash flow hedges and were assessed to be highly effective. Unrealised gains of AED 352 million (2022: AED 4,119 million) relating to these hedging instruments is included in other comprehensive income. Realised gains during the year amounted to AED 584 million (2022: realised loss of AED 59 million).

The tables below show a summary of the hedged items, the hedging instruments and their fair values. The notional amounts indicate the amounts outstanding at the year-end.

Description of the hedged item	Hedging instrument	Notional amount AED'000	Positive fair value AED'000	Negative fair value AED'000
2023:				
Interest payments on floating rate loans	Interest rate swap	**21,183,952**	**1,565,267**	**3,732**
2022				
Interest payments on floating rate loans	Interest rate swap	22,321,464	1,786,908	4,578

The following table presents the Group's derivative assets and liabilities that are measured at fair value:

31 December 2023	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Assets measured at fair value				
Derivative financial instruments (non-current portion)	**-**	**980,417**	**-**	**980,417**
Derivative financial instruments (current portion)	**-**	**584,850**	**-**	**584,850**
Liabilities measured at fair value				
Derivative financial instruments (non-current portion)	**-**	**3,732**	**-**	**3,732**
31 December 2022	**Level 1 AED'000**	**Level 2 AED'000**	**Level 3 AED'000**	**Total AED'000**
Assets measured at fair value				
Derivative financial instruments (non-current portion)	-	1,294,802	-	1,294,802
Derivative financial instruments (current portion)	-	492,106	-	492,106
Liabilities measured at fair value				
Derivative financial instruments (non-current portion)	-	4,578	-	4,578

Interest rate swaps were measured primarily using valuations provided by the financial institutions based on the observable spot exchange rates and the yield curves of the respective swap contracts and were categorised in Level 2 hierarchy.

Fair value of cash and cash equivalents, trade receivable, trade payable, other current assets and liabilities are considered to approximates their carrying amount except derivatives, which are carried at fair value and fall into level 2 of the fair value hierarchy.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2023	2022
	AED'000	AED'000
At the beginning of the year	**52,911**	58,113
Fair value adjustment during the year	**1,242**	(5,202)
At the end of the year	**54,153**	52,911

Financial assets at fair value through other comprehensive income pertains to an investment in Tier 1 Capital Certificates ("the Bonds") issued at their par value. The Bonds are listed perpetual instruments and carry non-cumulative interest at a rate of 6% per annum payable every six months at the discretion of the Issuer. The Group has classified them as financial assets at fair value through other comprehensive income under IFRS 9 as the Bonds are not held for trading.

During the current year, gain recognised in other comprehensive income amounted to AED 1 million (2022: loss of AED 5 million).

12. INVESTMENT PROPERTY

	31 December 2023 AED'000	31 December 2022 AED'000
Investment property	**85,645**	72,859

The movement in property under development is as follows:

	31 December 2023 AED'000	31 December 2022 AED'000
At the beginning of the year	**72,859**	-
Reclassification from capital work in progress (refer note 7)	**-**	72,859
Addition during the year	**12,786**	-
At the end of the year	**85,645**	72,859

The investment property are subsequently measured at cost.

The Group's subsidiary started construction of its head quarter project in 2021. The project consists of two towers with common area and retail outlets which are expected to be completed during the third quarter of 2024. The investment property includes land amounting to AED 2.5 million (2022: AED 2.5 million).

The investment property is completed as of 31 December 2023 and the fair value approximates to AED 110 million at the reporting date.

13. INCOME TAX

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal Corporate Tax (CT) regime in the UAE. The CT regime become effective for accounting periods beginning on or after 1 June 2023.

The Cabinet of Ministers Decision No. 116/2022 effective from January 2023, has confirmed the threshold of income over which the 9% tax rate would apply, and the Law is considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000. A rate of 0% will apply to taxable income not exceeding AED 375,000.

For the Group, current taxes shall be accounted for as appropriate in the consolidated financial statements for the period beginning 1 January 2024. In accordance with IAS 12 – 'Income Taxes', the related deferred tax accounting impact has been considered for the year ended 31 December 2023:

Since the corporate tax was introduced only recently, this may create tax risks in UAE that are more significant than in other countries. The Group has assessed the deferred tax implications for the year ended 31 December 2023 and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions and ministerial decisions (especially with regard to transition rules) which is disclosed below.

The major components of income tax credits for the years ended 31 December 2023 and 2022 are:

	2023 **AED'000**	2022 AED'000
Current income tax:		
Current income tax charge	-	-
Deferred income tax:		
Deferred tax credit relating to enactment of UAE corporate income tax *	91,902	
	91,902	-

* The deferred income tax credit/assets mainly relate to:

- deferred tax credit of AED 86.4 million (2022: Nil) relating to adjustments being made in the consolidated financial statements resulting in temporary difference due to carrying amounts of property, plant and equipment in consolidated financial statement and compared with tax bases of certain subsidiaries which are not part of the same tax group.

  The reconciliation between tax as per profit before tax multiplied by the applicable corporate tax rate and deferred tax credit for the year ended 31 December 2023 is as follows:

	Effective tax rate	**2023** **AED'000**	2022 AED'000
Profit before tax Total taxable profit (domestic tax rate)	**0%**	**7,841,859**	-
Tax effect of: Deferred tax relating to enactment of UAE CT	**(1.17%)**	**(91,902)**	-
	(1.17%)	**(91,902)**	-

Deferred income tax

	Consolidated statement of financial position		Consolidated statement of Profit or loss	
	2023	2022	2023	2022
	AED'000	**AED'000**	**AED'000**	**AED'000**
Deferred tax assets/credits:				
Consolidation adjustments related property, plant and equipment	**86,445**	-	86,445	-
Purchase price allocation adjustment	**17,454**	-	17,454	-
Deferred tax liability/expense:				
Purchase price allocation adjustment	**(11,997)**	-	(11,997)	-
Deferred tax assets, net	**91,902**	-	91,902	-

14. OTHER ASSETS

	2023	2022
	AED'000	AED'000
Advances to suppliers	**1,657,910**	1,222,498
Prepayments	**172,977**	44,244
	1,830,887	1,266,742
Less: non-current portion	**(1,205,646)**	(1,134,897)
Current portion	**625,241**	131,845

15. FINANCIAL ASSETS

15.1 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Other financial assets include investments in UAE National Bonds amounting to AED 622 million (2022: AED 1,041 million), which have a maturity of 12 months from the date of purchase. UAE National Bonds carry an interest rate of ranging from 3.75% to 5.7% per annum (2022: 3% to 5.25% per annum).

	2023	2022
	AED'000	AED'000
Investment in equity instruments	**155,663**	118,438
Investment in debt instruments	**10,000**	-
	165,663	118,438
Less: non-current portion	**(155,663)**	(118,438)
Current portion	**10,000**	-

15.2 OTHER FINANCIAL ASSETS AT AMORTISED COST

	2023	2022
	AED'000	AED'000
UAE National Bonds and Sukuk Bonds	**1,264,731**	1,365,712
Investment in debt instruments	**1,516,166**	1,032,985
Other receivables	**3,332,845**	2,142,320
Less: provision for impairment	**(139,681)**	(67,741)
	5,974,061	4,473,276
Less: non-current portion	**(3,285,620)**	(1,339,518)
Current portion	**2,688,441**	3,133,758

Other financial assets at amortised cost include investments in UAE National Bonds amounting to AED 1,265 million (2022: AED 1,366 million), which have a maturity of 12 months from the date of purchase. UAE National Bonds carry an interest rate ranging from 3.75% to 5.7% per annum (2022: 3% to 5.25% per annum).

As at 31 December 2023, investment in debt instruments and other receivables amounting to AED 4,709 million (2022: AED 3,108 million) are not impaired except for an amounts of AED 140 million (2022: AED 68 million). The carrying amount of the Group's other receivables is primarily denominated in AED and approximates its fair value.

Other receivables mainly include financial assets under IFRIC 12, housing and sewerage fee receivable on behalf of a related party and interest receivable on bank deposits.

During the current year, in EMPOWER there is an addition of financial asset from Dubai Aviation City Corporation DACC (grantor) under IFRIC 12 as a result of acquisition of DXB Cool (refer note 39). The financial asset is initially recognised at fair value and subsequently measured at amortised cost. The fair value is determined using the discounted cash flow techniques, the inputs into the valuation techniques includes contractual cash flows and interest rates.

Refer notes 8 and 39.

16. INVENTORIES

	2023	2022
	AED'000	AED'000
Consumables and others	**634,349**	657,301
Less: provision for obsolete inventories	**(228,424)**	(220,021)
	405,925	437,280
Fuel	**995,230**	1,007,936
	1,401,155	1,445,216

Movements in the provision for obsolete inventories were as follows:

	2023	2022
	AED'000	AED'000
At 1 January	**220,021**	205,653
Charge for the year	**8,403**	14,368
At 31 December	**228,424**	220,021

17. TRADE RECEIVABLES

	2023 AED'000	2022 AED'000
Trade receivables	**2,893,137**	3,741,690
Accrued revenue	**1,141,233**	1,040,500
Less: provision for impairment of receivables	**(614,312)**	(567,073)
Trade receivables and accrued revenue – net	**3,420,058**	4,215,117

The Group holds trade receivables with the objective to collect the contractual cash flows and therefore measures these receivables subsequently at amortised cost using the effective interest rate method. Information about methods and assumptions used in determining the impairment loss has been explained in note 3.7.

The Group considers the credit risk on the outstanding balances from government customers to be low at the reporting date, as these financial assets have low risk of default, the counterparties have strong capacity to meet their 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 counterparties to fulfil its contractual cash flow obligations.

Impairment of trade receivables:

The movement in the provision for impairment of trade receivables is as follows:

	2023 AED'000	2022 AED'000
At 1 January	**567,073**	422,544
Charge for the year	**47,239**	144,529
31 December	**614,312**	567,073

The carrying amount of the Group's trade receivables is primarily denominated in AED and approximates its fair value.

The Group primarily supplies electricity and water and cooling services to a diversified customer base and the standard credit period applied to all customers for electricity and water is 14 days and cooling services is 21 days, from the date of invoice.

18. SHORT-TERM DEPOSITS

	2023 AED'000	2022 AED'000
Term deposits with banks	**4,902,762**	7,534,390
Less: provision for impairment on short-term deposits	**(8,373)**	(1,887)
	4,894,389	7,532,503

Term deposits amounting to AED 4,903 million (2022: AED 7,534 million) carries an interest ranging from 1.25% to 6% per annum.

Term deposits up to AED 2.8 billion (2022: AED 1.9 billion) have been kept as lien against borrowings by one of the subsidiaries'.

19. CASH AND CASH EQUIVALENTS

	2023 AED'000	2022 AED'000
Current and call accounts	**4,789,922**	3,814,148
Short-term deposits	**509,800**	1,472,700
Cash on hand	**449**	567
	5,300,171	5,287,415

Cash and cash equivalents include AED 1,327 million (2022: AED 1,660 million) in foreign currencies. The majority of these foreign currency balances are denominated in USD. These balances are held for settlement of existing and anticipated liabilities denominated in foreign currencies.

Cash and cash equivalents also include AED 2,206 million (2022: AED 801 million) of cash collected by local banks and government collection agencies on behalf of the Group.

For the purpose of the consolidated statement of cash flow, cash and cash equivalents comprise the following:

	2023 AED'000	2022 AED'000
Cash and cash equivalents	**5,300,171**	5,287,415
Bank overdrafts (refer note 21)	**(641,854)**	(565,119)
Cash and cash equivalents for the purpose of cash flow	**4,658,317**	4,722,296

Cash and cash equivalents are subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

20. EQUITY

A) SHARE CAPITAL

In prior years, an amount of AED 500 million had been transferred to share capital account from Government of Dubai account. The Board of Directors of the Authority had authorised the breakup of the share capital into 50 billion shares of AED 0.01 each. All shares of the Authority shall rank equally with one another in all aspects. Hence, the share capital of the Authority consists of authorised and paid-up capital of AED 500 million as of 31 December 2023.

B) CAPITAL CONTRIBUTION

This account represents amounts contributed by the Government of Dubai (both in kind and cash) as an Owner of the Group since the incorporation of the Group.

C) RETAINED EARNINGS/GENERAL RESERVE

In the prior years, the general reserve represented surplus distributable profits earned by the Group. In the year 2022, the balance in general reserve had been transferred to retained earnings.

D) STATUTORY RESERVE

As required by applicable law and Articles of Association of the Authority and certain subsidiaries, 5% of the net profit for each period has been transferred to a statutory reserve. Such transfers to reserves may cease when the statutory reserve equals to half of the share capitals. The reserve is not available for distribution except as stipulated by the law. The statutory reserve of the Authority has already reached the 50% threshold and hence no further transfers were made to statutory reserves.

E) HEDGING RESERVE

The hedging reserve primarily represents the fair value of derivatives which are part of effective cash flow hedging relationships at year end. As the derivatives are held for hedging purposes as defined by IFRS 9, their fair value movements are retained in other comprehensive income instead of being charged to profit or loss during the year. The fair value movements will be adjusted in other comprehensive income in the same period as the corresponding hedged transaction.

21. BORROWINGS

	2023 AED'000	2022 AED'000
Non-current		
Others (refer (i) below)	**27,341,537**	29,042,475
Term loan (refer (ii) below)	**-**	8,275,500
	27,341,537	37,317,975

Current		
Bank overdrafts (refer note 19)	**641,854**	565,119
Others (refer (i) below)	**6,510,824**	2,806,735
Term loan (refer (ii) below)	**4,393,351**	-
	11,546,029	3,371,854
	38,887,566	40,689,829

Borrowings are denominated in the following currencies:

	2023 AED'000	2022 AED'000
US Dollars	**26,505,245**	25,432,234
UAE Dirham	**12,382,321**	15,257,595
	38,887,566	40,689,829

The movement in bank borrowings during the year is as follows:

	2023 AED'000	2022 AED'000
At January	**40,689,829**	26,755,870
Drawdown during the year – long term facilities	**2,367,440**	18,511,444
Drawdown during the year – bank overdrafts	**76,735**	122,781
Interest expense during the year	**1,617,044**	811,625
Interest capitalised during the year	**812,661**	1,163,531
Interest paid during the year	**(2,429,705)**	(1,975,156)
Principal repayment during the year	**(4,298,320)**	(4,581,208)
Conversion of loan to equity	**-**	(259,066)
Arrangement fees charged to profit or loss	**54,944**	180,422
Unamortized arrangement fees	**(3,062)**	(40,414)
At 31 December	**38,887,566**	40,689,829

The movement in deferred borrowings cost during the year is as follows;

	2023 AED'000	2022 AED'000
At January	**722,223**	862,231
Arrangement fees charged to profit or loss	**(54,944)**	(180,422)
Unamortized arrangement fees	**3,062**	40,414
At 31 December	**670,341**	722,223

The Group has secured borrowings amounting to AED 29,360 million (2022: AED 27,360 million) and unsecured borrowings amounting to AED 9,528 million (2022: AED 13,330 million).

Borrowings are secured by pledge of assets (refer note 7 (c)) and sovereign guarantees issued by Department of Finance (DoF), Government of Dubai

(I) OTHERS

Shuaa Energy 1 P.S.C had an interest free equity bridge loan. The entire loan was repayable on 1 April 2018. The equity bridge loan amounting AED 73 million was converted to subordinated loan by the shareholder, ACWA Power Solar Limited on 29 March 2018 and an amount of AED 38 million is outstanding (2022: AED 43 million).

Shuaa Energy 1 P.S.C has a commercial facility from a syndicate of banks amounting to AED 470 million (2022: AED 485 million). The rate of interest is the percentage rate per annum which is the aggregate of the applicable margin and synthetic LIBOR. The loan is repayable in quarterly instalments beginning September 2017.

Shuaa Energy 1 P.S.C has an Istisna-Ijara facility amounting to AED 379 million (2022: AED 391 million). The rate of profit is the percentage rate per annum which is the aggregate of the applicable margin and synthetic LIBOR. The loan is repayable in quarterly instalments beginning September 2017.

Shuaa Energy 2 P.S.C has Conventional facility amounting to AED 1,848 million (2022: AED 1,918 million) from a syndicate of banks. The rate of interest is the percentage rate per annum which is the aggregate of the applicable margin and the Secured Overnight Financing Rate ("SOFR") starting 1 June 2023, prior to which the rate of interest was the percentage rate per annum which was the aggregate of the applicable margin and Synthetic LIBOR.

Shuaa Energy 2 P.S.C has an Islamic facility from a syndicate of banks amounting to AED 484 million (2022: AED 503 million) carrying an interest rate, which is the aggregate of the applicable margin and synthetic LIBOR.

As at 31 December 2023, the financial covenant (Debt Service Cover ratio) of Shuaa Energy 2 for Conventional and Islamic facility has not been met due to damage to solar plant that occurred as a result of strong winds on 10 August 2023. The waiver letter from lenders for financial covenant was not received as of the reporting date, hence the loan amount of Conventional and Islamic facility has been classified under current liabilities.

Shuaa Energy 2 P.S.C has a financing agreement of AED 44 million (2022: AED 44 million) with a bank. The rate of interest is the percentage rate per annum which is the aggregate of the applicable margin and the Secured Overnight Financing Rate (SOFR). The loan is repayable by December 2025.

Shuaa Energy 3 P.S.C has a loan amounting to AED 1,515 million (2022: AED 1,352 million) from a syndicate of banks. The rate of interest is the percentage rate per annum which is the aggregate of the applicable margin and synthetic LIBOR. The loan repayment is scheduled from September 2023 until March 2047.

Shuaa Energy 3 P.S.C has interest free equity bridge loans of AED 147 million (2022: AED 147 million) carrying an interest rate of synthetic LIBOR plus applicable margin per annum. The final maturity date is the date falling one hundred and twenty (120) months after the date of Financial Close.

Shuaa Energy 3 P.S.C has a working capital financing agreement of AED 37 million (2022: AED 15 million) with a bank. The effective interest rate for the year was LIBOR + 1.2% per annum.

Hassyan Energy Phase 1 P.S.C has a commercial facility of AED 7,923 million (2022: AED 8,189 million) from a syndicate of banks carrying an interest rate effective interest rate for the year was 4.19% per annum.

Hassyan Energy Phase 1 P.S.C has a mezzanine facility of AED 433 million (2022: AED 433 million) carrying an effective rate interest of 6.64% per annum. The loan is repayable beginning from 31 May 2041 up to 29 February 2048.

Hassyan Energy Phase 1 P.S.C has subordinated advances of AED 536 million (2022: AED 528 million). The loans are interest free.

Hassyan Energy Phase 1 P.S.C has a short-term financing facility of AED 441 million (2022: AED 257 million) with a commercial bank.

Noor Energy 1 P.S.C has an equity bridge loan amounting to AED 2,795 million (2022: AED 2,797 million) carrying an interest rate of synthetic LIBOR plus applicable margin per annum. The final maturity date is the earlier of the date falling on the second anniversary of the Commercial Operation Date and 22 January 2025.

Noor Energy 1 P.S.C has a commercial facility of AED 9,242 million (2022: AED 8,673 million) from a syndicate of banks carrying an effective interest rate of 3.08% for the current year. The loan is repayable beginning from 31 July 2023 up to 22 December 2045.

Noor Energy 1 P.S.C has a mezzanine facility of AED 682 million (2022: AED 682 million) from various banks. The loan repayment will commence from 31 March 2046 and ending on 31 December 2047. The effective interest rate for the year was 8.23% per annum. The utilised portion of the facility amounted to AED 682 million (2022: AED 343 million).

Noor Energy 1 P.S.C has a working capital financing agreement of AED 147 million (2022: AED Nil) with a bank.

EMPOWER has a loan amounting to AED 4,500 million (2022: AED 4,500 million) carrying an interest rate which is the aggregate of the applicable margin and EIBOR. On 26 September 2022, EMPOWER entered into term facility agreements with a commercial bank, an entity under common control for AED 5,500 million as a facility agent. These facilities are guaranteed by EMPOWER and Palm District Cooling LLC. In the previous year, EMPOWER utilised AED 4,500 million from the new long-term loan facility and repaid its existing borrowings amounted to AED 2,913 million.

Mai Dubai LLC has a bank overdraft amounting to AED 516 million (2022: AED 515 million) carrying an interest rate of 0.5%.

Etihad Clean Energy Development Company LLC has a bank overdraft amounting to AED 125 million (2022: AED 50 million) carrying an interest rate of EIBOR + 0.70% per annum.

Dubai Green Fund Investments LLC has a loan amounting to AED 2,832 million (2022: AED 1,892 million) carrying an interest rate of 0.9% per annum. The loan is repayable over tenure of 1 year. This borrowing has been secured by lien over deposits with the bank to extent of AED 2,832 million.

Al Etihad Energy Services Company LLC has a loan amounting to AED 23 million (2022: AED 36 million) carrying an interest rate of 6.95% per annum. The loan is repayable over period of five years commenced from August 2019.

At 31 December 2022, the Group had available undrawn borrowing facilities of AED 2,871 million (2022: AED 3,681 million) from various lenders. The Group has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 reporting periods.

The fair values of other loans are not materially different to their carrying amounts since the interest payable on these borrowings is close to current market rates.

(II) TERM LOAN

During the previous year, the Authority had obtained a long-term Shariah compliant loan of AED 10,000 million from a commercial bank. The loan carried profit rate at 1-month EIBOR + margin. The term of the loan is five years and repayable in full upon its maturity.

During the current year, the Authority renegotiated the loan terms with the bank and has amended the original loan agreement, whereby, the repayment term and commercial rate on loan have been revised. The revision in repayment terms has resulted in the loan being reclassified from non-current liabilities to current liabilities and in return the Authority has negotiated better profit rate. Further, during the current period, the Authority has prepaid AED 3,900 million (31 December 2022: AED 1,700 million) of the loan.

The Group takes proactive measures to ensure, as far as possible, that it will always have sufficient liquidity to meet its financial obligations. The Group has positive operating cash flows amounting to AED 15,982 million for the year ended 31 December 2023, cash and cash equivalents of AED 5,300 million and undrawn facilities of AED 2,871 million as at 31 December 2023 to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group monitors the sufficiency of funds using cash flow budgeting in which it considers the cash outflows (including impact of capital commitments), the funds that would be generated from the operations and other available sources of funding.

As of 31 December 2023, the Group was compliant with financial and non-financial covenants, except as disclosed above.

22. RETIREMENT BENEFITS OBLIGATIONS

	2023 AED'000	2022 AED'000
Provision for employees' end of service benefits (refer note 22.1)	**965,340**	948,333
Provision for pension (refer notes 22.2.1 & 22.2.2)	**65,199**	74,088
	1,030,539	1,022,421
Less: non-current portion	**(1,020,240)**	(1,010,493)
Current portion (refer note 25)	**10,299**	11,928

The charge for the year grouped within the employee benefit expense in profit or loss includes current service cost and interest cost. Actuarial profit during the year is recognised in other comprehensive income

22.1 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

In 2023 and 2022, an actuarial valuation was performed using the projected unit credit method to ascertain the present value of the obligation relating to the end of service benefits payable to expatriate employees in accordance with the Dubai Government Human Resources Management Law No. 27 of 2006. Under this method, an assessment has been made of an employee's expected service life with the Group and the expected basic salary at the date of leaving service. The obligation for end of service benefits is not funded. The principal actuarial assumptions used were as follows:

- Expected salary increase of 5.16% per annum (2022: 4.43% per annum);
- Discount rate used to determine the present value of the obligation was 6.16% per annum (2022: 5.43% per annum); and
- The average rate of mortality and withdrawal is not significantly different from the trends noted at the valuation date. The mortality rates are based on Employers Groups reinsurance rates. Withdrawal rates assumed the age wise withdrawal rates that incorporates the experience of DEWA in terms of the overall withdrawals during the last three years.

The rate used for discounting the employees' end of service benefits should be based on market yields on high quality corporate bonds. In countries where there is no deep market for such bonds, the market yields on government bonds should be used. In the UAE, there is no deep market for corporate bonds and no market for government bonds and, therefore, the discount rate has been estimated using the High Quality Market (HQM) yield rate at the appropriate duration as a proxy with adjustment for country risk premium.

As a result, the Group has recognised re-measurement gains of AED 86 million (2022: AED 70.5 million) in other comprehensive income.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the obligation for end of service benefits as the amounts shown below:

	2023		2022	
	AED'000	**AED'000**	AED'000	AED'000
	Increase	**Decrease**	Increase	Decrease
Salary growth (+/- 0.5%)	**934,061**	**831,890**	926,552	821,065
Discount rate (+/- 0.5%)	**839,807**	**929,668**	825,318	922,240
Life expectancy (increase/ decrease by 1 year)	**883,383**	**883,207**	871,261	871,087

Although the analysis does not take account of the full distribution of cash flows expected under the benefit, it does provide an approximation of the sensitivity of the assumptions shown.

The charge for the year included within employee benefit expense in profit or loss includes current service cost and interest cost. Actuarial (gain)/loss during the year is recognised in other comprehensive income.

The expected gratuity expense for the next one year commencing 1 January 2024 works out to AED 123 million (2023: AED 121 million). These amounts are the sum of current service cost and net interest cost/(income).

Movements in the provision for end of service benefits are analysed below:

	2023	2022
	AED'000	AED'000
At 1 January	**948,333**	937,561
Charge for the year (refer note 34)	**148,384**	132,870
Re-measurement gains	**(86,068)**	(70,468)
Payments made during the year	**(45,309)**	(51,630)
At 31 December	**965,340**	948,333

The provision made during the year for end of service benefits and recognised in profit or loss is analysed as follows:

	2023	2022
	AED'000	AED'000
Current service cost	**96,833**	87,836
Interest cost	**51,551**	45,034
	148,384	132,870

Component of defined benefit costs (re-measurement) recognised in other comprehensive income

	2023	2022
	AED'000	AED'000
Re-measurements: Actuarial (gain)/loss on obligation	-	
(Gain)/loss due to change in financial assumptions	-	(20,560)
(Gain)/loss due to change in experience adjustments	(78,640)	(41,610)
	(78,640)	(62,170)

During the current year, other re-measurement gain pertains to a subsidiary amounted to AED 7.4 million (2022: AED 8.3 million).

Maturity profile

	2023	2022
	AED'000	AED'000
0 to 1 year	74,045	67,736
1 to 2 years	35,293	35,549
2 to 5 years	124,531	112,213
5 years and above	1,665,855	1,440,614
	1,899,724	1,656,112

The employee profile of the Group is as detailed below:

	2023	2022
Average age (years)	42.01	45.32
Average past service (years)	13	10.11
Average entry age (years)	28.65	30.61

22.2.1 PROVISION FOR PENSIONS (FOR ELIGIBLE UAE NATIONAL EMPLOYEES WHO RETIRED BEFORE 1 JANUARY 2003)

In 2023 and 2022, an actuarial valuation was performed using assumptions based on market expectations, at the reporting date, for the period over which the obligations are to be settled for eligible UAE national employees who retired before 1 January 2003. The obligation for end of service benefits is not funded. The principal actuarial assumptions used were as follows:

- Discount rate used to determine the present value of the obligation was 5% per annum (2022: 4.10% per annum);
- The average rate of mortality and withdrawal is not significantly different from the trends noted at the valuation date. The mortality rates are based on reinsurance rates; and
- Administrative expenses would be borne by the Authority and accordingly no allowance for these have been considered for the valuation.

The rate used to discount post-employment benefit obligations should be determined by reference to market yields on high quality corporate bonds. In countries where there is no deep market for such bonds, the market yields on government bonds should be used. In the UAE, there is no deep market for corporate bonds and no market for government bonds and, therefore, the discount rate has been estimated using the High Quality Market (HQM) yield curve at the appropriate duration rate as a proxy with adjustment for country risk premium.

The movements in the provision for pensions are analysed below:

	2023	2022
	AED'000	AED'000
At 1 January	**62,160**	71,343
Reversal during the year (refer note 34)	**-**	(4,270)
Payments made during the year	**(7,260)**	(4,913)
At 31 December	**54,900**	62,160

22.2.2 PROVISION FOR PENSIONS (FOR ELIGIBLE UAE NATIONAL EMPLOYEES FROM 1 JANUARY 2003)

Effective 1 January 2003, the Group joined a defined contribution plan operated by the Federal Pension General and Social Security Group for its active eligible UAE national employees in accordance with the provision of Federal Law No. (7) of 1999 relating to Pension and Social Security Law. The movements in the provision for pensions are analysed below:

	2023	2022
	AED'000	AED'000
At 1 January	**11,928**	11,674
Charge for the year (refer note 34)	**123,226**	118,122
Payments made during the year	**(124,855)**	(117,868)
At 31 December	**10,299**	11,928

23. LEASE LIABILITIES

	2023	2022
	AED'000	AED'000
At 1 January	**36,412**	14,952
Additions during the year	**25,153**	46,930
Modification	**(98)**	(13,019)
Payments during the year	**(29,220)**	(12,451)
At 31 December	**32,247**	36,412
Less: current portion	**(15,966)**	(12,884)
Non-current portion	**16,281**	23,528

Lease liabilities related to right-of-use assets recognised as per IFRS 16 (refer note 7).

Maturity analysis of lease liabilities:

	2023	2022
	AED'000	AED'000
Less than one year	**15,966**	12,884
More than one year	**16,281**	23,528
At 31 December	**32,247**	36,412

24. OTHER LONG-TERM LIABILITIES

	2023	2022
	AED'000	AED'000
Deferred revenue (refer note 25 (a))	**25,848,381**	24,940,693
Advances for new connections	**6,616,075**	6,873,698
Retentions payable	**613,418**	806,220
Asset retirement obligations	**313,868**	181,917
	33,391,742	32,802,528

25. TRADE AND OTHER PAYABLES

	2023 AED'000	2022 AED'000
Consumers' security deposits	**4,656,794**	4,231,833
Capital projects payables	**2,516,875**	2,009,818
Trade payables	**1,777,107**	1,214,643
Retentions payable	**1,320,180**	1,349,502
Deferred revenue (refer note (a) below)	**1,465,565**	1,374,793
Advances for new connections	**348,215**	361,774
Accrual for staff benefits	**234,540**	278,592
Retirement benefit obligations (refer note 22)	**10,299**	11,928
Other payables	**2,597,120**	2,900,023
	14,926,695	13,732,906

(a) Movements in the deferred revenue are analysed below:

	2023 AED'000	2022 AED'000
At 1 January	**26,315,486**	24,626,173
Addition during the year	**2,089,712**	2,725,971
Revenue earned during the year	**(1,091,252)**	(1,036,658)
At 31 December	**27,313,946**	26,315,486
Less: non-current portion (refer note 24)	**(25,848,381)**	(24,940,693)
Current portion	**1,465,565**	1,374,793

26. REGULATORY DEFERRAL ACCOUNT CREDIT BALANCE

The prices that can be charged to customers for electricity and water by the Group are subject to oversight and/or approval by the Supreme Council of Energy. Hence the Group is subject to rate regulation. The Supreme Council of Energy through its notification issued in 2010 had allowed the Group to recover the additional costs it incurs due to the escalation in fuel prices considering 2010 as the base year from its customers.

The Supreme Council of Energy is also controlled by the Government of Dubai, and it is a related party of the Group.

The Group has recorded AED 200 million as at 31 December 2023 (31 December 2022: AED 95 million) in excess of the actual increase in fuel costs incurred since 2010 till date as regulatory deferral account credit balance.

On the transition date, the Group has elected to apply the requirements of IFRS 14 – 'Regulatory Deferral Accounts' and will continue to apply its current accounting policy for recognition, measurement and derecognition of this regulatory deferral account balance.

	2023	2022
	AED'000	AED'000
At 1 January	**95,343**	379,024
Excess/(short) collection during the year	**104,588**	(283,681)
At 31 December	**199,931**	95,343

27. RELATED PARTY TRANSACTIONS AND BALANCES

The Group transacts with the Government of Dubai, subsidiaries, joint ventures and entities controlled, jointly controlled or significantly influenced by the Government of Dubai within the scope of its ordinary business activities. Since the Group is majority owned by the Government of Dubai post its listing of shares on Dubai Financial Market (DFM), these entities are jointly referred to as 'government related entities'.

The Group applies the exemption relating to government related entities under IAS 24 – 'Related Parties' and only discloses transactions and balances with government related entities which are individually or collectively significant. To determine significance, the Group considers various qualitative and quantitative factors including whether transactions with related parties are conducted in the ordinary course of business.

Key management personnel and entities controlled by them are also related to the Group. Key management personnel of the Group comprise the directors and executive vice presidents (EVPs) of the Authority and employees of the Authority who are acting as directors of the subsidiaries.

RELATED PARTY TRANSACTIONS

The material transactions and balances with related parties are disclosed below, except as disclosed in notes 7, 15, 17, 21, 23, 26, 28, 29, 30, 31, 32, 34 and 38 in these consolidated financial statements.

(a) Sale of electricity and water

The Group deals with various government entities in Dubai. Quantities of electricity and water sold to UAE Nationals are at subsidised rates. The Group calculates differential between the value of these quantities supplied at subsidised rates and the approved rates, which is settled by the Department of Finance (DoF), Government of Dubai.

During the current year, the Group has collected AED 1,993 million from the Department of Finance (DOF), Government of Dubai, mainly in respect of UAE Nationals subsidy.

During the current year, the Group has collected AED 57 million (2022: AED 54 million) in respect of handling charges from a related party (refer note 28).

During the current year, revenue from other Government entities constitutes a small portion against the total revenue of the Group.

(b) Purchase of goods and services

The Group purchases fuel from entities owned by the Government of Dubai. During the current year, the Group consumed fuel amounting to AED 7,513 million (2022: AED 7,374 million) from various entities.

During the current year, the Group purchased water amounting to AED 8 million (2022: AED 5 million) from an entity under common control.

(c) Transactions with banks owned by the Government of Dubai

The Group transacts with various banks and financial institutions which are wholly or partially controlled by the Government of Dubai. All of the Group's transactions with such banks are on approved commercial terms. A portion of the cash and cash equivalents as disclosed in note 19 was included in deposit held with such banks.

	2023	2022
	AED'000	AED'000
Repayment of borrowings	**3,900,000**	1,700,000
Short-term deposit matured	**3,149,054**	430,856
UAE National Bonds and Sukuk Bonds – placed	**837,710**	672,903
UAE National Bonds and Sukuk Bonds – matured	**938,692**	-
	8,825,456	2,803,759

(d) Dividends declared/paid to Department of Finance (DoF), Government of Dubai

During the current year, the Group declared and paid dividend amounting to AED 6,453 million (2022: AED 14,207 million) to Department of Finance (DoF), Government of Dubai.

(e) Compensation to key management personnel

	2023	2022
	AED'000	AED'000
Salaries and short-term employee benefits	**104,529**	102,606
Post-employment benefits	**2,399**	2,520
	106,928	105,126

(f) Key management remuneration

	2023 AED'000	2022 AED'000
Board of directors' remuneration	**39,500**	39,500

Related party balances

Liabilities	2023 AED'000	2022 AED'000
Borrowings	**4,393,351**	8,275,500

28. REVENUE

	2023 AED'000	2022 AED'000
Revenue from contract with customers		
Sale of electricity	**18,677,402**	17,519,119
Sale of water	**5,399,075**	5,171,593
District cooling	**3,017,829**	2,766,231
Others	**2,083,703**	1,878,591
	29,178,009	27,335,534

Others include:

- Handling fees amounting to AED 57 million (2022: AED 54 million) represent amounts paid by a related party to the Group for providing collection services.
- Amortisation of deferred revenue amounting to AED 1,091 million (2022: AED 1,037 million).

Net movement in regulatory deferral account has been shown as a separate line item on the face of profit or loss.

28.1 DISAGGREGATION OF REVENUE

	Electricity		Water		District cooling charges		Others		Total	
Timing of revenue recognition	**2023 AED'000**	2022 AED'000	**2023 AED'000**	2022 AED'000	**2023 AED'000**	2022 AED'000	**2023 AED'000**	2022 AED'000	**2023 AED'000**	2022 AED'000
Products and services transferred										
-at a point in time	**18,677,402**	17,519,119	**5,399,075**	5,171,593	**3,017,829**	2,766,231	**992,451**	841,933	**28,086,757**	26,298,876
-over time	**-**	-	**-**	-	**-**	-	**1,091,252**	1,036,658	**1,091,252**	1,036,658
	18,677,402	17,519,119	**5,399,075**	5,171,593	**3,017,829**	2,766,231	**2,083,703**	1,878,591	**29,178,009**	27,335,534

29. COST OF SALES

	2023	2022
	AED'000	AED'000
Generation and desalination expenditures (refer note 29.1)	**12,272,569**	11,075,127
Transmission and distribution expenditures (refer note 29.2)	**4,869,714**	4,762,599
Purchase of gas, power and water	**790,371**	651,272
	17,932,654	16,488,998

29.1 GENERATION AND DESALINATION EXPENDITURES

	2023	2022
	AED'000	AED'000
Fuel costs	**6,885,373**	6,821,824
Depreciation (refer note 7)	**2,813,730**	2,186,590
Employee benefit expenses (refer note 34)	**585,042**	563,349
Repairs and maintenance	**260,959**	215,580
Amortisation (refer note 8)	**12,157**	12,157
Others	**1,715,308**	1,275,627
	12,272,569	11,075,127

29.2 TRANSMISSION AND DISTRIBUTION EXPENDITURES

	2023	2022
	AED'000	AED'000
Depreciation (refer note 7)	**2,988,699**	2,886,817
Employee benefit expenses (refer note 34)	**1,618,113**	1,497,385
Repairs and maintenance	**194,917**	219,046
Others	**67,985**	159,351
	4,869,714	4,762,599

30. ADMINISTRATIVE EXPENSES

	2023	2022
	AED'000	AED'000
Employee benefit expenses (refer note 34)	**1,826,459**	1,599,094
Repairs and maintenance	**274,967**	289,445
Depreciation (refer note 7)	**240,685**	301,332
Amortisation (refer note 8)	**71,707**	74,579
Insurance	**77,581**	93,225
Others *	**522,067**	522,917
	3,013,466	2,880,592

* Others include an amount of AED 10 million (2022: Nil) paid as social contribution.

31. OTHER INCOME

	2023 AED'000	2022 AED'000
Liabilities written back	**297,290**	13,882
Sale of scrap	**104,177**	103,118
Insurance claims	**23,169**	40,064
Profit on disposal of property, plant and equipment	**401**	313
Miscellaneous income	**226,073**	246,909
	651,110	404,286

32. FINANCE (COSTS)/INCOME – NET

	2023 AED'000	2022 AED'000
Finance costs		
Interest on bank and other borrowings	**(2,405,836)**	(1,799,190)
Amortisation of borrowing costs	**(23,765)**	(5,500)
Cash flow hedges – ineffective portion of changes in fair value of derivative financial instruments	**(121)**	(194,140)
Interest on lease liabilities	**(104)**	(2,054)
Cash flow hedges – reclassified to profit or loss	**-**	(168,412)
	(2,429,826)	(2,169,296)
Amounts capitalised (refer note 7 (e))	**812,661**	1,163,531
	(1,617,165)	(1,005,765)
Finance income		
Interest income on short-term bank deposits	**410,451**	172,741
Cash flow hedges – reclassified to profit or loss	**385,517**	109,496
Cash flow hedges – ineffective portion of changes in fair value of derivative financial instruments	**5,428**	208,803
Interest earned on financial assets	**4,019**	28,339
Amortisation of financial liabilities	**863**	33,153
	806,278	552,532
Finance costs – net	**(810,887)**	(453,233)

33. EARNINGS PER SHARE/DILUTED SHARE

Basic earnings per share amounts are calculated by dividing net profit or loss for the year attributable to the shareholders of the Authority by the weighted average number of ordinary shares outstanding during the year.

	2023	2022
	AED'000	AED'000
Earnings		
Profit for the year, attributable to the Owners – before net movement in regulatory deferral account	7,805,411	7,439,153
Profit for the year, attributable to the Owners – after net movement in regulatory deferral account	7,700,823	7,722,834

	2023	2022
Number of shares in thousands		
Number of ordinary shares for basic earnings per share at 31 December	50,000,000	50,000,000

	2023	2022
Earnings per share		
Basic and diluted earnings per share (AED) – before net movement of regulatory deferral account	0.156	0.149
Basic and diluted earnings per share (AED) – after net movement of regulatory deferral account	0.154	0.154

34. EMPLOYEE BENEFIT EXPENSES

	2023	2022
	AED'000	AED'000
Salaries	2,680,140	2,564,988
Retirement benefit obligations (refer note 22)	271,610	246,722
Bonus	447,705	267,777
Other benefits	630,159	580,341
	4,029,614	3,659,828

Employee benefit expenses are allocated as detailed below:

	2023	2022
	AED'000	AED'000
Cost of sales		
- Generation and desalination expenditures (refer note 29.1)	585,042	563,349
- Transmission and distribution expenditures (refer note 29.2)	1,618,113	1,497,385
Administrative expenses (refer note 30)	1,826,459	1,599,094
	4,029,614	3,659,828

35. EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION, AND AMORTIZATION (EBITDA)

	2023	2022
	AED'000	AED'000
Profit for the year after net movement in regulatory deferral account and tax	**7,933,761**	8,046,376
Deferred tax credit	**(91,902)**	-
Profit for the year after net movement in regulatory deferral account and before tax	**7,841,859**	8,046,376
Adjustments for:		
Finance costs – net	**810,887**	453,233
Depreciation	**6,043,114**	5,374,739
Amortisation	**83,864**	86,739
EBITDA	**14,779,724**	13,961,087

36. COMMITMENTS

	2023	2022
	AED'000	AED'000
Future commitments including capital expenditure	**9,704,472**	11,106,413

37. FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets		
	2023	2022
	AED'000	AED'000
At fair value through profit or loss		
Derivative financial instruments (refer note 10)	**1,565,267**	1,786,908
Financial assets measured at fair at through profit or loss (refer note 15)	**165,663**	118,438
	1,730,930	1,905,346
At fair value through other comprehensive income		
Financial assets at fair value through other comprehensive income (refer note 11)	**54,153**	52,911
At amortised cost		
Other financial assets at amortised cost (refer note 15)	**5,974,061**	4,473,276
Cash at bank (refer note 19)	**5,299,722**	5,286,848
Short-term deposits (refer note 18)	**4,902,762**	7,534,390
Trade receivables (refer note 17)	**3,420,058**	4,215,117
	19,596,603	21,509,631

Fair value of financial assets at amortised cost are considered to approximates their carrying amount.

Financial liabilities		
	2023	2022
	AED'000	AED'000
At fair value through profit or loss		
Derivative financial instruments (refer note 10)	**3,732**	4,578
At amortised cost		
Borrowings (refer note 21)	**38,887,566**	40,689,829
Trade and other payables * (refer note 25)	**13,102,616**	11,984,411
Other long-term liabilities * (refer note 24)	**613,418**	806,220
Lease liabilities (refer note 23)	**32,247**	36,412
	52,635,847	53,516,872

* These do not include advances for new connections, deferred revenue and retirement benefit obligations as these are non-financial liabilities.

38. DIVIDENDS

During the current year, the Authority declared and paid a dividend amounting to AED 7,870 million (2022: AED 15,130 million).

During the current year, EMPOWER declared a dividend of AED 850 million (31 December 2022: AED 3,400 million). An amount of AED 374 million (2022: AED 1,020 million) was paid to the non-controlling interest as dividend.

In addition to above, Shuaa Energy 1 P.S.C declared a dividend of AED 8.6 million (2022: AED 10.4 million). An amount of AED 4.2 million (2022: AED 5.1 million) was paid to the non-controlling interest as dividend.

39. ACQUISITION OF DXB COOLCO FZCO (DXB COOL)

On 18 May 2023, EMPOWER entered into a sale and purchase agreement with Dubai Aviation City Corporation (DACC) to acquire 85% share capital of DXB Cool for a consideration of AED 892.5 million.

DXB Cool is a company incorporated in Dubai Airport Freezone Authority ("DAFZA"), Dubai, UAE (License No. 5007) and has a concession agreement with DACC which grants it the sole and exclusive rights to operate, maintain and perform the district cooling services within Dubai International Airport for a term of 35 years from the commencement date (i.e. 5 July 2023).

Management performed a detailed analysis of the acquisition and determined that:

- At the acquisition date, DXB Cool does not meet the definition of business as defined in IFRS 3 and as such the transaction should be accounted for as an asset acquisition.
- The acquired asset which is a financial asset should be measured at fair value on initial recognition and subsequently at amortised cost (refer note 15.2).

At the reporting date, EMPOWER has recognised a financial asset (refer note 15.2) and a non-controlling interest amounting to AED 157.5 million.

40. COMPARATIVE FIGURES

The previous year figures have been regrouped/reclassified wherever necessary, in order to conform to the current year presentation. The regrouping/reclassification does not affect the previously reported net assets, total equity and profit or loss and other comprehensive income.

41. SUBSEQUENT EVENTS

Subsequent to the year end, the Board of Directors of the Authority recommended a dividend amounting to AED 3,100 million in respect of the year ended 31 December 2023, which is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Authority. The aggregate amount of the proposed dividend expected to be paid in April 2024 out of retained earnings at 31 December 2023, but not recognised as liability at the year-end.

SUSTAINABILITY

SUSTAINABILITY HIGHLIGHTS

ECONOMIC HIGHLIGHT

AED 29.18 billion total revenue

AED 7.93 billion net profit

AED 21.07 billion operational cost

AED 7 billion investments in Smart Grid initiatives between 2014 and 2035

AED 8,110,670,000 total value of purchases from local and global suppliers

AED 4.029 billion employee wages & benefits

ENVIRONMENTAL HIGHLIGHT

700 charging points installed across the Emirates of Dubai

Cumulative efficiency improvement of **41.73%** in 2023 compared with 2006

DEWA generated a total of **56,147,155 MWh** 2023

Total installed capacity of the Mohammed bin Rashid Al Maktoum Solar Park is **2,627 MW**

2% losses from electricity transmission and distribution networks

10.5 million tonnes of carbon emission reduction

SOCIAL HIGHLIGHT

Total number of employees **10,792**

Zero fatalities since 2000

95 programmes and initiatives for People of Determination (POD) between 2015 and 2023

Lowest Customer Minutes Lost (CML) in the world at just **1.06 minutes** per customer in 2023

97.48% happiness rate of customers of determination about DEWA services

DEWA served **1,211,475 customers** during 2023

SUSTAINABILITY REPORTING AT DEWA

Since 2013, DEWA has issued 10 sustainability reports aligned with the Global Reporting Initiatives (GRI) Standards. The report is also prepared in accordance with the Sustainable Development Goals (SDGs), and the principles of the United Nations Global Compact (UNGC). DEWA remains steadfast in its commitment to sustainability and transparency, exemplified by its active participation as a member of the GRI Gold Community and its inclusion in the esteemed standards pioneers program. Notably, DEWA stands among the vanguard, being recognised as one of the inaugural 100 organisations worldwide to embrace the new standards starting from the 2016 reporting cycle under the core option.

In the previous report, DEWA demonstrated its proactive approach by aligning its disclosures with the revised universal standards 2021 well in advance of the mandatory implementation deadline on January 1, 2023. Building upon this momentum, DEWA proudly incorporates the latest updates on GRI standards and fulfils its disclosure requirements in the organisation's 11th sustainability report

This report precisely adheres to the GRI Reporting Principles, ensuring a comprehensive and accurate representation of DEWA's sustainability efforts. The principles encompass Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness, and Verifiability. DEWA's dedication to upholding these principles reflects its unwavering commitment to transparency, accountability, and the highest standards of sustainability reporting.

This report serves as a comprehensive compilation, synthesising insights derived from its ongoing stakeholder engagement initiatives. It succinctly presents the economically, environmentally, and socially significant facets pertinent to the year 2023. Unless explicitly mentioned, all data within this report is reflective of the status as of December 23, 2023.

Furthermore, the report accentuates DEWA's concerted efforts in realising its enduring sustainability commitments. By articulating these commitments, DEWA aims to effectively convey its sustainability endeavours to stakeholders, fostering an enriched dialogue and strengthening its engagement with them.

Note: for any questions about the report or the reported information, you may contact: sustainability@dewa.gov.ae

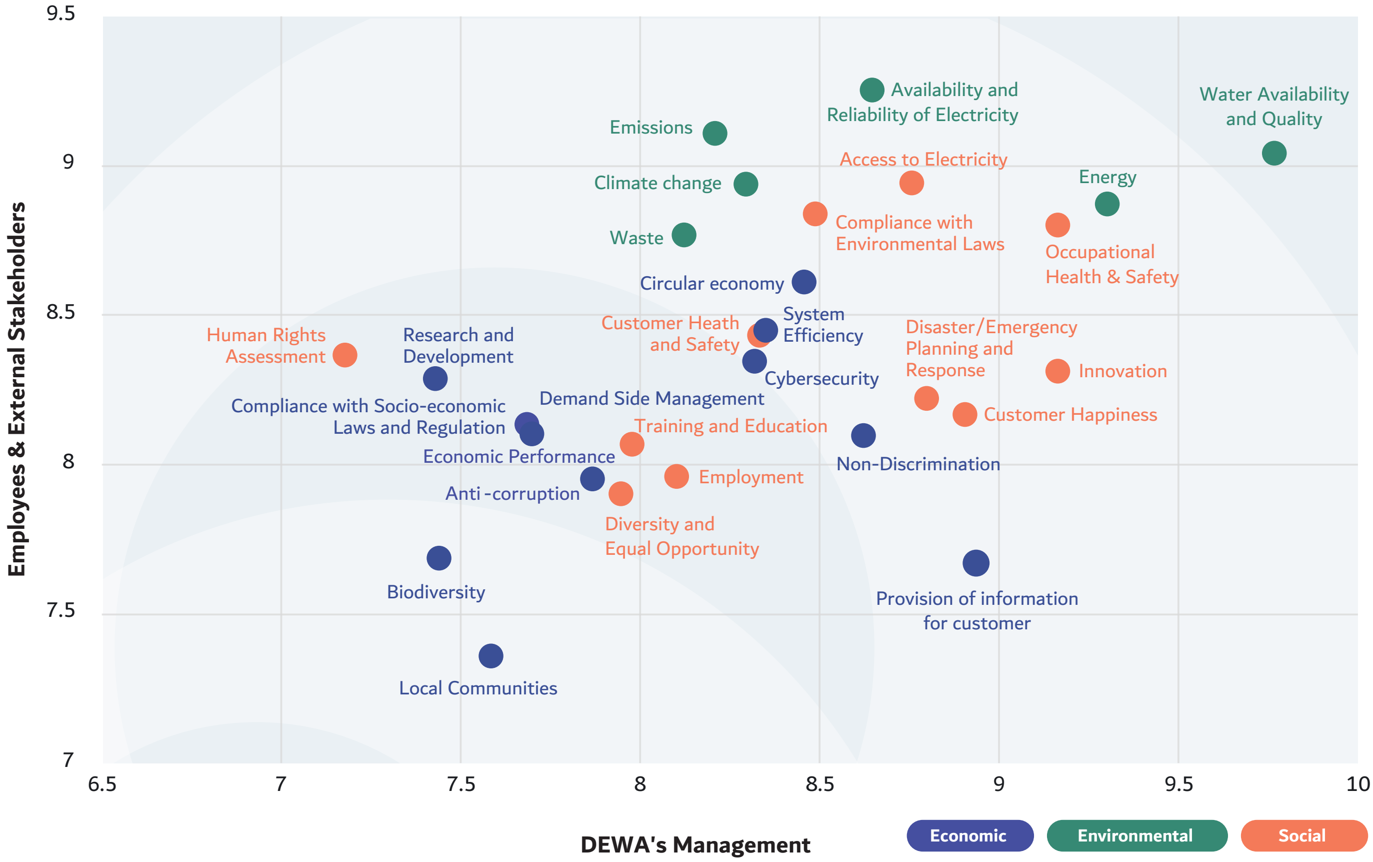
MATERIALITY ASSESSMENT

The main starting point for developing a sustainability report is to identify the material topics of the report. Therefore, DEWA has engaged with the relevant internal and external stakeholders, including DEWA's top management, DEWA's employees, government entities, partners, suppliers, customers, society and investors. In September 2023, DEWA organised 3 virtual stakeholder engagement workshops through an innovative and interactive tool to assess 33 material topics. The aim was to rate the material topics and to assess the impact to be reported for the next sustainability reporting cycle 2023.

In addition to the GRI material topics, DEWA's 2023 sustainability materiality analysis accounted for the latest megatrends, including a circular economy, climate change, innovation, customer happiness, and cyber security.

As per the GRI standard requirements, the sustainability report is required to disclose the most significant impact on the economy, environment, and people including impacts on their human rights because of the organisation's activities or business relationships. The materiality matrix below demonstrates the outcomes of the 2023 materiality assessment process. As part of DEWA's internal process, the below materiality matrix has been approved by DEWA's top management and used as a basis to develop the current sustainability report. The Y- axis represents DEWA's management rating on the materiality topics, whereas the X-axis depicts the viewpoints of DEWA's Stakeholders.

MATERIALITY MATRIX 2023 RESULT



FINANCIAL PERFORMANCE SCOPE

In 2022, DEWA began publishing its financial statement as part of DEWA's integrated report, which includes DEWA's Sustainability Report, Corporate Governance and financial statement. The integrated report is also published on the Dubai Financial Market (DFM) website.

For further details on DEWA's financial performance and results for 2023, please refer to DEWA's financial statement. The financial data presented in the financial statement is in accordance with International Financial Reporting Standards.

VALUE CHAIN & OTHER BUSINESS RELATIONSHIPS

SERVICES

In 2023, DEWA undertook a comprehensive review and update of its services catalogue, aligning with Dubai government directives. The revised catalogue encompasses 22 public services categorised under 6 main services, which are the following:

1. Electricity & Water Management Services
2. Billing Services
3. Sustainability & Consumption Management Services
4. No Objection Certificate Services
5. Electricity Network Services
6. Water Network Services

For further details on DEWA services, please scan the QR code.

SUPPLIERS

In terms of suppliers, DEWA actively engaged with a diverse array of global and local suppliers in 2023, covering procurement of turnkey projects, supply of materials and equipment, as well as maintenance, consultancy, various services, for the generation, transmission, and distribution of electricity and water.

The collaboration extended to 1,753 suppliers, including 19 strategic, 187 core, and 1,547 basic suppliers. Geographically, DEWA engaged with 12,294 local and 110 global suppliers, conducting 12,404 transactions valued at approximately AED 8,110,670,000 with 94.90% of products and services sourced locally.

DEWA emphasises sustainable environmental practices in collaboration with suppliers, utilising assessment criteria and green procurement standards based on environmental performance. Supplier selection considers the environmental impact of products or services. DEWA actively motivates suppliers to enhance their environmental, ethical, and social performance.

DEWA'S CUSTOMERS

DEWA served 1,211,475 customers in 2023, reflecting a 4.46% increase from the previous year, with an addition of 53,974 new customers since Q4 2022. In 2023, the organisation generated 56.15 Terawatt-hour of electricity, marking a 6.15% increase, and produced 143,309.342 MIG of desalinated water, reflecting a 5.18% increase compared to the previous year.

DEWA's electricity accounts reached 1,173,631 accounts by the end of 2023 compared to 1,116,575 by the end of 2022, an increase of around 5%. DEWA's water accounts reached 1,048,913 accounts by the end of 2023 compared to 995,478 accounts by the end of 2022, an increase of around 5.37%. The increase reflects the economic prosperity Dubai is witnessing and the increase in demand for DEWA's services. This enhances DEWA's sustainable growth and supports the Dubai Economic Agenda (D33), which aims to double the size of Dubai's economy over the next decade and position it among the top three economic cities in the world.

Number of Customers Accounts as of Dec 31st, 2023

	Electricity		Water	
Description	No. of customer accounts	%	No. of customer accounts	%
UAE National	73,235	6.24%	68,377	6.52%
Expatriates	840,571	71.62%	820,336	78.21%
Commercial	234,166	19.95%	154,946	14.77%
Government Organisations	6,298	0.54%	2,010	0.19%
Industrial	3,220	0.27%	1,671	0.16%
EV	13,959	1.19%	0	0.00%
Port Sales	0	0.00%	424	0.04%
Exempted	2,182	0.19%	1,149	0.11%
Total	**1,173,631**	**100%**	**1,048,913**	**100%**

In 2023, DEWA received a total of 742,035 tenancy contract data compared to 648,065 contracts in 2022, an increase of about 14.5%. This data included new and renewed Ejari contracts from all customer categories. DEWA's systems are electronically integrated with the Ejari system from the Real Estate Regulatory Authority of the Dubai Land Department. The tenant's data is automatically transferred to DEWA, an account number is created for new tenants, and electricity and water services are activated after paying the security deposit through DEWA's smart channels.

BUSINESS RELATIONSHIPS

DEWA aims to maximise positive impacts on the economy, environment, and people within its business activities and processes and prevent negative impacts through effective partnerships with its stakeholders. On the power generation side, DEWA maintains constant communication with original equipment manufacturers to stay informed about updates and new cost-effective technologies in the market. For example, after installing any kind of assets , DEWA continues to investigate updates and new cost-effective technologies throughout the assets life cycle, aiming to implement them in its installed assets. As a result of these practices, DEWA has successfully increased power generation capacity, efficiency & reliability and extended life span of assets beyond their minimum useful life. Additionally, this reflects DEWA's alignment with the UAE Circular Economy Policy by adopting the concept of repair and reuse to reduce the consumption of natural resources. This approach reflects the sustainable business relationship between DEWA and its strategic suppliers throughout the supply chain in the long term.

Furthermore, in 2023, DEWA launched the OWNEK (Arabic equivalent of 'your help') awareness initiative to support contractors and consultants in obtaining DEWA's approval on the first attempt when requesting electricity connections. This will have a positive impact on speeding up the workflow and saving time and effort. The series of awareness sessions and detailed videos in Arabic and English are available on DEWA's official website to provide explanations of all the pillars, instructions, requirements to be considered, tips, and recommendations.

DEWA's commitment to strengthening strategic relations with all partners is according to the highest standards of integrity and transparency in all its operations. DEWA has a robust regulatory and monitoring environment that reflects its world-class governance system. During 2023, DEWA honoured 40 of its suppliers and members of Dubai SME, as well as the distinguished ones, for their commitments during its annual suppliers' awarding ceremony. DEWA continues to conduct a comprehensive annual assessment to ensure conformity with specifications and commitment to the specified time and supply quantities to achieve DEWA's standards. DEWA urges its partners to use its digital services to save their time and effort as well as to ensure they are satisfied with its processes and procedures.

SOQOOR PROGRAMME

DEWA has approved 120,409 No Objection Certificates (NOC) applications in 2023 as part of the Soqoor programme, achieving a 30.62% increase compared to 2022. This is part of DEWA's efforts to keep pace with Dubai's prosperity and support the sustainable economic and social development in the Emirate. The Soqoor programme makes it easier for consultants and contractors to obtain DEWA's approval from the first time they submit applications and accelerates their projects to meet the expectations of project owners. The programme helps keep pace with Dubai's prosperity, saves time for all stakeholders, and ensures continuous adherence to the highest international standards of quality, safety, and excellence.

The Soqoor programme is the first government programme of its kind to evaluate consultants and contractors in Dubai and identify their compliance with the requirements, standards, terms and conditions, and guidelines when submitting NOC service applications. The programme is based on scientific means, such as the quality of submissions and protecting DEWA's network. The programme covers NOC services, water network services, and electricity network services. The best-performing consultants and contractors in various project categories receive a Soqoor award from DEWA.

Scan the below QR code for further details about the guideline for the Soqoor programme:

ECONOMIC PERSPECTIVE

ECONOMIC PERFORMANCE

LISTING IN DFM

In April 2022, DEWA became a publicly listed company on the Dubai Financial Market (DFM) after a successful IPO valued at US$ 6.1 billion, which was oversubscribed 37 times. With a valuation of AED 124 billion, DEWA became one of the largest companies by market value on the DFM, significantly enhancing the exchange's profile.

One year after its listing on the DFM, investors continue to place their trust in DEWA, drawn by its healthy balance sheet, track record of operational excellence and financial prudence, as well as its ESG strategy and commitment to a green future, including Dubai's ambitious 2050 net zero emission goal. The IPO also signified a strong vote of confidence from both local and international investors in the Dubai Capital markets and the business-friendly environment offered by the Emirate.

FINANCIAL PERFORMANCE

As part of the journey towards achieving Dubai's vision and long-term sustainability goal, the UAE Vision 2071 and Net Zero Emission Target by 2050, DEWA has endeavored to achieve operating and technical milestones that are comparable with the best utilities globally and at the same time, maintain a robust financial profile. In 2023, DEWA achieved record results and delivered a remarkable financial performance in its operating history. DEWA delivered on its strategic objective, which is focused on sustainable growth, staying at the forefront of smart and innovative operational excellence and optimising returns for its shareholders whilst minimising its carbon footprint. The investments made in AI and digitalisation have streamlined internal processes, reduced costs while simultaneously improving operating efficiency across all lines of business while delivering an excellent customer experience. The consolidated revenue increase of 6.7% to AED 29.18 billion was mainly driven by an increase in demand for electricity, water, and cooling services. The consolidated net profit for the year 2023 was AED 7.93 billion compared to AED 8.04 billion in 2022. Consolidated Earnings Per Share remain same at AED 0.15. DEWA delivered a sector-leading dividend yield of 6.35% at the IPO price of AED 2.48 for the year 2023. Besides achieving excellent financial results, DEWA also set distinguished operating and technical benchmarks including the world's lowest line loss in electricity and water at 2.0% and 4.6% respectively; and the world's lowest CML time of 1.06 minutes.

KEY FACTS ABOUT DEWA'S FINANCIAL PERFORMANCE

Year	2022	2023
Total Revenues - consolidated	AED 27.34 billion	**AED 29.18 billion**
Net Profit - consolidated	AED 8.04 billion	**AED 7.93 billion**
Operating Costs - consolidated	AED 19.524 billion	**AED 21.07 billion**
Employee Wages and Benefits - consolidated	AED 3.659 billion	**AED 4.029 billion**
Payment to Providers of Capital - consolidated	AED 16.155 billion	**AED 8.248 billion**
Unit Sold - Water	127.041 billion Imperial Gallons	**133.028* billion Imperial Gallons**
Units Sold - Electricity	47.312-Terawatt hour	**50.785* Terawatt hour**
Debt to Equity - consolidated	44.07%	**41.95%**
Return on Equity - consolidated	8.71%	**8.56%**
Capital Expenditure - consolidated	AED 10,120 million	**AED 8,120 million**

*Preliminary data

Year 2023	Q1	Q2	Q3	Q4	Total
Revenue	AED 5.44 billion	AED 7.29 billion	AED 9.4 billion	7.05 billion	**AED 29.18 billion**
Net Profit	AED 763 million	AED 1,977 million	AED 3,390 million	AED 1,804 million	**AED 7,934 million**

AVAILABILITY & RELIABILITY OF ELECTRICITY

DEWA, as the exclusive electricity and water service provider in the emirate of Dubai, committed to provide the services at globally leading level of efficiency, availability and reliability. This commitment is upheld through continuous improvements made in power & desalination plant infrastructures on par with customer demand with sufficient reserve. In 2023, DEWA generated a total of 56,147,155 Megawatt-hours (MWh). Natural gas serves as the primary fuel for power generation and water desalination; however, DEWA is substantially or greatly investing in renewable energy generation, solar energy in particular. Furthermore, DEWA supports the Dubai Clean Energy Strategy 2050 and the Dubai Net Zero Carbon Emissions Strategy 2050 to provide 100% of Dubai's total power production from clean energy sources by 2050.

Source of Energy			2020	2021	2022	2023
DEWA Gas Plant	Natural Gas	Generation (MWh)	42,025,853	43,025,633	44,322,308	44,541,222
		% of total generation	91.94	85.07	83.80	79.33
	Diesel Fuel Oil (DFO)	Generation (MWh)	20,547	35,495	13,651	25,450
		% of total generation	0.04	0.07	0.03	0.05
	Medium Fuel Oil (MFO)	Generation (MWh)	0.4	17	45	46
		% of total generation	0.000001	0.00003	0.00008	0.00008
Solar Energy		Generation (MWh)	2,855,142	3,460,046	4,645,350	6,164,517
		% of total generation	6.25	6.89	8.78	10.98
Waste to Energy (Warsan Waste Management Company)		Generation (MWh)	-	-	-	174,377
		% of total generation	-	-	-	0.31
Hassyan Power Plant (HPP)	HPP-NG	Generation (MWh)	116,083	137,847	3,754,142	4,291,880
		% of total generation	0.25	0.27	7.10	7.64
	HPP-Clean Coal	Generation (MWh)	693,987	3,543,384	156,803	949,663
		% of total generation	1.52	7.06	0.30	1.69
	HPP-Total	Generation (MWh)	810,070	3,681,232	3,910,945	5,241,543
		% of total generation	1.77	7.33	7.39	9.34
DEWA Gas Plant & HPP-NG		Generation (MWh)	45,141,936	43,163,480	48,076,450	48,833,101
		% of total generation	92.19	85.98	90.89	86.97
Total Generation (MWh)			**45,711,612**	**50,202,424**	**52,892,299**	**56,147,155**

Gross generation by DEWA gas plants and DEWA Solar & Net electricity sent to DEWA network by Solar IPP, HPP & Waste to Energy (WWMC)

DEWA relies on two main sources for electricity generation: natural gas and solar energy. In the event of gas supply interruption (if any), backup fuels such as DFO, MFO and Clean Coal are reserved for emergencies. The consumption of DFO, MFO and Clean Coal throughout the year is attributed for testing and commissioning activities. With the annual rise in electricity demand, there is a corresponding increase in electricity generated from DEWA's main sources of energy (Natural Gas & Solar Energy). In addition, in 2023, a new source of energy, Waste to Energy was added to DEWA's total power generation from Warsan Waste Management Company (WWMC). WWMC contributed with a 0.31% of the total generation which is equivalent to 174,377 MWh.

WARSAN WASTE MANAGEMENT CENTRE

During the World Government Summit 2023 in Dubai, DEWA and Dubai Municipality signed a 35-year Power Purchase Agreement (PPA) to purchase electricity generated from Warsan Waste Management Centre (WWMC), the world's largest and most efficient waste-to-energy centre. The agreement aims to support the Dubai Government's directions in the field of clean and sustainable energy, serving sustainability and the circular economy. It also supports DEWA's efforts to promote the green economy and achieve the goals of the Dubai Clean Energy Strategy 2050, which aims to provide 25% of Dubai's energy mix from clean sources by 2030 and 100% by 2050. The project is a key milestone in waste treatment and integrating waste-to-energy technologies, aligning with the UAE's sustainable development goals.

The production unit of the project will be integrated into DEWA's main production units to ensure the maximum utilisation of its production capabilities, which are always available to supply the electricity grid.

The agreement contributes to supporting the project and achieving the sustainability of the assets, as the generated energy will be used to operate the WWMC and the Warsan Wastewater Treatment Plant. Additionally, plans are being developed to manage the operations of the wastewater treatment plants sustainably. This is achieved by increasing the efficiency of treatment operations and reducing costs by 50%, as well as reducing the operating costs of the plant by 30%.

ACCESS TO ELECTRICITY

DEWA assumes the critical responsibility for the generation, transmission, and distribution of electricity across the emirate of Dubai. Ensuring widespread access to electricity for residential, commercial, and industrial consumers, DEWA employs a robust network of power plants, substations, and distribution lines. The power generation portfolio encompasses diverse sources, including natural gas, solar energy parks, and co-generation plants, reflecting DEWA's substantial investment in renewable energy, particularly solar power, to diminish reliance on fossil fuels and reduce carbon emissions.

Aligned with the Dubai Plan 2030 and UAE Vision 2071, DEWA's corporate strategy map incorporates strategic objectives like "Engaged & Happy Stakeholders" (SO2) and "Leading Innovative Customer Experience" (IP03). Through comprehensive customer happiness surveys, DEWA diligently tracks and analyzes customer satisfaction, fostering a work mechanism that ensures a positive customer experience while enhancing their quality of life and well-being. Additionally, DEWA has implemented various initiatives to improve electricity accessibility and reliability, including:

- Smart Grid Technology: Implementation across the transmission and distribution grids enables real-time monitoring and control, enhancing reliability and efficiency.
- Connection of Solar PV Systems: Through the Shams Dubai initiative, customers can generate renewable energy for personal use, with surplus fed into the grid and deducted from bills under a net metering scheme.
- Advanced Metering Infrastructure (AMI): Replacement of traditional meters with smart meters provides accurate billing and empowers customers with daily consumption details.
- EV Charging Stations: DEWA installed 700 charging points, supporting the growth of electric vehicles (EVs) in Dubai. By 2025, DEWA is targeting to install a total of 1000 charging stations.
- Dubai EV Community Hub: DEWA launched a website centralizing information on EV

developments in Dubai, aimed at increasing EV adoption.

- Customer services: DEWA provides various channels for customers to report power outages, request new service connections, or ask for other services which can all be completed through DEWA's official website or mobile application.

Moreover, DEWA's attainment of ISO certificates underscores its unwavering commitment to customer satisfaction, reflecting adherence to global standards for customer service. These include ISO 10001:2018, ISO 10002:2018, ISO 10003:2018, and ISO 10004:2018, affirming DEWA's dedication to providing high-quality services and continuously improving its ability to cater to customer needs.

OPERATIONAL EXCELLENCE

DEWA has broken its world record in major inspection outage duration for the overhaul of gas turbines and desalination units, which was recorded in 2019. DEWA has reduced the maintenance outages for major inspection operations from 11 days to 9 days, marking an 18% reduction in maintenance duration compared to the previous world record achieved and an 84% decrease compared to 2006. This achievement has contributed to DEWA achieving 99.70% and 99.58% availability in the summer of 2022 for the E-Class and the F-Class fleet of Gas Turbines (GT), respectively, representing some of the highest percentages worldwide. Additionally, DEWA sustained its global record in the maintenance of desalination units, reducing outage duration from 21 days to 10 days. These accomplishments resulted in an availability increase of F-Class GT, equivalent to AED 3.55 million average cost savings per GT per major inspection. Beyond providing electricity and water services according to the highest standards of availability, efficiency, and reliability, this advancement contributes to DEWA's environmental efforts by reducing carbon dioxide emissions by 49,329 tonnes per year, in addition to reducing operational and maintenance costs.

DEWA is committed to implementing the latest technologies to enhance its operations. Consequently, DEWA successfully launched its second nanosatellite, DEWA SAT-2, aboard the Falcon 9 rocket of SpaceX from Vandenberg Space Force Base in California, USA.

The launch of DEWA SAT-2 underscores DEWA's leadership in leveraging space technologies to improve the operations, maintenance, and planning of electricity and water networks. The nanosatellite was designed and developed by Emiratis at DEWA's Research and Development Centre in collaboration with NanoAvionics in Lithuania.

DEWA SAT-2, a 6U nanosatellite, is equipped with a high-resolution camera (4.7 metres) for Earth observation missions. The camera provides continuous line-scan imaging in seven spectral bands from an approximately 500km orbit. Additionally, the satellite is equipped with Infrared equipment to measure greenhouse gases.

The launch of DEWA SAT-2, our second nanosatellite, affirms our steady progression toward leadership in utilising space technologies to enhance DEWA's operational efficiency and provide electricity and water services according to the highest standards of availability, reliability, efficiency, and quality.

DEWA achieved the lowest electricity Customer Minutes Lost (the total number of minutes called CML, during which customers experience a power outage) globally in 2023. DEWA recorded just 1.06 minutes per customer, breaking its record of 1.19 minutes per customer in 2022. This is compared to around 15 minutes recorded by leading utility companies in the European Union.

DEWA's achievement of the lowest electricity CML in th world (1.06 minutes per customer) is the culmination of efforts in innovation and facility and service management through a smart and integrated smart grid. This utilises the latest disruptive technologies of the Fourth Industrial Revolution, including Artificial Intelligence (AI), blockchain, energy storage, Internet of Things (IoT), among others. These efforts contribute to providing electricity and water services according to the highest standards of availability, reliability, efficiency, and sustainability, while enhancing DEWA's agility, resilience, and readiness to meet the increasing demand for electricity and water in Dubai, thereby providing the best facilities for the best city in the world.

THE SAIDI (CUSTOMER MINUTES LOST):

Year	Target	Actual
2019	2.35	1.86
2020	1.66	1.66
2021	1.6	1.43
2022	1.40	1.19
2023	**1.15**	**1.06**

SYSTEM AVERAGE INTERRUPTION FREQUENCY INDEX (SAIFI):

Year	Target	Actual
2019	0.087	0.071
2020	0.064	0.064
2021	0.062	0.059
2022	0.057	0.039
2023	**0.038**	**0.040**

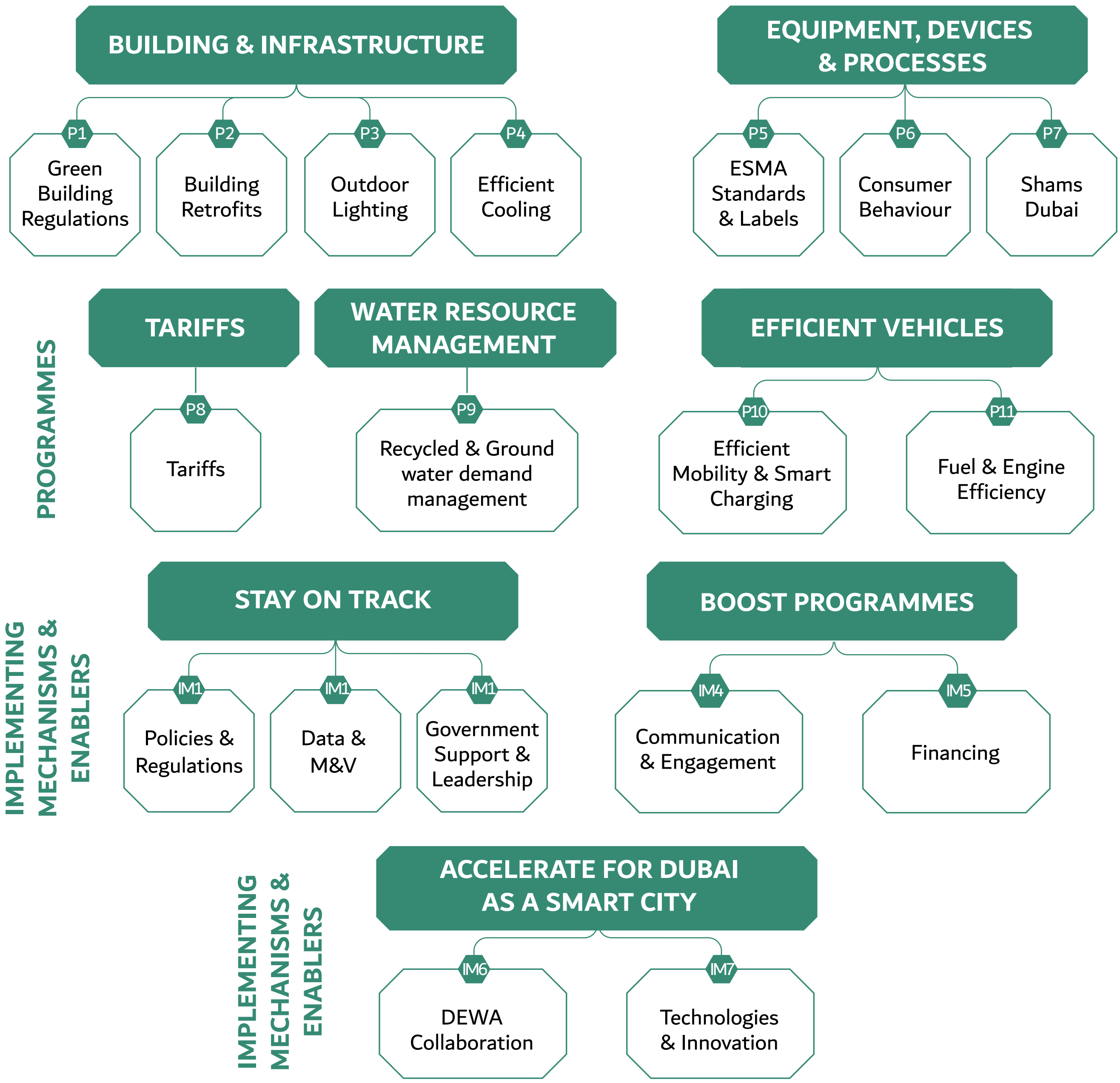
AVAILABILITY FACTOR (AF), TARGET & ACTUAL 2019 – 2023

Year	Availability Factor (Summer) Target	Availability Factor (Summer) Actual	Availability Factor (Annual) Target	Availability Factor (Annual) Actual
2019	98.50%	99.18%	92.00%	92.10%
2020	98.50%	99.73%	92.00%	92.28%
2021	98.50%	99.66%	92.00%	92.35%
2022	98.50%	98.39%	90.00%	90.09%
2023	**98.50%**	**98.34%**	**91.00%**	**91.15%**

DEMAND SIDE MANAGEMENT

In 2013, the Dubai Supreme Council of Energy (DSCE) introduced, formulated, and released the Demand Side Management (DSM) Strategy with the primary objective of positioning Dubai as a frontrunner in effectively controlling electricity and water demand. The strategy sets an ambitious target of achieving a 30% reduction in energy and water consumption by the year 2030. To expedite the realization of its primary targets, the DSCE updated the DSM Strategy in 2020.

Comprising 11 key programmes, 9 of which are directly aligned with DEWA's core business and scope of work, the DSM Strategy encompasses various facets of demand-side management. Additionally, the strategy integrates seven implementation mechanisms designed to propel Dubai into the realm of a smart city and a trailblazer in electricity and water efficiency management. The DSM components include:



1. Green building regulations
2. Building retrofits
3. Outdoor lighting
4. Efficient cooling
5. ESMA Standards & Labels
6. Consumer behaviour
7. Shams Dubai
8. Tariffs
9. Recycled & ground water demand management
10. Efficient mobility & smart charging
11. Fuel & engine efficiency

The DSM programmes are implemented and managed by eight different entities members assigned by the DSCE. Three programmes are owned and managed by DEWA, which are as follows:

1. Consumer Behaviour programme

2. Shams Dubai programme

3. Tariff Rate

	2021		2022		2023*	
Programme	**Electricity**	**Water**	**Electricity**	**Water**	**Electricity**	**Water**
Consumer Behaviour programme	43 GWh	202 MIG	82 GWh	416 MIG	86 GWh	432 MIG
Shams Dubai programme	459 GWh		668 GWh		813 GWh**	
Tariff Rate	1,177 GWh	2,084 MIG	1,161 GWh	2,248 MIG	1,241 GWh	2,256 MIG

*Preliminary Data **Connected capacity of Shams Dubai is 493 MW

DEWA stands among the leading global utility companies in terms of operational efficiency and reliability. In 2023, it witnessed an augmentation in electricity generation capacity to 15,717 MW, while maintaining a desalinated water production capacity of 495 MIG per day. Remarkably, the electricity transmission and distribution network losses were reduced to 2.0%, and water network losses at 4.6%. This surge in energy demand indicates the robust performance across all economic sectors in Dubai, coupled with the continual population growth and the expansive developments observed throughout the Emirate in various key activities.

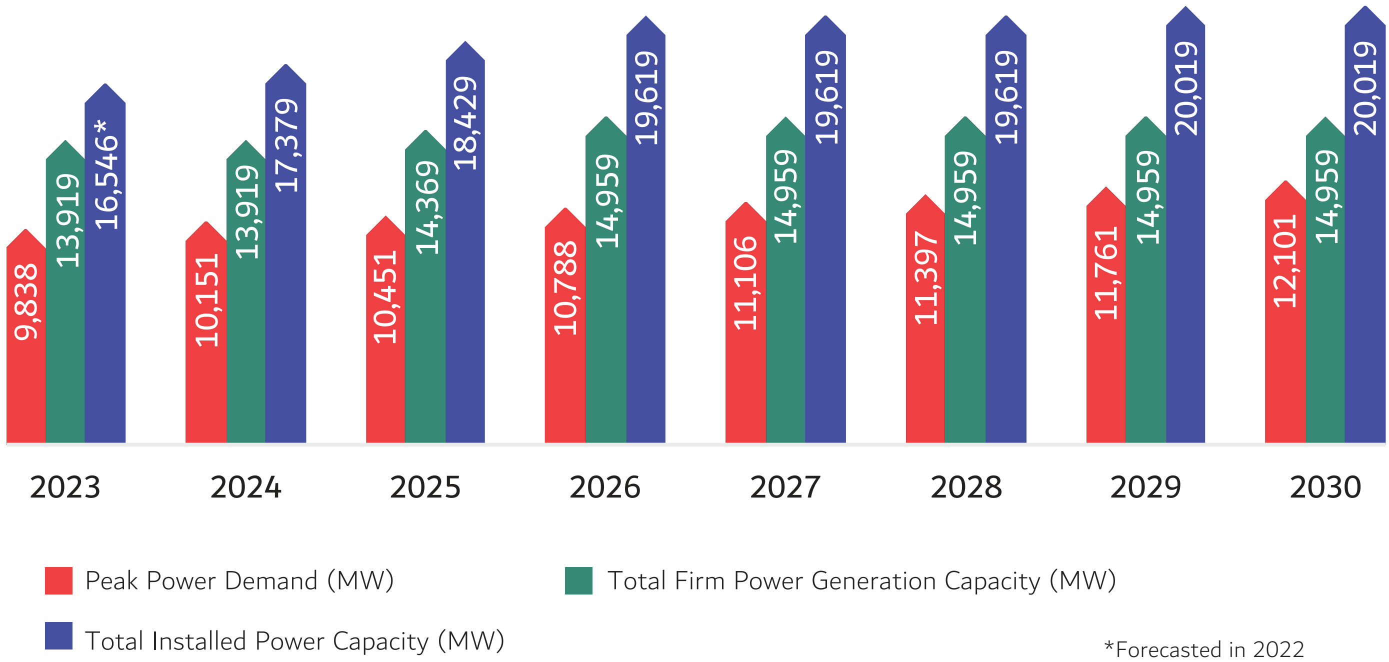
MY SUSTAINABLE LIVING PROGRAMME

"My Sustainable Living" programme for residential customers in Dubai, aims to enhance the efficiency of their electricity and water consumption and adopt a sustainable lifestyle. There are 607,657 residential customers enrolled in the Programme since its launch in October 2018 until the end of 2023. The programme is the first of its kind in the Middle East. It aligns with the Demand Side Management Strategy 2030 and the Dubai Clean Energy Strategy 2050. "My Sustainable Living" programme allows the customers to regularly check, compare and monitor their electricity and water consumption in comparison with efficient similar homes in their area.

"My Sustainable Living" Programme helps customers to monitor their electricity and water consumption proactively and online without needing to contact DEWA. The programme uses Artificial Intelligence (AI) and behavioural science. It includes several key features, including a dashboard through which customers can compare their consumption with efficient similar homes in their area, a consumption profile that allow customers to update their details for more accurate comparison, a monthly report on customers electricity and water consumption, and tips to help customers take positive steps towards adopting a sustainable lifestyle.

MEETING FUTURE DEMAND

DEWA meticulously formulates and predicts the demand for electricity and water for short, medium, and long-term periods as well as develops capacity expansion plans up to 2030. Employing internationally acknowledged methodologies and cutting-edge tools, DEWA factors in demographic and econometric growth and their impact on demand for electricity and water. Moreover, to ensure readiness for future demands, DEWA adeptly assesses and quantifies the impact of potential uncertainties through scenario planning. Furthermore, DEWA consistently revises its demand forecasts and capacity expansion plans on an annual basis.



*Forecasted in 2022

RESEARCH & DEVELOPMENT (R&D) CENTRE

The DEWA R&D Centre at the Mohammed bin Rashid Al Maktoum Solar Park is dedicated to developing and testing innovative solutions aimed at enhancing the efficiency and reliability of DEWA's operations while reducing its carbon footprint in line with DEWA's decarbonisation targets. The Centre focuses on research areas such as solar power, water, smart grid integration, and energy efficiency. These core areas of R&D are supported by three key enablers: the Fourth Industrial Revolution (including AI, IoT, Robotics & Drones, 3D Printing & Advanced Materials), Energy System Analyses, and Space.

RESEARCH INFRASTRUCTURE

The R&D Centre's infrastructure includes:

- Solar indoor testing and accelerated aging lab
- Outdoor test facility for continuous monitoring of solar photovoltaic module performance in actual conditions, a building-integrated photovoltaics testing facility, and a cleaning test field for robotic solutions
- Labs to support Robotics and Drones, Advanced Materials and Characterisation, and IoT
- Several types of 3D printers (metal, plastic PLA, ABS, Nylon, composites, clay, etc.)
- High-Performance Computing Cluster
- Energy Storage Testing and Validation Field
- Green Hydrogen Pilot and a Hydrogen Refuelling Station

- Photovoltaic-driven Reverse Osmosis (RO) and Trans-Membrane Distillation system
- Satellite ground station for DEWA's space initiative (Space-D) and more

RESEARCH AREAS ACTIVITIES

SOLAR RESEARCH AREA

The Solar Research Area focuses on improving solar photovoltaic technologies to mitigate the effects of soiling and extreme desert conditions on the performance of Solar Photovoltaic panels. It leverages results and knowledge collected from long-term performance testing of PV modules to inform the production of desert-ready PV modules and develop appropriate standards. Additionally, the Solar Resource Assessment and Forecasting programme develops methods to accurately forecast solar irradiance and power output, aiming to improve the overall integration of solar into the DEWA grid.

WATER RESEARCH AREA

The Water Research Area assesses and develops sustainable solutions for desalination, water purification, and leakage detection in water transmission. This includes enabling the use of solar power, detecting and reducing water transmission losses, and minimizing brine effluent for water systems.

SMART GRID INTEGRATION RESEARCH AREA

The Smart Grid Integration Research Area evaluates and develops systems to facilitate and optimize the integration of renewables into the grid while maintaining power quality standards and improving overall performance and reliability of grid operations. This involves the use of electricity storage systems (chemical, thermal, and mechanical technologies) and the aggregation of distributed energy and storage resources, such as Virtual Power Plants and EV chargers.

ENERGY EFFICIENCY RESEARCH AREA

The Energy Efficiency Research Area promotes smart and sustainable development, reduces energy waste by improving the efficiency of energy systems (with a focus on cooling), and accelerates the clean energy transition. It identifies, develops, and validates innovative solutions for smart and efficient energy use in the built environment, guides demand response measures, provides detailed building energy forecasting models, and improves the efficiency of energy conversion processes.

SPACE RESEARCH AREA

The Space Research Area supports DEWA with high-efficiency, low-cost remote sensing & operations using satellites and ground station capabilities. Its solutions address utility needs, including substation feeder monitoring, asset integrity, and enriching weather forecasting services. DEWA is the world's first utility to launch nanosatellites to enhance the maintenance and planning of electricity and water networks. DEWA launched its first IoT nanosatellite, DEWASAT-1, in 2022 and the remote sensing DEWASAT-2 in 2023.

FOURTH INDUSTRIAL REVOLUTION (4IR)

The Fourth Industrial Revolution (4IR) enables the effective development of solutions that support the core research areas mentioned earlier. Its robotics and drone solutions are utilized to provide inspection and maintenance services using unmanned/autonomous operations across the entire utility value chain (e.g., photovoltaic plants, transmission line inspection, and maintenance). The AI team develops, tests, and integrates AI technologies for optimizing grid operations, short-term solar forecasting, etc. IoT enables remote monitoring diagnostics and power and asset management using smart sensors and analytics with AI and cloud capabilities. The advanced materials team provides expertise in forensic analysis of materials to detect failures and in the development of advanced energy storage systems (batteries and supercapacitors). Lastly, the 3D printing team is developing 3D printing capabilities to address DEWA's spare parts and rapid prototyping needs. The facility currently operates 16 3D printing systems that can utilise more than 20 materials, covering a wide range of applications and use cases within DEWA.

ENERGY SYSTEMS ANALYSIS RESEARCH AREA

The Energy Systems Analysis Research develops and applies advanced capabilities for the joint technical and economic assessment of energy-related technologies, systems, and policies. This area develops energy models, lifecycle assessment models, and business strategy assessments to support

DEWA's future readiness. It models and assesses new energy system configurations and technologies at the macro level, focusing on the cost-optimal integration of renewable energy systems and strategies for deploying new energy technologies.

SUSTAINABILITY-ORIENTED DEWA R&D PROJECT HIGHLIGHTS IN 2023

In 2023, the following sustainability-oriented projects have matured and are being considered for further advancement towards deployment:

- A Desert Standard for PV module testing aims to better reflect the conditions of desert regions. Once adopted, this standard will increase the longevity of PV modules in harsh environments, thereby reducing material waste.
- A short and medium-term forecasting system for solar irradiance using numerical modelling and machine learning on sky-camera imagers customized for the location of the MBR Solar Park. Once deployed, this system will improve the integration of PV systems and optimise fuel use for spinning reserves.
- Development of numerical models for reverse osmosis membrane fouling and the effects of elevated temperatures on water intake. Once deployed, these models can enhance the efficiency of water desalination operations.
- Demonstration of the capabilities of large-scale Battery Energy Storage Systems (BESS) and Virtual Power Plants (VPP) aggregating Distributed Energy Resources to provide grid services and enhance the smooth integration of variable solar energy.
- Development of a Hydrogen Filling Station for mobility applications and continuing operation of the Green Hydrogen Plant with successful integration of BESS during the night to increase overall production.
- Commissioned the Hydrogen Refueling Station (HRS) at the Green Hydrogen Plant (GHP) in the R&D Center
- The R&D Centre has achieved 214 Scopus indexed publications and 29 patent applications registered in 10 jurisdictions.

SYSTEM EFFICIENCY

POWER TRANSMISSION & DISTRIBUTION

Aligned with the goal of increasing electricity generation to meet Dubai's growing demand for power, DEWA is expanding its investments in electrical Transmission & Distribution (T&D) substations. This strategic initiative aims to ensure the consistent and reliable delivery of electricity to customers at the highest level of reliability.

POWER TRANSMISSION

To keep pace with the growth and prosperity of Dubai and the increase in its population, DEWA is committed to continue providing a solid and advanced infrastructure to meet the increasing demand for electricity and water. During the year 2023, 14 nos. new 132 kV (kilo Volt) Transmission Substations were commissioned by DEWA. This substantial infrastructure enhancement comprises total investment cost of AED 11 billion spanning the period 2021 and 2024. Notably, the energized projects during 2022 – 2023 accounted for an expenditure of approximately AED 5.3 billion, while the ongoing projects under execution represented a financial commitment of about AED 4.6 billion.

In response to the population surge in 2023, the electricity demand in the Emirate of Dubai increased to 56,516 GWh. DEWA remains steadfast in its commitment to furnishing a robust and state-of-the-art infrastructure to effectively meet the growing demands for electricity and water. The heightened demand prompted a cumulative extension of 81 kilometres in the length of transmission lines, which included a marginal net growth of 1 kilometre in the 400kV transmission lines and a net increase of 80 kilometres in the length of 132 kV transmission lines.

The Below Table Demonstrates Details About the Transmission Substations and Lines:

Transmission Substations (EU12)

Type	2019	2020	2021	2022	2023
132 kV (Nos.)	285	307	319	334	348
400 kV (Nos.)	22	23	25	27	27

Length of Transmission Lines (EU4)

Type		2019	2020	2021	2022	2023
Overhead Lines (KM)	132 kV	402	402	369	367	331
	400 kV	1,164	1,168	1,386	1,388	1,388
Underground Lines (KM)	132 kV	2,146	2,249	2,335	2,552	2,668
	400 kV	24	24	25	25	26

Power Distribution:

As on end of 2023, DEWA's distribution network have 75 nos. of 33 kV substations and 44,015 nos. of 11-6.6 kV substations in service across the emirate of Dubai. Alongside, the network includes underground cables of 1965.71 km and overhead lines of 99.75 km under the 33 kV voltage level. In addition, there are 36,174.451 km of underground cables and 607.29 km of overhead lines under 11-6.6 kV voltage level as well.

The Below Table Demonstrates Details About the Distribution Substations and Lines:

Type	2019	2020	2021	2022	2023
33 kV	93	85	81	73	75
11-6.6 kV	38,240	40,588	41,814	42,771	44,015

Length of Distribution Lines, 2022 (EU4)

Type		2019	2020	2021	2022	2023
Overhead Lines (KM)	33kV	111.88	104.33	100.1	99.75	99.75
	11-6.6 kV	616.02	608.26	606.4	613.28	607.29
Underground Lines (KM)	33kV	2,142	2,119.49	2,108	2,000.44	1,965.71
	11-6.6 kV	33,940	34,475	35,001	35,541	36,174.45

DEWA SMART GRID

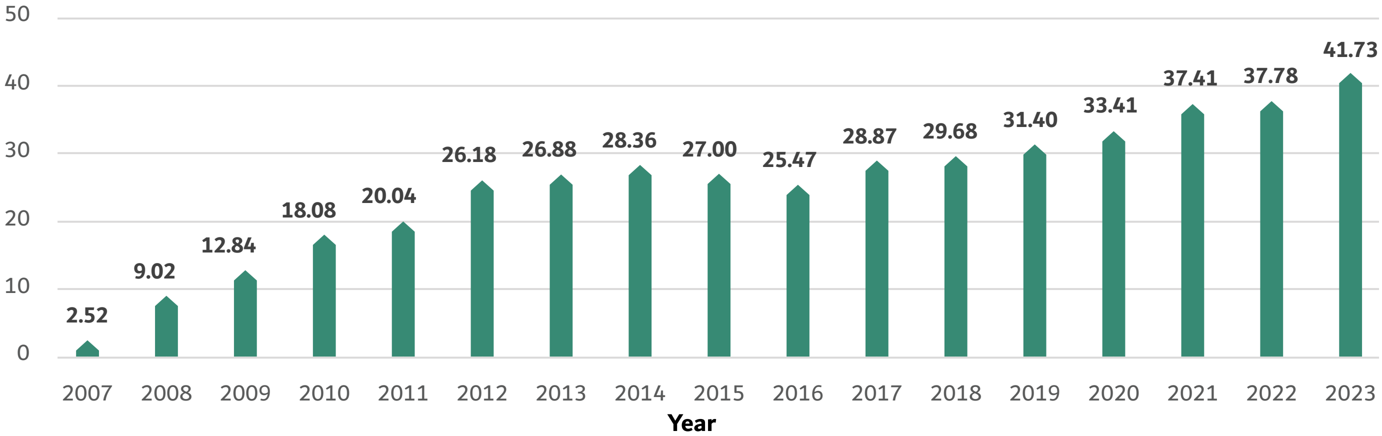
DEWA is consistently dedicated to enhancing and sustaining optimal operational efficiency in its T&D network. To achieve this goal, in 2014, DEWA formulated its inaugural Smart Grid strategy extending until 2035, a pivotal element in the development of a smart city. The critical success factors for smart cities hinge on the seamless availability of integrated, connected services meeting daily living needs – a feat achievable through a Smart Grid. Facilitating two-way communication between the utility and consumers, a Smart Grid enables comprehensive monitoring across both power and water grids. Comprising controls, computers, automation, and integrated equipment, DEWA's Smart Grid incorporates advanced features, automated decision-making, and interoperability throughout the entire electricity and water network.

For further insights into DEWA's Smart Grid, kindly scan the QR code.

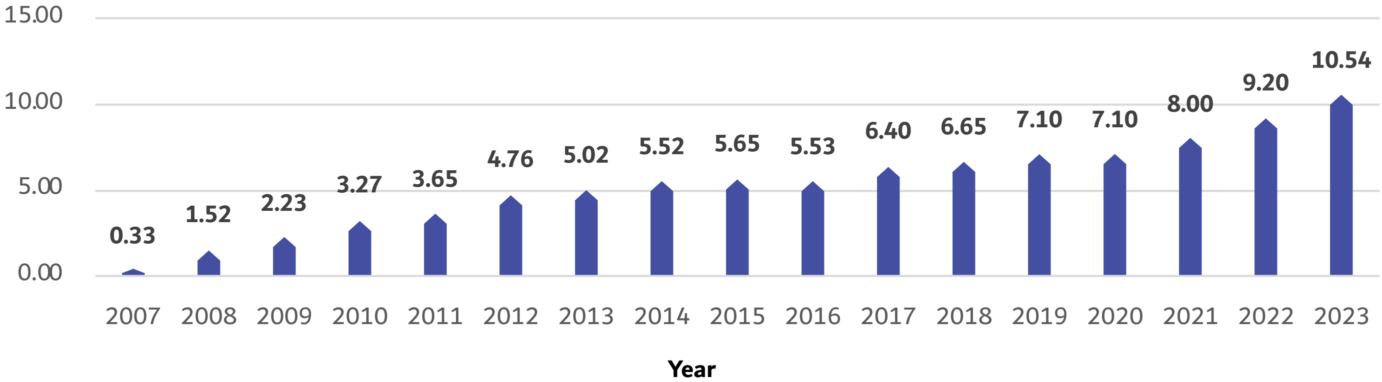
SUPPLY SIDE

In pursuit of enhanced production efficiency, DEWA employs cogeneration technology to generate electricity and water. Utilizing Heat Recovery Steam Generators, waste heat from gas turbines is harnessed to produce additional electricity, while supplying energy to the Multi-Stage Flashing (MSF) water desalination process. DEWA employs a hybrid system in its water desalination plants, combining various technologies, including MSF and RO, to achieve optimal efficiency over the plant's life cycle at minimal cost. Additionally, DEWA proactively engages in gas turbine upgrades, collaborating with original equipment manufacturers for cost-effective enhancements and innovative technologies, thereby increasing capacity, efficiency, and reliability throughout the turbine's life cycle.

Efficiency Improvement wrt 2006 (%)



Carbon Reduction (Million Tons of CO2) due to efficiency improvements compared to 2006



TOWARDS A CIRCULAR ECONOMY

DEWA already has a strong commitment to sustainability, which is reflected in the overall purpose, vision, and mission of the company. Building on the momentum of our sustainable business and operations, we continue to advance along this pathway by developing a clear circular economy strategy. Our objective is to shift away from the traditional linear business approach to a circular economy. We believe that circularity is a key lever to contribute to our existing corporate sustainability goals in an integrated manner. Hence, DEWA has set a clear ambition to become a circular leader in the region by focusing on optimal resource use and creating social, economic, and environmental value.

Through this strategy, DEWA continues to successfully perform its core activities in line with the best global practices. DEWA's circular economy model holds a particular mandate to contribute to many of the strategies and objectives set on a global, federal, and local level. These include the UNSDGs 2030, the UAE Net Zero by 2050 Strategic Initiative, the UAE Vision 2071, the UAE Circular Economy Policy, and the Dubai Clean Energy Strategy 2050. DEWA is one of the first entities in the region to develop a comprehensive circular economy strategy. Our Circular Economy Model is based on five key circular principles that serve as the basis for circularity within DEWA:

1. Circular Design and Use of Circular Material
2. Optimise Asset Management
3. Value Retention and End-of Life Treatment
4. Circular Partnership
5. Renewable Energy, Energy and Water Efficiency

DEWA's Circular Economy Model provides insight into our focus pillars, while moving our business to become more circular:

We aim to fully collaborate with stakeholders in our value chain by focusing on Smart Users, Circular Procurement and Supplier Engagement:

Smart Users	DEWA aims to actively support its clients in optimising the energy consumption, lowering resource use by focus on real -life data and offering smart use solutions.
Circular Procurement	DEWA sets circular procurement criteria for its assets and equipment, to aim for circular procurement throughout the value chain.
Supplier Engagement	In order to ensure full value chain collaboration, DEWA engages with its suppliers on the use of circular material, the re -use of assets, and creating collaborations to jointly contribute to the transition towards a circular economy.

DEWA'S SMART RECYCLE BIN

DEWA is committed to adopting sustainable practices and promoting a culture of sustainability among its employees. In line with the UAE circular economy policy and DEWA's Circular Economy Strategy, DEWA has installed two smart recycling machines within its premises (Head Office & Warsan). The primary goal of this initiative is to advocate for the recycling of plastic bottles, fostering awareness about environmental issues, circular measures, and emphasizing the significance of embracing sustainable behaviours. In collaboration with a local company, DEWA retains the value of the plastic bottles and converts them into products using sustainable manufacturing solutions. The initiative resulted in the collection of more than 470,557 plastic bottles and aluminium cans and diverted 6,931 kg of plastic from landfills.

The Smart Recycle Bin Machines seamlessly integrate with DEWA's Smart Office App, enabling employees to monitor their recycled bottles and cans. Furthermore, active participants in this initiative qualify for entry into monthly and mega raffle draws. Launched in October 2022, with the enthusiastic involvement of over 589 employees, 49 employees were rewarded during the first cycle.

INNOVATION

FOSTERING INNOVATION

Aligned with the National Innovation Strategy led by His Highness Sheikh Mohammed bin Rashid Al Maktoum to position the UAE as a global innovation hub and the Dubai Innovation strategy to establish Dubai as the world's most innovative city, DEWA has consistently upheld its role as a major advocate for innovation in both the UAE and Dubai. Notably, DEWA achieved recognition by obtaining ISO 56002:2019 in Innovation Management, a distinctive honour as the world's inaugural recipient of this certification. Furthermore, DEWA secured ISO 30401:2018 in Knowledge Management Systems, marking a global milestone as the first utility worldwide to attain this certification. Fostering an innovative culture among its workforce, DEWA integrates innovation institutionally, advancing steadily towards a sustainable future.

DEWA has an integrated Knowledge Management (KM) function based on ISO 30401: 2018, which includes a Knowledge Management Policy, Framework, Quality Procedures, and Processes to promote and embed KM awareness, capability, and practices at DEWA. Activities such as Reading & Knowledge Days, KM Training (online and in person), Share an Hour, Communities of Practice, the Ma'rifa Collaboration Platform, Expert Knowledge Sessions, LinkedIn Learning, and the iAsk Reference & Research Service promote the transfer of knowledge between individuals and groups.

DEWA provides access for DEWA stakeholders to physical and digital knowledge resources and creative spaces through the 6 DEWA Knowledge Centres, 6 Knowledge Chairs, 3 Digital Reading Trees, the DEWA SMART Library, the Knowledge Corner on the DEWA Smart App, and the DEWA Online Catalogue.

AFKARI

In 2023, DEWA received 6,235 ideas through the AFKARI ideation Platform. This brings the platform's total number of ideas received since 2015 to 61,074. DEWA organised 10 campaigns, 23 workshops, and 20 brainstorming sessions in 2023 to encourage employees to participate in its initiatives and projects, listen to their ideas, and study their suggestions.

AFKARI	2019	2020	2021	2022	2023
Ideas	7,249	7,053	7,845	7,631	6,235
Participants who used the Afkari platform	7,627	7,645	7,740	6,516	6,516
Proposed Ideas (Accumulative cost savings)	AED 54.51 million	AED 225.72 million	AED 247.078 million	AED 258.603 million	AED 272.962 million
Number of Ideas with Cost Saving	302	596	819	888	959
Cost Savings (Per Year)	AED 11.61 million	AED 171.24 million	AED 21.358 million	AED 11.525 million	AED 14.359 million
Number of implemented ideas	360	616	893	519	537
Number of ideas in progress	4,997	2,622	1,820	759	441

DIGITALISATION

Digitalisation has been a focal point of DEWA's strategy for several years, serving as a crucial facilitator for service enhancement, achieving sustainability goals, introducing new business avenues, and implementing the Digital Transformation Strategy. This strategy yields the following key advantages:

- Improved customer experience and increased customer value
- Cost optimisation through enhanced asset utilization and capacity planning
- Efficiency enhancement via process optimization and optimal resource utilisation
- Revenue augmentation through innovative business models and products. DEWA collaborated with partners to launch the Digital Transformation House, featuring six essential pillars to seamlessly drive digital transformation across the organization. These pillars include Enablers, Governance & Operating Model, Technology Engine, Digital Applications/ Use Cases, Strategic Objectives, and Digital Ambition. Aligned with DEWA's Strategy Map and the vision to become a "Globally Leading Sustainable Innovative Corporation Committed to Achieving Net Zero by 2050," the Digital Transformation House has enabled significant achievements. Out of the 65 identified initiatives, 15 have already been successfully implemented.

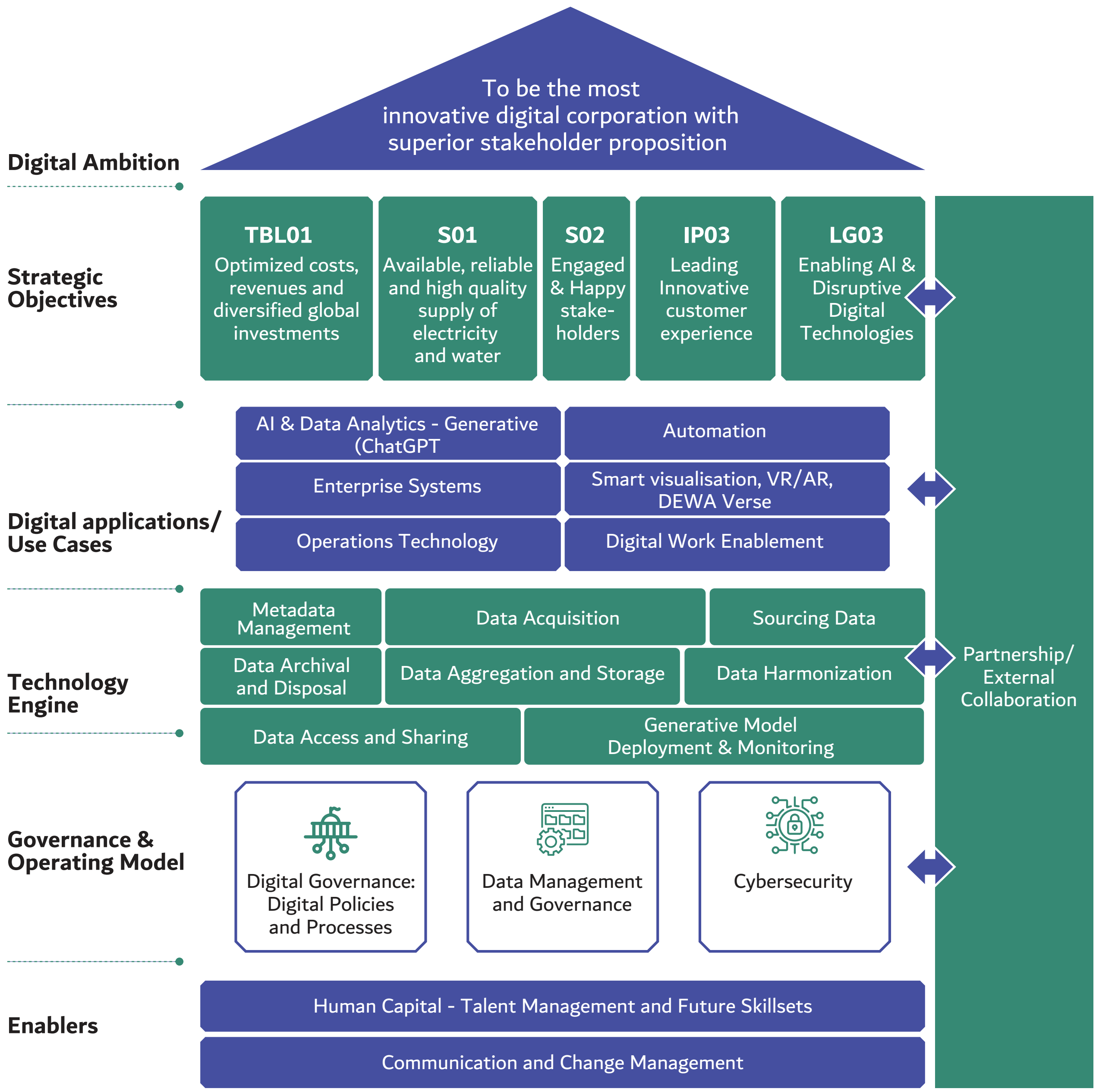
GENERATIVE AI

DEWA's AI initiatives encompass a broad spectrum of applications aimed at revolutionizing current processes. Key use cases include the deployment of Gen AI for predictive maintenance and implementing Gen AI in smart grid technologies. AI is also pivotal in DEWA's customer service operations, where it powers "Rammas For You" powered by ChatGPT. Additionally, DEWA is greatly increasing its employees' efficiency by developing tools such as "Rammas At Work" (Knowledge Mining).

These AI-driven initiatives greatly benefit sustainability by optimizing resource utilisation, reducing wastage, and promoting energy conservation. By integrating AI into its operations, DEWA is not only enhancing efficiency and reliability but also significantly contributing to the UAE's sustainability goals, aligning with its vision of a greener, more sustainable future.

DEWA DIGITAL TRANSFORMATION STRATEGY

The project aims to develop a corporate-wide digital transformation strategy that shall define DEWA's digital aspirations, key areas of action, and the roadmap to achieve effective and value-adding digital transformation across all divisions to support our stakeholders' happiness.



RAMMAS

DEWA started using ChatGPT in April 2023 on its website and smart app through Rammas, DEWA's virtual employee supported by AI, to enhance customers' experience. ChatGPT improves Rammas' ability to learn, understand, and analyse customer enquiries based on available data and information to respond promptly and accurately. Since the end of April and until December 2023, Rammas, supported by this advanced technology, has answered more than 138,600 queries through DEWA's website and smart app. Customer happiness towards Rammas' services during its pilot use of ChatGPT has reached 95%. Since its inception in the first quarter of 2017, Rammas has responded to over 8.5 million enquiries. Rammas services are available round the clock in Arabic and English through DEWA's website, its smart app, Facebook, Amazon's Alexa, Google Assistant, robots, and WhatsApp Business. DEWA is the first government organization to launch Rammas in Arabic and English.

The move is part of DEWA's ongoing efforts to provide a seamless experience for its customers using the latest technologies. The table below demonstrate Rammas achievements:

Year	Total Payment transaction	Total cost saving (AED)	Total trees saved	CO_2 emissions reduction (Tons)
2019	2,688	37,380,766	13,734	2,747
2020	5,882	48,301	17,455	3,491
2021	6,875	18,153,428	7,054	1,402
2022	7,284	15,281,151	11,897	2,365
2023	7,761	14,023,956	10,921	2,171

DEWA's Smart Document System

The Smart Document Platform is a comprehensive system designed to manage various types of documents and correspondence, including memos, circulars, quality procedures, and certificates. The platform aligns with Dubai's strategy towards a paperless government workflow.

Smart Document Savings in 2023

Number of procedures (completed)	1,174,268 documents archived (completed the workflow process)
Number of services (provided)	73 process automations (excluding the sub-processes or systems integrations)
Savings (AED)	AED 127,436,533 (estimated)
Dubai Paperless Strategy	100% achieved (this is a Smart Government initiative, not related to the Smart Document specifically)

Digital Integrations

DEWA completed the digital integration of more than 90 projects with more than 65 government and private organisations. These organisations include Digital Dubai Authority, Dubai Municipality, Roads and Transport Authority, Dubai Land Department, more than 20 banks, Etisalat, EPPCO/ENOC, Noqodi, Western Union, and Empay. This is part of DEWA's continuous efforts to enrich the customer experience in Dubai and enhance the happiness of its stakeholders.

Through digital integrations and the digital channels more than 12.5M online transactions have been completed in 2023, which contributed to reducing more than 42,000 tonnes of CO2. This is equal to planting more than 48,000 trees over an area equivalent to 92 football pitches by December 2023. DEWA provides its services through website and smart app for customers to complete their transactions anytime and anywhere. This is in addition to protecting the environment and preserving natural resources.

DEWA'S INNOVATION CENTRE

DEWA prioritises innovation to align with both the National and Dubai Innovation Strategies. The Innovation Centre at the heart of the Mohammed bin Rashid Al Maktoum Solar Park serves as a global platform for sustainable energy innovation. Supporting the Dubai Clean Energy Strategy 2050 and Net Zero Carbon Emissions Strategy 2050, the Centre aims to achieve 100% clean energy in Dubai by 2050.

In line with the vision of DEWA and the operational strategy of the Innovation Centre to Innovate, Educate & Inspire – multiple initiatives have been shaped within the Centre's Cleantech Hive. This myriad of projects and endeavors places DEWA's Innovation Centre as a pivotal global hub for clean energy and sustainability education. Capacity Building and awareness are strong pillars portrayed through, for example, the "CleanTech Connect" Program. Through this series, the Centre aims at bringing the best experts, scientists and leaders in the field of clean technology innovation to share their discoveries, insights, and best practices through this knowledge sharing platform for clean energy professionals. Additionally, the CleanTech Youth Program is a successful annual initiative aimed at empowering youth to become the next generation of energy leaders. Designed for university students studying renewable energy fields, it enhances their skills through both theoretical and experimental mentoring, crowning them with a significant graduation.

The Centre also acts as an essential core focused on bringing international names and crucial players to the benefit of the clean energy enthusiasts. Having successfully hosted the first ever regional IEEE Middle East and North Africa solar conference, and organized various professional training certifications with multiple international certification bodies mirroring the highest global standards, are only few accomplishments not only in serving the community professionals but raising Emirati and fellow DEWA employee calibers in sustainability, clean energy, and innovation.

It also engages university and school students through enriching contests such as the Cleantech Hackathon and Young Inspirers Contest, encouraging innovation in renewable energy, visiting different exciting tracks year after year in order to foster the next generation of innovators.

In its efforts to raise further public awareness about sustainability and green initiatives, the Innovation Centre offers a pioneering experience through its public exhibit that showcases the latest innovations in clean energy technologies, where visitors can also witness drone and hologram shows whilst experiencing interactive displays.

Utilizing Metaverse technology, the Centre offers an immersive virtual experience of the Mohammed bin Rashid Al Maktoum Solar Park. The first-floor exhibition area features DEWA's journey, historical inventions, and innovations in energy, mobility and electricity. Moreover, the Centre spotlights Smart DEWA, the application of solar technology in space, and the development of sustainable buildings. The exhibit is always undergoing periodic enhancements not only to present state-of-the-art technologies to the public, but to also highlight DEWA's efforts and project progress in solar, storage and various other renewable energy fields which are pioneering and cutting edge.

For more information about DEWA's Innovation Centre, scan the QR code below:

ENVIRONMENTAL PERSPECTIVE

ENERGY

INSTALLED CAPACITY

In response to the increasing population in the Emirate of Dubai and the escalating energy demand, DEWA has diligently maintained the provision of electricity and water services at globally leading standards. A pivotal aspect of DEWA's strategic vision involves transitioning Dubai into a global hub for clean energy, aiming to achieve 100% reliance on clean energy by 2050. Since its inception in 1992, DEWA has undergone substantial development, resulting in an installed capacity of 15,717 MW, which encompasses 2,627 MW from renewable energy sources, particularly solar energy.

DEWA Gross Installed Capacity

Generation Plant	Capacity (MW)
Jabel Ali and Al Aweer	**10,690**
Mohammed bin Rashid Al Maktoum Solar Park	**2,627**
Hassyan Power Plant	**2,400**
Total	**15,717**

MOHAMMED BIN RASHID AL MAKTOUM SOLAR PARK

The Mohammed bin Rashid Al Maktoum Solar Park in Dubai is the largest single-site solar park in the world based on the Independent Power Producer (IPP) model. The project supports the Dubai Clean Energy Strategy 2050 and Dubai Net Zero Carbon Emissions Strategy 2050. The solar park will be fully operational by 2030 with a total capacity of 5,000 MW. The project's completion will reduce 6.5 million tonnes of CO2 emissions annually.

Phase	Phase 1	Phase 2	Phase3	Phase 4	Phase 5	Phase 6
Status	Completed	Completed	Completed	In progress	Completed	In progress
Date of Completion	2013	2017	2020	2024	2023	2026
Energy Generated (Installed Capacity)	13 MW	200 MW	800 MW	950 MW	900 MW	1,800 MW
Technologies	Photovoltaic	Photovoltaic	Photovoltaic	Photovoltaic & CSP	Photovoltaic	Photovoltaic
# Solar Cells Used	153,000	2.3 million	3 million	791,560	2.2 million	3.7 million
Emission Reduction	15,000 tons	214,000 tonnes	1.055 million tonnes	1.6 million tonnes	1.18 million tonnes	2.36 million tonnes
Investment	AED 82.7 million	AED 1.2 billion	AED 3.47 billion	AED 15.78 billion	AED 2.058 billion	AED 5.51 billion
Land Used (square kilometres)	0.3	4.5	18	44	10.17	20
Partners & Shares	DEWA (100%)	DEWA (51%) ACWA Power (24.99%) TSK (24.01)	DEWA (60%) Masdar (24%) EDF Energies Nouvelles (16%)	DEWA (51%) ACWA Power (25%) Silk Road Fund (24%)	DEWA (60%) ACWA Power (24%) Gulf Investment (16%)	DEWA (60%) Masdar (40%)
End Users (Residences)	3,900	50,000	240,000	320,000	270,000	540,000

MOHAMMED BIN RASHID AL MAKTOUM SOLAR PARK ACHIEVES TWO NEW RECORDS

In December 2023, His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, inaugurated the largest concentrated solar power (CSP) project in the world, within the fourth phase of the Mohammed bin Rashid Al Maktoum Solar Park in Dubai.

The 950MW 4th phase is the largest project in the world that combines CSP and photovoltaic solar power with investments totaling AED 15.78 billion based on the IPP model. It uses three hybrid technologies to produce clean energy: 600MW from a parabolic basin complex (three units of 200MW each), 100MW from a solar power tower (based on Molten Salt technology), and 250MW from photovoltaic solar panels. It includes a Thermal Energy Storage System, which provides the capability of electricity generation around the clock.

A consortium led by DEWA and ACWA Power formed a project company, Noor Energy 1, to design, build, and operate the fourth phase of the Mohammed bin Rashid Al Maktoum Solar Park. DEWA owns 51% of the company, ACWA Power owns 25%, and the Silk Road Fund owns 24%. The fourth phase has been implemented in stages, the first stage became operational in Q4, 2021. This phase will provide clean energy for 320,000 residences and will reduce 1.6 million tonnes of carbon emissions each year.

DEWA has achieved two new Guinness World Records in the Mohammed bin Rashid Al Maktoum Solar Park; for 'The Tallest Concentrated Solar Power Tower' at 263.126 meters, and 'The Largest Thermal Energy Storage Plant' in the world with storage capacity of 5,907 megawatt hours using CSP based on parabolic basin complex with Molten Salt technology. These new achievements add to DEWA's global accomplishments and leadership in the clean and renewable energy sector.

5TH PHASE OF THE MOHAMMED BIN RASHID AL MAKTOUM SOLAR PARK

In June 2023, His Highness Sheikh Mohammed bin Rashid Al Maktoum, inaugurated the 900 MW fifth phase of the Solar Park The fifth phase, which uses photovoltaic solar panels, provides clean energy to around 270,000 residences in Dubai. The AED2.058 billion project, implemented based on the IPP model, features a partnership between DEWA (60%) and a consortium led by ACWA Power and Gulf Investment Corporation (40%) through Shuaa Energy 3. DEWA achieved a world record by receiving the lowest bid of $1.6953 cents per kilowatt hour (kWh) for the fifth phase.

AGREEMENT BETWEEN MASDAR AND DEWA TO DELIVER 6TH PHASE OF WORLD'S LARGEST SINGLE-SITE SOLAR PARK PV PROJECT

The Abu Dhabi Future Energy Company (Masdar) was awarded the sixth phase of the Mohammed bin Rashid Al Maktoum Solar Park PV Project, that will have a capacity of 1,800 MW. The sixth phase will increase the solar park's total production capacity to 4,660MW and will be completed by 2026. The sixth phase will power over half a million residences while reducing carbon emissions by 2.36 million tonnes annually. All phases of the Solar Park are expected to be completed by 2030, with a total investment of AED50 billion and a capacity of 5,000MW.

HYDROELECTRIC POWER PLANT IN HATTA

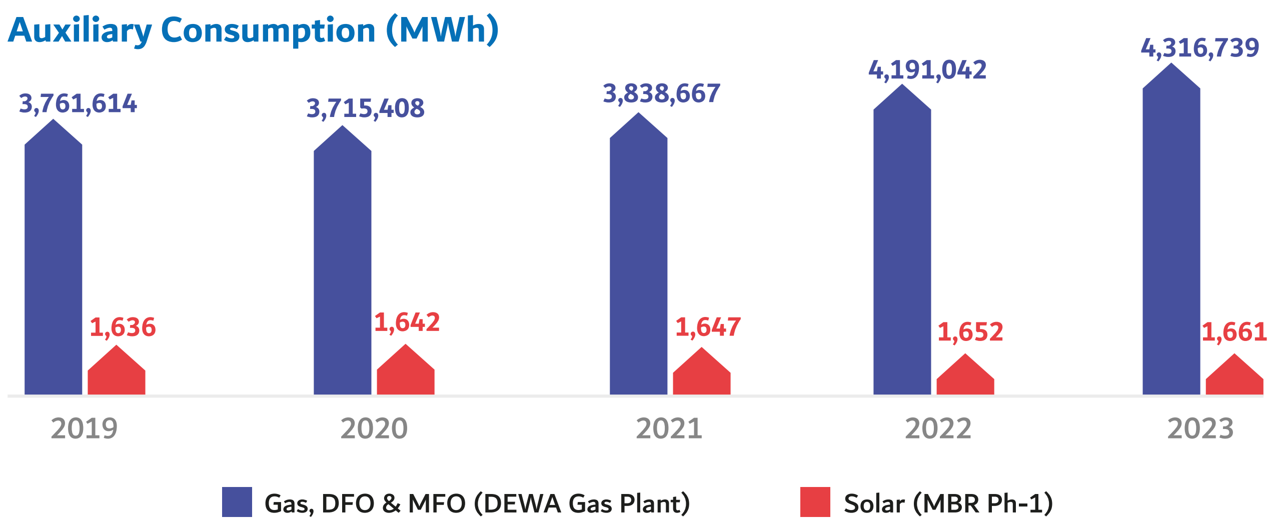
The 250MW pumped-storage hydroelectric power plant in Hatta is the first of its kind in the GCC, with a storage capacity of 1,500 megawatt-hours and a life span of up to 80 years. The project supports the Dubai Clean Energy Strategy 2050 and is part of the Comprehensive Development Plan for Hatta, launched by His Highness Sheikh Mohammed bin Rashid Al Maktoum to meet the social, developmental, economic, and environmental needs as well as provide innovative job opportunities for Emiratis in Hatta. The project is currently under construction and will be completed in Q1, 2025. The Hydroelectric power plant is an energy storage with turnaround efficiency of 78.9%. It utilises the potential energy of the water stored in the upper dam, which is converted to kinetic energy as the water flows through the 1.2-kilometre subterranean tunnel. This kinetic energy rotates the turbine, converting mechanical energy to electrical energy, which is then sent to DEWA's grid.

To store energy again, clean energy generated at the Mohammed bin Rashid Al Maktoum Solar Park is used to pump the water back through the tunnel to the upper dam. This process converts electrical energy into kinetic energy, which is stored as a potential energy in the upper dam, which is 150 meters above Hatta Dam. This makes the entire project 100% renewable.

ENERGY MANAGEMENT REPORT FOR DEWA PREMISES AND ASSETS

DEWA is committed to establishing a sustainable built environment that prioritises energy, water, and material resource efficiency. This commitment is realised through the implementation of both national and international standards for green buildings across all DEWA assets. The development of sustainable and efficient buildings aligns seamlessly with the UAE's broader objectives of fostering a green and sustainable economy, meeting the Nationally Determined Contributions for the UAE against Climate Change, and supporting the Dubai Digital Authority initiative. DEWA extends its dedication to energy management through the application of an Energy Management System across various facilities, encompassing power generation plants, substations, administration buildings, and the fleet. Recently expanded, this system enables DEWA to monitor its energy performance meticulously and pinpoint opportunities for energy conservation. Such initiatives not only contribute to environmental sustainability but also yield cost benefits for the organisation.

The below table provides a comprehensive overview of the total auxiliary energy consumption derived from power generation and water production facilities at Jebel Ali, Al Aweer, and the Mohammed bin Rashid Al Maktoum Solar Park Phase 1 of the Jebel Ali facility.



DEWA has consistently made strides in enhancing energy production efficiency, reducing Auxiliary Power Consumption, lowering carbon emissions, and achieving fuel savings. Progress made from 2006 to 2023 includes:

1. Efficiency Improvement: A significant achievement of 41.73% improvement in efficiency in the year 2023 compared to 2006.
2. Auxiliary Power Consumption Reduction: A notable reduction of 279,023 MWh in Auxiliary Power Consumption in 2023 compared to 2006.
3. Carbon Emission Reduction: An impactful reduction of 10.54 million tonnes in carbon emissions in 2023 compared to 2006.
4. Fuel Savings: Achieving fuel savings of 197,567,687 Million British Thermal Units (MMBtu) attributed to efficiency enhancements in 2023 compared to 2006.

These accomplishments reflect DEWA's ongoing commitment to advancing sustainability and efficiency in energy production.

Year	Efficiency Improvement Percentage (compared to 2006)	Auxiliary Power Consumption Reduction (MWh) (compared to 2006)	Carbon Reduction (MillionTons of CO2) due to efficiency improvement (compared to 2006)	Fuel saving due toefficiency improvement MMBTU (compared to 2006)
2019	31.40	408,148	7.06	132,295,018
2020	33.41	293,385	7.11	133,309,503
2021	37.63	314,781	8.04	150,786,454
2022	37.78	225,873	9.22	172,973,272
2023	41.73	279,023	10.54	197,567,687

EV GREEN CHARGING STATIONS

DEWA EV GREEN CHARGING STATIONS

In 2014, DEWA launched the EV Green Charger Initiative to promote sustainable mobility in Dubai by encouraging the use of electric vehicles. DEWA plans to expand the number of EV charging stations in the Emirate to over 1,000 by 2025. By the end of 2023, DEWA had successfully installed more than 700 charging points across Dubai, attracting 13,959 registered customers in the EV Green Charger programme, in addition to the daily "Guest Mode" feature users. These users collectively covered approximately 117 million kilometres through electric vehicle travel. Simultaneously, the initiative contributed to the growth of EVs in Dubai, reaching over 25,700 by end of Q4 2023.

For more details about the EV Green Charger initiative, scan the below QR code:

Additionally, DEWA launched the 'Dubai EV Community Hub' website to further boost EV adoption. This platform centralises information on EV developments within Dubai, providing a valuable resource for those interested in electric mobility.

For more information on EV developments in the Emirate, explore the 'Dubai EV Community Hub' scanning the below QR code:

EMISSIONS

CO2 EMISSION REDUCTION PROGRAMME

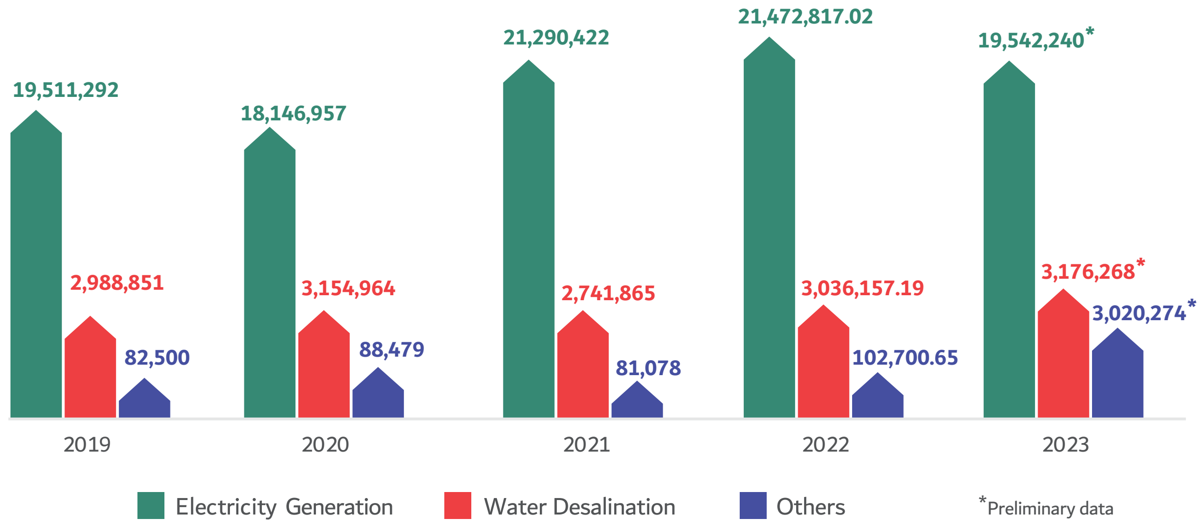
DEWA aims to reduce its carbon footprint while maintaining a secure, reliable, and affordable supply of power and water. DEWA has systematically worked on reducing its emissions through its Carbon Dioxide Emission Reduction Programme launched in 2012. DEWA's CO2 Emission Reduction Programme (ERP) is a long-term carbon emissions abatement strategy that provides an extensive analysis of DEWA's current greenhouse gas emissions, sets targets to reduce CO2 emissions up to 2030 from all operations, and incorporates proposed emission reduction targets within its business decisions and overall growth strategies. DEWA's efforts have led to a significant reduction in carbon emissions in Dubai, successfully achieving the targets set under the Dubai Carbon Abatement Strategy 2021.

Three strategic pillars have been identified within the ERP to ensure that the strategic objectives are met: a climate change functional strategy, emission reduction targets long term forecast model, and a robust monitoring, reporting, and verification system aligned with the annual performance management system.

DEWA's ERP is a comprehensive programme that considers reductions from both the demand and supply sides. It takes into account several key factors: Dubai's energy and water growth requirements, Dubai's water and electricity consumption rationalisation initiatives, DEWA's supply-side efficiency improvements, and the diversification of its energy mix. The ERP targets were developed for both emission intensity (tCO2e/MWh) and absolute emissions (tCO2e) for short-, medium-, and long-term emission reduction actions leading up to 2030, with 2010 used as the baseline. DEWA's actual emission reduction performance is measured annually against the Business as Usual (BAU) scenario.

DEWA is committed to reducing the power and water sector's GHG emissions as part of the Dubai Carbon Abatement Strategy 2030 that sets a 50% GHG emissions reduction by 2030 in comparison to the 2018 baseline emissions. DEWA is committed to achieving Net-Zero by 2050 as part of the Dubai Clean Energy Strategy 2050.

Emissions by Source from Category 1 MtCO2e 2019-2023



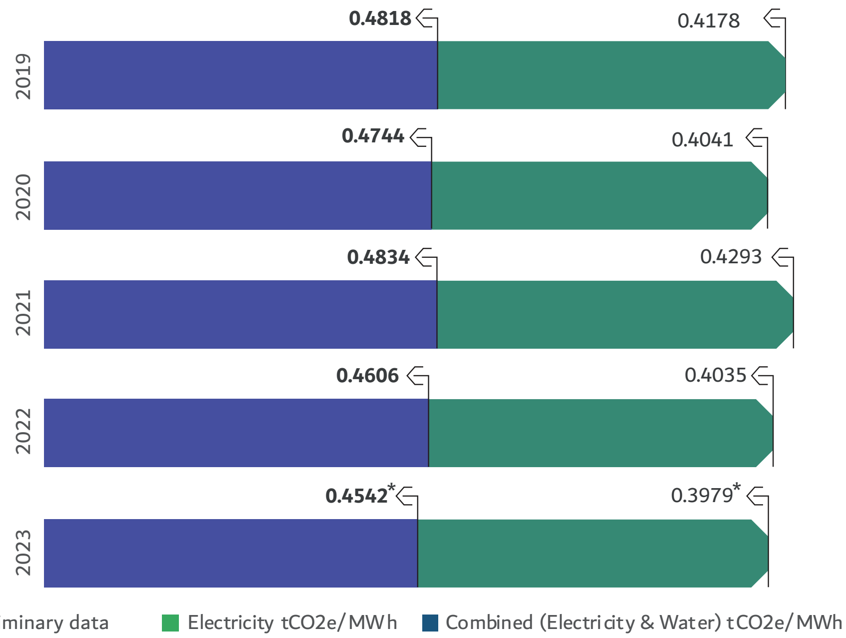
DEWA'S CARBON FOOTPRINT

DEWA is one of the first entities in the region to develop a comprehensive Monitoring, Reporting and Verification (MRV) framework for its Greenhouse Gas (GHG) emissions since 2012, establishing that year as the baseline for reporting emissions. The MRV framework enables the reporting of emissions through DEWA's Carbon Footprint Report, which is prepared in accordance with the GHG Protocol and is compatible with ISO 14064-1, allowing for integration with national and international GHG registries.

DEWA annually reports its Carbon Footprint Report, which quantifies and calculates its annual direct GHG emissions (Category 1), covering CO2, CH4, Nitrogen Oxide (NOx), sulphur hexafluoride (SF6), Hydrofluorocarbons (HFCs), and Perfluorocarbons (PFCs) as well as indirect GHG emissions (Category 2) from electricity imports. Category 1 emissions sources include fuel combustion during power generation and water desalination, SF6 usage in circuit breakers, fuel combustion in vehicles, and refrigerant usage for air conditioning and maintenance operations, in addition to emissions from small emission sources:

- CO2 usage in fire protection systems and labs
- Diesel usage during emergencies (back-up generators)
- Acetylene usage for maintenance activities
- LPG usage for cable termination works
- Process emissions due to desalination
- Laboratory acetylene usage

Carbon Emission Intensity, tCO2/MWH of Electricity Generated (2019-2023)



DEWA follows an operational control approach in consolidating, monitoring, and reporting its GHG emissions, quantifying them in terms of CO2 equivalent, and therefore, its subsidiaries or affiliates were not considered. DEWA has gone to all reasonable measures to ensure the relevance, completeness, consistency, accuracy, and transparency of its Carbon Footprint Report. The quantification methodology employs the formula of GHG activity data multiplied by the GHG emission factor.

In 2023, DEWA's total carbon emissions from Category 1 were 25.74* MtCO2e against the BAU 28* MtCO2e, and the carbon intensity based on Grid Emission Factor for Electricity is 0.3979* tCO2e/MWh. Since DEWA itself is the producer of the electricity it consumes, Category 2 emissions from the own consumption are part of Category 1 emissions to avoid double counting. Indirect emissions from the power purchased are reported under Category 2 emissions only.

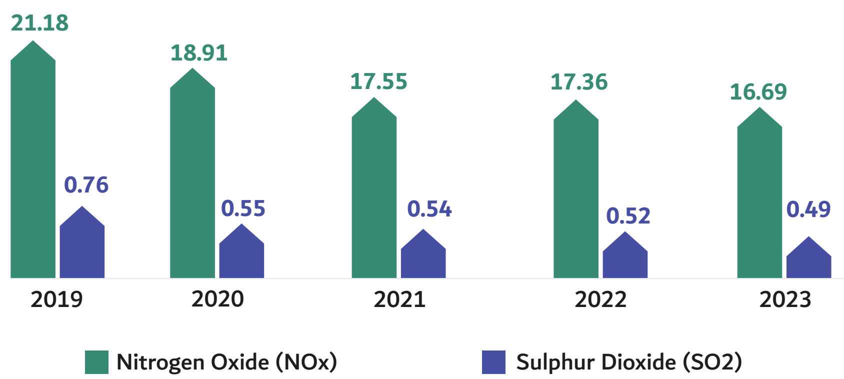
To comprehensively manage its GHG related activities, DEWA has quantified Category 3 GHG emissions resulting from DEWA's business travel and employee commuting activities in 2023 which is 44,444.53 tCO2e.

Disclaimer: *Preliminary data

MINIMISATION OF AIR EMISSIONS

In alignment with efforts to reduce carbon emissions, DEWA focuses on curbing air emissions by minimising and restricting various toxic pollutants, including Sulphur Dioxide (SO2), Nitrogen Oxide (NOx), and Sulphur Hexafluoride (SF6). These emissions are considered harmful and have a significant environmental impact. SO2 emissions were marginally decreased to 0.49 Parts Per Million (PPM) in 2023. Furthermore, DEWA has successfully lowered NOx emissions from all units, encompassing diverse fuel types, gas turbines, and boilers to 16.69 PPM in the year 2023. The subsequent graphs depict the average annual emissions of NOx and SO2.

Annual NOx & SO2 Air Emissions (2019 - 2023) - PPM



CLIMATE CHANGE

Climate change is one of the major challenges of our time and adds considerable stress to both societies and the environment. From shifting weather patterns to rising sea levels, which increase the risk of catastrophic flooding, the impacts of climate change are global and unprecedented in scale. Without drastic actions today, adapting to these impacts in the future will be increasingly difficult and costly. At DEWA, we recognise that utilities play a crucial role in decarbonising societies, and therefore, we have set clear strategies and action plans to address the impacts of climate change. Our commitment to climate action is unwavering as we strive to achieve our vision to become a globally leading sustainable innovative corporation committed to achieving Net-Zero by 2050. DEWA has established itself as a regional leader in climate change mitigation and adaptation efforts over the past years. Below is an overview of DEWA's climate change mitigation and adaptation efforts, programmes and initiatives:

DEWA's Mitigation Efforts and Initiatives

- DEWA's CO2 Emission Reduction Program aligned with Dubai Carbon Abatement Strategy 2030
- Comprehensive Monitoring, Reporting and Verification (MRV) framework for DEWA's carbon emissions in compliance with ISO 14064
- Main stakeholder for the UAE Climate Change Taskforce and international climate change negotiations.
- Driving the transition towards a low carbon economy by deploying initiatives critical to decarbonization.
- Key stakeholder in implementing the Demand Side Management Strategy 2030
- Supply side energy efficiency improvements and optimisation projects
- DEWA's Offsetting Programme
- Dubai Clean Energy Strategy 2050
- Dubai Net Zero Carbon Emissions Strategy 2050

DEWA's Adaptation Efforts and Initiatives

- Comprehensive climate change resilience plan
- Setting adequate reserve margin for power generation and water production
- Diversification of generation & desalination sites
- Planning considerations and operational feats for reliability, security and stability
- Asset management planning and framework
- Managing quality of source water
- Reducing unaccounted water losses

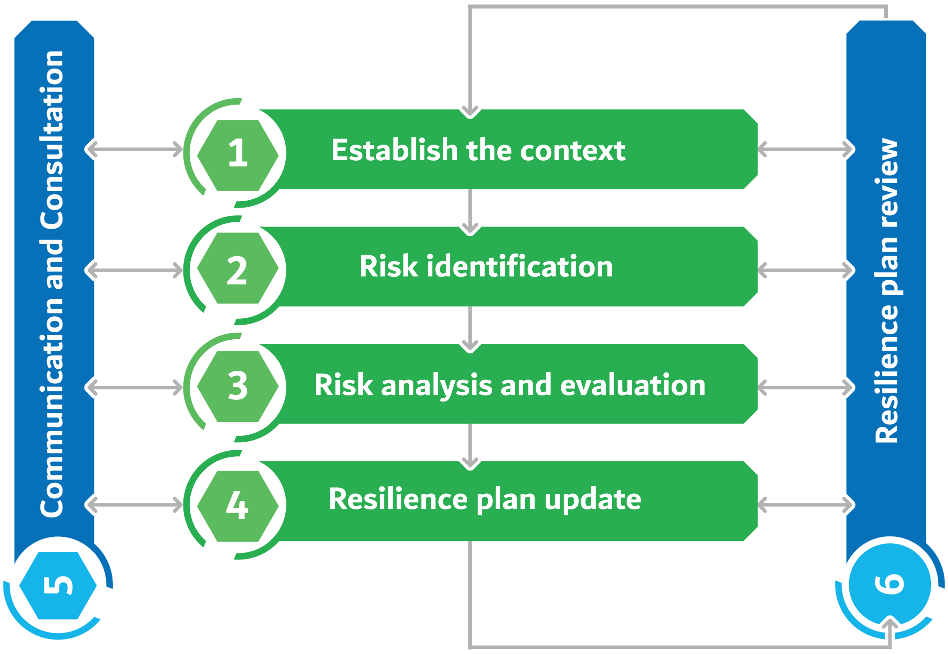
DEWA'S CLIMATE CHANGE RESILIENCE PLAN

Climate change has emerged as one of the foremost priorities worldwide, presenting one of the main challenges facing the international community. Globally, it is causing extreme heat, rainfall, floods, droughts, tropical storms, and hurricanes. Regionally, the power and water sectors in the UAE are also vulnerable to the adverse effects of climate change. At DEWA, we recognise that climate change is a multifaceted risk that can have a physical impact on our operations and economic, regulatory, and reputational impact for our business. This is why climate action is one of DEWA's top priorities. To evaluate, understand and respond to the potential impacts of climate change on our assets and operations, DEWA has developed a comprehensive Climate Change Resilience Plan.

DEWA is one of the first entities in the region to develop a Resilience Plan that identifies existing mitigation measures, preventive controls and future resilience actions that address the potential impacts of various climate change drivers. DEWA's Climate Change Resilience Plan is driven by a vision, guiding principles, approach, and goals to ensure resilience in the power and water sectors.

Vision	A climate-resilient utility ensuring sustainable, innovative and resilient operations and assets to withstand the impacts of climate change
Guiding principles	Robustness Resourcefulness Rapid Recovery Adaptability
Approach	Risk Assessment | Prevention and Management | Adaptive Practices | Stakeholder Engagement
Goals	1. Integrate climate change considerations into business practices 2. Align with local and national climate change resilience plans 3. Maintain an evidence-based resilience plan 4. Ensure safe and sustainable operations 5. Build and maintain resilient infrastructure 6. Maintain a business model aligned with national and international strategies and policies 7. Improve DEWA's Adaptive Capacity

DEWA's Climate Change Resilience Plan has been developed based on a detailed risk assessment and in line with best practices. The Plan is integrated into DEWA's Enterprise Risk Management (ERM) system and is also a part of its strategic planning. The annual management of the Climate Change Resilience Plan is developed according to DEWA's ERM framework:



IDENTIFYING CLIMATE-RELATED RISKS

To prepare for an uncertain future where climate change may have far-reaching effects on the environment and socioeconomic conditions, we analysed and assessed climate change trends and projections using climate models. This provides an overview of observed climatic trends and projections at both global and local levels, which are essential in shaping an effective climate change resilience plan for DEWA. The output of these projections helped identify the climate change conditions that could pose potential physical and transitional risks on DEWA's business and operations. There are several ways to classify climate change risks; either based on the cause of the risk or its impact. DEWA has assessed two main drivers when identifying Climate-Related Risks: Policy drivers and Climate drivers.

For policy driver risks, we assessed global, national, and regional climate change policies and strategies relevant to DEWA to identify potential risks that DEWA may face in the coming years and decades. Regarding climate drivers, we considered climate variables identified based on available regional climate change trends and projections aligned with the Dubai Climate Change Adaptation Strategy. This is necessary due to variations in geography and climate conditions across the different Emirates in the UAE. Furthermore, variations in risks associated with specific power facilities result from factors such as location, age, design, and the adaptive capacity of facilities.

In 2020, DEWA identified and introduced a "Climate Change Risk" driven by both climate and policy drivers into its ERM system, governed by the Group Risk & Resilience Committee at DEWA and annually monitored. Following analysis and classification of potential impacts, consideration of various interdependencies, development of risk heat maps, and identification of key risk indicators, the climate change risk reflects the potential impacts of both policy and climatic drivers on DEWA's strategy and operations, which could also have financial and non-financial consequences for DEWA.

In 2023, DEWA continued to adapt to potential impacts from identified climate change drivers through the implementation of key preventive controls and mitigation measures outlined in its Climate Change Resilience Plan. With an established climate change resilience governance and framework in place at DEWA, the climate change resilience team analyses climate change drivers and trends, classifies and ranks identified risks, and assesses vulnerabilities and opportunities arising from projected climate change scenarios. We are continuously monitoring various climate change drivers to mitigate potential impacts on our physical assets and ensure uninterrupted business operations.

DEWA OFFSETTING PROGRAMME

DEWA has initiated the implementation of its offsetting programme by registering several emission-reduction projects under the Clean Development Mechanism (CDM) and the International Renewable Energy Certificates (I-RECs).

THE CLEAN DEVELOPMENT MECHANISM (CDM)

In 2012, DEWA initiated the implementation of its Offsetting Programme by registering several emission-reduction projects under the Clean Development Mechanism (CDM) of the UNFCCC. DEWA has issued 75,793 Certified Emission Reductions (CERs) from its 13 MW Mohammed bin Rashid Al Maktoum Solar Park's photovoltaic plant in 2023.

In 2023, DEWA played a pivotal role in Dubai Financial Market's (DFM) pioneering **Carbon Trading Platform** pilot initiative for trading carbon credits.

The Carbon Trading Platform pilot is an integrated platform designed to explore the trading and utilisation of carbon credits. It provides a mechanism to assist companies in managing unavoidable and residual carbon emissions while pursuing direct decarbonisation strategies. Each carbon credit symbolises a tangible reduction in carbon emissions, with one credit offsetting one tonne of CO2 equivalent emissions.

The carbon credits traded on the DFM were derived from DEWA's UN Clean Development Mechanism (CDM) projects, namely the 13 MW first phase of the Mohammed bin Rashid Al Maktoum Solar Park and Thermal Energy Storage Turbine Inlet Air Cooling (TESTIAC).

This move positions DEWA, alongside DFM, at the forefront of climate action as a regulated platform exploring project capital raising, carbon credit trading, and safekeeping in support of the UAE Government's goal of achieving net zero emissions by 2050.

THE INTERNATIONAL RENEWABLE ENERGY CERTIFICATE (I-RECS)

DEWA was the first entity in the MENA region to join the renewable energy market in 2017 through the I-RECs Registry Platform, issuing I-RECs from the Mohammed bin Rashid Al Maktoum Solar Park.

The I-REC Standard is a voluntary system for international trade in renewable energy certificates, created to provide electric utilities with a financial incentive to increase the proportion of renewable or clean energy in their supply mix compared to fossil fuels. It aims to offset the environmental impact of the purchaser's non-renewable energy use by subsidising clean energy from renewable sources. In 2023, DEWA issued more than three times the volume of I-RECs to its local and international clients compared to previous years.

WATER & EFFLUENT

SUSTAINABILITY OF WATER PRODUCTION

As Dubai experiences growth, the demand for water is increasing, and DEWA is committed to meeting this demand for its customers. In 2023, the installed water production capacity of desalinated water was 495 MIGD. Following DEWA's strategy of decoupling power generation and water desalination, all future expansions in water production will rely on SWRO technology powered by renewable energy. By the end of 2023, the number of water customer accounts reached 1,048,913, compared to 995,478 accounts at the end of 2022. The subsequent table illustrates the Installed Capacity and total water production from 2019 to 2023 MIG.

Year	Installed Capacity (MIGD)	Total Water Production (MIG)
2019	470	123,090
2020	470	121,006
2021	490	126,147
2022	490	136,254
2023	**495**	**143,309**

In 2023, DEWA produced 143,309 MIG of desalinated water, while the installed capacity reached 495 MIGD. The peak daily water demand of 433.720 MIG occurred on 7 September 2023, marking a 4.91% increase compared to 2022. The average daily water demand in 2023 was 394.71 MIGD, compared to 375.28 MIGD in 2022, representing a 5.18% increase. The peak monthly average of 428.261 MIGD was recorded in September 2023, indicating a 5.04% growth compared to 2022.

The installed capacity from underground wells, which is maintained exclusively for emergency purposes, was approximately 35.56 MIGD (total production of 415.312 MIG). By 2023, the daily production from wells was approximately 1.13 MIGD from groundwater. This is to maintain the wells in an operational state for use in an emergency. The groundwater production is monitored through meters installed on each well.

Water Data	Unit	2019	2020	2021	2022	2023
Installed Capacity (Underground wells)	MIGD	32	32	35	35.56	35.56

Furthermore, the potable water produced, transmitted and distributed by DEWA is in compliance with the requirements of the latest World Health Organization (WHO) potable water guidelines.

Sl. No.	Particulars Of Analysis			WHO Guideline Value(Max)	DEWA-JAPS Specification	DEWA-JAPS Typical Figure
1	pH value	at 25°C		6.5 ~ 8.5	7.90 - 8.50	8.37
2	Conductivity	at 25°C	µS/cm	-	200 - 900	407.8
3	TDS		mg/L	1000	100 - 450	239.2
4	Chlorine Dioxide	as ClO2	mg/L	-	0.40 - 0.50	0.45
5	Turbidity		NTU	-	< 5.0	0.8
6	M-Alkalinity	as CaCO3	mg/L	-	25 - 65	50.3
7	Carbonate	as CaCO3	mg/L	-	0 - 10	1.7
8	Bicarbonate	as HCO3	mg/L	-	30 - 80	59.3
9	Total Hardness	as CaCO3	mg/L	500	40 - 120	61.9
10	Calcium Hardness	as CaCO3	mg/L	-	25 - 65	41.1
11	Calcium	as Ca	mg/L	-	10 - 26	16.4
12	Magnesium	as Mg	mg/L	-	2 - 20	5.1
13	Chloride	as Cl	mg/L	250	25 - 250	93.7
14	Sulphate	as SO4	mg/L	250	2 - 35	10.9
15	Free Carbon dioxide	as CO2	mg/L	-	≤ 1.5	0.4
16	Fluoride	as F	mg/L	1.5	≤ 1.5	<0.05
17	Chromium	as Cr	mg/L	0.05	< 0.05	0.0020
18	Iron	as Fe	mg/L	-	≤ 0.3	0.0138
19	Copper	as Cu	mg/L	2	≤ 1.0	0.0295
20	Nickel	as Ni	mg/L	0.07	≤ 0.07	0.0086
21	Cadmium	as Cd	mg/L	0.003	≤ 0.003	<0.0020

22	Mercury	as Hg	mg/L	0.006	≤ 0.006	<0.0020
23	Sodium	as Na	mg/L	200	10 - 200	54.9
24	Lead	as Pb	mg/L	0.01	≤ 0.01	<0.0020
25	Boron	as B	mg/L	2.4	≤ 2.4	0.2693
26	Cyanide	as CN	mg/L	-	≤ 0.07	<0.005
27	Selenium	as Se	mg/L	0.04	≤ 0.04	<0.0020
28	Arsenic	as As	mg/L	0.01	≤ 0.01	<0.0020
29	Manganese	as Mn	mg/L	0.08	≤0.08	0.0026
30	Molybdenum	as Mo	mg/L	-	≤ 0.07	<0.0020
31	Antimony	as Sb	mg/L	0.02	≤ 0.02	<0.0020
32	Barium	as Ba	mg/L	1.3	≤ 0.7	<0.0020
33	Uranium	as U	mg/L	0.03	≤ 0.03	<0.0020
34	Nitrate	as NO3	mg/L	50	≤ 50	<0.05
35	Nitrite	as NO2	mg/L	3	≤ 3	<0.01
36	Bromate	as BrO3	mg/L	0.01	≤ 0.01	<0.0002
37	Chlorite	as ClO2	mg/L	0.7	≤ 0.7	0.1974
38	Chlorate	as ClO3	mg/L	0.7	≤ 0.7	0.2312
39	TTHMs (Concentration ratio)			1	≤ 1.0	0.1787
a)	Chloroform	as CHCl3	mg/L	0.3	≤ 0.3	<0.001
b)	Bromoform	as CHBr3	mg/L	0.1	≤ 0.1	0.018
c)	Dibromochloro methane	as CHBr2Cl	mg/L	0.1	≤ 0.1	0.001
d)	Bromodichloro methane	as CHBrCl2	mg/L	0.06	≤ 0.06	<0.001
40	Dissolved hydrocarbons		mg/L	-	< 0.01 (*)	<0.01
41	Total Coliform Bacteria	Present/Absent	-	Absent	Absent	
42	E. Coli Bacteria	Present/Absent	-	Absent	Absent	
43	Saturation pH			-	7.89 ~ 8.49	8.29
44	Saturation Index				Positive	Positive

- (*) The taste and smell threshold value varies widley according to product and it is 0.0005 ppm (mg/L) for hydrocarbons and distillate should be dumped if it is having smell of oil
- DEWA JAPS typical figure is the average of individual station averages during the year 2023
- WHO guideline values is based on W.H.O guidelines for drinking water quality fourth edition incorporation the first and second addenda - 2022

DEWA'S SMART METERING

As of 31 December 2023, DEWA had installed 1,053,550 smart meters, of which 1,033,641 are monitored and read remotely every 15 minutes. This allowed DEWA to enhance meter reading availability to 99.18%, with 1,025,333 water meters remotely billed in SAP. The implementation of Advanced Metering Infrastructure (AMI) has led to improved meter reading and billing accuracy, enhanced customer satisfaction, and a reduction in Unaccounted for Water.

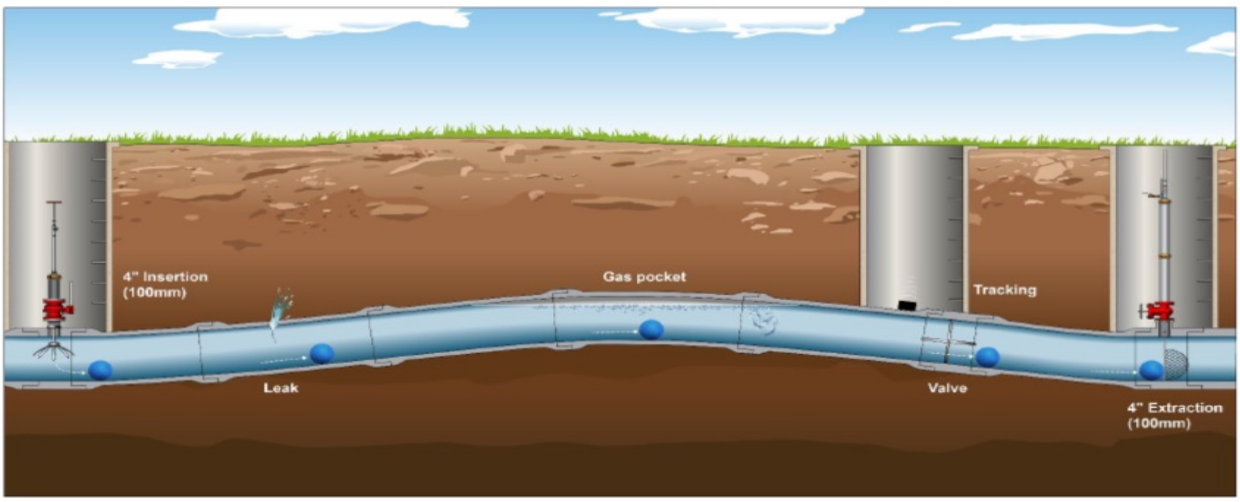
The state-of-the-art infrastructure for smart meters has facilitated the detection of 1,811,681 water leakages, 36,005 defects, and 13,397 instances of increased load over the past six years. This has resulted in a total saving of AED 608.1 million for customers. As part of the Smart Living initiative, the High-Water Usage Alert service assists customers in identifying leaks in water connections after the meter. The system sends instant notifications to customers in case of an unusual increase in consumption, prompting them to inspect internal connections and repair any leaks. This not only reduces wastage but also minimises costs for customers.

Data Point	2022	2023
Average Time for Response + Isolation (minutes) for Transmission Breakages	22.73 min	14.23 min
Response + Isolation Time for Transmission Breakages (40 minutes)	100%	100%

SMART BALL LEAK DETECTION

DEWA harnesses innovation and the latest disruptive technologies to detect leaks in the underground water transmission pipelines. This resulted in DEWA saving 243 million gallons of water and AED 9.66 million in 2023. DEWA's Smart Ball technology allows for the detection of leaks that are typically challenging to identify using traditional methods. Since its introduction in April 2021 until the end of 2023, the Smart Ball technology detected 81 leaks in the water transmission network in Dubai. This technology effectively reduces operational expenses by addressing small cracks in the water transmission pipelines before they escalate in size and lead to further water wastage.

The Smart Ball system comprises a small diameter sphere equipped with a highly sensitive acoustic sensor, which is inserted into the water network to travel freely, driven by the water flow. It detects sounds produced by leaks and identifies gas pockets or anomalies, each with unique characteristics. Once retrieved, the Smart Ball's collected data is analysed by software employing mathematical algorithms to pinpoint the exact location of leaks, gas pockets, or anomalies. Travelling at a speed of around 3 kilometres per hour, the Smart Ball can inspect over 35 kilometres in a single day without disrupting the water flow.



MINIMISATION OF WATER LOSS

With a significant number of activities related to the expansion of the water network, aging pipelines, and extreme weather conditions, DEWA frequently encounters emergencies such as pipeline breakages and leakages, leading to substantial water losses. Delays in reaching the site to isolate broken pipeline segments, particularly due to heavy traffic in Dubai, pose significant challenges. To address this issue, DEWA has implemented the Supervisory Control and Data Acquisition (SCADA) System to remotely monitor and control pipelines.

This system enables skilled operators to instantly detect breakages and emergencies by monitoring changes in pressure and flow transmitter readings. They can then remotely isolate the broken pipeline segment using motorized valves. By adopting this innovative Water SCADA technology, DEWA has established several Key Performance Indicators (KPIs) to evaluate the return on investment associated with this project. These KPIs allow the organisation to reduce response and isolation times during emergencies and measure the percentage of the network that can be isolated remotely.

WATER SECURITY AND STORAGE

In alignment with the Dubai Integrated Water Resource Management Strategy 2030, the UAE Water Security Strategy 2036, and the Comprehensive Development Plan in Hatta, DEWA has constructed two reservoirs with a storage capacity of 30 MIG of desalinated water at a cost of AED 86 million. DEWA is currently implementing a project to store 6 billion gallons of water in aquifers that can be retrieved when needed. This initiative will provide the Emirate with a strategic reserve of 50 MIG of desalinated water per day in emergencies for 90 days, while ensuring that the quality of the stored water remains unaffected by external factors. Through this project, DEWA aims to enhance the efficiency and reliability of the water network, improve water flow to meet the increasing demand for water in all parts of Dubai, and increase the volume of water storage capacity in Dubai to reach 961.30 MIG. This will help meet current and future needs and promote comprehensive sustainable development.

The below table demonstrate the change in water storage in the Emirate of Dubai:

Year	Total water storage at the beginning of the reporting period (MIG)	Total water storage at the end of the reporting period (MIG)	Change in water storage (MIG) (End - Beginning)
2019	622.130	611.788	-10.342
2020	611.788	412.436	-199.352
2021	412.436	661.600	249.164
2022	661.600	575.74	-85.86
2023	575.74	911	335.26

WASTEWATER DISCHARGE

DEWA incorporates environmental solutions into its operational framework by implementing specific procedures aligned with Dubai Municipality's environmental regulations. In managing wastewater generated from DEWA's Jebel Ali Power and Desalination Stations Complex, DEWA adheres to its wastewater management procedure, ensuring that discharged water meets prescribed standards and poses no harm to the surrounding ecosystem. Additionally, as part of this procedure, DEWA conducts ecological assessments every two months, evaluating phytoplankton, zooplankton, and macrobenthos concentrations quarterly. These assessments are carried out by specialised environmental service providers at locations 0.5 km and 2.0 km away from discharge points D, K, and L stations

TOTAL VOLUME (M3) DISCHARGE

Type of effluent	2019	2020	2021	2022	2023
Process water from Power plant	1,719,495,006	1,645,458,818	1,654,577,150	1,698,174,459	1,744,355,921
Process water from Desal. plant	3,594,972,940	3,573,859,485	3,540,695,341	3,777,922,079	3,822,486,281
Water treatment plant effluent	68,658	68,406	74,831	61,298	71,562
Treated sewage water (to land)	0	0	0	0	0
Treated sewage water (to sea)	11,968.10	15,849	15,814	40,673	33,173
Total Treated sewage water	11,968.10	15,849	15,814	40,673	33,173

The Average of Temperature and Salinity Difference between the Seawater at Mixing Zone and Ambient Seawater 2023:

Particulars sample	Salinity Difference between the Seawater at Mixing Zone and Ambient Seawater				
	2019	2020	2021	2022	2023
D-I station	0.7	0.6	0.5	0.6	0.5
D-II station	0.9	0.6	0.6	0.7	0.4
E station	0.5	0.6	0.6	0.6	0.6
G station	0.5	0.9	0.7	0.8	0.6
K station	0.5	0.7	0.4	0.7	0.3
K-SWRO	-	-	-	0.5	-0.1
L station	0.5	0.4	0.9	0.8	0.7
M station	0.6	0.7	0.9	0.9	1
Average	0.6	0.7	0.7	0.7	0.5

Temperature difference between the seawater at mixing zone and ambient seawater (Celsius)

Particulars sample	Temperature difference between the seawater at mixing zone and ambient seawater				
	2019	2020	2021	2022	2023
D-I station	1.5	1.1	0.9	1.8	1.1
D-II station	2.1	1.2	1.3	1.8	1.5
E station	1.2	1.7	1.3	1.3	1.1
G station	1	1.5	1.5	1.5	1.1
K station	1	1.1	1.1	1.3	0.8
K-SWRO	-	-	-	1.1	1
L station	1.4	1.3	1.6	1.3	1.8
M station	1.6	1.3	1.6	1.7	2
Average	1.4	1.3	1.3	1.5	1.3

The Average of Temperature and Salinity Difference between Seawater at the Mixing Zone and Ambient Seawater 2023:

BIODIVERSITY

DEWA continues to protect the environment and natural resources, mitigate the impact of climate change, and contribute towards sustainable economic development as part of its vision to become "A globally leading sustainable innovative corporation committed to achieving Net-Zero by 2050". DEWA's commitment involves complying with applicable local, federal, and international standards, legislation, and regulations in all its activities and operations. Through the utilisation of cutting-edge Environmental Technology, DEWA has achieved distinguished environmental milestones, safeguarding elements such as air, land, and water. This dedication remains consistent and assertive in fulfilling its strategic objective of sustainability, supporting the UAE's efforts to attain the Sustainable Development Goals (SDGs).

One of the pivotal aspects of DEWA's commitment is the integration of Biodiversity Action Plans (BAPs) into all its projects. These plans go beyond mere compliance, as they outline stringent mitigation measures aimed at preserving natural habitats. DEWA also takes a proactive stance by identifying biodiversity priority areas, avoiding operations in regions with the highest biodiversity value. Furthermore, the commitment extends to the incorporation of biodiversity preservation in DEWA's overarching strategy and investment decisions.

A remarkable demonstration of DEWA's commitment to biodiversity occurred through a collaborative event with the Emirates Marine Environmental Group (EMEG). The initiative involved 225 DEWA employees, their families, subsidiaries, and students from DEWA Academy in cleaning the shores of the Jebel Ali Wetland Sanctuary, a significant natural reserve in Dubai. The collective effort resulted in the removal of 800 kilograms of waste and the collection of 8 tonnes of algae and seaweed. These materials, destined for scientific research, are pivotal for studying marine environments.

Beyond immediate cleanup efforts, the campaign holds far-reaching impacts. It significantly contributed to the enhancement of water quality and the marine habitat within the sanctuary. The seaweed, a byproduct of the cleanup, holds immense value. Not only can it be utilised as organic fertiliser, reducing dependence on artificial alternatives, but it also presents opportunities for biofuel production and other sustainable applications.

What stands out in this endeavour is the broad engagement, involving employees, youth, and stakeholders in supporting national efforts for environmental conservation. This sizable turnout underscores the growing societal awareness and commitment to creating a positive and sustainable impact. DEWA's role as a catalyst for change is evident not only in its operational strategies but also in its ability to mobilise individuals and communities towards shared environmental goals. This holistic approach exemplifies DEWA's dedication to environmental stewardship, setting a commendable standard for corporate responsibility and sustainable practices.

DEWA'S WASTE MANAGEMENT

DEWA has a state-of-the-art waste management programme that adopts national and international best practices. It involves implementing proper waste segregation and disposal processes for all types of waste (hazardous, non-hazardous, and general waste) using appropriate methods. This programme ensures compliance with local and federal authority laws, guidelines, regulations, and DEWA's policies.

Recognising the paramount importance of waste management in DEWA's focus areas, the organisation has established a highly effective waste management system. Acknowledging the distinct scopes of work and diverse operational practices across the organisation, DEWA has customised waste management systems tailored to each division's unique needs. Despite these variations, all systems share a unified objective – capturing and reducing the volume of generated waste.

Recently, DEWA introduced its Circular Economy strategy, which consists of five principles. The third principle, "Value Retention and End of Life Treatment," aligns seamlessly with waste management. This involves mapping waste streams from various divisional activities and implementing practices to minimise waste generation. DEWA employs efficient management procedures for non-hazardous material and waste, adhering to the 5Rs practice (Refuse, Reduce, Reuse/Repair, Repurpose/Recover & Recycle) to conserve landfill space, natural resources, and promote waste minimisation.

Regarding wastewater discharge, DEWA secures bi-annual permits and adheres to Dubai Municipality regulations to ensure that discharged wastewater from the Jebel Ali Power and Desalination Complex complies with permitted quality and quantity limits. Collaborating with Dubai Municipality, DEWA manages daily operational waste generation, transporting 338.35 tons of general waste to municipal disposal areas in 2023.

To handle hazardous waste responsibly, DEWA partners with third-party companies certified by Dubai Municipality, employing a comprehensive hazardous waste management system. This includes collecting, storing, transporting, and disposing of hazardous waste in line with local, federal, and international standards. In 2023, DEWA generated AED 101,300,000 from selling scrap waste materials and waste oil, and AED 34,262.50 from recycled paper waste, further exemplifying its commitment to sustainable waste management practices.

The table below demonstrates the hazardous and non-hazardous waste generated and methods of disposal from (2019-2023):

Waste	Unit	Year 2019	2020	2021	2022	2023
General waste	**Tons**	5,335.45	4,823.64	4,378.53	5,297.68	**3089.7**
Hazardous waste	**Tons**	68.89	181.69	420.56	418.337	**338.35**
Wooden packing reused	**Cubic Foot**	7,049	6,462	11,905	9,278	**4,739**
Wastewater recovered	**MIG**	193.24	200.93	238.63	285.13	**293.86**
Waste oil recovered for use	**Liters**	23,636	18,184.4	5,455.31	15,911	**8,182.80**
Recycled wastepaper	**Tons**	277.78	269.59	127.18	118.87	**137.05**
Spill Pallet made of IBC drum	**No.**	223	117	95	150	**248**
Revenue from scrap/waste materials sold - Consolidated	**AED Million**	34	58	62	103	**104**

SOCIAL PERSPECTIVE

EMPLOYMENT

DEWA is dedicated to attracting, nurturing, and retaining top-tier talent to deliver reliable and efficient electricity and water services in Dubai. The organisation implements a comprehensive talent management strategy, emphasising the identification of requisite skills, provision of training opportunities, and fostering employee development. DEWA prioritises employee engagement through open communication, feedback channels, and regular surveys to gather insights and suggestions. The "Afkari" platform enables employees to propose solutions for enhancing overall performance. Additionally, DEWA emphasises performance management, evaluating employees based on their performance and offering feedback and coaching for skill enhancement. Continuous improvement is ensured through the organisation's commitment to reviewing and updating policies and practices to provide optimal services to customers, employees, and the community.

A WORLD-CLASS WORKFORCE

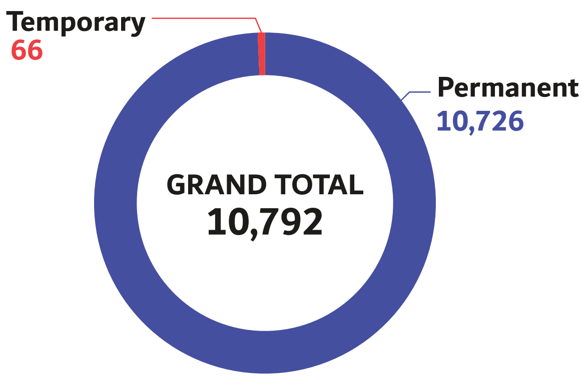
DEWA's workforce embodies diversity, encompassing UAE nationals and expatriates across all genders, reflecting a blend of cultural diversity and varied educational backgrounds. The organisation maintains a steadfast commitment to recruiting and nurturing local talent, evident in a substantial representation of UAE nationals within its workforce.

The workforce of DEWA comprises skilled professionals, including engineers, technicians, and other experts equipped with the knowledge needed to deliver dependable electricity and water services. As of 2023, DEWA's total employee count stood at 10,792, with 18% being females and 82% males, underscoring the organisation's gender-inclusive employment practices.

Total number of newly hired Emirati employees during 2023	168
Number of newly hired employees (middle management positions)	16
Number of newly hired employees (nonsupervisory positions)	266
DEWA's total number of employees in 2023	10,792
% of females (based on the total number of employees)	18%
% of males (based on the total number of employees)	82%

DEWA (PJSC) nurtures a culture that motivates employees to integrate innovation and excellence into their work, fostering sustainable long-term growth. The organisation ensures equal opportunities for all employees, regardless of gender, race, nationality, age, or creed, in accordance with UAE government policies and regulations. Importantly, there were no documented instances of discrimination during the reporting period in 2023.

Total Number of Employees



*DEWA doesn't have any non-guaranteed hours employees.

Permanent & Temporary Employees
Breakdown by Gender

	Female	Male
Temporary	2	64
Permanent	1,936	8,790
Total	1,938	8,854

Full-Time and Part-Time Employees
Breakdown by Gender

	Female	Male
Part Time	0	0
Full Time	1,938	8,854
Total	1,938	8,854

Permanent & Temporary Employees Breakdown by Region

Region	Temporary	Permanent	Grand Total
Africa	1	155	156
Asia	63	6,083	6,146
Europe	0	47	47
Middle East	2	4,417	4,419
North America	0	16	16
Oceania	0	6	6
South America	0	2	2

Total Permanent **10,726**

Total Temporary **66**

Full-Time and Part-Time Employees Breakdown by Region

Region	Part-Time	Full-Time	Grand Total
Africa	0	156	156
Asia	0	6,146	6,146
Europe	0	47	47
Middle East	0	4,419	4,419
North America	0	16	16
Oceania	0	6	6
South America	0	2	2

Total Full Time **10,792**

Total Part Time **0**

New Employee Hires and Employee Turnover by Age Group, Gender, and Region

New Employee Hires

Gender	2020	2021	2022	2023
Female	44	57	43	41
Male	172	231	155	272
Total	**216**	**288**	**198**	**313**
Based on the World's 7 Regions	**2020**	**2021**	**2022**	**2023**
Africa	2	6	10	27
Asia	210	279	186	281
Europe	2	3	1	2
North America	2	0	1	1
South America	0	0	0	1
Australia	0	0	0	1
Total	**216**	**288**	**198**	**313**
Age Group	**2020**	**2021**	**2022**	**2023**
18-29	170	218	113	177
30-39	35	57	67	106
40-49	9	10	15	25
50-59	2	3	3	5
60-69	0	0	0	0
70-79	0	0	0	0
Total	**216**	**288**	**198**	**313**

Total Number of Employee Turnover

By Gender					
Gender	**2019**	**2020**	**2021**	**2022**	**2023**
Male	251	156	211	244	232
Female	47	18	33	36	36
By Age					
Category	**2019**	**2020**	**2021**	**2022**	**2023**
Under 30	36	12	15	17	24
30-50	224	133	203	240	224
Over 50	38	29	26	23	20
By Region					
Region	**2019**	**2020**	**2021**	**2022**	**2023**
Africa	35	14	19	27	19
Asia	178	119	181	204	182
Australia	0	0	0	0	0
Europe	8	3	3	3	3
North America	6	2	1	0	2
Middle East	71	36	40	46	62
Total	**298**	**174**	**244**	**280**	**268**

Percentage of Employees Eligible to Retire in the Next 5 Years by Category and Region

Retirement 5 Years

Region	Engineers	Operators	Linesmen	Mechanics	Others	Total
Africa	0.48%	0.12%	0.00%	0.00%	1.82%	2.42%
Asia	16.00%	7.39%	0.24%	3.27%	49.70%	76.61%
Europe	0.00%	0.00%	0.00%	0.00%	2.30%	2.30%
Middle East	1.21%	0.00%	0.00%	0.36%	16.61%	18.18%
North America	0.00%	0.00%	0.00%	0.00%	0.48%	0.48%
Grand Total	**17.70%**	**7.52%**	**0.24%**	**3.64%**	**70.91%**	**825**

The total number of employees eligible to retire in the next 5 years by category and region is 825.

Percentage of Employees Eligible to Retire in the Next 10 Years by Category and Region

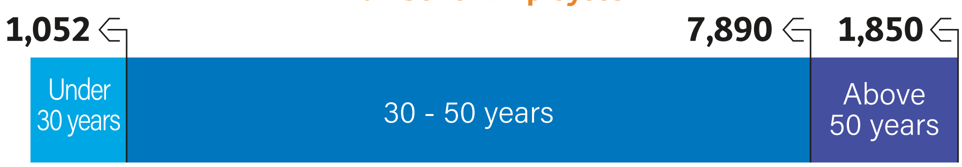
Retirement 10 Years

Region	Engineers	Operators	Linesmen	Mechanics	Others	Total
Africa	0.42%	0.05%	0.00%	0.00%	1.35%	1.82%
Asia	15.79%	7.09%	0.73%	4.33%	49.50%	77.44%
Europe	0.00%	0.00%	0.00%	0.00%	1.35%	1.35%
Middle East	1.41%	0.26%	0.00%	0.16%	17.20%	19.02%
North America	0.05%	0.00%	0.00%	0.00%	0.31%	0.36%
Grand Total	**17.67%**	**7.40%**	**0.73%**	**4.48%**	**69.72%**	**1,919**

The total number of employees eligible to retire in the next 10 years by category and region is 1,919

Age Groups: Under 30 Years Old, 30-50 Years Old, Over 50 Years Old

Number of Employees



EMPLOYEE BENEFITS

As a world-class workplace, DEWA rewards its employees fairly and generously based on their performance, offering comprehensive benefits to meet their personal and professional needs. These benefits include:

1. Allowances (such as house rent deduction, duty car, nature of work allowance, mobile phone allowance, shift allowance, special shift allowance, etc.)
2. Retirement Provision (Gratuity and Pension schemes)
3. Leave (earned, special, accident, condolence, sick, maternity, paternity, study or exams, Hajj, Idda, and confinement leave, etc.)
4. Accommodation (leased accommodation benefits, subsidised rent in DEWA accommodation buildings, and bachelor staff accommodation facilities)
5. Air Passage Entitlement
6. Children Education Allowance
7. Medical Insurance/Healthcare
8. Bonus
9. Joining & repatriating tickets
10. Disability & invalidity Coverage
11. Residence visa costs for employees & family
12. Salary advance for new joiners
13. Voluntary life insurance scheme (optional for employees)
14. Golden visa for deserving and entitled employees

EMPLOYEE PARENTAL LEAVE AND RESUMED DUTY, 2023

Parental Leave

Employee Parental Leave & Resumed Duty

Leave Type	Entitled to Parental Leave	Took Parental Leave	Returned to work	Returned to work Rate	Retained Employees	Retention Rate**
Maternity Leave	1195	199	198	99.50%	145	96%
Paternity Leave	7139	371	371	100%	332	94.32%
Total	**8334**	**570**	**569**		**477**	

*Male employees returning to work immediately from 1 January 2023 to 31 December 2023 – 100%

**Female employees returning to work immediately from 1 September 2022– to 31 August 2023 – 99.50 %

***Out of 151 female employees of 2022, 145 female employees are retained after 12 months (96 %).

****Out of 352 male employees of 2022, 332 employees are retained after 12 months (94.32 %)

***** 567 employees have used parental leave as of 2023.

DIVERSITY AND EQUAL OPPORTUNITIES

DEWA adheres to all UAE government laws and regulations and is dedicated to offering equal opportunities to all employees and employment applicants. Its equal opportunities policy prohibits discrimination based on race, colour, religion, sex, national origin, age, disability, or gender. DEWA's policies guarantee fair treatment for all employees and employment candidates without discrimination. Additionally, DEWA provides training and development programmes to foster diversity and inclusion in the workforce and offers accommodation for employees with disabilities. Furthermore, DEWA has several initiatives and programmes aimed at supporting the development and advancement of women in the workplace.

These initiatives include:

- For Her – Empowerment Programme
- Celebrating International Women's Day through various initiatives
- Celebrating Emirati Women's Day through various initiatives
- Celebrating International Women in Engineering Day through various initiatives
- Edha'aa bulletins
- Soft skills and social focused workshops
- Wellness and health programmes
- "Together... We Learn" Campaign

Overall, DEWA is committed to fostering an inclusive and diverse workplace where all employees are treated with respect and have equal opportunities to succeed. Furthermore, through its Policy for Valuing and Managing HR Diversity, DEWA values and manages its HR diversity by planning, organising, administering, and supporting varied characteristics and plurality among its employees. It recognises them as individuals and teams, in a manner that positively impacts organisational performance and contributes to employee happiness.

Scan the QR Code to view DEWA's Diversity HR Managing and Valuing for Policy:

HUMAN RIGHTS ASSESSMENT

DEWA (PJSC) organised 40 sessions across its divisions involving various employee groups. These sessions focused on discussing human rights and other employee-related matters, including but not limited to HR Policies, Provisions, Rules of Conduct, Work Ethics in DEWA, HR Rules and Regulations, and HR Services. A total of 2,090 employees from all divisions participated in these sessions until December 2023, collectively known as the HR Awareness Sessions.

To ensure the upholding of human rights by contractors and suppliers engaged by DEWA, a requirement of complying with social responsibilities as per requirements of local laws and as outlined in International Standard SA 8000 has been made mandatory in DEWA vendor registration and tender conditions respectively. This entails compliance with a good working environment, non-employment of child labour, the Universal Declaration of Human Rights, and ILO agreements.

All tender documents include a special clause on compliance with the SA 8000 standard, and tenderers must include a self-assessment form on SA 8000 compliance in their offers. 100% of DEWA's bulk purchase and project procurement activities are subject to human rights reviews based on tenderers' self-assessment forms and conformity with the SA 8000 norm.

All new employees of contracted organisations, as well as those who are already working, receive orientation training and departmental instruction circulars on the terms and conditions of contracts, which include the SA 8000 standards.

The Human Rights clause was incorporated into all 1264 bulk purchases and project contracts for the year 2023, totalling more than AED 7,714.09 million. Additionally, all 11,140 orders placed by the Local Procurement Department, valued at AED 396.58 million in 2023, were with vendors who declared compliance with human rights.

DEWA values and manages its HR diversity through planning, organising, administering, and supporting varied characteristics and plurality among its employees. It recognises them as individuals and teams, which positively affects organisational performance and contributes to employee happiness. In addition, the following is a list of other DEWA policies related to Human Rights:

1. **DEWA Policy for the Happiness, Accommodation, and Empowerment of People of Determination (POD):** This policy outlines Dubai Electricity and Water Authority's philosophy regarding the happiness, accommodation, and empowerment of People of Determination. It demonstrates DEWA's commitment to providing them with stable employment, an accessible environment, and equal opportunities for learning and personal development.

2. **Employee Accommodation Procedure:** This policy offers housing assistance to our employees, aiding them in finding suitable accommodation. Additionally, DEWA provides accommodation facilities in various locations owned by DEWA, including Warsan, Jebel Ali, and Ruwaiya, as well as subsidised rent facilities by Suqia UAE for its employees.

3. **DEWA Inclusive Education Policy:** This policy reflects Dubai Electricity & Water Authority's philosophy regarding inclusive education at its educational institutions. It highlights DEWA's commitment to meeting all students' social, personal, emotional, and academic needs without discrimination based on disability. The policy also outlines the provision of necessary support at all levels to achieve inclusive education objectives in line with the Emirate of Dubai's Inclusive education policies.

TRAINING AND EDUCATION

DEWA offers a diverse range of training and development opportunities for its employees, encompassing on-the-job training to gain hands-on experience in specific roles and cross-functional training to broaden organisational understanding. A comprehensive array of courses is tailored to enhance skills and foster career progression, covering areas such as leadership, management, communication, and technical expertise. DEWA actively promotes mentoring relationships between seasoned and newer staff, providing guidance as employees evolve in their roles. Encouraging participation in international training programmes, the organisation facilitates exposure to different perspectives and insights from global experts. Additionally, a range of flexible e-learning modules allows employees to access training from any location and at their convenience.

Average Training Hours Per Employee

Grade/Year	2019	2020	2021	2022	2023
Leadership	90.39	85.62	83.78	88.99	83.34
Management	55.73	52.96	51.00	54.56	55.36
Non-Supervisory	42.68	42.83	46.30	55.86	49.62
UAE Nationals	65.58	57.94	57.48	67.47	64.40

Average Training Hours by Gender

Gender/Year	2019	2020	2021	2022	2023
Male	28.26	27.01	30.43	34.92	35
Female	65.62	65.88	62.40	75.41	64.22

DEWA employs various platforms, programmes, and initiatives to disseminate and localise knowledge while facilitating the transfer of expertise among its workforce. The organisation offers educational courses aimed at enhancing employee awareness of knowledge management, data types, information, knowledge, and intellectual property rights protection. Notably, in 2023, DEWA actively engaged in enrolling nominated employees in diverse international and national programmes, including a Masters in Future Energy Systems & Technology at UC Berkeley. In 2022, Batch 4 of this programme commenced in October with 30 participating employees. This batch graduated in November 2023 and are expected to complete the final project by end of 2024. Other initiatives include programmes such as the Capacity Building Programme and Robotic Process Automation Learning Programme. In essence, DEWA's strategic objective includes providing and facilitating employee enrolment in such programmes. This helps in the acquisition of essential skills and knowledge for employees relevant to their roles, thereby supporting their career advancement within the organisation.

DEWA is committed to involving its employees in long-term beneficial programmes. Various programmes were conducted in 2023 with different stakeholders, including:

LEADERS OF CHANGE PROGRAMME

In 2023, DEWA enrolled 100 of its employees in the Leaders of Change Programme, a collaboration with Emirates Nature-WWF, the World Nature Fund, recognised as one of the leading volunteering programmes. DEWA's employees had the opportunity to enhance their experiences through three pillars: training, ideation, and action. They actively participated in various training sessions, field visits, and interactive activities across different parts of the UAE, focusing on areas such as climate action, environmental preservation, carbon footprint reduction, and excellence in environmental work.

DEWA YOUTH AMBASSADOR PROGRAMME

In line with DEWA's efforts to support youth and promote their participation in the sustainable development process, as part of its activities during the Year of Sustainability, DEWA launched the DEWA Sustainability Youth Ambassadors Programme in cooperation with the University of Cambridge Institute for Sustainability Leadership. The programme, which included 20 Emirati youth employees, aimed to prepare the next generation of sustainability leaders at DEWA, empowering them to drive sustainability and the green economy in the future. The programme commenced in March 2023 and concluded in September 2023, encompassing a series of workshops, one-to-one coaching sessions, group projects, and more.

OCCUPATIONAL HEALTH & SAFETY (H&S)

Strategically driven, DEWA operates with an Integrated Management System (IMS) for Health and Safety (H&S) Management Systems, certified by the International Organization for Standardization (ISO) standards 9001, 14001, and 45001, aligned with Dubai's Strategy (DIES-2030) both vertically and horizontally.

DEWA has intricately developed its IMS policy, along with IMS Procedures and process maps, in line with Federal Law no. 8 of 1980, Ministerial Order no. 32 of 1982, and Dubai Municipality's Guidelines and Code of Construction Code, with a governance system for H&S. These are further horizontally aligned with dedicated safety procedures at the divisional, departmental, and sectional levels, as well as Contractor Management. This approach is bolstered by the Dubai Excellence program guidelines, the 10X Dubai Accelerators strategy, and best practices in H&S at the international level, including those endorsed by the British Safety Council.

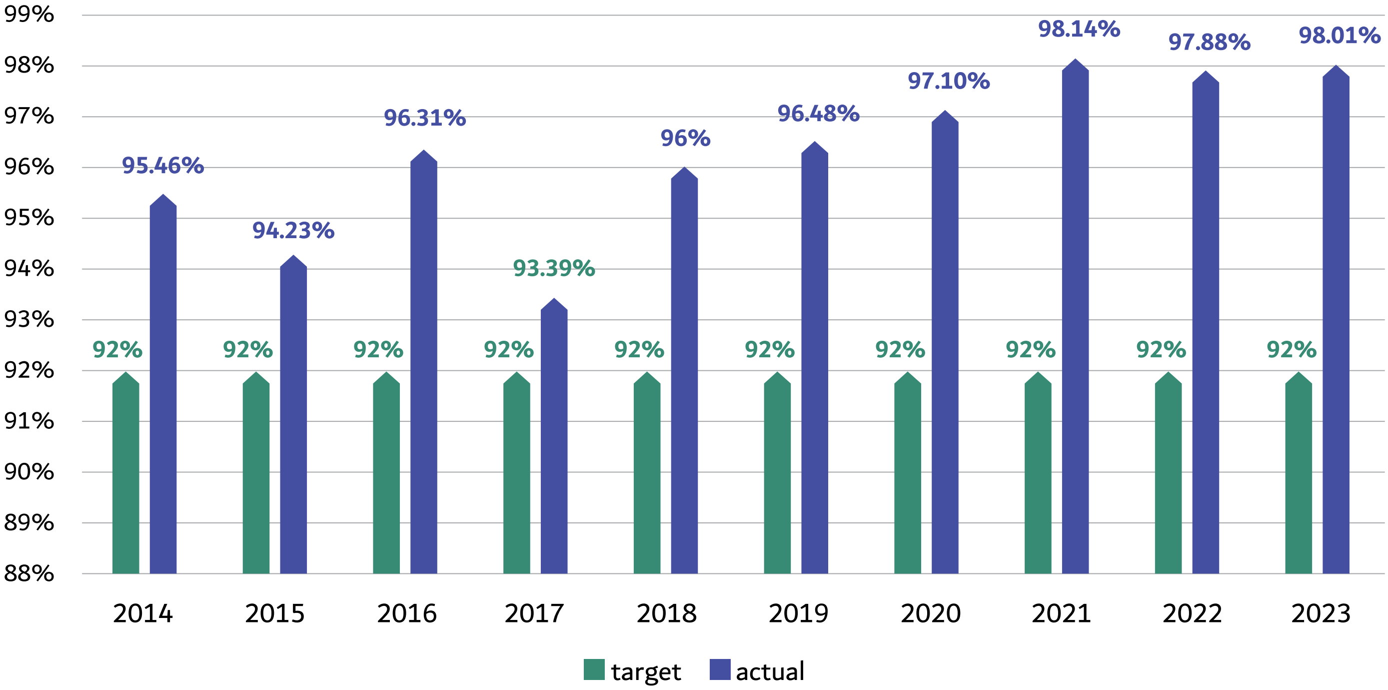
At DEWA, H&S work conditions are recognised as a human right and are addressed in authoritative intergovernmental instruments, including those of the International Labour Organization (ILO), the Organisation for Economic Co-operation and Development (OECD), and the World Health Organization (WHO). DEWA was the first organisation to achieve the COVID-19 Assurance Certificate in 2020-21.

PERFORMANCE MANAGEMENT

DEWA utilises the RADAR European Foundation for Quality Management (EFQM) Methodology for performance management, which is aligned with its dedicated 10-steps of continual improvement. Complementing DEWA's Health and Safety (H&S) framework are key frameworks such as Crisis Management, Agility Framework, Risk Management Framework, and Business Continuity Plan, each supported by dedicated strategies for strategy execution (STRATEX), capital expenditure (CAPEX), operational expenditure (OPEX), and H&S management objectives.

The Occupational Health and Safety (OH&S) Management System Manual classifies risks, crises, operations, functionalities, and controls for all employees, consultants, and contractors. DEWA has implemented a dedicated COVID-19 prevention framework, recognised with a Diamond Award for COVID-19 from the Harvard Business Council, and holds a British Safety Council Assurance Certificate to authenticate its control measures.

British Safety Council, 5 Star Audit Source %



The above is a testament of robust OH&S management system in DEWA.

HAZARD IDENTIFICATION & RISK ASSESSMENT

DEWA aligns with Dubai's 10X Accelerator Programme, focusing on key perspectives related to "Human Capital," where risk management and competency, with a 20% weighting, are directly linked to critical dependencies on people, processes, and systems throughout the operational hierarchy, termed as "Legal Risk" in IMSPO3- Health, Safety, and Environment (HSE) Risk Management & Identification procedure. This involves vertical alignment via the ERM-framework, Agility framework, and Process Map-08 (PM08) for Human Capital Development. PM08 is integrated into DEWA-Strategy perspectives, with 8.3.5 specifically dedicated to the competency framework linked horizontally with departments and sections, encompassing both Behavioural Competency and Technical Competency within Talent Management & HR. Corporate procedure (Safety Procedure (SP14))-Training, Awareness & Competency is aligned with process maps 12.6-Manager H&S and 12.6.1.-H&S Compliance.

Operational risks are assessed using defined KPIs/KRIs and managed and monitored through established action and mitigation plans according to the RACI Matrix, delineating roles and responsibilities both vertically and horizontally. DEWA's OH&S Manual emphasises key strategies, processes, and practices to address human error, process failure, inadequate processes, information technology, and quality risks, in line with competency and training risk indicators within DEWA's agility framework for business continuity.

DEWA adheres to a comprehensive IMSP03: Hazard Identification and HSE Risk Assessment procedure, aligned qualitatively and quantitatively with ERM, ISO-45001 & ISO-14001, and Health & Safety Guideline (HSG-65) from the UK's HSE. DEWA upholds an "open-door" policy, safeguarding workers against retaliation, in accordance with Dubai's HR Act and coordinated with Employee Happiness Programmes.

DEWA offers world-class training programmes affiliated with the British Safety Council, delivered in various languages and formats, aligning with the SP14: Training, Awareness & Competency procedure and connected to employee performance, competency, and appraisals.

DEWA's Balanced Scorecard is linked to each strategic perspective and assigned objective, cascading to develop SMARTER objectives and defining core competencies to prevent operational risks. Tools utilised include KPIs/KRIs, LTIs, ASR, RIDDOR, happiness surveys, SWOT & PESTEL analysis.

OCCUPATIONAL HEALTH SERVICES

The "Human-Capital" perspective within Dubai's 4th Generation Excellence Model, criterion 5, serves as a vital 10X Accelerator to DIES2020. It functions as an enabler to DEWA's strategy by aligning health, wellness, and well-being with strategic perspectives IP03: World-class HSE practices and SO2: Engaged & Happy Stakeholders. IMS-policy's Clause 1.6 vertically aligns inputs of stakeholder happiness, ill-health, and work environment. DEWA's "Happiness Policy" ensures employee health and well-being through procedures SP12-Occupational Health, Business Support, Employee Happiness, Stress & Counselling (SC02), and SP16 for Welfare Wellbeing and Hygiene (WWH). This establishes strategic long-term objectives (LTOs) and functional/operational short-term objectives (STOs) covering workplace, physical, and mental health with dedicated SP12: Occupational Health Procedure and EP04: Employee Counselling & Stress Management procedure.

LTOs and STOs have dedicated action plans in line with IMSP03 – Hazard Identification & Risk Management Procedure. These plans encompass areas such as injury prevention, health screening, nutritional analysis, stress counselling, self-care, prevention, employee assistance programs, training, and mental health counselling/consultations. Action plans are transformed into workflows during the Deployment phase (PDCA), involving stakeholders, procedures, and practical measures with determined KPIs/KRIs.

Examples of health promotion, health checks, ill-health control, and monitoring include consultations/counselling, stress surveys and screenings, nutritional screenings, risk assessments, site inspections, one-on-one employee feedback, linking behavioural safety to performance, and stress assessments. Stress assessments are crucial to mental health management and are carried out periodically through surveys, one-to-one sessions, and pre-counselling sessions. The ESTISHARATI program links behavioural and cognitive aspects to stress counselling, achieving a 79% success rate in 2022-2023.

Awareness campaigns on cardiovascular conditions, diabetes, stress management, lone working, wellbeing, and healthy nutrition are conducted through in-house communication channels, workshops, and e-shots. DEWA's Health & Safety Week serves as a platform to raise awareness of OH&S issues, attracting significant participation in both internal and public weeks. An annual Awareness Day for contractors, consultants, and suppliers reinforces DEWA's mission, vision, and integrated administrative systems. In 2023, the physical event witnessed active engagement from 125 participants, promoting learning and collaboration.

H&S COMMUNICATIONS & REPRESENTATION

In the strategic alignment phases, aligning with DEWA's SO2: Engaged and Happy Stakeholders perspective, the H&S Business Impact Analysis (BIA) bridges gaps between crisis management (CM) and the agility framework, covering business processes, assets, human capital, and stakeholders. This ensures recovery plans during and post-events in accordance with ISO-22301:2019, Security & Resilience Business Continuity Management. DEWA's "Resilience Continuum," developed in line with ISO-31001:2019, links enterprise risk management to BCM and CM, enhancing H&S agility by breaking down silos and boundaries. This results in the formulation of DEWA's top-down Business Continuity Plan (BCP), further aligned with IMS and Responsibility Accountability Consent and Inform Matrix (RACI) matrix through a two-way communication approach, as defined in the corporate communication policy and the IMSP06: Participation, Consultation & Communication procedure (Horizontal-alignment).

During the BIA phase, DEWA's stakeholder matrix is derived from the "influence & impact" in the BIA, identifying and prioritising relevant stakeholder groups, communicated proactively and interactively in line with the corporate communication manual and ISO14063:2006. The key objectives during business continuity processes involve various stakeholders, such as Government, Employees, Society, Partners, Customers, Suppliers, and Capital Investors.

Using the RADAR methodology, gaps related to availability, reliability, and recoverability are determined in the BIA phase through questionnaires, PESTEL & SWOT analysis, performance reports, and feedback. Solutions are determined at the enterprise and service levels, communicated through various channels like employee involvement, inspections, meetings, SLAs, SMARTER objectives, surveillance, Toolbox Talks (TBTs), surveys, risk assessments, forums, workshops/ campaigns, trainings, mock drills, brainstorming sessions, and annual strategy workshops. HSE coordinators are involved annually in the review phase of strategy, procedures, budgeting, and process mapping.

The BIA is reviewed by the executive council in Dubai, involving the Strategy & Government Communication division, with feedback collected from RTA, Dubai Ambulance, DM, DHA, and Civil Defense, aligning with directives from the National Emergency and Crisis Management Authority 7000:2015. Customer feedback is gathered through satisfaction surveys, corporate social responsibility (CSR) campaigns, whistleblowers, and regular analysis of customer complaint systems.

For partners, suppliers, and contractors, alignment with HSE objectives and BCP is ensured through various activities such as workshops on crisis and emergency preparedness, site practices, IMS review meetings, and interactive sessions for operational and functional viability. Corporate and divisional level committees, along with communication channels like Afkari – Suggestion Scheme, Employee Happiness Survey, DEWA's Smart Office mobile app, SAP, and Freejna portal, contribute to effective planning and development during the Plan Do Check & Act (PDCA) phase.

H&S TRAINING

TRAINING NEEDS ANALYSIS

Each employee undergoes a personalised Training Needs Analysis, connected to their specific competency requirements and aligned with employee appraisals, as per the performance gap analysis. The Learning and Development Department offers a detailed training programme focusing on the needs identified by employees.

TRAINING DESIGN & DELIVERY

DEWA has its own specialised H&S Training section actively participating in training as per procedure SP14. They conduct both formal sessions and in-house programmes, coordinating with the Learning and Development department. Since 2020, DEWA has transformed its internal training by combining traditional in-person sessions with technology-based learning, incorporating AR-VR (Augmented Reality – Virtual Reality) technology into training programmes. The H&S training sessions are customised to cover different aspects like scope, operations, functions, and prevention, designed with a multilingual approach, including languages like Arabic, English, Urdu, and Hindi to reach a wider audience.

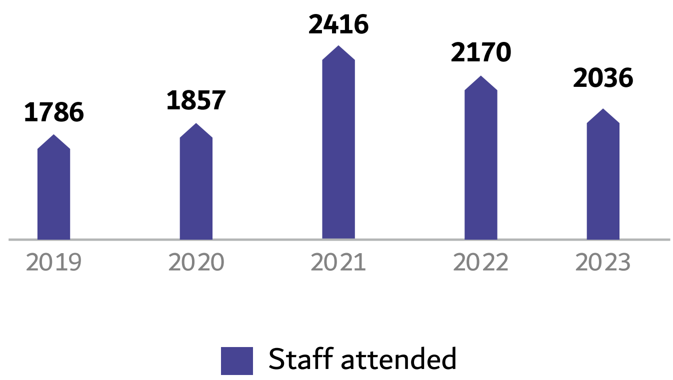
TRAINING COST

Every employee receives job-specific training to enhance their skills and development, provided at no cost and tailored to their roles and work requirements.

TRAINING EVALUATION

The talent management department evaluates training using feedback, performance improvements, skill acquisition, and knowledge retention as key assessment measures. Each division has its specific training attrition rate, which is monitored to maintain and achieve the Target Achievement Level for the number of training hours per employee. In 2023, approximately 2,036 employees participated in 117 training sessions, attended 27 awareness workshops, engaged in 202 one-on-one consulting sessions, and received 23 infographic E-shots released through internal communication channels.

Number of DEWA Staff Attended H&S Training Conducted by H&S Department from 2019 - 2023

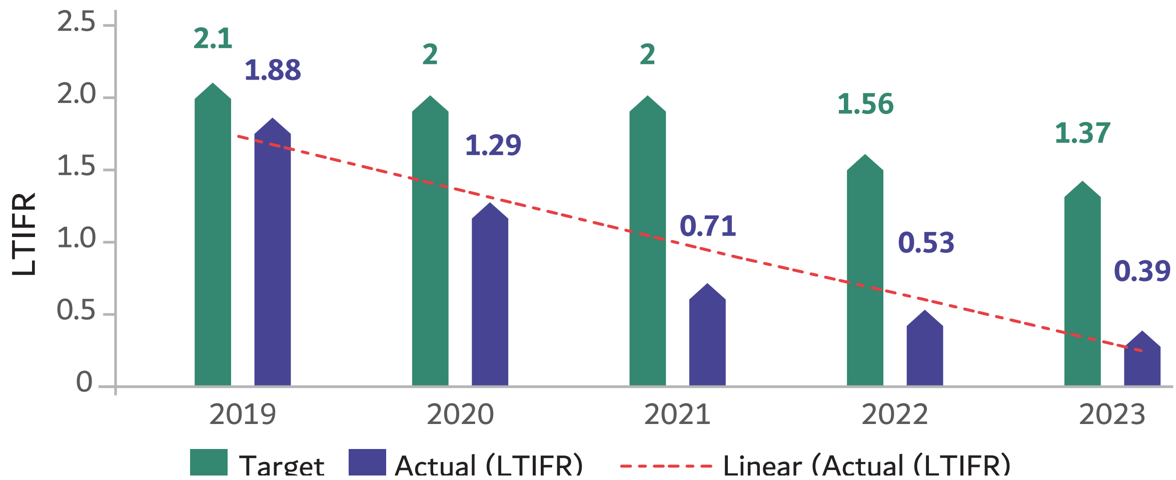


DEWA'S RESPONSIBILITIES – WORK RELATED HAZARDS

Actions have been initiated to address and mitigate work-related hazards, following the hierarchy of controls. DEWA incorporates its 10-step continual improvement process within key frameworks such as Corporate Leadership & Management, Energy, OH&S and Environment, and Enterprise Risk. This is complemented by the IMSP06 procedure for communication, participation, and consultation, establishing clear HSE procedures, process maps, and KPIs for ongoing improvement toward long-term goals. Notable steps include refining the RACI matrix in August 2023, integrating a safety-culture maturity index, and aligning with a Risk Management maturity chart to enhance safety monitoring, attitudes, perceptions, competences, commitment, and behavioural patterns. Additionally, specific procedures, like SP02-Electrical Safe Work and SP09-Fire Prevention, have been reviewed and updated to incorporate best practices, addressing portable equipment and fire prevention measures. In September 2023, the HSE Training Section identified OH&S behavioural categories in SP14, linking mandatory and discretionary behaviours to a competency framework, contributing to continual improvement and the identification of Training Needs Analysis.

DEWA Health & Safety Performance & Achievement

Loss Time Injury Frequency Rate (LTIFR) 2019 - 2023



Performance Indicators	Score as of 2023
Fatality	Zero Since 2000
The number and rate of high-consequence work-related injuries (excluding fatalities)	Zero
Injuries or incidents related to chemical exposure or hazard	Zero
Lost Time Injury Frequency Rate (LTIFR)	0.39
Total Recordable Injuries Rate (TRIR)	0.08
Fatalities related to work related Ill-health	Zero
Number of cases of recordable work-related ill health	Zero

LOCAL CIMMUNITIES: INITIATIVES FROM DEWA TO THE COMMUNITY

Through various initiatives, DEWA engages with the community on a yearly basis. In 2023, DEWA initiated 28 social and humanitarian initiatives, which included a total of 26,413 volunteering hours. The outcome of these initiatives was reflected in 14,901,641 beneficiaries.

SCHOOL BAG

DEWA organised a supportive initiative (School Bag) for students from low-income families, orphans and people of determination, by preparing new school bags complete with stationery content. A total of 1,750 school bags have been donated by DEWA employees and 175 bags were contributed from Mai Dubai and Digital DEWA staff with a total of 48 volunteers from DEWA participating in preparing the school bags.

MEER ALKHAIR

As part of DEWA's corporate social responsibility, DEWA launched the 'Meer Al Khair' internal community initiative, to provide in-kind goods support and food items for needy families with limited income, during the Holy Month of Ramadan. A total of 180 volunteers from DEWA employees' contributions resulted in the collection of 380 boxes of in-kind goods support and food items.

STUDENTS' VOLUNTEERS COMMUNITY TRAINING

DEWA organises a programme that enables school & university students to complete the required volunteering & community hours that are requested from their schools & universities in order to graduate. Between 2020 and 2023, there were 13 students who volunteered in DEWA with a total of 1,072 volunteering hours.

RAMADAN AMAN CAMPAIGN 2023

During the Holy Month of Ramadan, DEWA participated in the 'Ramadan Aman' campaign, launched under the theme 'Together during Ramadan without accidents', in collaboration with Al Ihsan Charity Association and the traffic and police departments. The campaign aimed to distribute 200,000 Iftar meals to drivers at the roads and intersections during Maghrib. 180 volunteers from DEWA employees with a total of 360 volunteering hours.

PROVISION OF INFORMATION

EMPOWERING PEOPLE OF DETERMINATION

DEWA has been proactive in creating an inclusive society that ensures empowerment and a decent life for people of determination (POD) and their families. It aligns its POD strategy with local and federal strategies to include and empower POD. DEWA continues to launch many community initiatives and smart solutions that enhance their inclusion into work and society and ensure that they have equal access to opportunities and experiences. This enables them to unleash their energies and prove their capabilities, helping them become active partners in building the prosperity of the nation. This is in line with the National Policy for Empowering People of Determination, launched by HH Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, to create an inclusive society that ensures empowerment and a decent life for POD and their families. It also supports the 'My Community... a City for Everyone' initiative, launched by HH Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of the Executive Council of Dubai, to transform Dubai into an accessible city for POD. DEWA implemented and sponsored several CSR programmes & initiatives to include and empower POD. Between 2015 and 2023, there were 95 programmes and initiatives for POD. These initiatives have reached 3,526,572 people. In 2023, and for the fourth consecutive year, DEWA completed all strategic indicators in the field of including and empowering POD, most notably the happiness of employees of determination, and the happiness of their families about the safe and inclusive work environment at DEWA, as well as the equal job opportunities. The happiness of employees of determination reached 100% in 2023, while the happiness of their families reached 97.21%. The percentage of community happiness about DEWA's support for POD reached 94.27%, while the happiness rate of customers of determination about DEWA's services reached 97.48%.

ACCESSIBLE SERVICES FOR PEOPLE OF DETERMINATION SUPPORT

DEWA supports the design of the urban environment, the people of Dubai, and the empowerment of people of determination (POD) to become more productive and effective. This is achieved by providing its employees and customers of determination with easy access to its services, buildings, and facilities, including its Customer Happiness Centres. In 2023, DEWA continued its efforts in converting all its newly constructed buildings and facilities to be 100% compliant with the Dubai Universal Design Code. Additionally, DEWA received the Golden Certificate (Universally Accessible), which is the highest certification granted by Dubai Municipality for public buildings based on accessibility compliance and the availability of innovative assistive technologies for all its administrative buildings and customer happiness centres. Furthermore, DEWA has provided innovative assistive technologies at its facilities, including automated reading and translating pens, automated glasses that can read and identify different personnel, and dedicated workstations for automated reading, text magnification, and contrast adjustment.

Furthermore, DEWA has been recertified to conform with the international ISO standard 21542:2021 Building Construction – Accessibility and Usability of the Built Environment, further highlighting DEWA's continuous efforts to attain the highest standards in the wellbeing of the built environment users. In 2023, the POD H&S Standards, the inclusive COVID-19 Management System, and the DEWA H&S Management System were externally assured by the 45001:2018 audit conducted by Bureau Veritas as well as the British Safety Council 5 Star H&S Audit, in which DEWA achieved an excellent result of 98.01% and maintained its 5 Star Rating for 2023. DEWA won the British Safety Council Sword of Honour Award for its inclusive H&S Management System for the 16th time in 2023, which is considered the most prestigious award worldwide in the field of health and safety.

DEWA has successfully conducted three follow-up refresher POD H&S inclusive awareness sessions, and all Employees of Determination (EODs) have signed an EOD Individual Risk Assessment. Between 2020 and 2023, we trained 732 employees on POD evacuation processes, with 406 receiving training on POD evacuation chairs within 26 evacuation processes. DEWA is committed to providing a seamless experience and inclusive digital services that meet the needs of POD, ensuring easy access to information and services through its website and smart app in accordance with Digital Dubai standards. DEWA has dedicated a page on its website to include and empower POD.

DEWA's website compliance scored 100%, while the smart application scored 10/10 in the POD Accessibility Evaluation Report by Digital Dubai 2022. Website accessibility measures include colour changes to accommodate colour-blind customers, the ability to increase font size for those with visual impairment, text-to-speech functionality, image descriptions enabling customers to click on images for details, and a shortcut feature facilitating navigation between pages. DEWA's smart app supports various platforms and incorporates the latest handset and smartphone technologies. DEWA achieved a Customer Happiness Rate of 97.48% for POD in 2023.

DEWA's buildings are equipped to handle emergencies with audio and visual alarms, alarms in toilets, and evacuation wheelchairs on all floors. All DEWA Customer Happiness Centres (Self Service) offer a range of services and facilities for Persons of Determination (POD), including special parking with a dedicated help line for assistance, customized entrances, wheelchair service, tactile audio maps with voice notifications, and directional tactile paving for those with visual impairments. Staff at these centres are trained to interact with POD, including proficiency in sign language, and DEWA's booklets are available in Braille. Moreover, dedicated virtual screens for video chatting remotely are provided, featuring hearing loops to enhance sound quality and filter background noise, thus aiding individuals with hearing disabilities. DEWA videos are also accessible in sign language, and Customer Happiness staff are available to guide and educate POD on using digital services. These facilities demonstrate DEWA's commitment to facilitating streamlined services and access for POD.

DEWA has recently introduced a "digital sign language interpreter" powered by AI to improve information accessibility, translating webpage content into sign language for Persons of Determination (POD) with hearing disabilities. This feature is accessible on the DEWA website 24/7. Additionally, DEWA offers "Ash'ir," a live video chat service using sign language that enables customers with hearing impairments to communicate directly with the Customer Care Centre via DEWA's Smart Application round the clock. Another service, "Hayak," provides online text chat with an option for video chat, allowing customers to communicate with Customer Care Centre agents 24/7.

DEWA also utilises "Rammas," a virtual employee powered by AI, to answer customer enquiries in Arabic and English on the DEWA website and Smart Application. DEWA is the first UAE government organisation to have a verified WhatsApp business account supported by AI, allowing customers to communicate with DEWA 24/7 for all customer service enquiries. DEWA also employs Amazon's Alexa Service, Google Assistant, and Robots.

Moreover, DEWA has developed a "POD dashboard" web-based GIS application displaying a density map of the real-time location of POD customers and notifications related to POD across Dubai, prioritising and expediting service delivery. DEWA has launched several awareness campaigns and tutorial videos in sign language to educate customers on applying for various digital services through the DEWA website, including activation and deactivation of electricity/water and bill payment.

Furthermore, DEWA conducted over 18 awareness sessions in 2023 to increase POD customers' knowledge and encourage them to adopt digital services. Engaging with stakeholders such as Customers of Determination and Employees of Determination, DEWA collected insights on various aspects, including the look and feel of Customer Happiness Centres, accessibility features, and measuring the ease of customer experience and journey at the centres. This was achieved through focus groups with individuals with different disabilities to capture customer needs and engaging customers prior to initiative implementation and marketing efforts.

Additionally, DEWA offers various discounts on service fees to Persons of Determination (POD) who hold Sanad Cards (for UAE Nationals). These discounts include reduced fees for the activation and deactivation of electricity and water services, as well as meter inspections (in cases where the meter is functioning correctly). Moreover, DEWA Store, an innovative initiative, provides exclusive offers and discounts from leading companies for all customers, with additional special privileges and discounts specifically tailored for Persons of Determination.

EMPLOYEES OF DETERMINATION

DEWA has made significant strides in supporting and empowering its employees of determination (EOD) both in the workplace and within society. This commitment is evident through the implementation of various initiatives, programmes, and services designed to ensure an inclusive employment journey for EOD employees.

DEWA has continuously enhanced its inclusive environment by providing assistive technologies, reasonable accommodations, and special equipment to accommodate employees with different disabilities. The establishment of the Absher Office, comprising a qualified team from the Human Resources department, further supports EOD employees throughout their employment journey, from recruitment to retirement. The Absher Office adopts best practices, locally and internationally, to provide administrative support and ensure the inclusion and empowerment of EOD employees in the workplace. In 2023, the Absher Office organised 12 virtual activities, events, and workshops, including museum visits, library visits, and participation in community expos, to engage EOD employees. Additionally, the office responds to their enquiries and provides reasonable accommodations such as suitable office furniture and technology.

DEWA also fosters a sense of community and engagement among EOD employees through various activities, initiatives, and community events aligned with DEWA's policies for inclusion and empowerment. In 2023, a special happiness gathering was arranged, attended by 52 EOD employees and their friends, along with representatives from the Absher team and HR department. Moreover, a special interaction session with His Excellency MD&CEO was organised, featuring engaging activities and a photo session, further enhancing EOD employee engagement.

DEWA places great emphasis on training its employees on how to interact with people of determination, with the number of trained employees increasing from 4,458 in 2019 to 10,192 by 2023. Training courses conducted in 2023 included skills on how to deal with people of determination, coaching skills for managers, and inclusion and accommodation awareness. Additionally, all EOD employees completed their annual training plan for 2023.

Furthermore, DEWA has significantly increased the number of employees with determination from 19 in 2017 to 57 in 2023, showcasing its commitment to diversity and inclusion. At DEWA Academy, several initiatives were implemented to support students of determination and those with special educational needs. These initiatives include obtaining the Golden Certificate for universal accessibility, preparing comprehensive educational reports and learning support plans, extending psychological and behavioral measurement methods, and providing training for academy employees on various techniques for dealing with POD. Additionally, efforts were made to build bridges of cooperation with parents through open meetings, awareness workshops, and internal communication channels.

Overall, DEWA's efforts have resulted in a successful academic year in 2023, with students participating in volunteering activities to support people of determination, such as the wheelchair project.

FROM DEWA TO THE COMMUNITY 2023: INCLUDING AND EMPOWERING PEOPLE OF DETERMINATION

DEWA's Society Happiness Department conducted an awareness session on Disability Etiquette for students at DEWA Academy and summer students. The session was attended by 109 students and covered topics on how to interact respectfully with different categories of people of determination (POD).

Additionally, DEWA organised a sports treatment hall at the Senses Residential and Day Care for Special Needs in Dubai, aiming to provide comprehensive treatment for children of determination in the areas of motor, functional, and mental rehabilitation. This initiative is part of DEWA's commitment to promoting Dubai's inclusive model for including and empowering POD in society.

As part of this effort, DEWA provided necessary equipment and devices to ensure the implementation of an inclusive treatment programme tailored to the needs and requirements of POD with various disabilities. A total of 31 volunteers from DEWA participated in preparing the hall to benefit more than 100 people of determination.

DEWA ACADEMY

The Dubai Electricity and Water Authority launched DEWA Academy as part of its strategy to advance Dubai's energy sector and foster growth and progress. The aim is to invest in young minds and prepare a generation of young Emiratis who understand the importance of professional work and are aligned with the nation's interests in research and adherence to the highest international standards in scientific programmes.

Established in 2013 in collaboration with the Business and Technology Education Council (BTEC) – UK, the DEWA Academy offers a technical/vocational skills programme aimed at preparing a new generation of professional Emiratis. This programme contributes to the UAE's efforts to localise technical jobs in the energy and water sectors. Upon completion of their studies, students at the Academy are employed within various departments of DEWA based on their specialisations and DEWA's needs.

Since its inception, the Academy has welcomed hundreds of students who have graduated and are now employed across various divisions within DEWA, including Generations, Distribution Power, Transmission Power, and Water & Civil. For further information, please visit DEWA Academy's official website at

CUSTOMER HEALTH & SAFETY

DEWA demonstrates a commitment to prioritize customer health and safety through the proactive development of comprehensive plans aimed at delivering services in accordance with the highest standards of availability, reliability, and efficiency. In light of the upcoming rainy season, DEWA emphasizes the importance for customers to take necessary precautions to mitigate internal interruptions and uphold the safety and continuity of electricity supply. DEWA strongly encourages customers to access its official website and social media platforms for comprehensive tips and guidelines aimed at ensuring the safe utilization of its services. Furthermore, DEWA urges customers to adhere to precautionary measures, including the closure of all electrical cabinets, replacement of damaged meter windows, sealing of spare conduits on rooftops, and verification of proper earthing connections, all of which are essential to guarantee the uninterrupted provision of safe and stable electricity supplies.

DISASTER & EMERGENCY PLANNING & RESPONSE

CORPORATE RISK & RESILIENCE

DEWA places a high priority on corporate risk management and resilience as essential elements of its strategic direction. The organisation takes a proactive approach to anticipating and adapting to potential risks and threats while effectively responding to and recovering from incidents to safeguard Dubai's critical infrastructure. This approach ensures that risks and threats are mitigated, and electricity and water demands are maintained in line with the highest international standards of reliability, availability, efficiency, and quality.

To embed and sustain resilience across the organisation, DEWA has implemented the Corporate Risk & Resilience Policy & Framework in alignment with both local (AE/SCNS/NCEMA 7000:2015) and international (ISO 22301:2019, ISO 31000:2018, BS 11200:2014, PAS 60518:2020) standards and best practices.

Corporate Risk & Resilience is not just a function but a strategic imperative for DEWA, and the implementation of the Corporate Risk & Resilience Policy and Framework reflects DEWA's commitment to embedding resilience throughout the organisation, aligning with Corporate Objective IP05: Leading Integrated, Resilient, and Agile Frameworks. This underscores the strategic importance placed on corporate risk and resilience management.

Since the introduction of the PAS 60518:2020 - Enterprise Risk & Resilience Management in Utilities Guide in 2020, DEWA and many of its peers have embraced the requirements of this standard to enhance risk and resilience management practices within the industry. Building on this success and industry advancement, DEWA has initiated efforts to develop a broader ISO energy resilience and critical infrastructure standard to further elevate risk and resilience best practices on an international scale.

CORPORATE RISK MANAGEMENT (CRM)

Corporate Risk & Resilience is fundamental to DEWA's strategic direction and is supported by the Corporate Risk Management (CRM) framework. The purpose of CRM is to aid DEWA's organisational context by facilitating enhanced decision-making and planning through comprehensive awareness of all types of risks and threats. DEWA considers CRM as an integral aspect of its operations and is dedicated to fostering an organisational culture that integrates risk management into all activities, including decision-making and strategic planning.

CRM establishes a common framework and policy for all staff, divisions, and departments within DEWA to identify, assess, evaluate, treat, monitor, and communicate risks and threats, while considering applicable regulatory requirements and broader organisational objectives and priorities. DEWA applies its CRM Framework in alignment with ISO 31000:2018 - Risk Management Guidelines to ensure consistent management of risks and threats across the organisation. Regular monitoring, review, and reporting of risks are crucial components of DEWA's CRM Framework to identify new risks and changes to existing risks, enabling the implementation of mitigation plans to address such risks.

Risks are identified using both a top-down (corporate) and bottom-up (divisional) approach to ensure that the full spectrum of risks to DEWA is identified and, where necessary, mitigated to an acceptable level as outlined in the CRM Framework. This process is overseen by the Group Risk & Resilience Committee, which continues to identify and mitigate new and emerging risks to safeguard the strategic priorities of the organisation.

To further enhance the efficiency and productivity of risk management, DEWA has and will continue to explore cognitive technologies such as AI and machine learning. This initiative aims to maintain its competitive advantage and utilise risk management to drive organisational performance.

CRISIS AND BUSINESS CONTINUITY MANAGEMENT

DEWA applies its Crisis and Business Continuity Management in alignment with ISO 22301, NCEMA 7000, and BS11200. To further enhance the resilience level across the organisation, DEWA has developed division-wide BCPs, which are reviewed, tested, and updated annually or more frequently if necessary. During the testing phase, areas for improvement are identified and prioritised with support from the Corporate Risk & Resilience Department.

DEWA has developed joint response plans for external risks and scenarios with its strategic partners to ensure collaborative response and critical communication interchange during emergencies. Information sharing between local and national authorities is two-way and regular, ensuring that DEWA's preparedness for emergencies meets the required local and national requirements and standards.

DEWA conducts division-wide mock drill exercises based on risk-based crisis situations, including cyber-attacks, fires, accidents due to human error, and equipment malfunctions, to ensure preparedness and adaptive capacity for handling such emergent and crisis situations. Following each mock drill, a comprehensive review is undertaken to outline the crisis, assess the response of various teams, highlight observations, evaluate effectiveness in handling the emergency, and identify areas for improvement where necessary.

In support of Dubai, the wider UAE resilience ecosystem, and critical infrastructure, DEWA collaborates, coordinates, and communicates with multiple Dubai local government and semi-government entities, as well as federal UAE entities, to share best practices and enhance the resilience of national critical infrastructure. This ensures continuous coordination and communication through participation, exercises, exchange of information, intelligence, and response.

Crisis and Business Continuity Management in DEWA is governed by the Crisis Management Committee.

CRISIS MEDIA RESPONSE & COMMUNICATIONS

DEWA has a media response and crisis communications plan in place with pre-defined holding statements to ensure swift and effective communication to employees and the public during emergency situations. DEWA's Crisis Command Centre acts as the hub for directing, supporting, and provisioning all necessary steps during a crisis, with direct communication links to Dubai-level crisis management teams and the Dubai Media Office.

CYBER SECURITY

Given its status as critical national infrastructure, DEWA places paramount emphasis on cybersecurity. To fortify its cybersecurity measures, DEWA has instituted a comprehensive framework consisting of four pillars. These pillars integrate unique technologies, processes, guidelines, and international and local standards, all managed by a dedicated team. The overarching goal is to establish a posture of cyber resilience by leveraging existing policies and frameworks.

The four pillars of DEWA's Cyber Resilience Framework are as follows:

1. **Manage & Protect:** Involves overseeing security defenses and safeguarding DEWA from cyber threats. This pillar identifies critical assets, assesses associated risks, and implements control measures, reviews, and audits. Various measures include information security policies, malware protection, identity and access control, staff training, encryption, physical security, and supply chain risk management.
2. **Identify & Detect:** Focuses on monitoring DEWA's information, information systems, and industrial control systems for anomalies through security monitoring and active detection.
3. **Respond & Recover:** Aims to manage cyber incidents promptly and effectively, limiting harm and restoring functionality post-incident. This involves incident response management, IT service continuity management, business continuity management, and information sharing.
4. **Govern & Assure:** Encompasses activities at the board and senior management levels to ensure oversight and validation of cyber resilience. This pillar includes a comprehensive risk management program, external validation/certification, board commitment, governance structure, and continual improvement processes.

DEWA's Cyber Resilience Framework integrates unique technologies, such as AI, Big Data, Zero Trust, Automation, Simulation, and Integration. It further incorporates distinct processes, guidelines, and adherence to international and local standards. The dedicated and collaborative team ensures the framework's effectiveness. Moreover, the framework adheres to multiple international and local security standards, including ISO 27001, ISO 27014 for Corporate Security Governance, ISO/IEC 38500 for Corporate Governance of Information Technology, and Dubai Information Security Regulation (ISR).

With this framework in place, DEWA's 24x7 Cyber Defense center has had 50M+ average threats prevented in 2023 and 0 security breaches in the past 9 years. With 50,000+ indicators of compromise processed by Cyber Defense center in 2023.

OUR CYBER SECURITY FRAMEWORK

Manage & Protect

Managing security defenses and protecting DEWA from Cyber threates

Identify & Detect

Monitoring DEWA's information systems and industrial control systems for anomalies

Govern & Assure

Overseeing and ensuring cybersecurity and cyber resilence in DEWA

Respond & Recover

Develop and implement the appropriate activities to take action regarding a detected cybersecurity event and restore impacted services

CORPORATE GOVERNANCE

DEWA'S GOOD GOVERNANCE

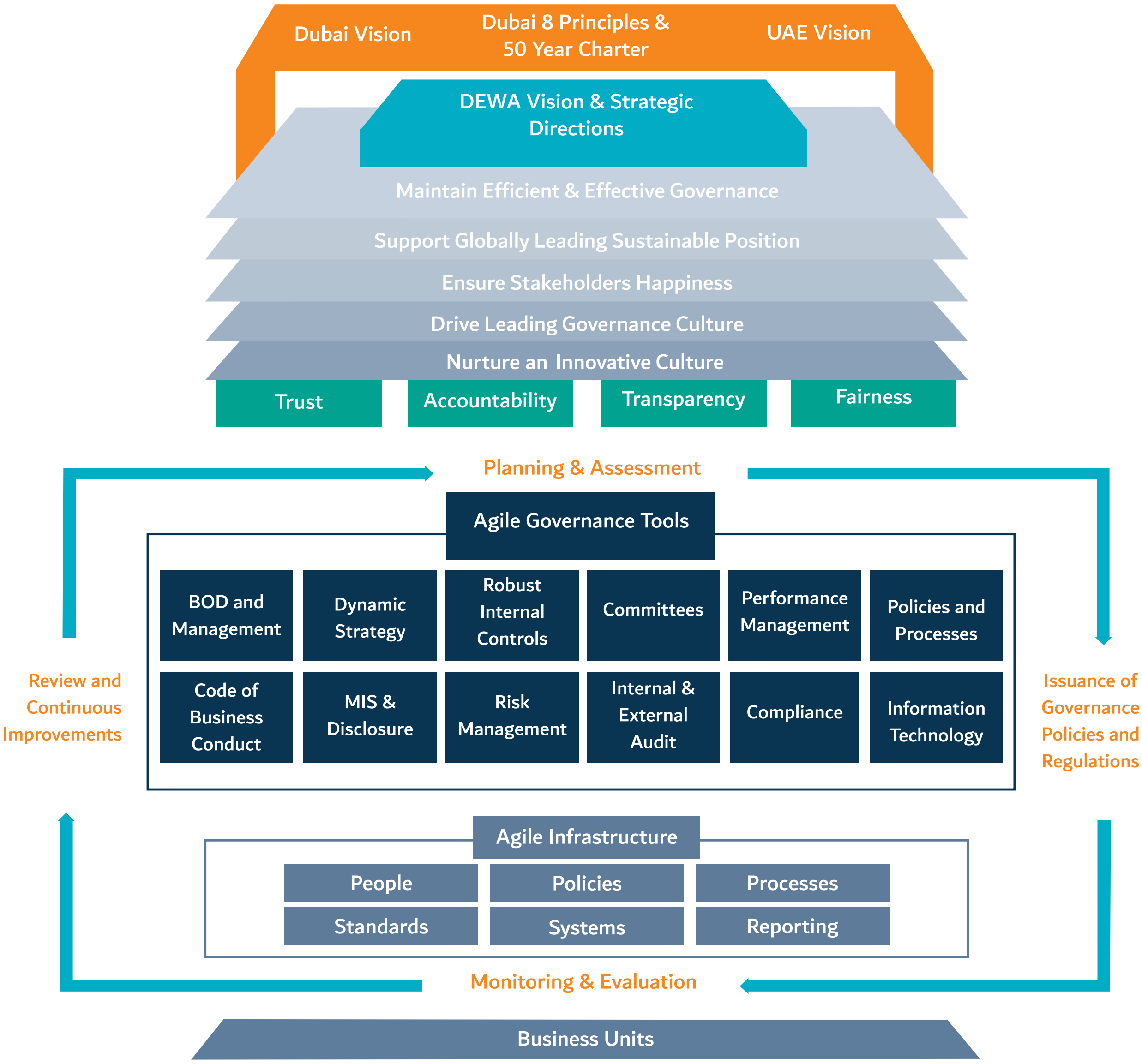
Governance is the way in which DEWA PJSC is directed and controlled in line with its establishment. The Company has implemented, both in letter and spirit, the best principles of Good Governance by choice and voluntary action for the adoption of best practices.

DEWA has adopted the four classic pillars of good governance, namely Trust, Transparency, Accountability, and Fair Practices. Building upon these four pillars, DEWA's governance drivers have evolved with changing technology and expectations over the last three decades.

DEWA's commitment to Good Governance is a foundation for steady growth, resulting in increased income and profitability, efficient budgeting processes, and increase in customers' happiness. These achievements are reflected in DEWA's outstanding global results. DEWA's good governance framework cascades from the strategic directions of the government of Dubai and the UAE, translated into the goals of its good governance practices, and underlined by DEWA's good governance principles

DEWA is committed to having a robust governance framework that complies with the local requirements set by the Securities and Commodity Authority (SCA) and the Dubai Financial Market (DFM).

The Company has become a benchmark for many local, regional, and global utility companies thanks to its outstanding performance and achievements over the years.



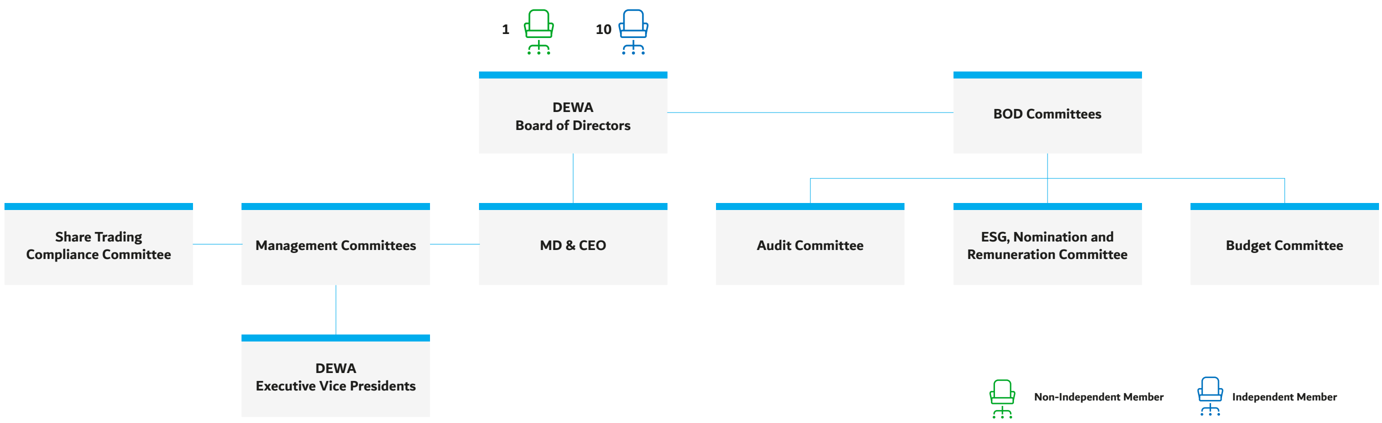
DEWA Good Governance Framework

DEWA BOARD OF DIRECTORS APPOINTMENT, STRUCTURE AND COMPOSITION

APPOINTMENT

DEWA's Board of Directors, pursuant to its jurisdiction stipulated under Law No. 27 of 2021 and DEWA's Articles of Association, defines the strategic business guidelines and directions for DEWA and supervises its implementation.

DEWA's Board of Directors comprises 11 members; with 90% of the Board are independent members.



DEWA Governance Structure

COMPOSITION

The composition of the Board reflects various complementary experiences, enabling its members to safeguard and promote the interests of the organisation and all stakeholders.

Female Representation on the Board:
Dr. Moza Suwaidan was appointed as a non-executive Board member in 2021. Currently, there is one female member on the Board, which is in compliance with SCA's Corporate Governance Rules.

Where Board vacancies arise, DEWA will actively seek out larger female representation while also considering all qualified candidates, regardless of gender and recognising that the appointment or election of directors is subject to shareholders' approval in the General Assembly in accordance with the provisions of DEWA's Articles of Association.

BOARD OF DIRECTORS PROFILES AND EXPERIENCES

H.E. Matar Humaid Al Tayer

Chairman of the Board of Directors – Non-Executive Board Member (since 2004)

H.E. Matar Al Tayer has served as the Chairman of the Board of Directors of the Group since 2004. He is also the vice chairman and a board member of the Al Tayer Group of Companies. Between 2003 and 2011, H.E. Al Tayer was the Chairman of Oman Insurance. Between 1992 and 1997, he was the Under Secretary at the UAE Ministry of Communication and between 1997 and 2004, he was the UAE Minister of Labour and Social Affairs. H.E. Matar Al Tayer holds a degree in business administration from the University of Denver, Colorado, USA.

H.E. Saeed Mohammed Al Tayer

Board Member and MD & CEO – Executive Board Member (since 2004)

H.E. Saeed Mohammed Al Tayer was appointed Managing Director and Chief Executive Officer of the Group in 2004 and a member of the Board of Directors. He has more than 35 years of experience in the fields of telecommunications, energy, water, infrastructure, oil, gas and industry.

H.E. Saeed Al Tayer was appointed as General Manager of the group in 1992. Mr. Al Tayer is the Vice-Chairman of the Dubai Supreme Council of Energy, a member of the Dubai Executive Council and Strategic Affairs Council, a member of the Dubai Supreme Fiscal Committee and Vice Chairman of the Board of Directors of EGA. He is the first UAE personality to be awarded Honorary Fellowship from the Energy Institute (EI), UK. Mr. Al Tayer holds a bachelor's degree in business administration from Columbus State University, Georgia, USA. He has been conferred with an honorary Doctorate by Amity University in Dubai.

H.E. Khalfan Ahmad Harib

Board Member – Non-Executive Board Member (since 2002)
Audit Committee member

Mr. Harib is the Chairman of the Central Grievance Committee for employees of Dubai Government departments since 2008 and a Board member of the Consultative Commission for the Supreme Council for the Arab States of the Gulf since 2010. He had also occupied positions such as Director of H.H. The Ruler's Court, Government of Dubai from 2005 to 2008, Deputy Chairman of the Sheikh Zayed Housing Programme from 2006 to 2012, Chairman of the Mohammed Bin Rashid Housing Establishment from 2004 to 2008, Deputy Chairman of the Judiciary Council of the Dubai Government from 2004 to 2008, Chairman of the Dubai Educational Establishment from 2004 to 2008, Board Member of the Executive Council, Government of Dubai from 2002 to 2008, Director General of Dubai Finance Department from 2001 to 2006, and Director of Financial Affairs at H.H. The Ruler's Court from 1996 to 2001. Mr. Harib holds a degree in Management Information Systems from the University of Arizona, USA.

H.E. Majid Hamad Rahma Al Shamsi

Board Member – Non-Executive Board Member (since 1992)

Mr. AlShamsi serves as the 1st Vice Chairman of Dubai Chamber of Commerce and Industry since 2007 and has been a director of the Group since 1991. He is the Chairman of Union Coop, Dubai, Chairman of Consumer Cooperative Union of UAE, Chairman of the Board of Trustees of the University of Dubai, and Chairman of Hamad Rahma Al Shamsi General Trading. He was a Member of the Federal National Council. Mr. AlShamsi holds a bachelor's degree in management and finance from New York University.

Mr. Saeed Mohammed Al Shared

Board Member – Non-Executive Board Member (since 1992)

Audit Committee Chairman Mr. Al Shared is a Board member of Union Coop. and member of the UAE Accounting & Auditing Association. He is an accredited auditor in the Ministry of Economy. His previous positions include General Manager of Emirates Transport, Chairman of the Board of Directors of Emirates Islamic Bank and Director of Etisalat. He holds a bachelor's degree in accounting & business administration from UAE University.

Mr. Mohammed Juma Al-Suwaidi

Board Member – Non-Executive Board Member (since 2021)

Mr. AlSuwaidi has been a director at DEWA since 2021. He is Assistant Secretary General of the Supreme Legislation Committee in Dubai (since 2015) and Judicial member of the Rental Dispute Resolution Center in the Emirate of Dubai (since 2014). Prior to that, he held key legal and legislative roles in Dubai Government Legal Affairs Department. Mr. Al Suwaidi holds a bachelor's degree in law from the University of Sharjah.

Mr. Al Sayed Abdullah Mohamad Al Hashemi

Board Member – Non-Executive Board Member (since 2004)

Audit Committee Member Mr. Al Hashemi has been a director of the Group since 2004. He is currently a member of the investment board of Emirates REIT (CEIC) plc. He also acts as an arbitrator for the UAE Federal Government and Dubai Government and is involved in the design of projects undertaken by Al Hashemi Consultant Office. Past roles include Board Director at Dubai Islamic Bank, Head of Planning at Dubai Municipality, and Board Director at the Private Housing Finance scheme. Mr. Al Hashemi holds a bachelor's degree in architecture from the Fine Arts Academy in Egypt.

Dr. Moza Shaiban Sweidan

Board Member – Non-Executive Board Member (since 2021)

Dr. Suwaidan serves as the Director of Strategy and Innovation and Consultant to the Director General Consultant of Digital Dubai Authority. Before that, she was Director of Information Technology Department at Dubai Culture, and also worked in Dubal Aluminium. She has over 20 years' experience in information technology and strategic planning and held key roles in the government and private sectors. Dr. Suwaidan holds a Ph.D. in quality management from Hamdan Bin Mohammed Smart University and an MBA from the American University in Dubai.

Mr. Hilal Khalfan Bin Dhaher

Board Member – Non-Executive Board Member (since 2003) Chairman of ESG, Nomination and Remuneration Committee since 2021)

Mr. Hilal Bin Dhaher has been a member of the Board of Directors of DEWA since 2003. During his 23 years' professional career at Citibank NA. UAE, Mr. Hilal served as VP in different sectors such as Corporate Banking, Consumer Banking and established the first outsourcing concept for Citibank in UAE, which resulted in a reputable business model. Mr. Hilal serves on the boards of Dubal Holding and Emirates Global Aluminium (EGA).

He is also a member of the Human Capital Committee and Finance & Commercial Committee in EGA. Formerly, he served on the Board of directors in different entities such as UAE Central Bank, Majid Al Futtaim Group (MAF), Securities & Commodities Authority (SCA), Dubai Aluminium company (DUBAL) and Emirates Aluminium company (EMAL). Mr. Hilal obtained a bachelor's degree in business administration from University of Arizona,

USA. He took an MBA while at Citibank Training Center in Athens, Greece, covering Credit, Treasury & Operations.

Mr. Obaid Bin Mes'har

Board Member – Non-Executive Board Member (since 1995), Member of ESG, Nomination and Remuneration Committee (since 2021)

Mr. Mes'har has been a director of the Group since 1995. He has over 35 years of experience in the telecom, water & electricity industries and runs a mediation/arbitration practice in this field.

His previous positions include Chairman of Etisalat Investment Committee, Chairman of Canartel (CDMA) operator in Sudan, Chairman of Zantel (Fixed and Mobile Operator in Tanzania), Chairman of Etisalat Academy, member of Dubai e-Government executive team, board member of Etihad Etisalat, Atlantique Telecom (GSM operator in six West African countries) and board member of Mohammed Bin Rashid Housing Establishment. Mr. Mes'har holds a bachelor's degree in finance and business administration from UAE University and an MBA from the University of Minnesota, USA.

Mr. Nabil Abdulrahman Ahmad Arif

Board Member – Non-Executive Board Member (since 1995), Member of ESG, Nomination and Remuneration Committee (since 2021)

Mr. Arif has been a director of the Group since 1995. He is also a member of the Board of Mustafa Bin Abdullatif Investment LLC and the Najibi Investment Company. Mr Arif is a founding member of the UAE Society of Engineers and a founding partner of M/S Arif & Bintoak Consulting Architects & Engineers. Mr. Arif obtained a bachelor's degree in civil engineering from the Loughborough University of Technology, United Kingdom in 1973.

STATEMENT OF OWNERSHIP

STATEMENT OF OWNERSHIP AND TRANSACTIONS OF BOARD MEMBERS IN DEWA'S SHARES DURING 2023

S.N	Name	Position	Total sale during 2023	Total purchase during 2023	Owned shares as on 31 Dec. 2023
1	HE Matar Humaid Al-Tayer	Chairman	N	N	1,612,903
2	HE Saeed Mohammed Ahmad Al Tayer	Member	N	N	20,161,290
3	HE Khalfan Ahmad Harib	Member	N	N	N
4	HE Majid Hamad Rahma Al Shamsi	Member	N	N	40,866
5	Mr. Hilal Khalfan Bin Dhaher	Member	220,662	100,000	N
6	Mr. Al Sayed Abdullah Mohamad AlHashemi	Member	N	N	N
7	Mr. Obaid Bin Mes'har	Member	N	N	N
8	Mr. Saeed Mohmmed Al Shared	Member	N	N	N
9	Mr. Nabil Abdulrahman Ahmad Arif	Member	N	N	250,000
10	Mr. Mohammed Juma Al-Suwaidi	Member	N	N	N
11	Dr. Moza Shaiban Sweidan	Member	7,431	N	N

BOARD REMUNERATION

Subject to approval by the shareholders at the upcoming general assembly in March 2024, the total remuneration to be paid to the Board of Directors is AED 39.5 million.

BOARD MEETINGS AND RESOLUTIONS IN 2023

BOARD MEETINGS

During the year 2023, a total of four (4) board meetings were held. The invitation and the agenda are sent to the members ahead of the meeting date, and details of issues and decisions made during the meeting are recorded as minutes taking into account any members' opinions that are expressed during the meeting.

The Board appreciated and acknowledged DEWA management and employees' efforts throughout the year 2023. The management and employees are constantly encouraged to aspire for excellence with the goal to deliver sustainable stakeholder value.

DEWA's Articles of Association require that the Board of Directors meet a minimum of 4 times each year. The quorum for meetings is a majority of directors, and approval on subjects is by majority vote of attendees.

The following table sets forth the meetings held by DEWA 's Board of Directors in 2023:

Name	Position	M1	M2	M3	M4
H.E. Matar Humaid Al-Tayer	Chairman	P	P	P	P
H.E. Saeed Mohammed Ahmad Al Tayer	Member	P	P	P	P
H.E. Khalfan Ahmad Harib	Member	P	P	P	P
H.E. Majid Hamad Rahma Al Shamsi	Member	P	P	P	P
Mr. Hilal Khalfan Bin Dhaher	Member	P	P	P	A
Mr. Al Sayed Abdullah Mohamad AlHashemi	Member	P	P	P	P
Mr. Obaid Bin Mes'har	Member	P	P	P	P
Mr. Saeed Mohammed Al Shared	Member	P	P	P	P
Mr. Nabil Abdulrahman Ahmad Arif	Member	P	P	P	P
Mr. Mohammed Juma Al-Suwaidi	Member	P	P	P	P
Dr. Moza Shaiban Sweidan	Member	P	P	P	A

P – Present, A – Absent

BOARD RESOLUTIONS

Seven resolutions were passed by circulation by the Board (which were mostly for considering urgent operational matters) and these resolutions were recorded in the minutes of the subsequent meeting of the Board.

S.N	No.	Date
1	Board Resolution No. 1/2023 passed by circulation	6/1/2023
2	Board Resolution No. 2/2023 passed by circulation	8/2/2023
3	Board Resolution No. 3/2023 passed by circulation	28/2/2023
4	Board Resolution No. 4/2023 passed by circulation	14/3/2023
5	Board Resolution No. 5/2023 passed by circulation	22/3/2023
6	Board Resolution No. 6/2023 passed by circulation	14/9/2023
7	Board Resolution No. 7/2023 passed by circulation	27/9/2023

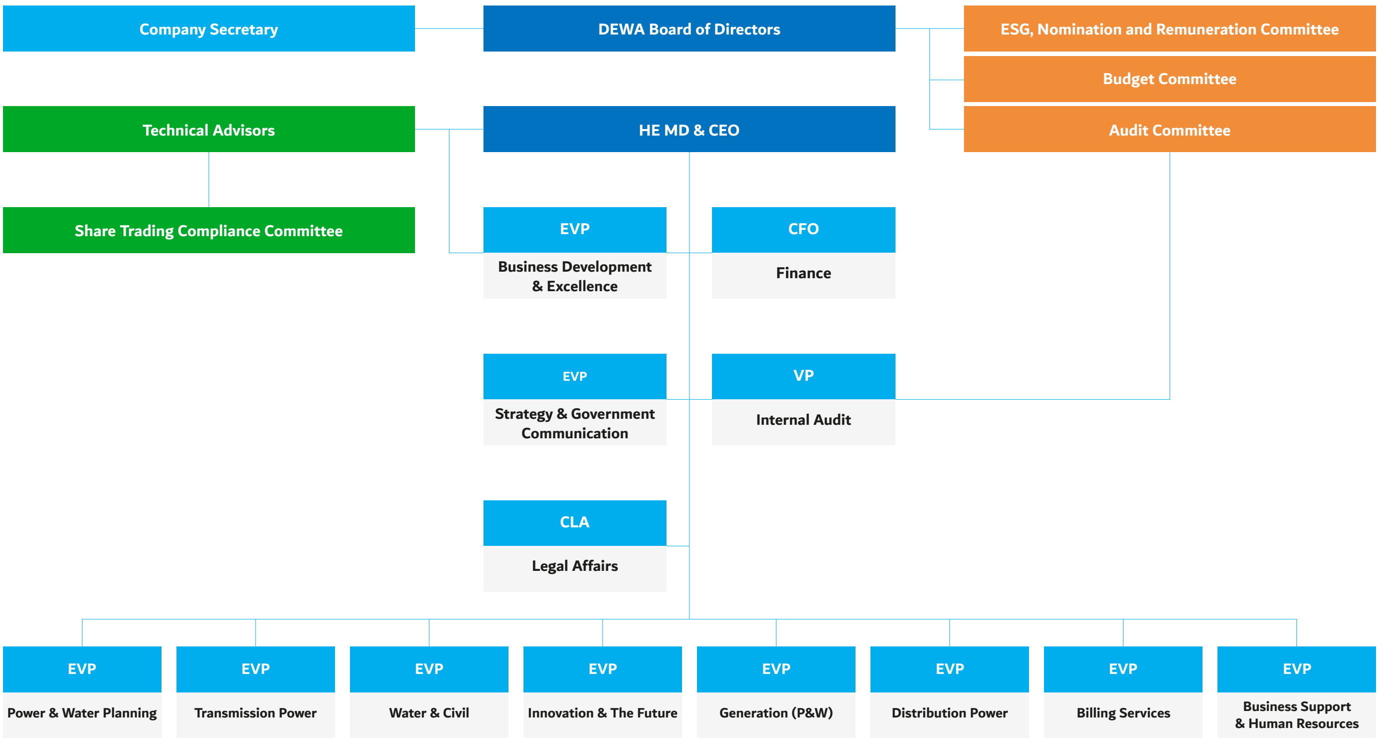
GENERAL ASSEMBLY (GA) MEETING HELD IN 2023

The Board held the Annual General Assembly Meeting on 10 April 2023, where the following decisions and resolutions were made:

1. Approve the Board of Directors' report on the Company's activities and its financial position for the financial year that ended on 31 December 2022.
2. Approve the auditor's report for the financial year that ended on 31 December 2022.
3. Approve the Company's balance sheet and profit and loss account for the financial year that ended on 31 December 2022.
4. Approve the Board of Directors' recommendation regarding the distribution of a cash dividend amounting to AED 3.1 billion (6.2 fils per share) for the second half of 2022, which was paid to the Company's eligible shareholders in April 2023.
5. Approve the Board of Directors' recommendation regarding the distribution of a one-time special cash dividend, resulting from the partial sale of the Company's share in EMPOWER, amounting to AED 1.67 billion (3.34 fils per share), which was paid to the Company's eligible shareholders in April 2023.
6. Authorize, approve and delegate the Board of Directors of DEWA to pay a cash dividend of AED 3.1 billion (6.2 fils per share) for the first half of 2023 in October 2023.
7. Absolve the members of the Board of Directors of liability for the financial year that ended 31 December 2022.
8. Absolve the auditors of liability for the financial year that ended 31 December 2022.
9. Approve the appointment and fees of the external auditor for DEWA for the fiscal year ending on 31 December 2023.
10. Approve the total renumeration for the Board of Directors of DEWA for the financial year that ended on 31 December 2022, as specified in DEWA's corporate governance report.

DEWA ORGANISATIONAL STRUCTURE

The below diagram highlights DEWA's organisational structure and reporting channels:



DEWA Organization Structure

DELEGATION TO MANAGEMENT

DEWA's Board provides guidance and direction to the Management for achieving its strategic objectives. The Board is responsible for the direction and oversight of DEWA, and the day-to-day activities of DEWA are managed by the MD & CEO and the divisional heads in compliance with Law No 27 of 2021 and Articles of Association and the directions of the Board and the General Assembly.

The Board of Directors may delegate any of its powers to any of its committees or to the CEO in line with the provisions of the Law and the Articles of Association. Such Delegation of Authority is subject to regular review and amendment (if required) by the Board and the Audit Committee.

DEWA has implemented a robust SAP ERP system with carefully designed controls that enable transparency and promote efficiency and effective governance in all its processes.

INTERNAL CONTROL SYSTEM

ROLE OF THE BOARD IN INTERNAL CONTROL

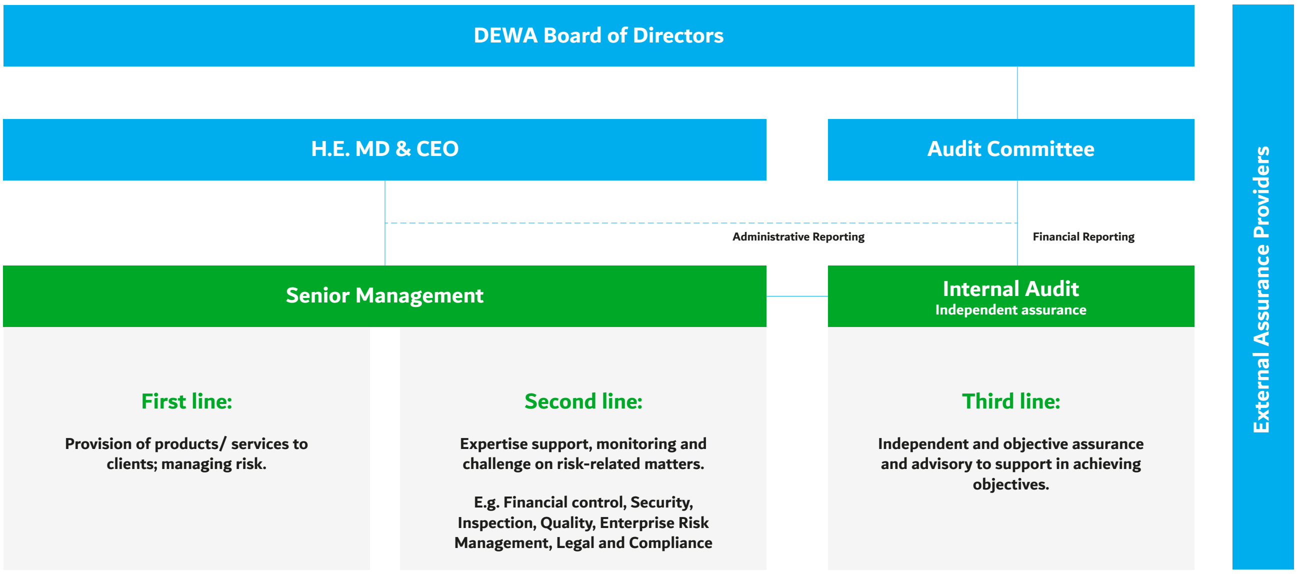
The Board has overall responsibility for ensuring the effectiveness of the internal control system in DEWA. The Board is responsible for setting a clear framework to ensure effective and efficient operations, accurate financial reporting, and compliance with laws and regulations.

INTERNAL CONTROL SYSTEM PROCESS

DEWA follows the COSO Framework for internal controls and conducts periodic reviews of their effectiveness. The 17 Principles of COSO Internal Control are applied across all DEWA's divisions, departments, and operations and are constantly scanned for compliance. Internal Control is broadly defined as a process designed to provide reasonable assurance regarding the achievement of objectives while simultaneously ensuring:

- Effectiveness and efficiency of operations: Addresses DEWA's basic business objectives, including adherence to performance standards and the safeguarding of resources.
- Reliability of financial reports: Ensures that reliable financial statements and other financial information are presented to the shareholders, the Board, and Management.
- Compliance with applicable legislations and internal regulations: Oversight of regulatory compliance with applicable legislations, internal regulations, policies, and procedures which DEWA is subject to in order to avoid any risk of non-compliance with laws & regulations, damage to reputation, or payment of fines/penalties.

Internal control within DEWA is established via the implementation of the Three Lines model:



DEWA Three Lines Model

The internal control system aims to establish, document, maintain, and consistently adhere to DEWA's strategy and approved policies and procedures. The system is applied across all divisions/departments. and all activities related to corporate governance and risk management. DEWA's control management process ensures that the procedures are appropriately designed and effectively applied in accordance with DEWA's annual strategic plan. This process is reviewed by the Audit Committee and approved by the Board.

BOARD AND MANAGEMENT COMMITTEES

The Board is empowered to establish Board committees and delegate powers to such committees as necessary or appropriate. The Board delegates certain functions to well-structured committees but without renouncing its own responsibilities.

Board committees are an effective way to distribute work among Board members and allow for more detailed consideration of specific matters. All Board committees function on behalf of the Board, and the Board is responsible for constituting, assigning, co-opting, and determining the terms of service for Board committee members.

The Board has three (3) committees, each with its charter that defines the obligations, duration, and authority. These committees are regularly monitored by the Board to assess their performance and commitment. These committees are: 1. Audit Committee, 2. ESG, Nomination and Remuneration Committee, and 3. Budget Committee.

Furthermore, the Share Trading Compliance Committee, which is a management committee is also in place. It aims to supervise the transactions of the insiders and their ownership of the Company shares.

AUDIT COMMITTEE

The Board constituted an Audit Committee that monitors financial statements, reviews and recommends changes to DEWA's financial and internal control systems, and reviews terms of appointment, while maintaining an appropriate relationship with its external auditors.

The Audit Committee's key responsibilities include, but not limited to, reviewing and monitoring the integrity of annual and interim financial statements, advising on the appointment of external auditors, supervising their independence, and reviewing the effectiveness of the external audit and internal audit process. The Audit Committee consists of the following members:

N/A	Committee Members	Position	1st Meeting	2nd Meeting	3rd Meeting	4th Meeting	5th Meeting
			08/02/2023	08/03/2023	08/05/2023	09/08/2023	06/11/2023
Mr. Saeed Mohmmed Al Shared	Chairman	P	P	P	P	P	P
H.E. Khalfan Ahmad Harib	Member	P	P	P	P	P	P
Mr. Abdulla Mohammad Al Hashemi	Member	A	P	P	P	P	P

P – Present, A – Absent

DEWA Management is responsible for implementing internal controls across DEWA processes and operations. The Internal Audit Department is responsible for evaluating the effectiveness of Internal Control processes.

ESG, NOMINATION AND REMUNERATION COMMITTEE

The Environment, Social and Governance (ESG), Nomination and Remuneration Committee assists the Board in discharging its responsibilities in relation to ESG matters in addition to the qualifications, compensation, appointment and succession of the Company's directors and key management personnel.

The Committee also oversees the Company's nomination process for the Board of Directors and continuously monitors the independence of the independent members of the Board.

The ESG, Nomination and Remuneration Committee consists of the below members:

Committee Members	Position	Meeting (8 March 2023)
Mr. Hilal Khalfan Bin Dhaher	Chairman	P
Mr. Obaid Bin Mes'har	Member	P
Mr. Nabil Abdulrahman Ahmad Arif	Member	P

BUDGET COMMITTEE

The Budget Committee reviews and approves DEWA's Standalone proposed annual budget and recommends for approval to the Board of Directors. The Committee meets once every year.

SHARE TRADING COMPLIANCE COMMITTEE

The Share Trading Compliance Committee oversees the implementation of an effective process to maintain an updated register of Insiders and monitor their adherence to the Insider Trading policy.

The key responsibilities of this Committee are to supervise the transactions of the insiders and their ownership of the Company shares and provide DFM with periodic reports on the transactions of insiders.

The Committee members are as follow:

Committee Members	Position
Chief Financial Officer	Chairman
Head of Investor Relations	Member
Vice President – Internal Audit	Member
Board Secretary	Member

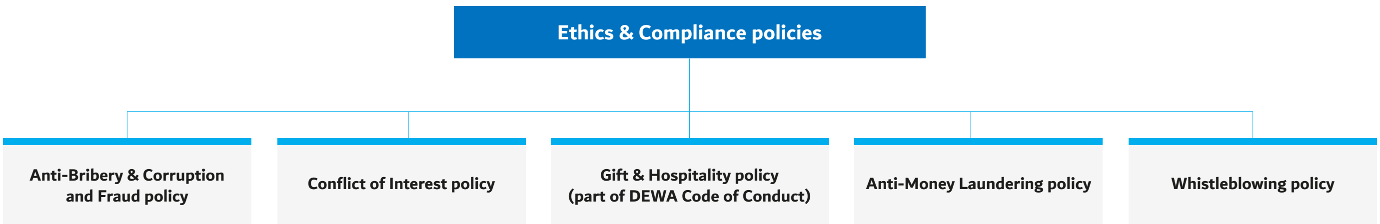
ETHICS AND COMPLIANCE POLICIES

ANTI-BRIBERY AND CORRUPTION AND FRAUD POLICY

DEWA adopts a zero-tolerance approach towards any occurrence of fraud, bribery or corruption across its business activities and operations. DEWA recognises that the prevention of fraud, bribery, and corruption is an integral component of good governance and affirms its commitment to conduct its business and operations in an honest, transparent, and ethical manner, and as per the applicable UAE federal laws and the Emirate of Dubai legislations.

DEWA has implemented a robust framework to deter and prevent fraud, bribery, and corruption. This framework is designed to describe DEWA's Anti-Bribery Management System (ABMS), developed based on leading international standards including, but not limited to, ISO 37001:2016 Anti-Bribery Management Systems - Application requirements and guidelines. DEWA has been globally recognised as a pioneer in anti-bribery and corruption practices, being awarded the ISO 37001:2016 Anti-Bribery Management System certification in 2023.

DEWA's commitment towards prevention of fraud, bribery, and corruption is articulated in the DEWA Code of Business Ethics. This document sets clear standards of conduct and acceptable behaviour for all DEWA employees in compliance with applicable, legislations, regulations, approved policies, standards. It underscores DEWA's commitment to conducting business activities in a legal and ethical manner by ensuring transparency and integrity in all business dealings and relationships



For more details related to Anti-Bribery and Corruption and Fraud policy, please refer to
https://www.dewa.gov.ae/en/about-us/strategy-excellence/corporate-governance-and-strategy

CONFLICT OF INTEREST POLICY

DEWA is committed to implement an effective policy to prevent conflict of Interest and uphold integrity in execution of duties and responsibilities, ensuring compliance with applicable legislations. The Company conducts its business in a manner that upholds and safeguards the rights and legitimate interests of all stakeholders, based on the principle of fair treatment and non-discrimination.

Our Conflict-of-Interest Policy sets forth requirements for the avoidance and management of conflicts of interest that may arise in some activities, including the avoidance of situations that merely give the impression of a conflict of interest. According to this Policy, any conflicts of interest must be promptly disclosed so that the appropriate course of action can be taken to protect DEWA's interests.

For more details related to DEWA Conflict of Interest policy, please refer to
https://www.dewa.gov.ae/en/about-us/strategy-excellence/corporate-governance-and-strategy

MANAGEMENT INFORMATION SYSTEM (MIS) AND DISCLOSURE

Management Information System (MIS) is vital for decision-making, coordination, control, analysis, and visualisation of information in DEWA. A complex organisation like DEWA requires multiple systems but needs an overarching platform to allow for more effective, data-driven decision-making.

The implementation of the SAP Enterprise software platform and the SAP GRC (Governance, Risk & Compliance system) to automate and monitor all transactions has significantly enhance the control system, making it much more robust. Governance monitoring and reporting are now driven by technology and automated processes, with dashboards facilitating graphic information flows.

Integrity of data and its prompt processing are crucial enablers for DEWA to improve current products and services and design innovative services that respond to the changing needs of its stakeholders. DEWA has implemented a data governance model to ensure transparency, responsibility, and accountability in the use of this data, in conformity with Dubai Government legislations related to Open and Big Data.

CORPORATE RISK & RESILIENCE

DEWA (PJSC) is a globally leading sustainable, innovative corporation committed to achieving Net-Zero by 2050, aligning with the vision and directives of the wise leadership of the UAE and the Emirate of Dubai. This ensures fulfillment and readiness of its management system to effectively manage potential risks and threats, which supports its mission and acts as a roadmap for achieving the vision to guide DEWA's strategic direction.

Risk and resilience are integral to DEWA's strategic direction. The organisation proactively anticipates, and adapts to risks and threats, while effectively responding to and recovering from incidents to safeguard Dubai's critical infrastructure. In doing so, DEWA ensures that risks and threats are mitigated, and electricity and water services are maintained according to the highest international standards (ISO31000 Risk Management, ISO22301 Security and Resilience – Business Continuity Management System, & BS11200 Crisis Management Guidelines) to achieve reliability, availability, efficiency, and quality.

In supporting Dubai, the wider UAE resilience ecosystem, and critical national infrastructure, DEWA collaborates, coordinates, and communicates with local and national-level ministries and authorities to share best practices to enhance the resilience of critical national infrastructure, ensuring continuous coordination and communication through active participation and exchange of information, intelligence and responses.

The Board of Directors bears the responsibility of overseeing DEWA's risk and resilience approach, while the Group Risk & Resilience Committee is responsible for providing leadership and direction on all risk and resilience matters, including the management of emerging threats and risks.

EXTERNAL AND INTERNAL AUDIT

EXTERNAL AUDIT

KPMG has been appointed as the Company's external auditor for the fiscal year 2023. KPMG provides independent auditors report in accordance with International Standard of Auditing (ISAs) and submits Internal Control Reports (ICR's). It is worth mentioning that there are no qualified opinions made by DEWA's external auditors in the annual financial statements for the year 2023.

DEWA has well-established disclosure and communication policies and prepares its annual accounts according to the International Financial Reporting Standards. The entire accounting system is powered by SAP S/4HANA system. DEWA releases its audited financial statements on an annual basis to all relevant stakeholders.

External Audit Details	2023	2022
Name of the audit office and partner auditor	KPMG LOWER GULF LIMITED Mr. Emilio Pera	KPMG LOWER GULF LIMITED Mr. Emilio Pera
Number of years he served as the Company's external auditor (from the year DEWA became PJSC.)	3	2
Audit Fee - DEWA and its subsidiaries (AED)*	AED 1,630,670	AED 1,511,421
Audit related services - DEWA and its subsidiaries (AED)*	AED 795,215	AED 873,658
Non-audit services - DEWA and its subsidiaries (AED)*	AED 949,810	AED 1,297,505
Statement of other services that an external auditor other than the Company's accounts auditor provided during (if any).	**EY** a) Consultancy Services for Preparing HR Manual b) SAP GRC Risk Management c) ISO 50001: Energy Management System d) Advisory services for Phase VI Solar PV e) Tax Advisory Services **Deloitte** a) Advisory services for Hassyan Phase II **Emirates Chartered Accountant Group** a) Tax Advisory Services	**EY** a) Group reporting related to audits of subsidiary companies b) Consultancy services for preparing HR manual c) SAP GRC Risk management d) Consultancy for productivity assessment and cost optimization **Deloitte** a) Consultancy service for governance

*This fee excludes outlays and VAT

INTERNAL AUDIT

DEWA's Internal Audit Department is an independent assurance function that adopts the best-in-class audit standards and practices, the International Professional Practices Framework (IPPF) promulgated by The Institute of Internal Auditors (IIA). The Internal Audit department at DEWA operates under an approved charter and conducts reviews to add value and provide assurance over the adequacy of the effectiveness of internal controls, risk management and governance processes and systems of DEWA and its subsidiaries through an annually developed risk-based audit plan.

The Internal Audit Department; acts as a third line role to provide assurance, advice, and insight that DEWA and its Subsidiaries are efficient and effective in conducting their responsibilities and to be in line with and support DEWA's corporate vision, purpose, mission and objectives. The Internal Audit Department conducts regular reporting to the MD&CEO and the Audit Committee.

Moreover, the Internal Audit Department established a Quality Assurance and Improvement Program (QAIP) as required by the Institute of Internal Auditors (IIA) which enables it to enhance the quality of audit and pursue continuous improvement.

COMPLIANCE MANAGEMENT

Since its establishment, DEWA has continuously strived for and attained excellence and that has made it globally recognized as a leader in compliance practices and has set it as a global pioneer in compliance management.

DEWA's compliance journey, being one of the key milestones for DEWA's public listing, was implemented by adopting the key elements of the ISO 37301 – Compliance Management Systems as the foundation for its compliance management practices and fostering a culture of compliance across the organization. This sustained DEWA's global recognition as it is the first organization in the utility sector to be ISO 37301:2021 Compliance Management Systems Certified. The scope of the Compliance Framework extends to laws and regulations that are issued by legislative and regulatory bodies relevant to DEWA's business; both new or existing and extends to internal rules issued by the MD&CEO. The scope of the framework includes the following:

- Laws and Regulations
- Orders, Rules or Guidance Issued by Regulatory Agencies
- Environmental Commitments
- Relevant organization and industry standards
- Internal Rules and Administrative Resolutions

THE FRAMEWORK

DEWA's Compliance Framework ("Framework") sets out DEWA's approach to managing compliance requirements and mitigating compliance risk to achieve its compliance objectives. An effective, organisation-wide Compliance Framework enables DEWA to demonstrate its commitment to compliance with relevant laws, including legislative requirements, industry codes and organisational standards, internal obligations as well as standards of good corporate governance, best practices, ethics, and community expectations.

The involvement of the Board and Senior Leadership, who set the tone at the top and contributed not only to the internal compliance culture but also to stakeholders and the overall compliance community, supported in achieving the following:

- Legal and Regulatory Compliance: Mapping of all internal and external applicable requirements that ensured the avoidance of current and futuristic legal, financial, and reputational impacts that could take place from non-compliance.
- Risk Management: A full-fledged compliance risk assessment exercise conducted where compliance risks were identified and assessed, and appropriate mitigation plans were developed.
- Corporate Governance: The continued implementation of the compliance management framework is one of the main agile governance tools that are linked and have complimented DEWA's robust and world-class corporate governance framework by encouraging transparency, accountability, and ethical behaviour; the essential components to DEWA's corporate governance practices.

- Streamlined Structure and Operating Model: A systematic approach to managing compliance is being implemented through a hybrid operating model and reporting structure with the support of appointed Compliance Ambassadors and Compliance Champions in the execution of the compliance mandate, resulting in a streamlined compliance process and efficient allocation of resources which was cost saving and improved the overall business performance of compliance practices.

- Training and Communication: With around 11,000 employees at DEWA, the culture of compliance is enhanced through the implementation of compliance training and communication, and continuous investment in employees' learning development in being internationally compliance certified.

- Continuous Improvement: A mechanism for ongoing monitoring, evaluation, and improvement of the compliance framework.

INTERNAL AND EXTERNAL CONTEXT

Implementing a world-class compliance framework was one of the main factors in supporting DEWA in its public listing transformations and has reiterated DEWA's global position within its internal and external contexts as it holds paramount importance, signifying a commitment to the highest standards of ethical conduct and compliance management.

For stakeholders, this serves as a tangible demonstration of DEWA's dedication to integrity and commitment. It instils confidence in the ability to operate ethically, fostering trust and transparency. For shareholders in specific, DEWA's commitment to compliance serves as a valuable indicator of DEWA's dedication in increasing shareholder value and positioning itself favorably in the eyes of investors who prioritize integrity and responsible business practices that DEWA holds.

DEWA's business operations are in compliance with laws, regulations and compliance obligations of different federal and local governing bodies, including but not limited to the Executive Council, Supreme Legislative Council, Dubai Municipality, Dubai Roads and Transport Authority (RTA), Dubai Financial Market (DFM), Securities and Commodities Authority (SCA) international standards and guidelines and DEWA internal policies, circulars, and guidelines.

INFORMATION TECHNOLOGY AND SECURITY GOVERNANCE

DEWA holds the ISO/IEC 27014:2020 and ISO/IEC 38500:2015 certifications in Information Security Governance and Information Technology Governance, respectively, since 2019. DEWA's integrated framework of IT and IS (ITS) Governance standards has been implemented by utilising internal competencies across all DEWA divisions.

Endorsed by HE the MD&CEO, DEWA's integrated Information Technology and Security (ITS) Governance framework establishes a model for governance of IT and information security. It is based on eight principles for good governance of IT and Information security that cover strategy, responsibility, adopting a risk-based approach, establishing organisation-wide information security, acquisition, conformance, human behaviour and positive environment, and performance. Information Technology and Security (ITS) Governance additionally aligns with corporate governance requirements and practices, aimed at efficient, effective and acceptable use of IT and IS. ITS Governance provides Governing Body visibility on the status of current and future use of IT and Information security in DEWA, in addition to assuring conformance to compliance obligations (legal, regulatory, contractual) requirements concerning acceptable use of IT and information security.

DEWA has an automated Governance, Risk and Compliance (GRC) system to manage DEWA's overall governance and alignment of ITS and business objectives, while effectively mitigating risk and meeting compliance requirements. This automation has allowed us to achieve improved decision-making, optimal IT investments, elimination of silos, and increased collaboration among Divisions and DEWA's stakeholders.

WHISTLEBLOWING

All internal and external stakeholders who suspect or become aware of potential or actual unlawful act or misconduct within or in connection with DEWA activities, including but not limited to fraudulent financial activities and noncompliance to DEWA policies, have the obligation to report this immediately through any of the following, including a secured whistleblowing 24/7 hotline and other communication channels mentioned below:

- DEWA Ethics Hotline (+971 4 3222202)
- DEWA Ethics Email (ethicshotline@dewa.gov.ae)
- DEWA's official website (www.dewa.gov.ae)

For more details related to DEWA Whistleblowing policy, please refer to

https://www.dewa.gov.ae/en/about-us/strategy-excellence/corporate-governance-and-strategy

INTERNATIONAL STANDARDS AND BENCHMARK

In its pursuit of excellence in all its operations, DEWA adopts and implements a broad range of applicable standards, benchmarks, and international best practices. DEWA has been certified as compliant with the British standard BSI 13500 "Code of practice for delivering effective governance" in 2017 and in successive years including 2023.

Some of the other prominent certifications that DEWA has received recognition for during 2023 include:

- ISO 37301:2021: Compliance Management Systems
- ISO 37001:2016: Anti-Bribery Management Systems
- ISO/IEC 27014:2020: Information Security Governance
- ISO/IEC 38500:2015 Information Technology Governance
- ISO31000 Risk Management System
- ISO22301 Security and Resilience - Business Continuity Management System
- BS11200 Crisis Management Guidelines

CORPORATE SOCIAL RESPONSIBILITY

In alignment with its core mission of delivering electricity and water services at the pinnacle of operational excellence, DEWA places significant emphasis on its role in social empowerment. Recognising the inherent interconnectedness between organisational performance and societal welfare, DEWA has positioned itself as a vanguard in Corporate Social Responsibility (CSR) initiatives within Dubai. Our commitment to CSR is not only evident in our actions but also in the meticulous benchmarking of our practices against esteemed local, regional, and international standards. Furthermore, DEWA actively spearheads the development, execution, and endorsement of projects and social endeavours that contribute meaningfully to the cultivation of the UAE's National Identity. This holistic approach underscores DEWA's unwavering dedication to fostering sustainable development and societal progress.

In DEWA's governance report, the organisation's current CSR strategy is delineated across four key pillars: (1) Education, Skills Development and National Identity (2) Philanthropy and Volunteering (3) Support for Community Development (4) Economic Growth and Environment Sustainability. These pillars serve as focal points guiding DEWA's efforts to create sustainable value for stakeholders and the broader community. Integral to this strategy is DEWA's robust partnership management approach, which emphasises the cultivation of effective collaborations with government entities, private sector partners, civil society organisations, educational institutions, and non-profit organisations.

These partnerships are forged within the framework of DEWA's core values, which prioritise stakeholder happiness, sustainability, innovation, excellence, and good governance. Through this concerted approach, DEWA is dedicated to fostering impactful initiatives that promote societal well-being and advance the organisation's overarching mission.

During the period spanning from 2013 to 2023, DEWA undertook a series of community-centric initiatives, signifying its dedication to corporate social responsibility. Noteworthy among these endeavours was the collective contribution of DEWA employees, amounting to an impressive 232,973 volunteer hours allocated towards humanitarian and community-oriented activities.

This concerted effort resulted in tangible benefits for a substantial demographic, with many individuals both within the UAE and beyond, in a number of contries. Furthermore, in the calendar year 2023, DEWA achieved a significant milestone, evidenced by a notable societal satisfaction rating of 93.55%. These achievements underscore DEWA's steadfast commitment to advancing societal well-being and fostering a culture of service excellence and community engagement.Aligned with its vision to be a globally leading sustainable innovative corporation committed to achieving Net-Zero by 2050, DEWA has meticulously crafted a comprehensive framework to govern its CSR initiatives. This framework is characterised by a structured approach encompassing key stages such as needs identification, strategic planning, meticulous implementation, rigorous measurement and review, and a steadfast commitment to learning and continuous improvement. Anchored upon the principles outlined by the Global Reporting Initiative (GRI), this framework ensures the enduring sustainability of outcomes and practices. It is structured around three fundamental pillars: Environmental Sustainability, Social Sustainability, and Economic Sustainability. These pillars serve as robust foundations aligned with the United Nations Sustainable Development Goals (SDGs) 2030, reflecting DEWA's steadfast dedication to advancing global sustainability agendas.

DEWA's comprehensive CSR initiatives encompass a diverse array of areas, reflecting its holistic approach to corporate responsibility. These initiatives extend to supporting local communities, fostering educational opportunities, empowering employees, advocating for gender equality, and championing waste reduction efforts. Through these multifaceted endeavors, DEWA reaffirms its commitment to making a positive impact on society while upholding its core values of sustainability, innovation, and excellence.

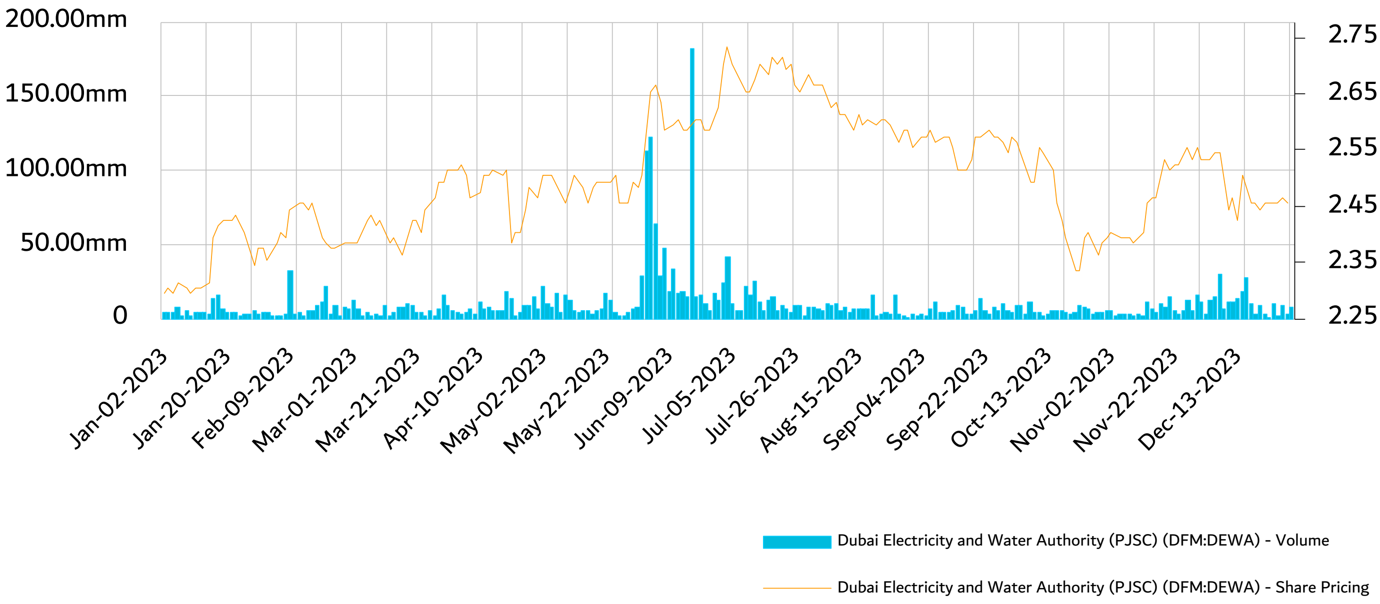
DEWA's unwavering commitment to corporate social responsibility (CSR) has garnered widespread acclaim both domestically and internationally. Notably, DEWA secured first place in the Public Sector Category at the Arabia CSR Awards 2022 for the eighth consecutive year, alongside receiving an honorary shield during the Community Development Authority (CDA) Partners Forum Ceremony, affirming its significant contributions to societal advancement. DEWA's dedication to sustainability excellence was further recognised with the Committed to Sustainability Certificate from the European Foundation of Quality Management (EFQM) in 2019. Additionally, DEWA's formidable brand presence was underscored by its ranking as the third most valuable utility brand in the Middle East and the third fastest-growing brand in the UAE according to the esteemed annual report issued by 'Brand Finance' for 2022. These accolades highlight DEWA's steadfast commitment to setting the benchmark for sustainability practices while actively contributing to the achievement of the United Nations Sustainable Development Goals (SDGs).

GENERAL INFORMATION

STATEMENT OF THE COMPANY'S SHARE PRICE IN THE MARKET DURING 2023

Month	Highest price	Lowest price	Closing price
January 2023	2.43	2.29	2.37
February 2023	2.45	2.35	2.38
March 2023	2.51	2.36	2.51
April 2023	2.52	2.38	2.48
May 2023	2.50	2.45	2.48
June 2023	2.66	2.50	2.62
July 2023	2.73	2.65	2.68
August 2023	2.66	2.55	2.55
September 2023	2.58	2.51	2.56
October 2023	2.57	2.33	2.38
November 2023	2.55	2.38	2.53
December 2023	2.54	2.42	2.45

PERFORMANCE OF THE COMPANY'S SHARES IN 2023



STATEMENT OF THE SHAREHOLDERS' OWNERSHIP DISTRIBUTION AS ON 31 DECEMBER 2023

Country	Type of investor/ shareholders	Number of shares	Percentage
UAE	Government	41,185,235,890	97%
	Companies	5,212,063,765	
	Individuals	1,595,111,764	
	Banks	422,846,633	
	Institutions	68,685,220	
	Others	1,818,296	
Other GCC Countries	Individuals	103,551,052	<1%
	Company	164,767,700	
	Bank	9,196,695	
Unites States of America	Companies	2,596,710	1%
	Individuals	520,767,202	
Other Nationalities	Government	10,384,000	1%
	Company	419,741,693	
	Individual	278,701,603	
	Bank	4,297,857	
	Institution	6,154	
	Other	227,766	
Grand Total		**50,000,000,000**	**100%**

STATEMENT OF SHAREHOLDERS OWNING 5% OR MORE OF THE COMPANY'S CAPITAL AS ON 31 DECEMBER 2023

Name	Number of owned shares	Percentage of owned shares
Dubai Investment Fund	41,000,000,000	82%

STATEMENT OF DISTRIBUTION OF SHAREHOLDERS ACCORDING TO THE SIZE OF THE EQUITY AS ON 31 DECEMBER 2023

Share (s) ownership	Number of shareholders	Number of owned shares	Percentage of owned shares
Less than 50,000	50,929	172,639,094	0.3%
Between 50,000 and 500,000	3,043	449,408,493	0.9%
Between 500,000 and 5,000,000	689	996,668,481	2.0%
More than 5,000,000	157	48,381,283,932	96.8%
Total	**54,818**	**50,000,000,000**	**100%**

STATEMENT OF EMIRATISATION PERCENTAGE

DEWA seeks to achieve the visions set by the wise leadership in achieving the prosperity and sustainable prosperity of the nation and its citizens, by supporting the Emiratisation process using best practices. This is accomplished through the development of operational plans and strategies to enhance participation of Emiratis in all sectors to ensure the achievement of career aspirations of national competencies through training, guidance, and creating an attractive work environment for them.

DEWA's Emiratisation approach and commitment are to provide national employees with a positive work environment including exceptional opportunities for learning and growth. This section includes the below parts:

Emiratisation targets and actuals (in %) for the year 2020, 2021, 2022 and 2023:

DEWA achieved excellent Emiratisation results percentages. DEWA aims to enhance Emiratisation through its integrated strategy that includes innovative programmes and initiatives to attract and train Emiratis in different fields, such as DEWA Academy, scholarships programmes, leadership development programmes happiness strategy and many others.

KPI	2020		2021		2022		2023	
	Actual	Target	Actual	Target	Actual	Target	Actual	Target
Emiratisation Rate - Leadership	89.05%	88.33%	87.97%	88.33%	87.42%	87.93%	88.14%	89.05%
Emiratisation Rate - Management	61.46%	70.10%	60.55%	60.16%	59.65%	59.18%	71.01%	71.10%
Emiratisation Rate - Non Supervisory	40.79%	32.33%	38.47%	39.33%	38.47%	36.96%	31.26%	33.33%

Emirati attrition rate for the year 2021, 2022 and 2023:

KPI	2021		2022		2023	
	Actual	Target	Actual	Target	Actual	Target
Emirati attrition rate (Turnover Rate)	1.19%	2%	1.25%	2%	1.66%	2%

INITIATIVES ADOPTED BY THE COMPANY TO ATTRACT AND RETAIN LOCAL TALENTS

In accordance with the Human Capital Policy & Emiratization Policy, DEWA adopts the following policies towards the national employees.

A - Attraction and integration: DEWA uses different channels to attract Emiratis and reaches them wherever they are to ensure attracting highly profile professional UAE applicants & fresh graduates to work in different fields.

- **Career Fairs:** DEWA participates in different career fairs, that considered an ideal platform to meet Emirati job seekers, fresh graduates, and students.

- **DEWA Academy:** Dubai Electricity and Water Authority launched DEWA Academy in 2013 in collaboration with the Business and Technology Education Council – UK. It aims to prepare a new generation of professional Emiratis who understand the importance of work & the interest of the nation by offering a technical/vocational skills programme that enhances the efforts of the UAE in localising technical jobs in the energy and water sectors. The Curriculum offered at DEWA Academy is based on three disciplines: Electrical Engineering, Mechanical Engineering, and Mechatronic Engineering. Students at the Academy study the Ministry of Education curriculum in addition to the BTEC Curriculum. Upon completion of secondary school, the student receives a certificate from the Ministry of Education – UAE which is equivalent to a High school Diploma, as well as a Diploma/Extended Diploma from the Business and Technology Education Council (Pearson BTEC- UK) for the Technical / Vocational Curriculum.

- **Scholarship Programme:** This programme, which aims to attract UAE nationals to work at DEWA, is designed for secondary school students. It supports high school/university Emirati students by sponsoring them during their studies. They are directly employed at graduate level in DEWA after graduation.

- **Postgraduate Programme:** DEWA provides postgraduate scholarships for its National employees in different divisions and departments. The scholarship offers master and PhD degreed mainly in technical and critical fileds related to DEWA' needs and objectives. This scholarship programme is offered in accredited and well know universities in UAE and abroad, depending on the availability of the programmes and the requirements. Some of the majors offered include Master's in electrical engineering, MSC in Information Security, PhD in Project Management, PhD in Architecture & Sustainable Built Environment, etc. Develop and Empower Employees: DEWA prioritises the development and empowerment of UAE national employees through a structured process. They are given priority in assessments for development, career paths, succession planning, and training programmes.

- **DEWA's succession plan:** is designed to identify and prepare national candidates (successors) for high-level management positions that become vacant due to retirement, resignation, new business opportunities, restructure, or transfer.

B - Happiness and retention: this focuses on all main areas for national happiness such as:

- Competitive salary structure
- Development and progression
- Happiness rate for Emiratis
- Benefits (nursery, tejori, happiness initiatives, sport)

INVESTORS RELATIONS

Through the year, DEWA's Investor Relations publishes earnings, releases, and arranges briefings and conference calls to raise investors' awareness globally about the Company's attractive value proposition among listed companies and provide updates on DEWA's growth strategy and performance.

DEWA adopts a proactive Investor Relations engagement strategy to sustain investor trust and maximise shareholder value, particularly during volatile market conditions and global uncertainty.

DEWA Investor Relations Email: **dewainvestors@dewa.gov.ae**

DEWA Investor Relations Website: **https://www.dewa.gov.ae/en/investor-relations**

MAJOR EVENTS AND DISCLOSURES IN 2023

On 26 October, 2023, DEWA paid its shareholders a dividend of AED 3.10 billion for the first half of 2023.

We would like to thank you for taking the time to go through DEWA Governance Report 2023, and we hope this report met your expectations.

H.E Matar Humaid Al Tayer

Chairman of the Board

H.E Saeed Mohammad Al Tayer

MD & CEO

Mr. Saeed Mohammed Al Shared

Audit Committee Chairman

Mr. Hilal Khalfan Bin Dhaher

ESG, Nomination and Remuneration Committee Chairman

Eng. Waleed Bin Salman

EVP – Business Development & Excellence