Sustainability Performance 2024

October 2025

ACWA Power Driving Change Daily

ACWA Power is a leading international developer, investor, and operator of power generation and desalinated water production plants. We partner with governments and industries to deliver reliable, affordable, and sustainable energy and water solutions to millions of people worldwide.

#1

private power producer in the Middle East

private water desalination company globally

A world-class leader
in energy transition

A pioneer
in green hydrogen

69.2 GW
of total gross power capacity

50.4% renewable

4,175
employees

8.1 million m³/day
of desalinated water capacity

94
projects

USD 97.2 billion
total investment cost

Water generation capacity enough for

25 mln
population

5 mln
households

in 13
countries

Our mission

Reliably and responsibly delivering power and desalinated water at low cost

Our vision

To ensure the ingenuity and entrepreneurship of the private sector and make available electricity and desalinated water in a reliable and responsible manner to support social development and economic growth of nations

Thriving in All Climate Conditions

The majority of ACWA Power's assets are in high-temperature, water-scarce regions. We ensure affordable, reliable, and consistent access to power and water under all climate conditions.

Four global regions

- **Kingdom of Saudi Arabia (KSA)**
  - Flexible generation
  - Renewable power
  - Desalinated water
  - Green hydrogen

  31 assets

- **Central Asia (Azerbaijan, Turkey, Uzbekistan)**
  - Flexible generation
  - Renewable power
  - Green hydrogen

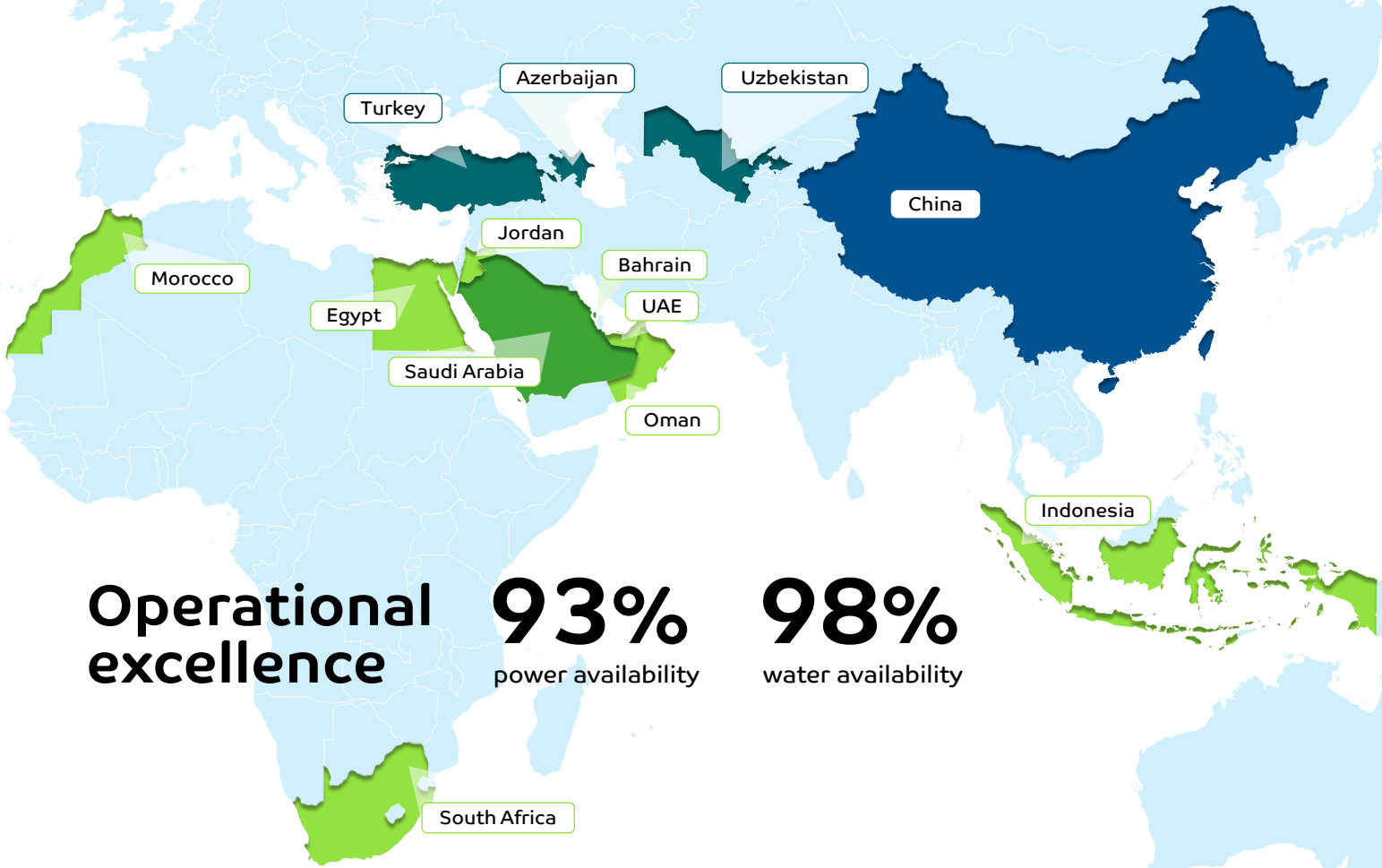
  21 assets

- **Africa, Middle East & Southeast Asia (Bahrain, Egypt, Indonesia, Jordan, Morocco, Oman, South Africa, UAE)**
  - Flexible generation
  - Renewable power
  - Desalinated water

  38 assets

- **China**
  - Renewable power

  4 assets



Operational excellence

93% power availability

98% water availability

Developing Innovative Solutions

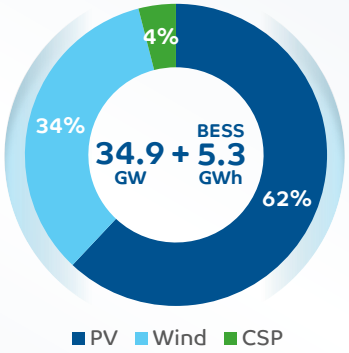
Driven by purpose, we push the boundaries of technology to deliver cleaner energy and water solutions for a more sustainable future.

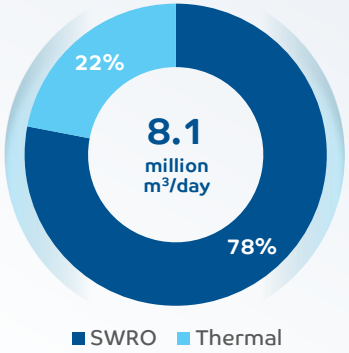
Renewable power: how it works

We deploy four core technologies to generate renewable energy.

- Photovoltaic (PV) systems convert sunlight directly into electricity using solar panels
- Concentrated Solar Power (CSP) systems use mirrors or lenses to concentrate sunlight, producing heat to generate steam, which in turn drives turbines to produce electricity
- Wind turbines harness wind to produce clean electricity
- Battery energy storage systems (BESS) store energy for later use

Total renewable power capacity





Flagship projects

The Red Sea Project (KSA)

The world's largest fully sustainable off-grid development

- 240 MWac PV plant
- 1,228 MWh battery storage

SWRO plant producing 32,500 m^3/day of fresh water

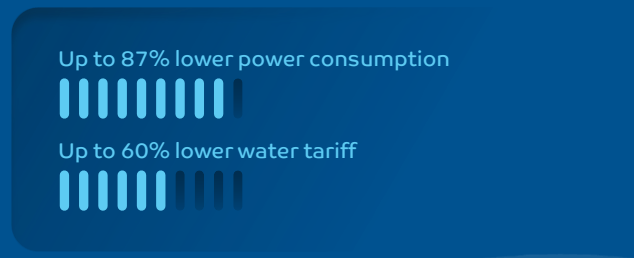
ACWA Power is a global leader in desalination, operating:

- The largest SWRO plants in the world (up to 900,000+ m^3/day)
- The first and only 100% green SWRO plant
- The largest hybrid solar PV–powered SWRO facility

Water desalination: how it works

We focus on SWRO as a more energy-efficient and cost-effective solution.

- Seawater reverse osmosis (SWRO) technology uses high-pressure membranes to remove salt from seawater



- Thermal desalination is the process of boiling water, using a vacuum distillatory, at less than atmospheric pressure (much more energy-intensive)

Sustainability Approach

ACWA Power is a champion of the transition to a greener and more responsible future. Sustainability is central to ACWA Power given our culture and the nature of our operations.

Overarching targets

50% GHG
emissions intensity reduction of our electricity generation by 2030

70/30
green-brown ratio[1] by 2030

Net Zero
by 2050

Member of the Sustainability Champions Programme by the Ministry of Economy and Planning, KSA

United Nations Global Compact

CDP

SUSTAINALYTICS

MSCI

S&P Global

We promote:

- Renewable energy
- Resource efficiency
- Biodiversity protection
- Private sector innovation and entrepreneurship
- Reliable access to electricity and water

We prioritise:

- Employee health and safety
- Human rights
- Community development
- Stakeholder engagement
- Local investments

We enforce:

- Zero tolerance for bribery and corruption
- Ethical business practices
- Compliance with laws and regulations

We minimise:

- Waste
- Pollution
- Operational impact

1. Percentage of renewables and non-renewables in gross power capacity.

Sustainability Strategy

Our strategic framework aligns our initiatives with Saudi Vision 2030 and selected United Nations' Sustainable Development Goals.

Sustainability strategy

- Low-carbon product leadership
- Corporate governance
- Health and safety
- Energy transition
- Water management

Our contribution to four core UN SDGs

ACWA Power's desalination plants deliver potable water to some of the world's most water-scarce regions, especially in the Middle East, where water stress is exceptionally high.

ACWA Power is a fast-growing power and water company that delivers reliable, low-cost services to communities worldwide. Working with governments and partners helps drive the energy transition and expand access to affordable electricity and water.

ACWA Power strives to be an employer of choice by attracting top talent, offering strong career development, and fostering an inclusive, supportive culture. Our diverse, local workforce is essential to achieving our energy transition goals and delivering affordable power and water that support economic growth.

ACWA Power is committed to climate action with clear interim and long-term targets. By 2030, we aim to cut GHG emissions intensity by 50% and reach a 70/30 green-to-brown asset ratio — already surpassing our earlier goal. Through a strategic partnership with PIF, we're leading 70% of Saudi Arabia's renewable energy projects. Looking ahead, over 75% of new power capacity will come from renewables and storage, supporting our ambition to reach net zero by 2050.

Eight supportive SDGs where ACWA Power can leverage its influence

Alignment with Saudi Vision 2030

ACWA Power continues to lead Saudi Arabia's energy transition as a national and global decarbonisation champion.

ACWA Power's contribution to Saudi Vision 2030

Ambitious nation

ACWA Power is using its innovative capacity and speed to market to advance Saudi Arabia at home and abroad.

Thriving economy

ACWA Power's energy transition is diversifying the economy from reliance on fossil fuels and promoting local employment.

Vibrant society

ACWA Power works closely with government and national institutions to strengthen national identity while working in partnership with governments and organisations abroad to advance energy transition and deliver affordable power and water to those who need it, wherever they may be.

GDP contribution

Expansion of non-oil GDP to promote economic diversification

Job creation & talent development

Job creation and skill development initiatives for the KSA workforce

Local industry growth

Enabling local manufacturing in components for renewables, water, and hydrogen

Enable green ambition

Supporting KSA global leadership in renewables and clean energy exports by aligning with the national decarbonisation targets, which include transitioning from high-carbon-intensive sources to lower-carbon alternatives

Stakeholder value creation

Wealth created for shareholders, financial institutions, insurance companies, and offtakers

R&D and innovation

Driving the Saudi innovation hub and think tank in green energy

ACWA Power's Role in Saudi Arabia's Energy Transition

- Supports the goal of achieving a 50/50 energy mix (gas and renewables) by 2030
- Entered into a strategic agreement with the Public Investment Fund (PIF) to develop 70% of Saudi Arabia's renewable energy projects
- Has 10.5 GW of renewable capacity already installed or under construction
- Has an additional 37 GW identified under the PIF Renewable Programme to help reach the KSA renewables target of potentially 103 GW for 2030
- Supports economic diversification
- Creates local jobs and opportunities for women
- Builds a sustainable, low-carbon future

Sustainability governance

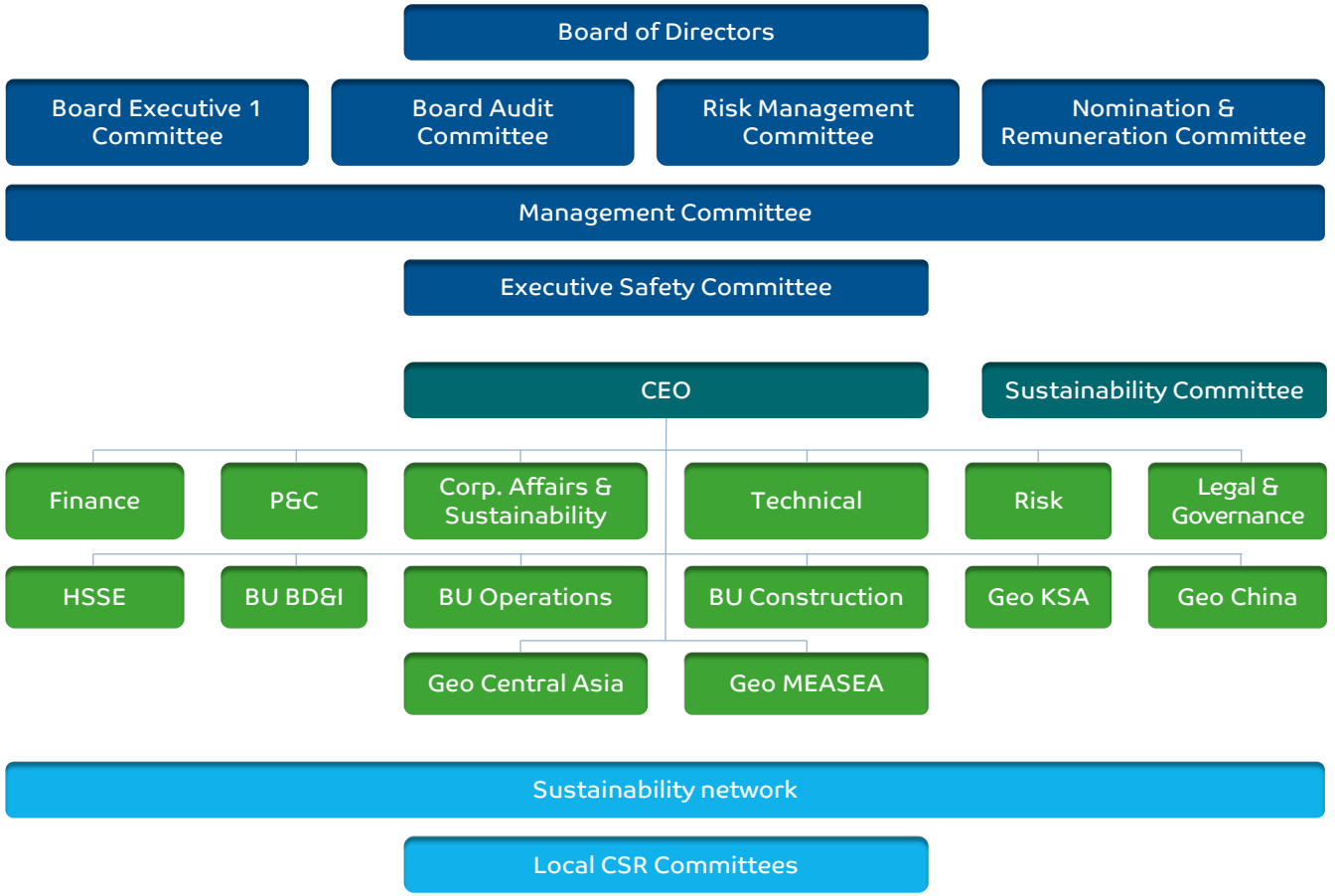
ACWA Power's governance structure ensures that sustainability responsibilities are clearly defined at every level

- The Board sets the Company's strategic direction and oversees ESG performance
- Led by the CEO, the Management Committee integrates sustainability into strategic and operational decisions. The Sustainability Committee coordinates ESG priorities across business units
- Functions and business units manage sustainability initiatives, reporting directly to the CEO through the Management Committee
- Guided by the Sustainability & CSR Department, the sustainability network of representatives from all regions and units implements sustainability initiatives

Code of Corporate Governance

ACWA Power has adopted a Code of Corporate Governance that promotes accountability, transparency, responsibility, and fairness. The Company regularly reviews and benchmarks its governance practices against international standards to enhance internal reporting, disclosure, and control mechanisms.

ACWA Power's Board of Directors provides comprehensive oversight of ESG matters, ensuring these priorities are fully integrated into the Company's core strategies, daily operations, long-term planning, financial viability, ethical conduct, and risk management.



Sustainability governance (continued)

The Board is ACWA Power's highest governing authority, responsible for approving the Company's overall direction, strategy, operations, funding, investments, and divestments. It is supported by four specialised Committees that provide independent advice and oversight.

The Board

12 highly experienced members

- Diverse professional background
- Extensive regional and international business expertise
- Strong strategic guidance

How do we integrate sustainability into investment management?

Every investment decision includes an emissions assessment and its impact on the overall portfolio, which is reviewed by the Board's Executive Committee.

The Board:

- Ensures ESG is integrated into capital allocation decisions
- Receives annual emissions forecasts through 2050
- Regularly reviews ESG strategy, performance, and targets

Board members are well-equipped to address sustainability-related risks and receive quarterly updates from the Sustainability Committee.

Board capabilities evaluated by an independent assessment

Capabilities		Min required – High
General Management	CEO experience/Senior management	
	Corporate strategy	
	Financial and financing expertise	
	Risk management	
	Human resources	
Industry Specific	Conventional energy (production and distribution)	
	Renewable energy (production and distribution)	
	Water treatment (Desalination)	
	B2B networking and sales	
	B2B and Government relations and politics	
	Infrastructure development	
	Business valuation, investments, and portfolio management	
Others	International/Multinational business experience	
	Environment, social and governance	
	Digital and technology	

Business ethics

ACWA Power operates in multiple jurisdictions and must meet a wide range of regulatory obligations. Strong business ethics are essential to ensure compliance and uphold integrity across all operations. In 2024, ACWA Power launched a centralised Compliance Portal on its intranet—a one-stop shop for all compliance-related activities.

Anti-Bribery and Anti-Corruption Policy

- The policy applies to directors, officers, employees, consultants, agents, vendors, suppliers, and independent contractors of ACWA Power
- It is overseen by senior management, with regular updates and material issues reported to the Executive Board and Board of Directors
- All new directors, officers, employees, consultants, and contractors receive an overview of the ABC Policy during induction
- Annual refresher training and certification of compliance are mandatory

Human rights

Our focus areas in human rights:

- Providing access to grievance mechanisms
- Supporting access to water and sanitation
- Prohibiting any form of child labour, modern slavery, forced labour, and human trafficking in our business and supply chain
- Ensuring a decent living wage and income
- Ensuring safety and health
- Promoting women's rights and empowerment

Code of Conduct and Ethics Policy and Guidelines

The key documents outlining ethical requirements for employees are:

- The Code of Conduct and Ethics policy ('the Code'), approved by the Board and outlining the Company's core ethical principles
- The Code of Conduct and Ethics Guidelines ('the Guidelines'), approved by the CEO, offering detailed behavioural guidance

They include:

- A Board-specific guideline scope aligned with KSA Corporate Governance Regulations
- Rules on employee involvement in personal businesses
- Definition of primary compliance training (to be completed within 2 months of joining)
- Vendor obligations under the Code of Conduct and Ethics
- Personal data protection provisions
- Thresholds for gifts, entertainment, and hospitality
- Zero-tolerance for discrimination and harassment

Whistleblowing

The whistleblowing communication channel is provided 24/7 through an independent third party, Ethics Point. All whistleblowing cases are thoroughly evaluated and investigated.

89
whistleblowing cases in 2024

87
actionable items identified

Climate change

ACWA Power's climate governance framework ensures compliance and proactive management of climate risks and opportunities.

Climate change governance

- Climate considerations are integrated into corporate strategy and operations
- The Board monitors climate-related targets and reviews updated metrics at least annually
- Senior management reports climate-related matters to the Board at least once a year

Short-term strategy — to 2025

ACWA Power surpassed the 50% green-brown energy ratio target in 2024 (originally set for 2030), reaching 50.4% renewable capacity.

Currently, we focus on:

- Expanding large-scale renewable projects, mainly green hydrogen
- Ongoing R&D investments to improve energy efficiency through technology and operations
- Supporting sustainable energy transition while maintaining f inancial resilience

Mid-term strategy — to 2030

We plan to increase renewable energy use in water desalination to decarbonise the water portfolio.

Also, we will focus on:

- Targeting USD 250 billion in assets under management
- Over 75% of new power additions to come from renewables (5x more than flexible generation)
- Emissions intensity to be reduced by 50% vs. 2020 baseline
- The green-brown ratio has been revised to a more ambitious 70% by 2030

Long-term strategy — to 2050 Net Zero goal

Renewables will remain central to our growth trajectory through 2040 and 2050.

We will focus on:

- Scaling up green hydrogen and exploring new renewable technologies
- Engaging offtakers to decarbonise fossil fuel facilities
- Eliminating operational emissions
- Decarbonising flexible generation via green hydrogen blending, fuel switching, CCS and CCUS, and operating it primarily as peak-load facilities with very low capacity utilisation
- Offsetting residual emissions using nature- and technology-based removal solutions

Technology contribution to the energy transition

Renewable power

ACWA Power develops large-scale solar PV, CSP, and wind projects, helping cut carbon emissions by replacing fossil fuel-based power generation.

Flexible generation

Flexible generation helps stabilise the energy grid by quickly adjusting output to match demand.

Green hydrogen

Green hydrogen, produced using renewable energy, is a zero-emission fuel that supports energy storage, grid stability, and decarbonisation.

Water desalination

Water desalination is vital for addressing water stress in climate-affected regions, and when powered by renewables, it helps reduce the carbon footprint of water production.

Climate risk management

ACWA Power conducts comprehensive climate risk and scenario assessments to understand and manage the physical and transition risks that could impact its global operations and long-term strategy.

Climate scenarios

End of century warming

1.7°C	peak
1.8°C	model average

Multiple future scenarios are possible, including variations in global temperature pathways, climate policies, and market dynamics. Climate action in the MENA region may also progress at a different pace, creating specific transition impacts.
To test the resilience of its business model and identify climate-related risks and opportunities, ACWA Power uses three distinct and plausible scenarios aligned with likely future developments.

Transition scenarios

1.7°C
1.8°C

Net Zero Pathway:
Delayed Transition

Annual emissions remain high until 2030, requiring strong policies to limit warming below 2°C. Countries maintain current policies until a sudden, disruptive transition begins in 2030, aiming to meet the 2°C target by the end of the century. About 80% of net-zero pledges are fulfilled, but negative emissions remain limited.

2.9°C
2.9°C

Hot-house Scenario:
Current Policy

Only currently implemented policies are preserved, leading to high physical risks. Existing climate policies remain in place, but there is no strengthening of the ambition level of these policies.

2.3°C
2.3°C

Too-little-too-late:
Fragmented World

A delayed and uneven global climate response leads to high physical and transition risks. Until 2030, only existing policies are followed; afterward, some countries cut emissions by 80% by 2050, while others continue their current paths.

Climate risk assessment

ACWA Power is proactively integrating climate risk assessments into its operational and strategic planning across all geographies.

Physical risks include acute and chronic changes like extreme weather, temperature shifts, and altered precipitation, which may disrupt operations and damage infrastructure.

Transition risks stem from the global move to a low-carbon economy and include regulatory, technological, market, and reputational changes that could introduce costs and operational challenges.

Tools and models used

The Aqueduct Water Risk Atlas (WRI) assesses water-related risks globally.

The REMIND-MAgPIE Model simulates economic and energy sector evolution under various climate policies to help anticipate regulatory and technological shifts.

The NGFS Climate Impact Explorer offers detailed, region-specific climate hazard projections, including heatwaves, floods, droughts, and sea-level rise.

WEO 2024 Data: Provides global energy outlook and policy direction insights to validate future market scenarios.

Environmental management

ACWA Power developed an ISO 14001-aligned Environment and Social (E&S) Implementation Manual that sets out the minimum requirements for Environmental and Social Management Systems (ESMS) in all of our projects.

Overarching targets

100%

of our operations have ISO 14001 certification

All our operations are being audited by independent third parties to ensure compliance with the ISO standards.

Internally, we conduct risk-based audits with screening.

Each ACWA Power project operates as a separate company with its own Environmental and Social Management System (ESMS), which includes:

- A policy committing to responsible environmental and social impact management
- A risk assessment process
- Mitigation measures
- Monitoring and reporting procedures to track ESMS performance
- Actions to reduce natural resource use and prevent pollution

NOMAC, our wholly owned subsidiary, is responsible for the operations and maintenance of all projects where we have operational control. It holds five ISO certifications:

- ISO 9001 (Quality)
- ISO 14001 (Environmental)
- ISO 27001 (Information Security)
- ISO 45001 (Occupational Health & Safety)
- ISO 22301 (Business Continuity)

Environmental compliance metrics[1]

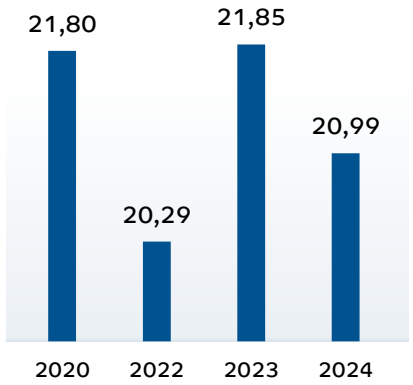
Metrics	Unit	2021	2022	2023	2024
Instances of non-compliance which fines were incurred: Environment	Cases	0	0	0	**1**
Instances of non-compliance which non-monetary sanctions were incurred: Environment	Cases	0	0	0	**0**
Total monetary value for non-compliance with laws and regulations: Environment	﷼	0	0	0	**10,000**

1. In 2024, we addressed a non-compliance issue involving ammonia and zinc exceedances and resolved the matter with a minor fine and corrective actions.

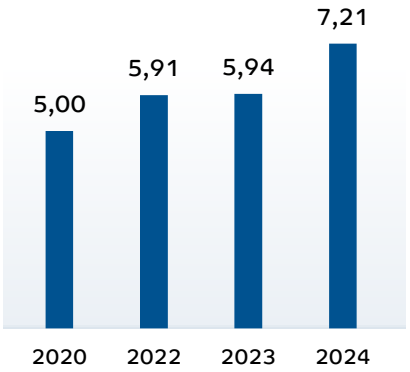
GHG emissions

We monitor, measure, and report on our portfolio's absolute Scope 1, 2, and 3 emissions and the emission intensity, based on ACWA Power's equity share in our projects.

Scope 1 & 2 emissions[1], Mt CO_2e



Scope 3 emissions , Mt CO_2e



Scope 1 covers GHG emissions from stationary fuel combustion from our operational assets

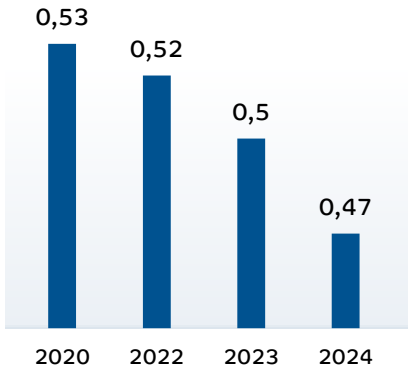
Scope 2 covers ACWA Power's indirect emissions, e. g. electricity purchase from the grid

Scope 3 Category 13 (downstream leased assets) covers the GHG emissions generated by third-party use of ACWA Power's finance-lease assets

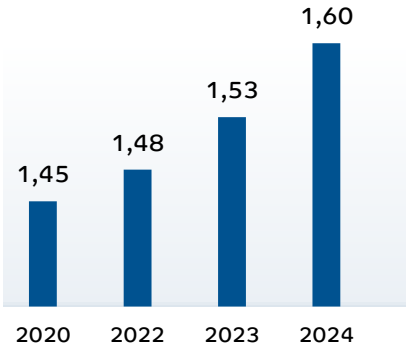
The boundary includes operational assets in which ACWA Power has equity shares and which have reached the Commercial Operation Date (COD).

The reporting is based on the equity share approach; a methodology aligned with the GHG Protocol. It allows us to account specifically for emissions proportional to our ownership share in each project.

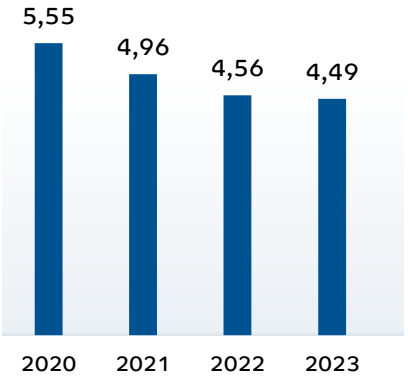
CO_2e intensity of gross electricity generation, t CO_2e / MWh



CO_2e intensity of RO water desalination, kg CO_2e / m^3



CO_2e intensity of revenue, kg CO_2e / ﷼



Standards

- GHG Protocol Corporate Accounting and Reporting Standard (WBCSD & WRI, 2004)
- GHG Protocol Scope 2 Guidance (WBCSD & WRI, 2015)
- GHG Protocol Corporate Value Chain (Scope 3)
- Accounting and Reporting Standard (WBCSD & WRI 2011)

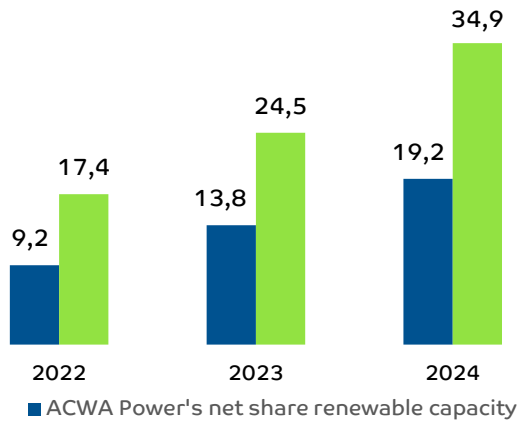
Values are independently assured by KPMG.
Refer to the assurance report on page 278 of the Integrated Annual Report 2024.

1. We excluded the Scope 1 emissions from the owned transportation fleet and the Scope 2 emissions from grid-supplied electricity and district heating/cooling consumption, associated with owned offices. Such emissions are not material or significant. For a detailed breakdown by country, technology, and activity, please refer to the Integrated Annual Report 2024, pages 118-119.

Renewable energy

ACWA Power continues to expand its renewable energy portfolio and deliver measurable environmental benefits through increased capacity and avoided GHG emissions.

Total renewable capacity, GW



2024

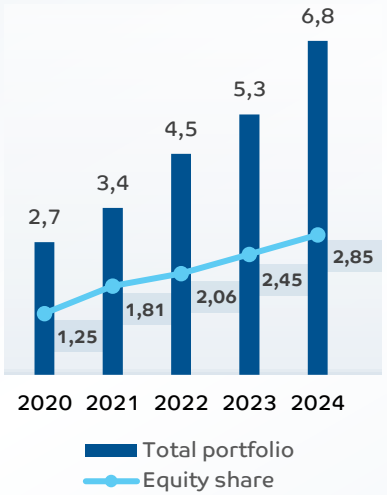
50.4%
of total gross power capacity

58.2%
of total portfolio net share power capacity

In 2024, our net share of renewable capacity surged to 19.2 GW, including 2.6 GW already in operation. Our proactive approach to sustainability has also led to considerable environmental benefits, with emissions avoided reaching a record 2.82 Mt CO_2e.[1]

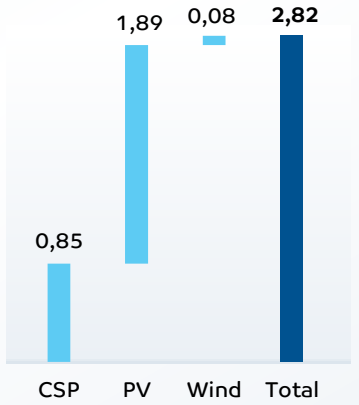
Emission Avoided by Year

Emission avoided, Mt CO_2e / yr



2024 net share of emission avoided by technology

Emission avoided, Mt CO_2e / yr



23%
avoided emissions CAGR over the last five years

1. Calculated according to 'ACM0002: Consolidated Methodology for Grid-connected electricity generation from renewable sources, Version 22.0' by UNFCCC. This methodology measures the displacement of electricity that would have been supplied by fossil fuel-fired generating units in the absence of renewable projects.

Air quality

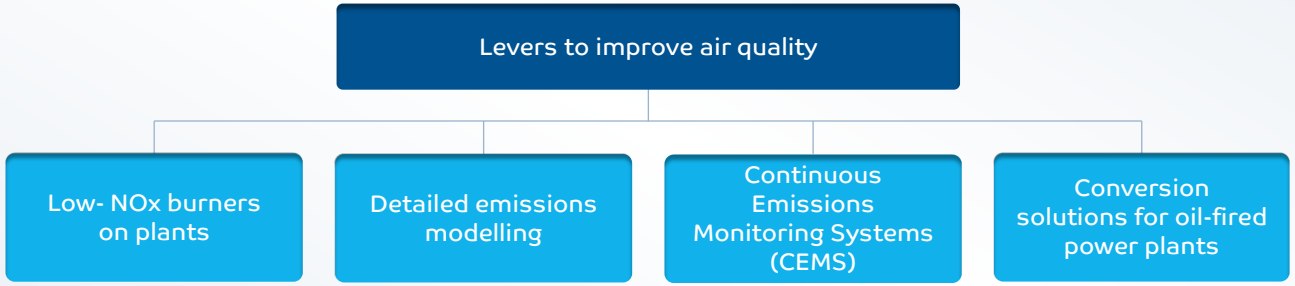
We recognise the importance of reducing NO_x, SO_x, and VOC[1] emissions and remain committed to minimising our environmental footprint while delivering reliable energy.

- All our project companies operate under ESMS tailored to project-specific environmental targets
- Each project undergoes an Environmental Impact Assessment (EIA), including detailed air emissions modelling and mitigation planning, in line with national and IFC[2] standards
- Tangible air quality targets are defined per project
- The International Finance Corporation, which has its own environmental requirements for project financing

-25%
SOx emissions intensity[3]

-11%
NOx emissions intensity

-10%
VOC emissions intensity



Total equity basis

	Unit	2022	2023	2024
Nitrogen oxide	t NOX	51,476	54,075	**54,657**
Sulphur oxide	t SOX	255,974	241,842	**227,363**
Volatile Organic Compounds	t VOCs	1,956	2,096	**2,116**
Intensity of NOX emissions	kg/MWh	1.14	1.09	**1.03**
Intensity of SOX emissions	kg/MWh	5.66	4.86	**4.27**
Intensity of VOC emissions	kg/MWh	0.043	0.042	**0.040**

1. Non-methane volatile organic compounds.
2. The International Finance Corporation, which has its own environmental requirements for project financing.
3. Compared to the 2020 baseline.

Water management

ACWA Power operates in water-scarce regions, where global issues such as climate change, population growth, industrialisation, and water waste are likely to increase water stress in the future.

Key principles and oversight

- Water management is one of the corporate and ESG strategy priorities
- Water is a critical resource for both power generation and seawater desalination. Water used in our power plants is primarily for cooling and condensing. Almost all discharge after desalination is returned to the sea
- The Board oversees water policies, while the executive management monitors performance

Risk mitigation and compliance

- Water-related risks are identified during the Environmental Impact Assessments (EIA)
- Based on the Aqueduct Water Risk Atlas, seawater withdrawal does not affect water stress
- Key water discharge metrics such as temperature and total dissolved solids (TDS) are rigorously monitored

Employee engagement and monitoring

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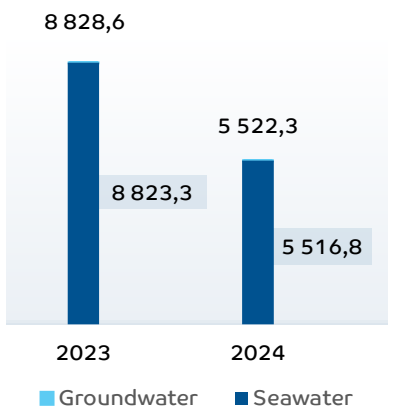
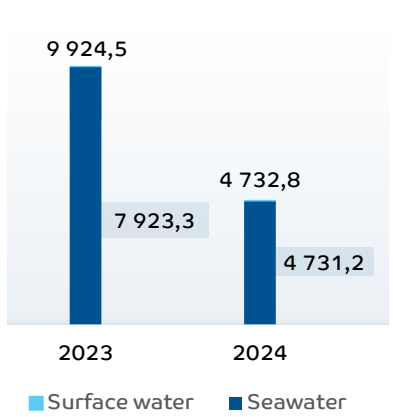
- Based on the Aqueduct Water Risk Atlas, seawater withdrawal does not affect water stress
- Key water discharge metrics such as temperature and total dissolved solids (TDS) are rigorously monitored

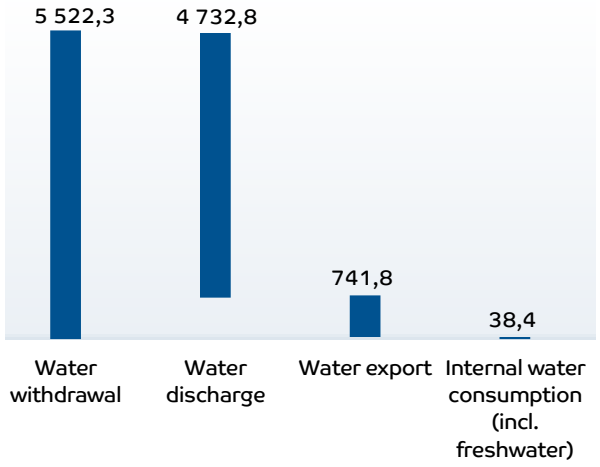
Water withdrawal[1], gigalitres



Water discharge, gigalitres



Water balance in 2024, gigalitres



192 times more

freshwater was provided by ACWA Power to water-stressed regions than it withdrew

1. The disclosure is provided on an equity share basis.
To learn in detail about water management in ACWA Power, please refer to the Integrated Annual Report 2024, pages 128-133.

Water management (continued)

We are committed to delivering efficient, low-carbon desalination solutions in water-scarce regions.

How it works

- Over 2/3 of ACWA Power's desalination plants use energy-efficient reverse osmosis (RO) technology. All future capacity will rely exclusively on RO
- We do not distribute water to consumers directly; we supply in bulk to some of the world's largest offtakers
- Our RO plants vary from 1,000 m^3/day to the world's largest RO plant at Taweelah IWP, producing 909,200 m^3/day
- We optimise the specific power consumption and availability to deliver the lowest water tariffs
- Integrated AI has improved power consumption and water availability and reliability
- The new generation of high efficiency pumps, pressure exchangers and membranes improved performance with reduced brine mixing and enhanced salt rejection rates

since 2010

87%

In desalination we have achieved an energy consumption reduction

~2x less than in 2014

≤3 kWh/m^3

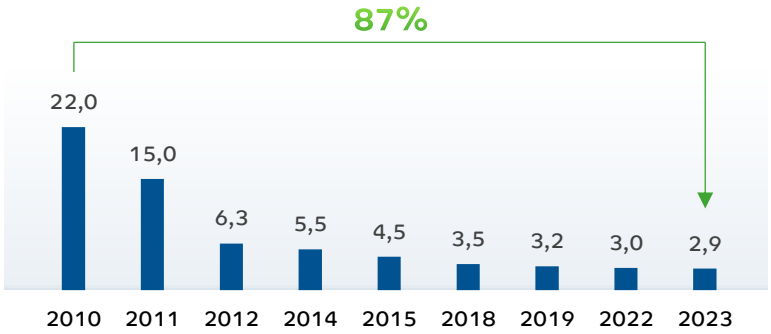
specific power consumption of the whole process due to efficient pumps and solar energy use

The reverse osmosis process

All the process is subject to environmental impact assessment and approval by the local regulator

1. Seawater is pre-treated using Dissolved Air Floatation (DAF) and/or dual media filters, followed by micro-cartridge filters and is pressurised, using high-pressure pumps
2. It goes through thin film composite (TFC) salt rejection membranes to produce low-salinity water
3. High-pressure brine is passed through an energy recovery system to utilise the energy
4. Brine is returned to the sea through diffusers to ensure minimal effect on the ecosystem

Specific power consumption of our desalination plants, kWh/m^3



To further our technological improvements in water desalination, ACWA Power collaborates with the King Abdullah University of Science and Technology (KAUST)

To learn in detail about water desalination technologies we use, please refer to the Integrated Annual Report 2024, pages 129-131.

Water management (continued)

Amid growing pressure on freshwater resources driven by a rising global population, ACWA Power has emerged as the world's largest private desalination company, committed not only to meeting the world's water demands but also to transforming the way water is sourced and delivered.

Efficient desalination technologies

- Thin film composite (TFC) salt rejection membranes provide stable operation and high separation performance.
- Seawater is pre-treated, using Dissolved Air Floatation (DAF) and/or dual media filters, followed by micro-cartridge filters, and is pressurised through reverse osmosis membranes to reject the salts and produce low salinity water.

Solar PV integration

- ACWA Power has strategically integrated solar PV into its desalination operations to reduce grid dependency.
- Mix of energy from the grid and from captive PV solutions results in lower GHG emissions
- Specific power consumption of water desalination is less than 3 kWh/m^3 (-50% since 2014)

Environmentally friendly brine management

- High-pressure brine is passed through a recovery system to utilise its energy
- Brine is returned to sea through diffusers to ensure that the effect on the local ecology is minimal. Salinity rise within the sea is controlled by running a hydrodynamic model.
- Diffusers are located at deeper water depths to ensure proper dispersion and virtually no impact on sea life.

Taweelah IWP, UAE

The world's largest reverse osmosis desalination plant with capacity of 909,200 m^3/day. We have successfully integrated an on-site captive PV plant, which allowed to reduce grid power dependency by approximately 25%.

The plant received the Lowest Carbon Footprint in Desalination award by IDRA Sustainability Awards.

Shuaibah III Conversion IWP, KSA

ACWA Power is converting this thermal desalination plant, with 880,000 m^3/day capacity, to an RO plant, with 600,000 m^3/day capacity, operating with low-carbon technology.

The new plant will have integrated solar PV providing 65 MWp. This will lead to an 87% reduction in power consumption and a saving of 9 million tonnes of CO_2e per year by avoiding fuel consumption of 22 million barrels per year.

Waste management

ACWA Power ensures environmental excellence through rigorous audits and circular waste management practices.

Annual audits

Independent third-party audits are conducted annually at every operational stage to ensure compliance with regulatory and lender standards. These audits cover:

- Terrestrial and marine ecology
- Waste management practices
- Project-specific ESIA and ESMP commitments

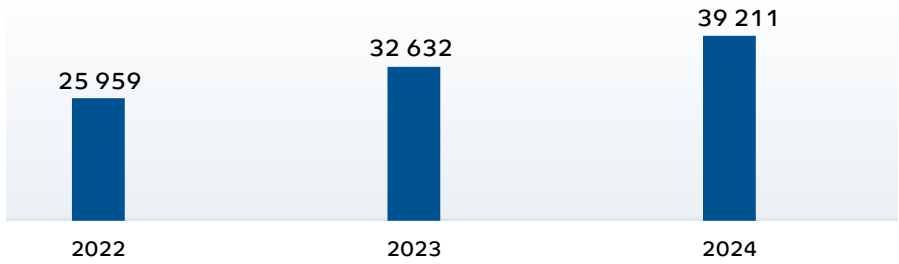
Waste management excellence

- All sites set project-specific waste reduction targets in line with environmental goals
- Robust Environmental and Social Management Systems (ESMS) support compliance and performance
- All the workforce receives targeted training

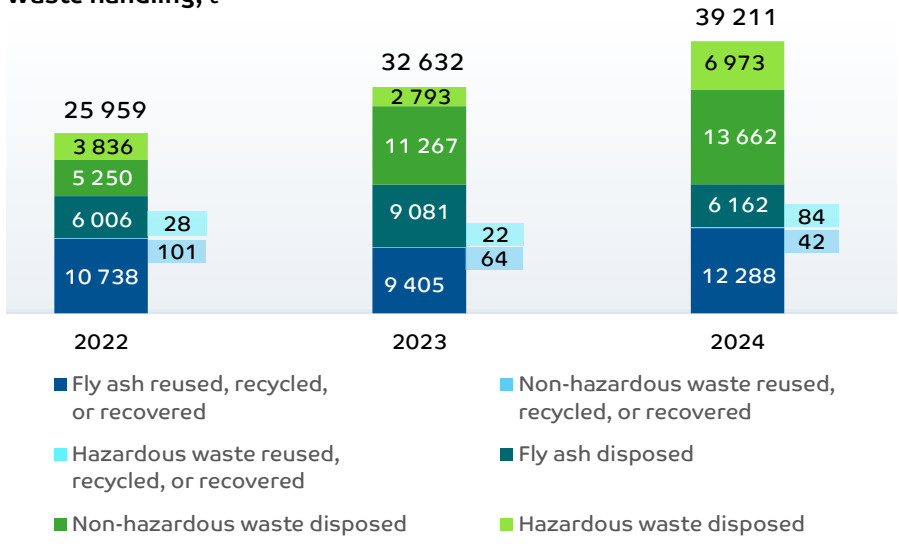
Circular economy

- We focus on reduction, reuse, and recovery before disposal
- We move away from the traditional ‘take-make-dispose’ approach to a closed-loop system
- We optimise material recovery to reduce costs, conserve resources, and lower energy use

Total waste generated, t



Waste handling, t



Water Desalination and Solar PV Integration

ACWA Power integrates solar PV into desalination plants which results in lower emissions and contribute to the UN Sustainable Development Goals (SDGs) as well as pave the way for further expansion.

Taweelah IWP, UAE

The world's largest reverse osmosis desalination plant with capacity of 909,200 m^3/day. The plant is 44% bigger than the world's current largest RO plant in terms of capacity and it uses 70 MWp of Solar PV.

The Red Sea project

One of KSA's iconic projects, ACWA Power is supporting the largest, fully sustainable off-grid solution worldwide by constructing 240 MWac PV plant, a 1,228 MW/h Battery Energy Storage System, and an SWRO plant, which will produce 2,500 m^3/day.

Shuaibah III Conversion IWP, KSA

ACWA Power converted this thermal desalination plant to an RO plant, with 600,000 m^3/day capacity, operating with low carbon intensive technology. The new plant has integrated solar PV, providing 65 MWp. This will lead to an 87% reduction in power consumption and a saving of 9 million tonnes of CO2e in total per year by avoiding fuel consumption of 22 million barrels/year.

Jubail 3A IWP, KSA

This 600,000 m3/day capacity plant became fully operational in 2023 and uses 45 MWp of Solar PV.

Rabigh 4 IWP, KS

With a capacity of 600,000 m3/day and Solar PV capacity of 6.804 MWp, this plant, under construction, is next to our existing Rabigh 3 IWP plant and is scheduled to open in Q1 2026.

Contribution to the UN SDGs

ACWA Power's desalination plants turn seawater into drinking water for some of the world's driest regions—especially the Middle East.

Fast-growing ACWA Power delivers reliable, low-cost electricity and water worldwide, partnering with governments and partners to drive the energy transition and expand affordable access.

ACWA Power is acting on climate with clear targets: by 2030 we'll halve GHG intensity and reach a 70/30 green-to-brown asset mix. Backed by our PIF partnership, we lead 70% of Saudi renewables and will source over 75% of new capacity from renewables and storage —putting us on track for net zero by 2050.

To learn in detail about water desalination technologies we use, please refer to ACWA Power Integrated Annual Report 2024

Waste management (continued)

The Company strengthens its waste management practices through increased recycling, strict hazardous waste handling, and innovative reuse initiatives across its operations.

Key recycle and reuse initiatives

32,000+

tonnes of fly ash

recycled from fuel oil plants (2022–2024) through partnership with Al Safwa Cement

70%

of wood and pallets

at the Hassyan project transformed into safety barriers, shelters, and school learning aids

150 kg

waste monthly avoided by replacing polystyrene plates with reusable stainless-steel trays at Hassyan

Colour-coded skips and containers support effective on-site waste sorting.

Hazardous waste handling

Hazardous waste is managed with strict safety protocols across all handling, storage, transport, and disposal stages. ACWA Power collaborates with Al Safwa Cement Company (ASCC) to recycle fly ash from NOMAC's plants, using it as an alternative energy source in cement production.

In 2024, the reuse, recycling, or recovery of hazardous waste rose by 31% due to activities like pond cleaning, chemical disposal, and dismantling of old systems.

Spills

There were five spills during the year, with a volume of 0.9 m^3. Each incident was promptly addressed in accordance with our spill response protocols. There was no major impact on the environment.

in 2024

+31%

reuse, recycling, or recovery of hazardous waste

+31%

increase in volume of recycled waste

+32%

of waste is recycled, reused, or recovered

Biodiversity

ACWA Power collaborates with local communities, NGOs, and government bodies to restore degraded habitats, protect endangered species, and support long-term conservation efforts.

Approach

ACWA Power has developed a Corporate Biodiversity Framework to guide all biodiversity-related activities across our global portfolio. This framework:

- Establishes biodiversity standards and procedures
- Provides clear, actionable guidelines for implementing biodiversity initiatives
- Ensures compliance with national legal obligations

A critical component of our strategy is the integration of biodiversity considerations into ACWA Power's ESMS. All our projects undergo comprehensive ESIAs to evaluate potential negative impacts on local wildlife and vegetation.

Our approach complies with:

- Convention on Biological Diversity (CBD)
- Kunming-Montreal Global Biodiversity Framework

Governance structure

Biodiversity Steering Committee → Corporate Biodiversity Lead → Project Biodiversity Managers

To learn in detail about our biodiversity protection, please refer to the Integrated Annual Report 2024, pages 135-137.

Biodiversity

ACWA Power collaborates with local communities, NGOs, and government bodies to restore degraded habitats, protect endangered species, and support long-term conservation efforts.

Key initiatives:

- Avoiding wintering, migration, or breeding and plant growth areas
- Installing bird protection devices and bird flight diverters
- Integrating cameras at wind farms to prevent collisions of with wind turbines
- Relocating tortoises and geckos before and during operations
- Establishing a buffer zone of at least 5 km around each project
- Protecting coral reefs
- Planting trees
- Restoring mangrove forests and wetlands

3 sites
within or near sensitive habitats

10.5 km²
Total of within protected areas

Objectives

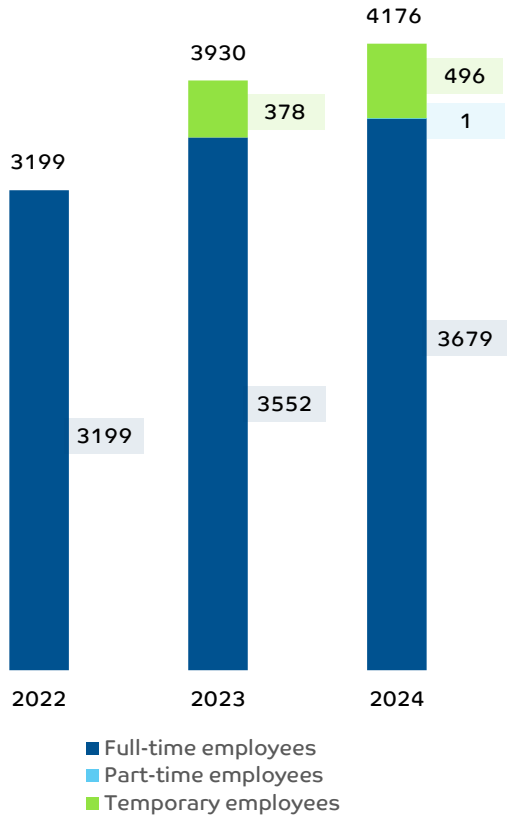
- Mainstream biodiversity into business operations
- Foster partnerships and community engagement
- Leverage innovation and technology
- Measure and report progress
- Avoid or minimise biodiversity impacts
- Restore and enhance ecosystems

To learn in detail about our biodiversity protection, please refer to the Integrated Annual Report 2024, pages 135-137.

Workforce composition

ACWA Power is dedicated to building a resilient, high-performing workforce by fostering a dynamic, inclusive culture that values diversity, encourages collaboration, and empowers every employee.

Total ACWA Power employees



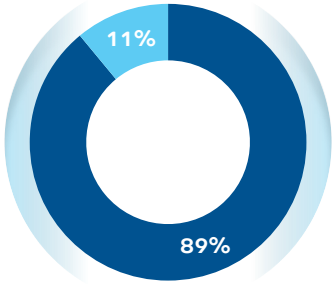
In 2024

ACWA Power has a low turnover rate, reflecting the success of our engagement and retention initiatives

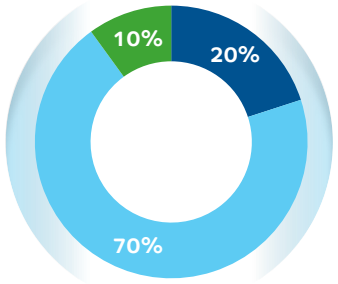
9.8%
(-0.4 pp)

11.2%
share of women in managers and directors

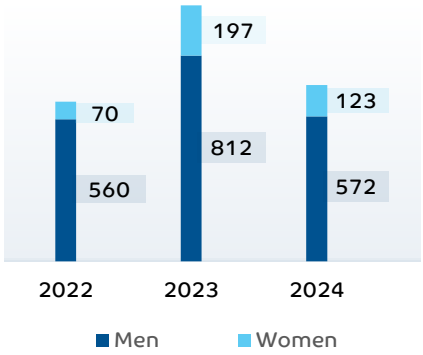
Total employees by gender (2024), %



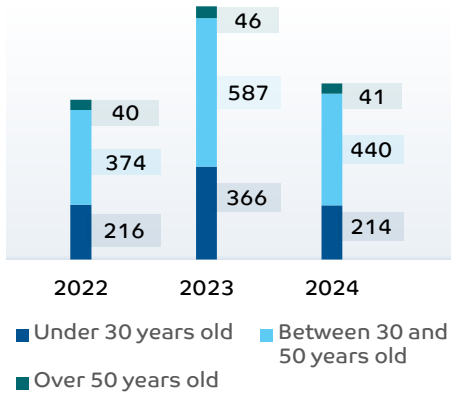
Total employees by age (2024), %



Rate of hires by gender



Rate of hires by gender



To learn in detail about employee management in ACWA Power, please refer to the Integrated Annual Report 2024, pages 138-153

Employee management

We are building the workforce needed to scale up rapidly and deliver our 2030 goals by focusing on capability, culture, and agility.

The ACWA Power 2023-2030 People Strategy, built on three core pillars, is designed to attract, retain, and inspire top talent and aligns with Saudi Vision 2030.

Pillars	Capability	Culture	Agility
Components	1. Enhancing talent acquisition and leadership pipelines 2. Developing leadership and internal talent 3. Enhancing compensation and benefits	1. Fostering a unified and inclusive workplace 2. Driving diversity and inclusion	1. Optimising HR operations 2. Aligning operating model with the strategy 3. Enhancing performance tracking
Programmes	• Advanced recruitment programme • Total rewards programme • Career development and succession programme • ACWA Power Academy programme • Talent bench strength programme	• ACWA Power employer proposition programme • Values in Action programme • Diversity and inclusion programme	• P&C transformation programme • Capacity planning and building programme • Innovation enabler programme • Experience management programme

Localisation

Our workforce localisation strategy is designed to hire, develop, and empower local talent, fostering stronger regional economies and promoting inclusive growth.

55% 2024
share of local nationals in total employees

3.94/5
employee engagement score

USD 120 million
planned investment in talent development until 2030

12
awards for best employer, HR strategy, HR transformation and employer brand in 2024

Training and development

By providing accessible, high-impact training, ACWA Power employers its employees, strengthening the culture of learning, compliance, and operational excellence.

MISHKATY training platform

MISHKATY is ACWA Power's proprietary Learning Management System (LMS) offering a wide range of on-demand educational programmes and integrated with ACWA Power's HR information system.

- Soft skills
- Technical skills
- Health and safety
- Leadership development

12,000+
Courses delivered in partnership with leading e-learning providers

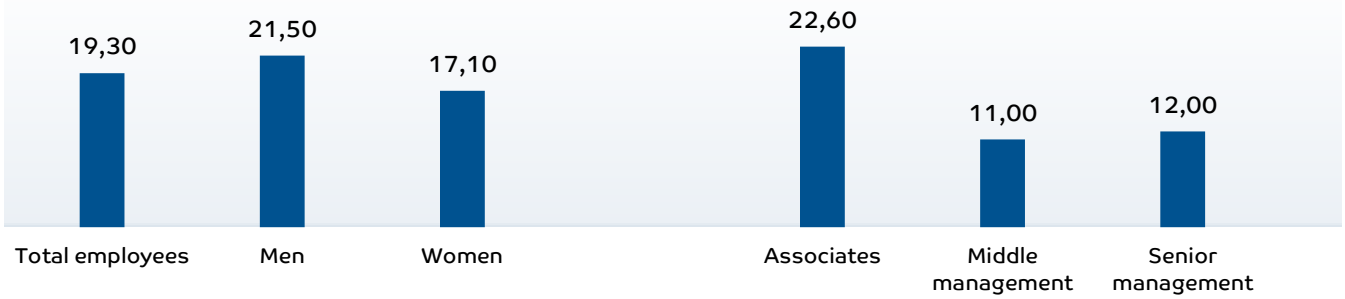
79,231
total training hours

115
Technical competence exams

60
technical training journeys

43
instructor-led training sessions

Average training hours per employee in 2024



Partnering with educational institutions in 2024

Executive Leadership Transformation Programme (ELT)
cultivation of executives capable of navigating the complexities of the global market

49
participants

Leadership Accelerator Programme (LAP)
12-month intensive development initiative

57
participants

Executive Leadership Transformation Programme (ELT)
cultivation of executives capable of navigating the complexities of the global market

2 000+
participants

Graduate Development Programme (GDP)
two years of structured learning and professional development & two years of full business integration

31
participants

To learn more about employee training and development, please refer to the Integrated Annual Report 2024, pages 143-147.

Health and safety

ACWA Power's commitment to eliminating workplace injuries is supported by a robust HSSE governance structure.

Key initiatives

- HSSE learning sessions, webinars, and events
- Quarterly HSSE campaigns
- Safety moments and lesson sharing
- Behaviour-based safety programmes
- HSSE competency pathways
- Partnership with Shirin Energy College and NMES training centre
- Workshops with EPC contractors/partners

Occupational health initiatives

- Medical checkups
- Health risk assessment
- Fatigue management
- Technology-specific risk assessment
- Preventive measures and programmes
- Curative measures

Contractor due diligence

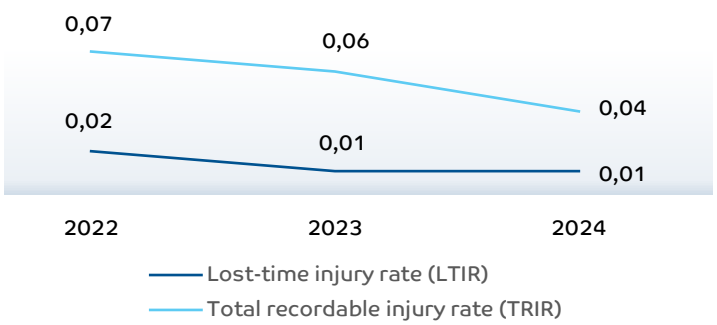
Contractors undergo detailed documentation reviews and site visits to identify gaps, followed by tailored Improvement Plans with actionable steps to meet or exceed ACWA Power's HSSE standards. In the construction phase, they participate in regular HSSE committee meetings to align expectations and share lessons learned and best practices.

Our approach

In 2024 ACWA Power shifted organisational safety focus to the concept of Zero Significant Harm.

- Documenting safety critical tasks in 25 Global Essential Standards developed by the corporate HSSE team
- Ensuring all site activities comply with the critical controls for high-risk tasks (15 critical control checklists)
- Learning from events where critical controls were either not in place, failed, or had the potential to fail

ACWA Power maintains very low injury rates



ACWA Power's Business Continuity Management (BCM) system

addresses disruptions such as natural disasters, cyberattacks, and equipment failures.

- Tailored business impact analyses,
- Data visualisation platform
- Comprehensive training

To learn more about the health and safety approach and governance, please refer to the Integrated Annual Report 2024, pages 153-157.

Energy and water affordability and access

ACWA Power plays a crucial role in providing affordable, sustainable energy and water and ensuring the financial stability of its customers, partners, end-users, and local communities.

We supply power and water to major offtakers, not to consumers directly.

But our operational excellence still delivers the lowest tariffs and highest availability for end-users.

185 reliability actions

in 30 plants in 2024

The RoS process expanded to green hydrogen and BESS.

Our NOMAC team plays a crucial role in asset reliability.

$0.365 /m³

the lowest desalinated water tariff in history (at our Hassyan IWP)

What do we do to increase water availability?

- Optimise specific power consumption to deliver the lowest water tariffs
- Ensure compliance with the water quality requirements
- Implement AI to improve power consumption, reduce chemical use, and enhance preventive maintenance

97.6%

water availability 2024

What do we do to increase power availability?

- Implement the Reliability of Supply (RoS) programme
- Reduce plant outages
- Review safety-critical devices at plans
- Conduct regular maintenance and inspections
- Audit the plants' RoS maturity
- Review the Owner's Technical Specifications (OTS) periodically

93.3%

power availability 2024

Local communities

ACWA Power's Corporate Social Responsibility (CSR) policy is rooted in a commitment to generating positive social impact within the communities we serve.

Three pillars of our CSR actions

Inspiring future generations	Driving climate actions	Building community resilience
Investing in educational vocational training institutions and programmes, particularly in the fields of renewable energy and water solutions.	Supporting climate change mitigation and adaptation projects through promoting renewable energy solutions and enhancing environmental awareness.	Enhancing community strength and our social licence to operate through access to energy & water, healthcare, etc. to improve the quality of life and build resilient communities.

Our approach

Social impact

we focus on initiatives that provide tangible benefits to local communities, enhancing ACWA Power's role as a responsible corporate citizen.

Stakeholder engagement

developing programmes in consultation with employees, local communities, governments, NGOs, investors, and customers.

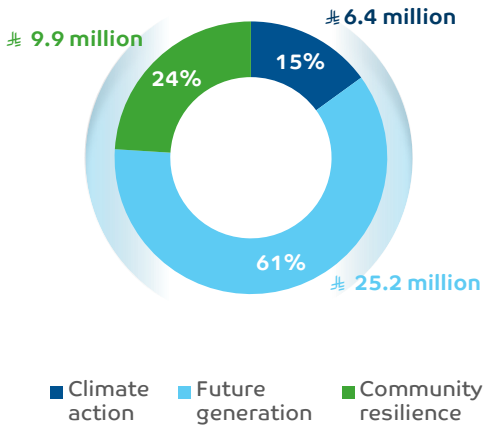
Flexibility

developing programmes in consultation with employees, local communities, governments, NGOs, investors, and customers.

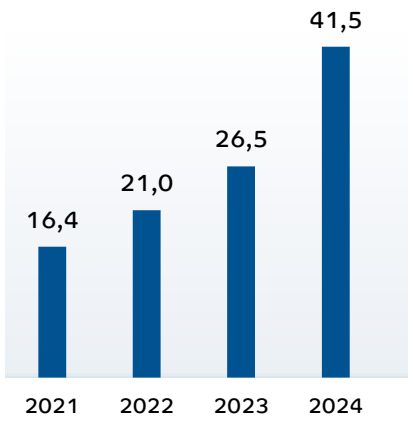
Transparency and accountability

we commit to clear reporting and rigorous accountability in all our CSR activities, ensuring our actions are transparent and community oriented.

Total employees by age (2024), %



CSR Spending 2021-2024, ﷼ million



CSR governance framework

- The Board sets the overarching direction by approving CSR policies and budgets
- The Board Executive Committee oversees the implementation of these policies
- The CEO and local teams work to implement these initiatives
- The Stakeholder Engagement Plan (SEP) is fundamental to each project, designed to ensure comprehensive and proactive engagement with all key stakeholders

ACWA Power non-profit organisation

ACWA Power is establishing the ACWA Power non-profit organisation to consolidate and enhance the Company's social impact in KSA and globally. It will serve as the primary vehicle for ACWA Power's social strategy, streamlining initiatives, enhancing transparency, and maximising social impact through strategic funding, agile organisation, good governance, and meaningful community-driven projects.

To learn more about our community initiatives, please refer to the Integrated Annual Report 2024, pages 160-165.

Local communities: Key initiatives

Supporting projects tailored to local needs is the cornerstone of ACWA Power's social responsibility approach.

Future generation

Energy & Water Academy (EWA)

ACWA Power established EWA in partnership with Technical & Vocational Training Corporation (TVTC) to provide unique vocational training in green hydrogen, renewable energy, and water desalination.

79,231 accredited programmes

115 trainees since

Shirin Energy College (Uzbekistan)

SHEK as a centre of excellence, providing specialised training and creating job opportunities in the areas of electricity production and emerging technologies.

EWA Saudi Arabia provides technical assistance and develops a transformation programme plan and roadmap.

3 year course

670 students

Climate action

Tree planting

We fund planting a mix of 60,000 regular trees or 120,000 mangrove trees in KSA. In total, our tree nursery in Shuaibah has distributed 361,047 tree seedlings up to 2024.

1 million trees the target by 2030

The Coral R&D Accelerator Platform Foundation (CORDAP)

Key projects:

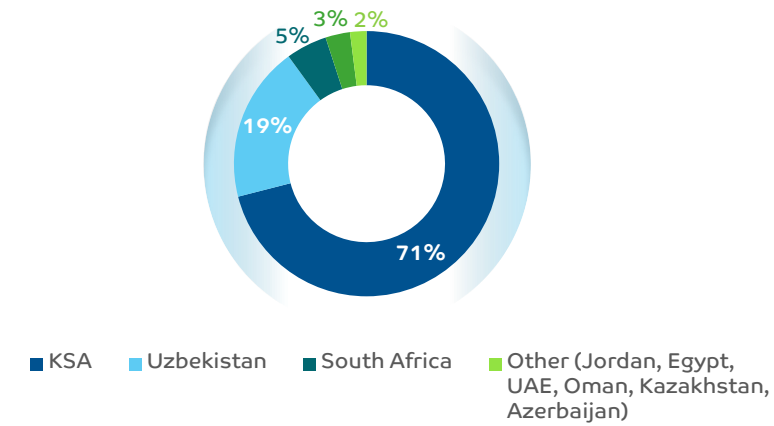
- The Global Coral Cryopreservation Network
- CLEAN REEFS – a dynamic pollution mapping and risk assessment tool for global coral reefs
- Documenting the coral response to weather and ship grounding impacts
- The Coral Academy (under development) for practitioners and ambassadors

Community resilience

Sekaya project

We collaborate with Sekaya, a foundation enabling local communities to contribute in water-supply projects in villages. Our project ensure sustainable access to water in a water-stressed area for more than 1,500 households in Wadi Hajar, situated in the Makkah region.

CSR spending by country (2024)



To learn more about our community initiatives, please refer to the Integrated Annual Report 2024, pages 160-165.

Sustainable procurement

ACWA Power's sustainable procurement approach ensures full compliance with regulatory standards while maximising local content to support national development and supply chain resilience.

Our six procurement principles

Maximise shareholder value		Develop people to deliver growth strategy		Enhance HSE performance	
Engaging our suppliers	Statutory and regulatory compliance	Corporate Social Responsibility	Disclosure of Related Party Transactions	Prevention of fraud & controls	Ethics – fair and transparent relationships
Comprehensive solutions to meet the requirements of customers	Transparent and independent relationships with partners	Rigorous bottom-up pricing approach to bid at the lowest possible price	Cost-effective funding structure	High-quality, culturally diverse and empowered talent	Commitment to sustainability, health, safety and corporate social responsibility	Commitment to Islamic (Sharia) compliant activities

Our procurement policy takes sustainability aspects into consideration, ensuring that any organisations with which we collaborate make a positive environmental, social, and economic impact. We subject all suppliers to due diligence screening and evaluation, and require them to submit an Undertaking of Code of Ethics.

The sustainability elements considered procurement are:

Environment

- Use of energy, water and raw materials
- Recyclable and renewable materials
- Waste management
- Pollution

Social

- Human rights
- Safety
- Information security

Governance

- Ethical behaviour
- Conflicts of interest and related-party transactions
- Hospitality and gifts
- Confidentiality
- Data protection

Local content

In 2024, ACWA Power approved the updated Local Content Policy and Strategy, developing a clear approach to localisation, and creating a structured supplier development programme.

Local content targets:

min. 15% during construction

min. 50% during operation

46% in 2024 +6 pp

local content score of ACWA Power and its subsidiaries in KSA

To learn more about our procurement procedure, please refer to the Integrated Annual Report 2024, pages 103-104.