

ANNUAL REPORT 2024

EMPOWERING PROGRESS... TOWARD A **SUSTAINABLE FUTURE**

www.distribution.nama.om



His Majesty Sultan Haitham Bin Tarik Al Said (May Allah Protect Him)

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GLOSSARY OF TERMS

ADMS	Advanced Distribution Management System
APSR	Authority for Public Service Regulations (APSR)
AMR	Automated Meter Reading
CAPEX	Capital Expenditure
CRT	Cost Reflective Tariff
EHC	The Electricity Holding Company SAOC also branded as Nama Holding (NH)
ESG	Factors of Environmental, Social & Governance used to measure the sustainability
GIS	Geographic Information System
GWH	Gigawatt Hour of Electricity Units (MWH*1000)
ICV	In-Country Value
KPI	Key Performance Indicators
kV	Kilovolt is a unit of electromotive force, equal to 1000 volts. (Transformer's capacities are represented in 33kV or 11kV in the Annual Report)
LMS	Learning Management System
LT	Low Tension
LTI	Incident and /or accident that results in fatality, permanent disability or time lost from work. It could be as little as one day or shift.
MWH	Megawatt Hour of Electricity Units
MVA	Mega-volt ampere, a unit of measuring apparent power
OHL	Overhead Lines
Omanization	The policy for the employment of Omani nationals as issued from time to time by the Government of Oman
OMR	Rial Omani
OMS	Outages Management System
OPEX	Operational Expenditure

GLOSSARY OF TERMS

Permitted Tariff	Tariffs Customers are obliged to pay in consideration for Supply of electricity or for Connection to a Distribution System or a Transmission System, which tariff shall be determined in the manner stipulated in Article (9) of the Sector Law
PSS	Primary Substation
PV	Solar Photovoltaic
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SCADA	Supervisory Control and Data Acquisition system. SCADA computer systems will monitor substations, transformers and other electrical assets.
Sector Law	The law for the regulation and privatization of the electricity and related water sector promulgated by Royal Decree 2004/78 as amended by Royal Decree 2009/59
SOPs	Standard Operating Procedures
The Authority	The Authority for Public Service Regulations Oman,
The Company	Nama Electricity Distribution Company SAOC (NEDC)

ABOUT THIS REPORT

Welcome to the Second edition of Nama Electricity Distribution Company (NEDC), (the legal entity acquiring the Distribution License in the Sultanate of Oman Excluding Dhofar Governorate), Annual Report covering our organization's performance and accomplishments from January 1, 2024, to December 31, 2024.

Contained within this report are data and statements pertaining to all core operations and processes under the management control of NEDC, unless specified otherwise.

We would be pleased to receive your views on our Annual Report. For any queries, feedback or suggestions please get in touch with us at Feedback @distribution.nama.om.

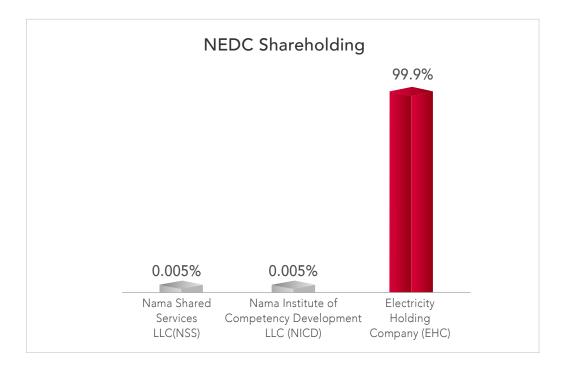
For easy access, an electronic version of this report is available on our website: https://www.nedcoman.com/annualreport.php. We appreciate your interest in NEDC's journey and achievements.

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OVERVIEW OF NEDC

Nama Electricity Distribution Company (NEDC), is a closed joint-stock company formed in 2022 based on the direction of Authority for Public Services Regulation (APSR), multiple distribution companies which established by Royal Decree 78/2004 in 2005 were merged into two separate entities, distribution and supply, across all governorates excluding Dhofar. NEDC is licensed to carry out electricity distribution network management and related activities such as extension and new connection work in The Sultanate of Oman, without the Governorate of Dhofar.

The ownership structure of the company is described in the below diagram.



The below describes the key stakeholders in the context of NEDC:

1	Oman Investment Authority
2	Nama Holding Company
3	Ministry of Energy and Minerals
4	Authority for Public Services Regulation

2.1. VISION, MISSION, VALUES & WHO WE SERVE

VISION



NEDC is a leading reference for electricity Distribution services excellence.

The 0-60-1+ vision reflects our core fundamentals, strategic focus areas, guiding strategies, and organizational obligations- capturing how we prioritize, act, and deliver on our purpose as follows:

- HSE & Sustainability
- Network Reliability
- Customer Experience
- Financial Robustness
- Continuous Improvement

MISSION

Provide safe, reliable, sustainable and economic electricity.

VALUES



WHO WE SERVE

Customers are segmented as follows:

Residential & Others

NEDC residential customers represent the largest customer account segments. The Other Customers are Agriculture & Fisheries and Tourism.

Commercial & Industrial

Commercial & Industrial customers are our second-largest segment.

Government

Government Customers with Ministry of Defense represent the third segment of our accounts.

✓ Cost Reflective Tariff (CRT)

Accounts of Customers who consume more than 1 Megawatt Hour per year, represents large number nonresidential customers.

2.2. BOARD OF DIRECTORS



FATHI AL BULUSHI

Fathi Al Bulushi holds a Master's degree in finance and serves as the Chief Executive Officer of Oman Brunei Investment Company, overseeing strategic investments across various sectors. With over 20 years of experience in finance and investment, he has led debt financing transactions exceeding USD 10 billion.

He has held multiple leadership positions in Oman and Brunei and currently serves as a board member of OQGN and Oman Investment Bank.



RASHID SULTAN AL HASHMI

Visionary leader with 17+ years of experience driving strategic decisions across global and local markets. Currently Rashid is a Senior Manager in Future Fund Oman Investment at OIA, a \$5.2 billion sovereign fund, advancing the Sultanate's 2040 vision. Proven track record in sovereign, private and corporate investing, focusing on business development, asset management & exit, and high-stakes negotiations. Expert in managing \$20 billion+ portfolio deploying over \$1.2 billion, and leading successful exits and value creation initiatives. Built vast professional networks of international entrepreneurs and founders, CEOs, government officials, financiers, operators, regulators and legal professionals, enabling impactful long-term value creation.



GHADA MOHAMMED AL YOUSEF

Ghada Al Yousef has over 20 years of industry experience spanning across the banking,

real estate, and utilities sectors. She holds a Master of Business Administration from the London School of Business, UK (2018 – 2019) and a Bachelor of Science in management from Royal Holloway College, University of London, UK (1997– 2001). She is currently the Chief Marketing, Communication and Sustainability at Nama Electricity Supply Company.



AZZAN MOHAMMED REDHA AL-ABDULLATIF

Azzan is a distinguished energy sector professional with over two decades of experience. He has held senior Upstream Oil & Gas leadership roles and headed various functions throughout his career in both national and multinational energy companies. These diverse roles spanned area's such as finance, commercial, business development, new ventures as well as acquisitions & divestments.

Azzan has a proven track record of driving strategic growth and delivering significant value. He currently serves as the Chief Portfolio Officer at OQ SAOC, Oman's leading energy investment development company. Prior to this, he served as OQ's Vice President – Divestments & Transactions in which he recently led the successful execution of OQ's IPO program delivering four of the largest IPO's in Oman's history over the past two years. Throughout his career he has led and successfully delivered deals with a cumulative value above \$10 billion.



SHATHAN BADAR AL AMRI

Shathan is a Sr Legal Counsel at Al Futtaim Group where he manages the Legal Affairs within Oman jurisdiction and is acting Head of Legal for the group in KSA as well as Head of Corporate registration in Both Oman & Qatar and CR signatory in Oman, KSA & Qatar. He has 12 years of experience. He holds a Bachelor of Law from Sultan Qaboos University (SQU) and certifications in law, arbitration, and training.



ALI ISSA ALI SHAMAS

Ali Shamas is an experienced executive with over 20 years of leadership in integrated utilities, energy, and port operations, including 13 years as a CEO. He currently serves as the CEO of Dhofar Integrated Services Company (DISC), where he has led the integration of the power, water, and wastewater sectors, ensuring operational efficiency and strategic growth. He was a previous chairman of Salalah Sanitary Drainage Services and currently serves on the board of Marafiq and on the advisory council of Dhofar University. His previous experience in PDO for 17 years, including years posted in SHELL Holland as senior operation engineer, 7 years in the Port of Salalah, last position GM general cargo terminal.

He holds a Master's in Total Quality Management and Business Excellence from Sheffield Hallam University, UK, and a bachelor's in mathematics from the University of Washington, USA. He is also a graduate of the LEAP executive program of INSEAD. His expertise spans transformational leadership, strategic planning, operational excellence, Omanization strategy, and Health, Safety, and Environment (HSE) leadership.

2.3. LEADERSHIP TEAM



ALA HASSAN MOOSA (Chief Executive Officer)



MAJID NASSER AL BUSAIDI (Chief Transformation Officer)



ADAM YOUSUF ALBALUSHI (Chief Financial Officer)



SALIM MASOUD AL KABI (Chief Operation Officer)



YOUSUF MOHAMMED AL MAHROOQI (Chief Technical Officer)



KHALFAN NASER AL BURTMANI (Chief Commercial Affairs Officer)



NASSER SAID AL BAHANTAH (Chief People Officer)



YASEEN MOHAMMED REDHA AL LAWATI (Chief Technology and Innovation Officer)



AWADH SALEM AL YAQOUBI (QHSE General Manager)

2.4. SECTOR LAW OVERVIEW

The Sector Law provides the framework for the structure of electricity and related water industry in Oman, and it is the legal basis for price regulation and the independent regulator the Authority of Public Services Regulation (APSR), which governs the regulations of electricity in Oman. The following diagram represents the Electricity Sector's Structure:

	Generation	Planning & Procurement	Transmission	Distribution	Supply
MIS	Independent Power Producer Independent Water and Power	Nama Power & Water Procurement	Oman Electricity & Transmission	Nama Electricity Distribution Company	Nama Supply Company
DPS	Producerss			Nama Dhofar Services	Nama Dhofar Services
RS	Nama Generation Company				Nama Supply Company
	Privately Owned				

The following diagram represents the Electricity Sector's Structure:

2.5. REGULATION AND LICENSES

NEDC operates as an independent company regulated by the APSR. The following governing regulations form the basis of the relevant regulatory regime:



The above-mentioned regulations are available on NEDC's official website: www.distribution.nama.om

All other relevant information about NEDC and the electricity sector, permitted tariff, regulated and non-regulated business are available on the website of APSR. https://www.apsr.om/en/home.

The license granted to NEDC by APSR, is described in detail by key business activities including distribution of electricity to customers within the authorized areas.

NEDC Business Units



Distribution: The Distribution Business' objective is to prepare, maintain and develop the distribution network and assets to ensure safe and reliable distribution of electricity. To be the point of contact with the customer in the provision of electricity services, connections to the network and meter reading.



Support Business Unit: The Support Units' objective is to fulfill its statutory obligations, effective governance and efficient management of resources. The following support units, in line with common practice have evolved and established within NEDC:

Health, Safety, Security & Environment (HSSE) | Human Resources and Support Services.

Compliance, Communication, Strategy & Records, Information Technology (IT), Finance.

2.6. COVERAGE AREA

NEDC's electricity distribution system is divided into five geographic zones/areas and serves more than 1.35 million customers while the total served areas incorporating all Governorates except Dhofar Governorate consists of 210, 201 sq. km. The division into various zones is due to the difference in load density and geographical location.

2.6.1. NEDC PHYSICAL TERRITORY

The five operational zones are depicted in the table and image below including Governorate and areas covered:

ZONE	OPERATIONAL	OPERATIONAL	OPERATIONAL	OPERATIONAL	OPERATIONAL
	ZONE 1	ZONE 2	ZONE 3	ZONE 4	ZONE 5
Governorate/s	Muscat, Al Batinah South Governorates	Ad Dakhiliyah, Ad Dhahirah Governorates	Ash Sharqiyah (north, south) Al Wusta	Al Buraimi, & Al Batinah North Governorates	Musandam Governorate

BOARD OF DIRECTORS REPORT

parta 1

CLARK Y



On behalf of the Board of Directors, I am pleased to present the 2024 Annual Report, showcasing Nama Electricity Distribution Company's (NEDC) achievements and commitment to excellence in the energy sector. This year, we have solidified our position as a key player, driven by Innovation, Governance, and People Capabilities, while maintaining the highest Health, Safety, and Environment (HSE) standards.

Health, Safety, and Environmental Excellence

The safety of our people, partners, and the public is our top priority. The Board is committed to maintaining the highest HSE standards in all our operations. In 2024, we achieved zero Lost Time Injuries (LTI) across Oman, marking a remarkable achievement in our commitment to safety.

Financial and Operational Excellence

In 2024, NEDC achieved significant milestones, with a customer base of 1.35 million, revenue of RO 307.36 million, and EBITDA of RO 193.94 million. We adhere to APSR guidelines and align with OIA's strategic vision, ensuring transparency and accountability.

Customer-Centric Approach

Our customer service remained uninterrupted during the merger transition, with an Omanization rate of 98.6%. We launched a customer experience enhancement program, including digital service innovations and a feedback-driven improvement model.

In-Country Value and Sustainability

We support local SMEs and have increased local procurement by 7%. We also expanded our renewable energy portfolio, increasing the DC capacity of connected PV systems to 92.500 MW.

Technological Advancements

We invested in infrastructure and technology, achieving 75% smart meter deployment. We aim for 100% deployment by 2025.

Risk Management and Governance

We enhanced our risk management framework to address key operational and market risks, including cyber threats and supply chain disruptions.

Gratitude and Acknowledgments

We extend our deepest gratitude to His Majesty Sultan Haitham bin Tariq, our cooperation partners, NAMA Holding, NAMA Supply Company, OIA, and APSR for their support.

Looking Ahead

NEDC remains committed to driving innovation, fostering sustainability, and delivering exceptional value to our stakeholders. Together, we will continue to power the Sultanate's growth and prosperity.

Thank you for your trust and support.

Fathi Abdullah Al Balushi On Behalf of the Board of Directors





I am pleased to present Nama Electricity Distribution Company (NEDC) Annual Report for 2024, highlighting another year of significant transformation. NEDC has solidified its position as the nation's leading electricity distribution company, with assets surpassing RO 2.24 billion.

In alignment with Oman Vision 2040 and the priorities of Oman Investment Authority (OIA), our strategy is founded on key obligations and principles shaped by regulatory priorities, shareholder expectations, and government aspirations for growth and collaboration. This approach underscores our commitment to a future driven by innovation, digitalization, governance, and the pursuit of synergies and efficiencies.

This year, our customer base expanded to over 1.35 million, reflecting a 3.59% increase. Our financial performance remained robust, with revenues of RO 307.36 million, a gross profit of RO 151.732 million, and EBITDA of RO 193.94 million.

To ensure a reliable and future-ready network, we continued to expand our infrastructure and technology investments. Through our Capital Investment Program, we allocated RO 154.49 million (Cash Capex) to enhance network capacity, bringing our total to 21,269 MVA, with 105 Grid Stations and 738 Primary Substations. Our deployment of 121,596 new smart meters (totaling 1,008,958) has improved operational efficiency, enabling better energy management for customers. These efforts have also reduced system losses (from 8.23% to 7.95%) and improved meter reading accuracy to over 96.17%. Notably, we have achieved 75% of the national target for smart meters, further demonstrating our commitment to technological advancement and operational excellence. In alignment with our commitment to sustainable energy practices, we have actively contributed to the expansion of renewable energy portfolios. In 2024, 401 solar PV systems across all zones were installed, increasing the connected photovoltaic capacity to 92.500 MW. These efforts are crucial to reducing our carbon footprint and aligning our operations with the national agenda for a greener, more sustainable future.

Our focus on customer experience has been reinforced through digital transformation and service integration in collaboration with Nama Electricity Supply Company. By streamlining customer interactions, centralizing communication channels, and enhancing digital platforms, we have significantly improved complaint resolution and customer satisfaction.

I extend my sincere gratitude to our dedicated employees, supportive shareholders, esteemed Board of Directors, regulatory authorities, and collaborative partners for their invaluable contributions and unwavering support.

Thank you for your continued commitment and trust in NEDC.

Ala Hassan Moosa

Chief Executive Officer



5.1. CORPORATE GOVERNANCE PHILOSOPHY

Nama Electricity Distribution Company (NEDC)PHILOSOPHY ON CORPORATE GOVERNANCE

The Board of Directors of NEDC abiding by the laws of the Sultanate of Oman, the Commercial

Companies Law, the Sector Law, and Nama Group Board Manual and Oman Investment Authority

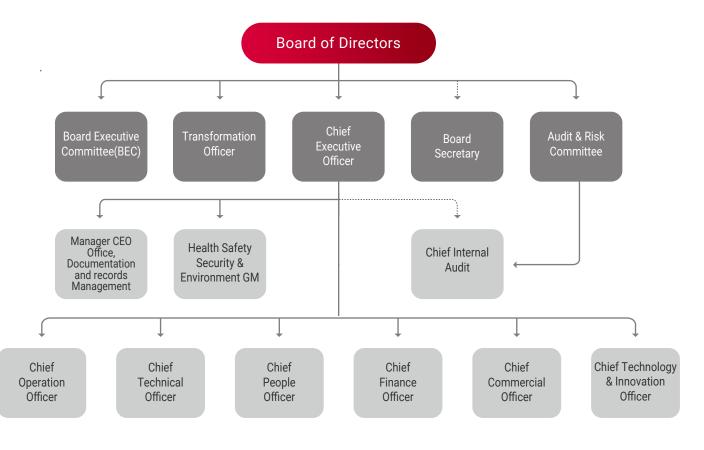
(OIA) Code of Governance, recognizes the necessity for clarity in the roles, responsibilities and stakeholder relationships.

Our corporate governance philosophy is guided by our values, culture, and policies, NEDC Board consists of four non-independent and one independent executive director. Two committees support governance, which are the Audit and Risk Committee (ARC) and the Board Executive Committee (BEC).

5.2. CORPORATE GOVERNANCE POLICY

The approved Corporate Governance Regulation contributed to setting a boundary between the main roles and functions of the Chairperson, Directors, Chief Executive Officer, and Employees of The Company. The Board of Directors are responsible for overseeing how the Management serves the interests of the Company and its Shareholders in the long run, as well as key stakeholders.

5.3. ORGANIZATION STRUCTURE



5.4. ROLE OF THE BOARD OF DIRECTORS AND THE BOARD COMMITTEES

Board of Directors

Being a close joint stock company, NEDC is subject to the provisions of the Commercial Companies Law No 04-1974(18/2019).

In this context, NEDC Board is comprised as follows:

- NEDC Board consists of Five (5) directors
- NEDC Board includes 1 Non-Independent Executive Directors
- NEDC Board includes 4 Independent Executive Directors

The Board represents the Shareholders. It is accountable for protecting shareholders' interest in accordance with the Sector Law along with other local laws and regulations. The annual evaluation of the Board is conducted based on an approved Board Performance Evaluation Framework. The duties of the Board in general are as follows:

- Creating and delivering respective strategies of the business. The objectives and policies of the Company should therefore be aligned to deliver such value, providing strategic direction within a framework of rewards, incentives, and controls.
- Responsible for ensuring that the management maintains a system of internal control which ensures effective and efficient operations, accurate financial reporting and compliance with local laws and regulations; and
- Maintaining an impeccable reputation, for the materiality of the financial and other risks inherent in business and the relative costs and benefits of implementing specific controls.

Name of Board members	Position in the Board	Type of Representation	Membership of other committees	Membership of board members in other companies	Last attended AGM
Rashid Sultan Al Hashmi	Chairman Until 26th Dec. 2024	Non-independent	1	-	30th March 2024
Ghada Mohammed Al Yousef	Deputy Chairman	Non-independent	1	1	30th March 2024
Fathi Abdullah Al Bulushi	Member Until 26th Dec. 2024 Chairman from 26th Dec. 2024	Independent	2	3	30th March 2024
Azzan Mohammed Redha Al Abdul Latif	Member	Independent	1	-	30th March 2024
Shathan Bader Al Amri	Member	Independent	1	-	30th March 2024
Ali Issa Ali Shamas	Member from 26th Dec. 2024	Non-independent	1	1	-

The table below includes the details of current Board members:

The table below includes the details of ex-Board members:

Name of Board members	Position in the Board	Type of Representation	Membership of other committees	Membership of board members in other companies	Last attended AGM
Rashid Sultan Al Hashmi	Chairman	Non-independent	1	0	30th March 2024

The table below includes the details of ex-Board members' meetings:

(from 1st Jan. up to 26th Dec. 2024)

Member I	Rashid Sultan Al Hashmi	
BOD Meetings	Date	Chairman
1st BOD meeting	Jan 9, 2024	\checkmark
2nd BOD meeting	Mar 24, 2024	\checkmark
3rd BOD meeting	Mar 30, 2024	\checkmark
4th BOD meeting	Apr 29, 2024	\checkmark
5th BOD meeting	Jul 10, 2024	\checkmark
6th BOD meeting	Aug 20, 2024	\checkmark
7th BOD meeting	Sep 12, 2024	\checkmark
8th BOD meeting	Oct 30,2024	\checkmark
Sitting Fees	(OMR)	5100

The table includes the details of Board members' meetings:

(from 1st January up to 31st Dec. 2024)

Member	Names	Rashid Sultan Al Hashmi	Ghada Mohammed Al Yousef	Fathi Abdullah Al Bulushi	Azzan Mohammed Redha Al Abdul Latif	Shathan Bader Al Amri	Ali Issa Shamas
BOD Meetings	Date	Chairman From 1st Jan until 26th Dec 2024	Deputy Chairman	Member from 1st Jan until 26th Dec 2024 Chairman From 26th Dec	Member	Member	Member From 26th December
1st BOD Meeting	Jan 9, 2024	~	\checkmark	\checkmark	~	V	_
2nd BOD Meeting	Mar 24, 2024	~	\checkmark	~	~	V	_
3rd BOD Meeting	Mar 30, 2024	~	\checkmark	~	~	\checkmark	_
4th BOD Meeting	Apr 29, 2024	~	~	~	~	\checkmark	_
5th BOD Meeting	Jul 10, 2024	~	\checkmark	\checkmark	~	\checkmark	_
6th BOD Meeting	Aug 20, 2024	~	~	~	~	V	_
7th BOD Meeting	Sep 12, 2024	~	V	~	~	\checkmark	_
8th BOD Meeting	Oct 30, 2024	~	\checkmark	~	~	\checkmark	_
9th BOD Meeting	Dec 26, 2024	_	V	\checkmark	~	~	\checkmark
Total Number o	f BOD Attended	8	9	9	9	9	1
Sitting Fe	ee (OMR)	5,100	3,900	3,600	5,100	3,900	600

Qualification and Election of the Board of Director

The terms and conditions issued by the Ministry of Commerce and Industries followed in electing the members of the Board. The Board members are nominated by the Nama Holding (Electricity Holding Company SAOC) and approved in the Annual General Meeting of the company pursuant to article no. 21 of the Articles of Association of the Company and Commercial Companies Law 4/1974 (18/2019) as amended from time to time. The members of the Board of Directors fulfill the following requirements:

- The Board of Directors is elected by the Ordinary General Meeting.
- Not less than 21 years old.
- Not be a member of public joint stock or closed company whose principal place of business is in the Sultanate of Oman and practicing in similar activities.
- It will not have been declared bankrupt or dissolved unless such a case is ceased to exist as per the provisions of the law.
- Not have been convicted in a felony or criminal act unless rehabilitated.
- Not be unable to settle his debts & obligations to various lenders.
- It is not allowed to combine the position of CEO/General Manager and the Chairman of the Board.

Audit and Risk Committee (ARC)

The Members of the Audit and Risk Committee comprise three Non-Executive Directors appointed by the Board, all of whom have Financial or Commercial experience at a Senior Management level.

i) Audit and Risk Committee Meetings

The Committee met more than 10 times during the year ended December 31, 2024. Other attendees, from time to time, at the invitation of the Committee, included the Chief Executive, the Group Heads, Internal Audit, and other Members of the Management. Internal Audit is always in attendance. The External Auditor is present for the Annual and Mid-Results discussion and is free to attend at any time.

ii) Audit and Risk Committee Responsibilities

The Audit and Risk Committee is responsible inter alia for ensuring the integrity of the Company's Accounts and Financial Reporting Systems and the development and oversight of Risk Management processes. To conform with the Corporate Governance Manual requirements, the Committee undertook the following activities during 2023, which includes but is not limited to:

- Approving the appointment of the External Auditors, ensuring their independence, and recommending their appointment to the Board.
- Reviewing and agreeing to their Audit Plan and confirming that they have full access to all required documents and individuals.
- Ensuring that, in the course of their Audit, they focus on any possible instances of financial fraud or fictitious accounting practice.

• Overseeing the activities of the Internal Audit Function and ensuring that it is adequately staffed with appropriately qualified individuals (the team are professionally qualified accountants, internal auditors and those actively pursuing relevant professional qualifications).

This involves:

- Approving the Annual Internal Audit Plan for the year.
- Approving the Audit Charter.
- Approving proposed changes to the Internal Audit Plan.
- Reviewing Internal Audit reports.
- The Audit & Risk Committee Chairman providing an update to each meeting of the Board of Directors.
- Forming a view of the adequacy of the control environment within NEDC.
- Reviewing selected key Risks (extracted from the Corporate Risk Register).
- Monitor action taken by management in response to risk.
- Ensure that RM is compliant with all aspects of the law, relevant regulations, and good practice to move it to compliance.
- Review and approve the statements to be included in the annual report and accounts and other key documents (Business Plans, other documents for external review) relating to risk management.
- Review the Company's material risk exposures.
- Review and approve NEDC high level policies on compliance with legal and regulatory requirements.
- Exercise general oversight of compliance with Group and internal policies.
- Review the closure of third-party recommendations (including, but not limited to, SAI, External Audit, ISO audit, APSR audit, EHC-appointed auditors).

Generally, the Committee will ensure that the Policies & Procedures in respect of related party transactions are followed specifically, and that the Company's liquidity is managed carefully. The Audit Committee held ten (10) meetings in 2024, and the table below shows its composition:

Member	Ghada Mohammed Al Yousef	Fathi Abdullah Al Bulushi	Shathan Bader Al Amri	
ARC Meetings	Date	Chairman	Member	Member
1st ARC meeting	Jan 9, 2024	\checkmark	\checkmark	\checkmark
2nd ARC meeting	Mar 19, 2024	\checkmark	\checkmark	\checkmark
3rd ARC meeting (Part 1)	Mar 29, 2024	\checkmark	\checkmark	\checkmark
3rd ARC meeting (Part 2)	Mar 30, 2024	\checkmark	\checkmark	\checkmark
4th ARC meeting	Apr 28, 2024	\checkmark	\checkmark	\checkmark
5th ARC meeting	Jul 9, 2024	\checkmark	\checkmark	\checkmark
6th ARC meeting	Agu 19, 2024	\checkmark	\checkmark	\checkmark
7th ARC meeting	Sep 12, 2024	\checkmark	\checkmark	\checkmark
8th ARC meeting	Sep 30, 2024	\checkmark	\checkmark	\checkmark
9th ARC meeting	Oct 27, 2024	\checkmark	\checkmark	\checkmark
10th ARC meeting	Dec 24,2024	\checkmark	\checkmark	\checkmark
Total Number of A	10	10	10	
Sitting Fee	Sitting Fees (OMR)			2,100

Board Executive Committee (BEC)

Members of the BEC are nominated by the Board of Directors of Nama Electricity Distribution S.A.O.C. (NEDC, or the Company). The BEC, supports the Board in overseeing the strategic direction of the Company in areas such as investments and capital programs, projects of national priority and strategic planning. It also oversees the Company's operational performance and ensures that the Company operates within the regulatory framework established by the Authority for Public Services.

The BEC also oversees the Company's Human Capital practices, endorses the appointments of senior executive Management, organizational structure, manpower plan and strategy and any other Human Capital matters as delegated by the Board of Directors. This includes monitoring the performance of the CEO and the Company's Senior Executive Management and provides feedback and guidance to ensure that the strategy and goals of the Company and its Shareholders are being effectively executed.

Empowerment

The "BEC" acts on behalf of the Board of Directors "BOD" for the delegated authorities and/or tasks mandated by the BOD from time to time

The BEC shall exercise the authority granted to it with prudence and in the best interests of NEDC, in accordance with applicable laws, regulations and OIA Policies and guidelines.

The BEC is authorized to:

- Request information, reports, and assistance from NEDC employees or external advisors as required.
- Have unrestricted access to all personnel records.

Functions and Responsibilities

The BEC is responsible for reviewing, endorsing, approving, or ratifying:

- 1. Organizational Structure and Manpower planning
- 2. Appointment of senior Management
- 3. Performance of the company
- 4. Business plan and strategy of the company, including developing funding plan for the company, Without prejudice to the provisions of Article 65 of the Sector Law.
- 5. Corporate restructuring Commercial transactions
- 6. New business ventures subject relevant approval
- 7. Any tasks delegated to it by the Board of Directors

Composition and Term

When constituting the BEC, the following shall be observed:

- 1. The Board appoints the Committee in the constitution resolution. Membership shall consist of The Chairman of the Board and 2 independent board members, all to be elected by the Board.
- 2. The Chairman of the Board acts as Chair of the BEC.
- 3. The Board Secretary will act asthe secretary of BEC
- 4. The Chairman of the BOD will review the composition of BEC every 3 years or upon every tenure of Board of Directors.
- 5. Any member of the BEC may be removed with or without a cause by the Chairman of the BEC or the Board of Directors.
- 6. The CEO will attend as permanent invitee.

Subject to the approval of the Board of Directors, the Committee may appoint additional members to the BEC to supplement its expertise with non-voting rights.

Reporting

The Chairman of the BEC shall update the members of the Board as appropriate on the resolution of issues raised in previous BEC meetings.

Member Names		Rashid Sultan Al Hashmi	Azzan Mohammed Redha Al Abdul Latif	Fathi Abdullah Al Bulushi
BEC Meetings	Date	Chairman	Member	Member
1st BECmeeting	Feb 15, 2024	\checkmark	\checkmark	\checkmark
2nd BECmeeting	May 26, 2024	\checkmark	\checkmark	\checkmark
3rd BEC meeting	Oct 29, 2024	\checkmark	\checkmark	\checkmark
Total Number of BEC Attended		3	3	3
Sitting Fee	es (OMR)	900	900	600

BEC held Three (3) meetings in 2024, and the table below shows its composition:

For Current Board of Directors was appointed at the end of October 2023, and the term of reference was under preparation to align with OIA and shareholders' views which is approved in 2024.

Major Tender Committee (MJTC)

The MJTC oversees matters in line with the Procurement and Tendering Policy for OIA Entities, Procurement Guidelines for NG Entities and NH Board Resolution. Furthermore, based on the decision of the NEDC Board of Directors No. 23/2023 which was held on 16/11/2023, the Tenders Committee was reconstructed with (9) meetings held in 2024 and the table below shows the details:

#	Name	Function	Position
1	Azzan Mohammad Redha Al Abdul Latif	Member of the Board of Directors	Chairman
2	Ala Hassan Moosa	CEO	Deputy Chairman
3	Shathan Bader Al Amri	Member of the Board of Directors	Member
4	Yousuf Mohammed Al Mahrooqi	СТО	Member
5	Premchand M	CFO – Acting	Member
6	Ahmed Zayed Al Shaqsi	CCO – Acting	Member
7	Adil Rashid Kalbani	Contract Management Manager	Secretary

Minor Tender Committee (MITC)

MITC oversees matters related to purchasing services or equipment and as per authority delegated by Procurement and Tendering Policy for OIA Entities. MITC is comprised of Executive Management and chaired by the Company CEO. The MITC held Forty-Seven (47) meetings in 2024, and the table below lists the attendees:

#	Name	Position in the MITC	Job Title	Number of meetings attended
1	Ala Hassan Moosa	Chairman	Chief Executive Officer	5
2	Salim Masoud Al Kabi	Chairman	Chief Operation Officer	8
		Member		15
3	Majid Nasser Suliman Al Busaidi	Chairman	Chief Executive Officer – Acting	2
		Member	Chief Planning, Project and Asset Management	12
4	Yousuf Mohammed Al Mahrooqi	Chairman	Chief Technical Officer	28
		Member	General Manager of Corporate Affairs	13
		Deputy Chairman	Chief Financial Officer – Acting	3
5	Ahmed Hamed Al Shueili	amed Al Shueili Member	Chief Financial Officer – Acting	13
		Member	GM – Supply Chain	19
6	Mohammed Rashid AlQurri	Chairman	Chief Transformation Officer - Acting	1
7	Ahmed Zayed Al Shaqsi	Deputy Chairman	Chief Operation Officer - Acting	1
/		Member	Chief Commercial Officer - Acting	11
8	Furat Ahmed Al Lawati	Deputy Chairman	Chief Financial Officer	8
9	Premchand M	Deputy Chairman	Chief Financial Officer	12
10	Hussain Al Lawati	Chairman	Chief Transformation Officer – Acting	1
11	Mohammed Yousuf Al Baloushi	Member	General Manager of Corporate Affairs – Acting	1
12	Saud Hilal Al Ghafri	Member	Chief Financial Officer – Acting	1
13	Khalifa NasserAl Ismaili	Member	General Manager Support Services	13
14	Mohammed Abdullah Khamis AlHajri	Member	Chief Operation Officer - Acting	2
15	Khaloud Mohammed AL Farsi	Member	Legal Counsel	0
16	Abdul Aziz Mubarak Al Sinani	Member	Chief Commercial Officer - Acting	7
17	Yaseen Mohd Redha Jaffar Al Lawati	Member	Chief Technology & Innovation Officer	30
18	Adil Rashid Kalbani	Member	GM – Supply Chain – Acting	3
19	Ibrahim Ali Al Farsi	Member	Chief Commercial Officer - Acting	7
20	Said Ali Juma Al-Oremy	Member	Chief Operation Officer - Acting	2
21	Nassr Hamdan Al Busaidi	Member	Chief Operation Officer - Acting	2
22	Mazin Ali Al Salmani	Member	Chief Operation Officer - Acting	1

5.5. THE REMUNERATION OF THE BOARD OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

The Company paid RO 870k (Eight Hundred Seventy Thousand Riyal Omani) towards salaries and remuneration of key management personnel and director's remuneration sitting fees during the year.

Details	Amount (RO)
Sitting fees paid for Board of Directors	22,200
Sitting fees paid for Audit and Risk Committee (ARC)	6,000
Sitting fees paid for Board Executive Committee (BEC)	2,400
A-Total sitting fees	30,600
B-Bonus Provision for the year 2024	135,000
C-Bonus Provision for the year 2023 reversed	71,667
Total Board Members Remuneration (A+B+C)	63,933

The table below shows the overall remuneration paid to Board members during the year:

5.6. DISTRIBUTION OF SHAREHOLDERS

Investor Name	RO	Holding Percentage %
Electricity Holding Company SAOC (Nama Holding)	199,980,000	99.990%
Nama Institute for Competency Development LLC	10,000	0.005%
Nama Shared Service LLC	10,000	0.005%
Total Share Capital	200,000,000	100%

5.7. WORKSHOPS

Board of Directors and NEDC management conducted "Business Plan 2025-2029" workshop dated 6th June 2024. The workshop was in JW Marriott hotel in Muscat.

5.8. ANNUAL GENERAL MEETING OF SHAREHOLDERS

The Annual Shareholders Meeting takes place every year approximately three months after the end of the Company's financial year. If required, additional General Meetings shall be organized either by law or the articles of association of the Company if necessary.

AGM closing financial 2023 was held on 30th March 2024 and the attended as per below details:

#	Details	Amount (RO)
1	Rashid Sultan Al Hashmi	Chairman
2	Ghada Mohammed Al Yousef	Deputy Chairman
3	Fathi Abdullah Al Bulushi	Member
4	Azzan Mohammed Redha Abdul Latif	Member
5	Shathan Bader Al Amri	Member
6	Ibrahim Said Al Suleimani	Representative of Electricity Holding Company SAOC
7	Ali Al-Khaburi	Representative of Nama Shared Services LLC
8	Majid Al-Rahbi	Representative of Numo Institute for Company Development LLC
9	Mohammed Al Qurashi	External Auditor
10	Ala Hassan Moosa	NEDC CEO
11	Khulood Mohammed Al Farsi	Legal Counsel

5.9. COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

Pursuant to Royal Decree 78/2004 (Sector Law), the Company maintains close liaison with the Electricity Holding Company SAOC, Numo Institute for Competency Development LLC and Nama Shared Service LLC, the shareholders on various policy issues. The Company's Annual Report will be sent to the shareholders once completed.

News, information, and financial of NEDC results are available on the website. The Annual General Meeting serves as an opportunity for directors to interact with shareholders, and the Annual Report features the Management Discussions and Analysis Report.

5.10. NON- COMPLIANCE WITH THE PROVISIONS OF CORPORATE GOVERNANCE AND PENALTIES

NEDC strives to ensure full compliance with all applicable regulations and relevant authorities. Yet, there are Three penalties imposed by the regulator (APSR) to Nama Electricity Distribution Company and related to assets security.

Authority	Date	Description	Amount (OMR)
AUTHORITY FOR PUBLIC SERVICES REGULATION (APSR)	6-March-24	APSR Regulation (Article 116)	5,000
AUTHORITY FOR PUBLIC SERVICES REGULATION (APSR)	19-Sep-24	APSR Regulation (Article 116)	5,000
AUTHORITY FOR PUBLIC SERVICES REGULATION (APSR)	15-May-24	APSR Regulation (Article 116)	5,000

5.11. PROFILE OF THE STATUTORY AUDITORS AND THEIR FEES

EY is a global leader in assurance, tax, strategy & transactions, and consulting services. EY is committed to doing its part in building a better working world. The insights and quality services which EY delivers help build trust and confidence in the capital markets and in economies the world over. The MENA practice of EY has been operating in the region since 1923. For over 100 years, we have grown to over 8,000 people united across 26 offices and 15 countries, sharing the same values and an unwavering commitment to quality. EY MENA forms part of EY's EMEIA practice. Globally, EY operates in more than 150 countries and employs 395,000 professionals in 700 offices. Please visit ey.com for more information about EY.

The fees paid to the Statutory Auditor for their services provide in the year 2024 amounted to RO. 511,502.770 audit and services in connection with the long-term financing.

5.12. MEETINGS

The BEC shall meet once at least once every quarter, or at such frequency as deemed necessary

The BEC may conduct business by electronic means as circumstances require.

Recommendations of the Chief executive Officer or Management will be in an advisory capacity to BEC, which can request clarification, amend, reject, endorse, or approve any recommendations.

The Committee Secretary will set the date, time, and venue of the following meeting at the conclusion of each scheduled meeting.

Minutes: The Secretary shall minute the proceedings and resolutions of all meetings of the BEC, including the names and roles of those present. Minutes of the BEC meetings shall be circulated promptly to all members of the BEC, and signed by the Committee members present at the meeting and the Committee Secretary.

The Committee secretary shall distribute the approved minutes of the meeting to all Committee members.

Agenda: Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and supporting papers, shall be forwarded to each member of the BEC, and where necessary any other person required to attend, not later than five working days before the date of the meeting.

Decisions by Circulation: For urgent matters, the BEC members are allowed to take decisions by circulation for unlimited times. In these decisions all members of BEC shall endorse and sign.

COMPANY STRATEGY

VISION

0601+

NEDC is a leading reference for electricity Distribution services excellence.

The 0-60-1+ vision reflects our core fundamentals, strategic focus areas, guiding strategies, and organizational obligations- capturing how we prioritize, act, and deliver on our purpose as follows:

- HSE & Sustainability
- Network Reliability
- Customer Experience
- Financial Robustness
- Continuous Improvement

This year marked a transformative milestone for NEDC as we successfully merged four leading entities in Oman, solidifying our position as the nation's largest electricity distribution company, with assets exceeding RO 2 billion. This strategic

MISSION

Provide safe, reliable, sustainable and economic electricity.

consolidation, initiated in mid-2023, aligns with the national priorities set by OIA and Nama Holding, driving operational efficiency, financial sustainability, and enhanced service delivery.

Our strategy is built on key obligations and principles stemming from regulatory priorities, shareholder expectations, and government aspirations for growth and synergy. It ensures alignment with Oman Vision 2040 and OIA priorities, reinforcing our commitment to a future powered by innovation, digitalization, governance, and synergies and efficiencies.

NEDC is committed to delivering on national projects that align with key strategic objectives, such as Smart Cities under Oman Vision 2040. Our initiatives, including the deployment of Smart Meters, contribute to building a digitally integrated and efficient energy infrastructure.

As part of our focus on governance and sustainability, we are advancing ESG initiatives with defined plans and targets to drive long-term impact. Additionally, In-Country Value (ICV) remains a key priority in line with OIA's direction, ensuring that our operations support local economic growth and national development goals.

In response to the transformative changes and evolving expectations, our strategy has undergone an initial review, setting appropriate targets and objectives aligned with the new scale, responsibilities, and opportunities ahead. Further reviews are aimed at continuously refining our approach to ensure we remain agile in the face of sector evolution. A comprehensive strategy execution plan is in place to guide the successful delivery of our objectives, with a focus on driving measurable impact across service reliability, financial sustainability, and customer experience. As we progress, we remain committed to adapting our strategy to meet emerging challenges and capitalize on new opportunities.



Care – We prioritize safety, sustainability, and the well-being of our employees, customers, and stakeholders.

Deliver – We are committed to excellence, ensuring reliability and efficiency in every aspect of our service.

Do Better – We continuously seek innovation and improvement, striving to exceed expectations and set new benchmarks.

Key Strategic Pillars

- Service Reliability Ensuring the availability and reliability of SMART, efficient, and sustainable electricity services.
- Financial Sustainability Maximizing shareholder returns while maintaining operational resilience and meeting the benchmarked levels of financial deleveraging.
- Customer Experience Providing a convenient, reliable experience across all contact channels.

Fundamental Enablers

- Health, Safety & Environment (HSE) A non-negotiable priority ensuring a safe and sustainable work environment.
- Information Security Ensuring confidentiality, integrity, and availability of critical information.
- Competent People Investing in talent development to drive transformation.

Strategic Focus Areas

Digitalization – Deploying technology to innovate and accelerate efficiencies in operations and service delivery.

Governance – Strengthening trust, transparency, and accountability in every aspect of our operations.

Synergies & Efficiencies – Unlocking potential through collaboration, optimization, and process enhancement.

Together, we power the future!

HEALTH, SAFETY & ENVIRONMENT (HSE)

Catal

HEALTH AND SAFETY PERFORMANCE

Nama Electricity Distribution Company (NEDC) is committed to fostering a safe work environment by embedding a safety-first culture, proactive risk management, specialized training, and continuous performance improvement initiatives. This commitment is reinforced through the implementation of the HSSE Corporate Plan under the theme "Goal Zero, Test Prove Test, and Life-Saving Rules."

HSE Performance

In 2024, the HSSE Corporate Plan has been a top priority, achieving an impressive %94 implementation success rate. This structured approach has been instrumental in reaching 16,930,113 man-hours without Lost Time Incidents (LTI) or fatalities across NEDC's operations, including both employees and contractors, further solidifying the company's dedication to workplace safety and operational excellence.

The HSE Pyramid model has been implemented to track leading and lagging indicators, strengthening our proactive approach to incident prevention.

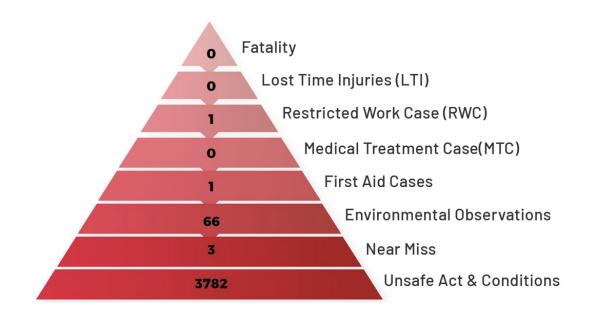


Figure 1:HSSE Performance 2024

Regulatory & Legal Compliance

NEDC upholds the highest HSE regulatory and legal compliance standards through:

- Regular audits and inspections to meet national and international safety regulations.
- Enhancing physical security frameworks to safeguard employees and assets.
- Contractor HSE screening and compliance verification before contract awards.

Key HSE Programs

- 1. HSE Assurance Program
 - Established a structured contractor compliance framework ensuring safe operations.
 - Strengthened risk management through comprehensive safety audits & inspections.

2. Road Safety Enhancements

- In-Vehicle Monitoring System (IVMS) deployed across the fleet, reducing unsafe driving behaviors and enhancing compliance.
- Optimized fleet operations, improving fuel efficiency and sustainability.

3. Environmental Management Initiatives

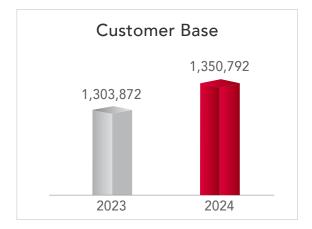
- 66 environmental observations addressed in compliance with regulatory frameworks.
- Solar panels installed at primary substations to promote renewable energy use.
- EV charging stations introduced, supporting clean energy adoption.
- Transformer oil filtration plants expanded, reducing environmental impact.

CUSTOMER EXPERIENCE

At NEDC, enhancing service efficiency, reliability, and accessibility remains our priority. In 2024, we advanced digital solutions, workforce training, and proactive issue resolution to elevate customer satisfaction. By integrating smart technologies and customer insights, we continue to set new benchmarks for service excellence and regulatory compliance.

8.1. CUSTOMER GROWTH

The company's customer base continued its upward trajectory, registering a 3.59% increase in 2024. By year-end, the total number of customer accounts reached 1,350,792 compared to 1,303,872 in 2023.



8.2. NETWORK READINESS (NEW CONNECTION)

NEDC has fulfilled its commitment to enhancing network readiness. Throughout 2024, substantial investments were made in our Capital Expenditure Program (CAPEX) to strengthen our system and expand network capacity. These endeavors have been crucial in establishing a resilient electricity distribution system capable of meeting escalating customer demands. Post-merger, we observed a boost in service levels, thanks to significant efforts in streamlining internal processes and consolidating governance structures. The harmonization of Standard Operating Procedures (SOPs) has notably optimized operations, particularly in new connection procedures. This enhancement has strengthened our capacity to deliver prompt and efficient new connection services, thereby enriching the overall customer experience.

8.3. CAPITAL PROGRAM AND NETWORK EXPANSION

In 2024, the electricity distribution network witnessed notable developments across various categories compared to 2023, reflecting our ongoing commitment to enhancing infrastructure and ensuring reliable electricity supply.

- The number of grid stations increased from 101 to 105, boosting the network's capacity to meet the growing demand for electricity.
- The number of primary substations rose from 686 to 738, while the number of transformers increased from 1,413 to 1,484. This resulted in an increase in the installed capacity of primary substations, rising from 20,549.5 MVA to 21,269 MVA.
- The number of distribution substations increased from 46,878 to 47,960, and the number of transformers rose from 51,341 to 52,215, enhancing the efficiency and stability of the distribution network.
- The total length of circuits, including 33kV, 11kV, and LV circuits, grew from 97,244.4 km in 2023 to 100,953.176 km, further strengthening network reliability.

The total Value of Work Done (VoWD) for 2024 reached RO 154.49 million (excluding sponsored projects and Projects Delivery Unit salaries).

- RO 49.76 million for 33kV projects.
- RO 93.54 million for 11kV load & non-load-related projects (Asset Rehabilitation Program).
- RO 2.11 million for common assets.
- RO 9.08 million for the AMR Project.

8.4. METER READING

In 2024, meter reading performance reached 96.17%, Several key initiatives contributed to this achievement:

Strategic Meter Replacement Program

NEDC implemented a comprehensive meter replacement initiative, to enhance accuracy and reliability. By replacing outdated meters with modern, high-precision units, the company significantly improved meter reading efficiency, minimized discrepancies, and proactively identified potential sources of energy loss.

Addressing Manual Reading Challenges

To mitigate challenges associated with manual meter reading, NEDC reinforced its operational framework by integrating advanced metering solutions, reinforced the manual meter reading procedures and enhanced communication with door locked customer premises. These improvements resulted in higher accuracy, reduced operational inefficiencies, and enhanced overall service quality.

Advanced Metering Infrastructure (AMI) Implementation

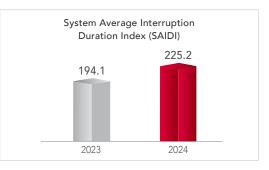
Aligned with the Oman Vision 2040, NEDC advanced its deployment of Automated Meter Reading (AMR) systems to modernize infrastructure, optimize operational costs, and minimize losses. This initiative enhances real-time data collection, ensuring greater efficiency, accuracy in meter readings, and improved customer engagement through access to real-time consumption data. Additionally, it supports cost reduction efforts by streamlining operations and enhancing service delivery.

8.5. NETWORK RELIABILITY

We remain committed to ensure reliable and consistent electricity supply to all customers as per our license obligations. NEDC strives to reduce the duration and frequency of outages that are experienced by our customers on a continuous basis. This is achieved through various initiatives like expansion of the network and robust maintenance management carried out by effective utilization of human resources and automated systems.

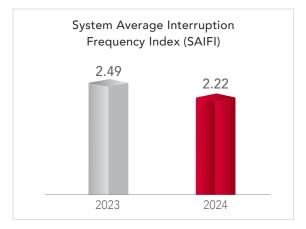
8.5.1 System Average Interruption Duration Index (SAIDI)

SAIDI is the average outage duration for each customer served in Oman. The year was concluded with a 16% increase compared to the previous year in the System Average Interruption Duration Index (SAIDI) recorded at actual outturn of 225.2 minutes. This increase was due to unforeseen reasons, including adverse weather conditions and third-party infrastructure activities.



8.5.2 SYSTEM AVERAGE INTERRUPTION FREQUENCY INDEX (SAIFI):

SAIFI is the average number of interruptions that a customer would experience. It was recorded at an outturn of 2.22 interruptions per customer in 2024, an improvement of 11% compared to 2023.



8.5.3 SYSTEM LOSSES

In 2024, the company achieved a 0.27% reduction in system losses, decreasing from 8.23% in 2023 to 7.95%. This improvement is the result of strategic initiatives aimed at enhancing distribution efficiency and minimizing losses. The key contributing factors include:

- Comprehensive Inspections and Fraud Detection: The company conducted intensive inspections of connections and meters to identify and rectify instances of tampering, unauthorized connections, and defective meters. These efforts led to the detection of over 3557 cases of illegal connections and the recovery of more than 228 GWh and over 2 million Rial Omani of revenue,
- Strengthened Supervision of Meter Reading Operations: The company implemented enhanced oversight measures for manual meter reading, including the establishment of a dedicated validation team to verify reading and ensure data accuracy.
- Deployment of Advanced Metering Infrastructure (AMI): The transition to Automated Meter Reading (AMR) technology enhanced the accuracy of meter readings and enabled real-time monitoring of meter performance, reducing errors and inefficiencies.

These initiatives reflect the company's commitment to operational excellence, improved revenue assurance, and enhanced distribution efficiency. Moving forward, the company remains focused on further optimizing its loss-reduction strategies through continued technological advancements and process improvements.



8.6. CUSTOMER ENGAGEMENT - INCREASED ACCESSIBILITY AND E-SERVICES

8.6.1. EXPANDING ACCESSIBILITY AND PROVIDING CONVENIENT SERVICE CHANNELS

In 2024, we remained committed to expanding accessibility and providing convenient service channels for our valued customers, complementing our dedicated outlets across all licensed areas. Below are some key highlights listed:

- Improved digital services were implemented to ensure accessibility through user-friendly digital channels, enabling customers to access information, details and submit applications without the necessity of visiting any office.
- Established a unified physical one-stop-shop with Nama Supply Company allowing customers to conveniently access services and assistance at our shared offices.
- Streamlined and enhanced workflows offer customers the ability to view and track the status of their applications anytime, anywhere and can request clarifications from company staff via the portal.
- Improved efficiency through integration with other entities for streamlined access to obtain customer data by reducing duplication and optimizing processes. Currently advancing the two major projects:
 - Integration with municipalities systems to enhance and streamline the information received from their end regarding customers.
 - Integration with Ministry of Housing to enhance and streamline the approvals process related to large plot areas.

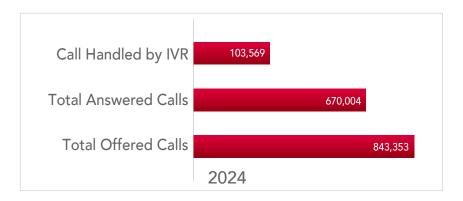
8.6.2. THE NATIONAL AUTOMATED METER READING (AMI) PROJECT

The National Meter Reading Project, launched in 2021, has demonstrated remarkable progress, driving the digital transformation of energy management. By 2024, both NEDC and Nama Dhofar Services (NDSC) have successfully installed 1,130,554 smart meters, achieving an impressive 75.48% completion rate.

- NEDC's installations surged from 244,088 meters in 2021 to 1,008,958 meters in 2024, while DISC expanded from 10,815 smart meters to 121,596 smart meters over the same period. The deployment rate saw a significant boost, rising from 26% in 2022 to 46.17% in 2023, and reaching 75.48% in 2024.
- Building on this momentum, the project marking a significant milestone in technological innovation, operational efficiency, and sustainability. This achievement will solidify the AMI initiative as a cornerstone of a smarter, more reliable, and future-ready energy infrastructure.

8.6.3. CONTACT CENTRE RESPONSIVENESS TO OUTAGES

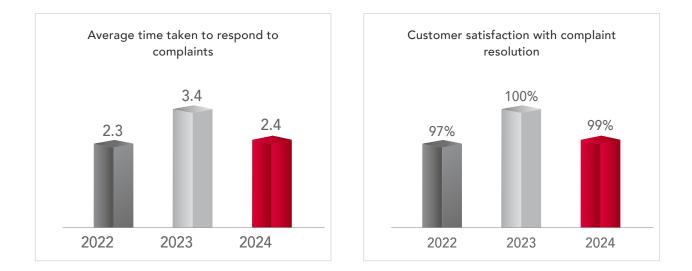
The contact center has gone through various advancements including completion of unification automation of processes after the companies' restructuring project and processes. A major ongoing project is the expansion of the Outage Management System which will accelerate the responsiveness of customers' calls, and emergency teams' responsiveness. The system is already implemented in Muscat areas and expected to cover all licensed areas.



The graph below presents the Call Center performance:

8.6.4. COMPLAINT MANAGEMENT

In alignment with the approved complaint handling procedures, particularly those related to distribution, the resolution process may require extended site visits, which can lengthen the resolution time compared to office-based complaints. However, in 2024, NEDC achieved a 100% resolution rate for all complaints, and 99% Customer Satisfaction with complaints resolution, demonstrating significant improvements in our complaint management processes over the previous year. The accompanying graphs provide a detailed overview of complaint performance for NEDC of the last three years.



While we have successfully met our key performance indicators (KPIs), we are optimistic about further advancements. As new initiatives under the Customer Affairs & Contact Center Department are fully implemented, we expect to see continued enhancements in performance, enabling the business to deliver exceptional customer service and further improve overall customer satisfaction.

8.7. SECTOR RESTRUCTURE & SERVICE CONTINUITY

Following the successful sector restructuring completed in 2023, 2024 focused on optimizing processes and ensuring seamless service delivery. Our commitment to minimizing disruption during the initial restructuring phase was carried forward this year, with continuous monitoring and refinement of operational procedures. This proactive approach has allowed us to maintain high service levels and enhance customer satisfaction.

NEDC: Driving Performance and Customer Value:

The establishment of NEDC in 2023 provided a strong foundation for progress in 2024. This year saw a concentrated effort to leverage NEDC's capabilities to further enhance our distribution activities. Key Performance Indicators (KPIs) were not only met but often exceeded, reflecting our dedication to continuous improvement. Critically, these enhancements were achieved without incurring additional costs, demonstrating our commitment to efficient resource management.

Elevating Customer Experience:

Our overarching priority in 2024 was to elevate customer experience. Building on the principles established in 2023, we focused on delivering value at every touchpoint. This involved a deep dive into customer needs and expectations, with particular emphasis on:

- Acceptability: Ensuring our services meet the diverse needs of our customer base.
- **Reliability**: Providing dependable and consistent service delivery.
- Customer Effort: Minimizing the effort required by customers to interact with us.
- Ease of Use: Simplifying processes and making our services user-friendly.
- Privacy: Protecting customer data and maintaining the highest standards of privacy.

This customer-centric approach has guided our actions throughout the year, from initial connection to ongoing network communication and customer relationship management.

Digital Transformation: Leading the Way:

Building on the groundwork laid in 2023, significant progress was made in integrating our systems with other government entities. Furthermore, NEDC spearheaded the development of a comprehensive digitization strategy specifically designed to enhance customer experience. This strategic initiative positions us for continued growth and innovation in the digital landscape.

2024 has been a year of consolidation and advancement, building upon the strategic initiatives launched in 2023. We are confident that the progress made this year will lay a strong foundation for continued success in the years to come, as we continue to prioritize our customers and embrace the opportunities presented by digital transformation.

GROWING THE HUMAN CAPABILITIES

Our commitment to human capital is at the heart of our success. We strive to establish a strong employer brand, positioning ourselves as a leading employer of choice in Oman. By investing in our people, we maximize workforce potential through strategic employment, competencies-building initiatives, and a culture of continuous development. We recognize that attracting, retaining, and developing top talent is fundamental to achieving our vision and mission.

9.1. WORKFORCE AND OMANIZATION

By the end of 2024, NEDC achieved a workforce strength of 1,328 employees, with an exceptional Omanization rate of 98.6%. This milestone reflects our dedication to national workforce development, achieved through the effective execution of our Omanization plan. By empowering and equipping Omani talent with the right skills and opportunities, we continue to align with the government's vision while ensuring a sustainable and capable workforce for the future.

9.2. TRAINING & DEVELOPMENT

The year 2024 concluded with total of 1,686 training opportunities with associated cost of approximately over RO 600K offered through different channels like E-Learning, Physical face to face training, Conferences, Awareness, On Job training Workshops and others with 34,047 total number of training hours. It's worth mentioning that L&CD achieved 127% of the 2024 training plan. Below are some of the highlights:

- To ensure a safe and healthy work environment, around 405 employees received training on different on Health& safety courses and as awareness programs.
- Nawarni Program (Internal Trainer) is designed to identify internal trainers to deliver workshops/courses related to NEDC polices and regulations and to enhance skills, experience, and knowledge of NEDC staff to maintain the required competencies and ensure the knowledge sharing along with cost saving. A total of 56 employees applied for the Nawarni Program, only 14 qualified trainers have been selected after thorough technical and behavioral assessment. from different fields.
- Professional Qualifications for 2024 Project was published by NEDC through Learning & Competency Development Department which aims to enrich and enhance the knowledge of employees in various fields, which will undoubtedly refine the skills and expertise of the employees. A total of 19 employees were granted to carry out the professional qualifications.
- Rawafid Platform Scheme (LMS) 2024 is a Digital learning platform therefor, to increase the utilization rate, enhance engagement, promote a Learning Culture and Boost Self-Awareness and Motivation. The program focused on non-monetary incentives designed to cultivate a thriving learning environment and motivate users to actively engage with the platform. As a result, the utilization rate of the platform during the year 2024 was enhanced by 50%.
- ETIMAD Program is designed to empower Omani Talents and develop national capacities in middle and senior management. This is achieved in collaboration with a distinguished group of global and local institutions and centers specializing in leadership training and administrative skills development. A total of 9 employees have been selected by the Royal Academy of Management as part of the second cohort of ETIMAD Program.

- One employee completed the Future Leaders Program which aims to empower promising talents by creating a learning environment that enhances the development of skills in both the public and private sectors with a focus on leadership development and strengthening the next generation of leaders in collaboration with the Royal Academy of Management
- Additionally, in collaboration with PDO, 6 Eidad Program Graduates were hosted for 10 months, as part of Corporate Social Responsibility.
- Additionally, NEDC continued the provision of internship opportunities to more than 660 students/ graduates from different educational institutions fulfilling the mandatory requirement of graduation and providing employability skills to the young Omani graduates during 2024 across the country.

TECHNOLOGICAL INFRASTRUCTURE & CYBER SECURITY -OUR DIGITAL PATH

NEDC places a primary emphasis on technology, leveraging its capabilities not only to enhance customer convenience but also to optimize internal processes, manage core activities, and facilitate timely decision-making through effective data management. Our commitment to technological advancement extends to customer-facing interfaces, encompassing critical operational functions and data-driven insights to ensure operational excellence and smooth service delivery.

10.1. OPERATION TECHNOLOGIES

1) Geographic Information System (GIS)

At NEDC, the Geographic Information System (GIS) is strategically integrated with interactive dashboards, advanced spatial analysis tools, and a GIS-based mobile application. This ecosystem supports real-time network visualization, asset tracking, outage management, and field navigation. By equipping engineers with timely, location-based intelligence, GIS empowers operational optimization, data-driven decision-making, and enhanced service reliability across all zones, wilayahs, and governorates.

2) Supervisory Control and Data Acquisition (SCADA)

Nama Distribution Company (NEDC) leads with innovation through its state-of-the-art Supervisory Control and Data Acquisition (SCADA) system, serving as the nerve center of our power grid. Integrating Primary Substations and Grid Stations enhances monitoring and control accuracy, while efforts to connect Al Wusta and Musandam networks demonstrate our commitment to an efficient distribution network. Looking forward, NEDC plans to merge SCADA/ADMS systems by 2026, aiming for greater operational synergy and financial sustainability. Managing three distinct SCADA systems tailored to specific needs, our focus remains on pioneering solutions that exceed expectations in power management.

Moreover, NEDC aims to enhance the reliability and efficiency of the electricity distribution network by automating ring main units (RMUs). This automation will enable RMUs to be remotely monitored and controlled through SCADA and ADMS systems. This integration will lead to quicker outage response times, streamline operations, optimize overall grid management, increase customer satisfaction, and improve electricity reliability indices.

10.2. INFRASTRUCTURE AND CYBER SECURITY

NEDC is working on a project to centralize its scattered IT infrastructure including Datacenter, Disaster recovery, Backup, and Airgap systems to improve the system hosting capability, service quality, reduce maintenance costs etc. Centralizing aims to improve uptime, reduce internal process time, and increase operational efficiency. This project aims to mitigate risks by replacing outdated systems with modern technology, thereby optimizing the costs in the long run related to maintenance, hardware failures and cyber threats.

NEDC has enhanced IT security models by implementing critical projects such as Endpoint Detection and Response (EDR) to monitor devices and respond to cyber threats like ransomware and malware. Also Network Detection and Response (NDR) to detect abnormal behaviors using behavioral analytics on network traffic data. Also Upgrading to next-generation firewalls to protect the network, prevent unauthorized access, monitor traffic, and comply with Oman Technology Regulations.

NEDC consistently performs regular infrastructure and cybersecurity compliance assessments, aligning with both regulatory requirements and group standards. These assessments are closely monitored to ensure adherence to best practices, protecting the integrity and security of our operations.

OPERATIONAL PERFORMANCE

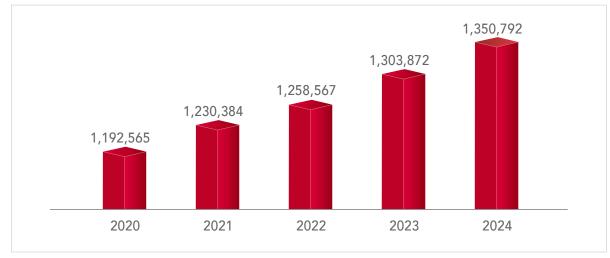
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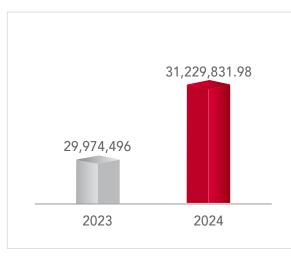
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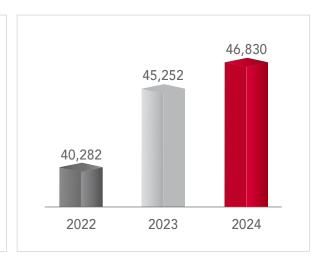
1. Customer Accounts



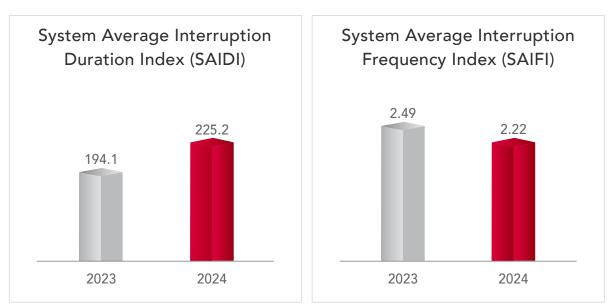
2. Regulated Units Distributed (RUD)- Sales:



3.New Connections:



4. SAIDI & SAIFI



5. Distribution Losses



6. Network Growth

Name	Position in the MITC	2023	2024
	Number of Grid Stations	101	105
Grid Data	Number of Transformers	204	210
	Grid installed capacity (MVA)	24,145	24,855
Primary Data	Number of Primary Substations	686	738
	Number of Transformers	1,413	1,484
	PSS installed capacity (MVA)	20,549.5	21,269
Distribution Data	Distribution Substations (GMT+PMT)	46,878	47,960
	Number of Transformers	51,341	52,215
	Distribution installed capacity (MVA)	36,546.5	30,982.676
	33kV Circuit Length (UGC + OHL)	14,912.9	15,324.664
Circuits Data (km)	11kV Circuit Length (UGC + OHL)	32,454.5	33,445.791
	LV Circuit Length (UGC + OHL)	49,877.0	52,182.721
	Total Circuit Length (UGC + OHL)	97,244.4	100,953.176

SHAREHOLDER VALUE PRESERVATION (FINANCIAL PERFORMANCE) Preserving shareholder value is a responsibility that NEDC takes seriously and continues to achieve consistently. Below present key highlights of the financial performance in the year 2024

Regulated Units Distributed	Total Revenue	Total Expenses	Total Asset Base	
31230 GWh	RO 307.36 Million	RO 215.25 Million	RO 2.24 Billion	
EBITDA	Expenses % per category			
RO 193.94 Million	 0 perating Cost General & Administrative Cost Finance Cost Tax Charge 			

COMMUNICATION

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The merger of electricity distribution companies is a strategic transformation that requires ongoing communication to ensure smooth integration and stakeholder alignment. Communication played a vital role in unifying the sector's identity, rebranding assets, and increasing awareness. Through consistent messaging, stakeholder engagement, and multi-channel outreach, it strengthened customer experience and built trust.

In 2024, the communication strategy, derived from the company's strategy, was adopted, encompassing the following objectives:

- Implementing and unifying the brand identity across all channels, platforms, and assets.
- Enhancing corporate communication through proactive engagement, crisis management, and audience interaction analysis.
- Expanding customer reach and awareness of company services via unified platforms.
- Strengthening employee engagement and fostering a sense of corporate belonging.
- Driving sustainability initiatives and contributing to local added value.
- Promoting health, safety, and energy conservation awareness.
- Developing the communication team's media and creative capabilities.

Various internal & external initiatives and events were held throughout the year, including the following key highlights:

- Campaign (Corporate Strategy 0 60 1+): As part of the employee engagement campaign regarding the company's strategy, the strategic objectives were translated into numbers to facilitate employees' remembrance and application in various tasks. The focus was on aligning all objectives with these numbers to ensure employees can easily recall and comprehend them, directing all tasks towards achieving this strategy. This included creating publications and holding direct meetings between the CEO and employees to share this strategy and explain how they can adopt it in their plans and work.
- Campaign (Sustainable Fleet): Within the "Sustainable Fleet" campaign, the initiative aims to raise employees' awareness of the importance of adhering to the vehicle usage policy and enhancing compliance with associated health and safety instructions. The campaign seeks to establish responsible practices that ensure everyone's safety and support the company's operational sustainability.
- National Smart Meters Campaign (Switch to Smart): The company launched a national smart meters campaign to raise awareness and encourage customers to switch from electromechanical to smart meters. The campaign included workshops, training sessions, awareness brochures, and media content shared across social and local media to educate and engage customers.
- Electrical Safety Campaign: The company conducted an electrical safety campaign with exhibitions, workshops, and awareness programs across 41 states, benefiting 66 schools, 20,000 students, women's associations, community teams, and health centers.
- Campaign (Nama Ta'azeez Wa Aman" for Asset Security and Safety: The campaign focused on preventing accidents, stopping vandalism, and raising awareness about electrical risks. It also included field surveys to ensure safety and environmental compliance, reinforcing the company's commitment to a secure and reliable network.

 Partners' Event: contractors, consultants, and suppliers to exchange ideas, enhance collaboration, and align efforts with current and future projects. The meeting fostered dialogue on key topics to support a productive work environment and mutual interests.

Challenges and Solutions:

Transitioning to a unified identity and shared service channels among Nama Group companies is a strategic challenge that requires intensive efforts from the brand management team. This transition involves alignment processes and thorough reviews to achieve integration between the company and the sector in communication and customer service areas, ensuring the application of best practices that contribute to providing an exceptional experience for customers and enhancing the efficiency and quality of the services provided.

Achievements:

NEDC Communication Department employs key performance indicators (KPIs) to enhance communication effectiveness. In 2024, 960 awareness posts generated 1.7 million engagements—including likes, comments, and shares—reflecting strong audience interest. These posts increased awareness of the company's services, improving the followers' experience. By leveraging digital channels, the company has strengthened stakeholder interaction and broadened its reach. Continuous monitoring of analytics and audience insights enables data-driven improvements, reinforcing the company's commitment to transparent and effective communication.

SUSTAINABILITY REPORT

As Oman's largest electricity distribution company, NEDC plays a critical role in the country's transition to a smart, sustainable energy future. Our sustainability framework is rooted in national priorities, including Oman Vision 2040, Oman Investment Authority (OIA) guidelines, and regulatory directives. With a strong focus on innovation, governance, and digitalization, we are actively driving Smart Cities initiatives through smart metering, renewable integration, and digital transformation. This report highlights our key sustainability achievements in 2024.

14.1. SUSTAINABILITY STRATEGY

NEDC is committed to Smart Cities under Oman Vision 2040. Through the deployment of smart meters, automated infrastructure, and renewable energy integration, we are building a more efficient and sustainable electricity network. We integrate ESG principles into governance, service reliability, and operational efficiency to ensure long-term national impact.

Our sustainability approach is built on three core pillars, digitalization, governance, and synergies to drive long-term national impact:

- Economic Sustainability Enhancing infrastructure, local business participation (ICV), and energy efficiency to ensure financial resilience.
- Social Responsibility Focusing on workforce development, customer experience, and community engagement.
- Environmental Sustainability Supporting renewable energy projects, reducing carbon emissions, and building a sustainable energy infrastructure.

14.2. ECONOMIC PILLAR

In country Value Contribution

As part of our commitment to economic sustainability and In-Country Value (ICV), NEDC increased its local procurement and SME engagement in 2024. Key achievements include:

- Increase in ICV Index: By enhancing local procurement, workforce nationalization, and partnerships with local suppliers, the total NEDC ICV Index baseline increased by 7%, reaching 49% of NEDC's total supply chain spend in 2024.
- Vendor Development Program (VDP) for SMEs: NEDC successfully executed its Vendor Development Program, conducting two workshops in 2024 that provided training in Managerial, Commercial, and Technical Development Plans.
- Tenders Awarded to SMEs: A total of 1,769 Local Purchase Orders (LPOs) were issued to SMEs in 2024, with a total value of OMR 62,414,097.02.
- National Goods Spend: NEDC spent OMR 47,360,112.59 on goods produced within the country, reinforcing its commitment to supporting local industries.
- National Services Spend: The company's expenditure on services provided by local entities reached OMR 108,801,483.06, contributing significantly to the growth of the national service sector.

- Long-Term Contracts: As part of the "Ring Fencing" program, long-term contracts were signed with local companies, totaling RO 99,315.02, along with a contract for the Vendor Development Program (VDP).
- SME Registration: The number of SME companies registered with NEDC increased, reaching 136 by the end of 2024.

Developing Local Talent and Workforce Readiness:

NEDC is committed to fostering local talent and enhancing workforce readiness as part of its economic sustainability efforts. In 2024, six graduates from the Eidad Program were hosted for a 10-month development program, equipping them with essential industry skills. Additionally, 660 internship opportunities were provided, supporting young professionals in gaining hands-on experience and contributing to Oman's economic growth.

14.3. SOCIAL RESPONSIBILITY PILLAR

Omanization in Contracted Companies

NEDC is committed to fostering social development as well as economic growth by prioritizing Omanization within its contractor network. In alignment with APSR requirements, NEDC mandated a 62% Omanization rate for contracted companies, successfully achieving this target through obligating contractors to employ Omani nationals, contributing to Omanization and skill development. This milestone strengthens the local economy by creating sustainable employment opportunities, enhancing workforce skills, and fostering long-term economic resilience.

Enhancing Customer Experience Through Digital Transformation

NEDC prioritizes customer experience through digital transformation, deploying over 1 million smart meters, enhancing customer service automation, and achieving a 99% satisfaction rate by improving accessibility, real-time energy monitoring, and service efficiency.

Awareness Activities

Nama remains dedicated to its social responsibility by organizing diverse awareness activities as part of various community and educational campaigns and initiatives:

- Electrical Safety Campaign & Exhibition.
- "Nama Ta'azeez Wa Aman" Campaign for Asset Security
- Operational Safety Program
- Participation in World Occupational Health and Safety Day.
- Health Awareness Campaign.
- Musandam Winter Event to Raise Awareness of Electricity Risks.

16,930,113 man-hours without Lost Time Incidents (LTI) and Zero Fatalities across NEDC's operations in 2024, with an outstanding implementation success rate exceeding 94%.

14.4. ENVIRONMENT PILLAR

Renewable Energy Initiative

In line with Oman's Smart Cities and clean energy transition, driven by government and private sector initiatives. With a goal of achieving more than 20% of the renewable energy consumption by 2040 as part of Oman Vision 2040 goals, efforts are underway to develop, plan, and promote eco-friendly energy systems. NEDC plays a crucial role in this transition, overseeing small and medium-sized grid-connected solar PV projects through a dedicated unit. These projects adhere to technical guidelines and regulations set by the Authority of Public Services Regulatory (APSR) across three stages: Initial Enquiry, Design Approval, and Commissioning. The adoption of solar energy aims to reduce carbon emissions, improve air quality, and preserve natural resources. Additionally, it will contribute to national development by creating employment opportunities, boosting local content, and enhancing relevant technical capabilities.

NEDC has begun implementing solar energy projects across Oman, showcasing its commitment to the country's energy transition and renewable energy potential. The goal is to attain technical, social, and economic benefits while serving as a public advocate for renewable energy technologies.

In 2024, a total of 401 applications for solar PV connections were received, with projects implementation progress exceeding 59%. Our Renewable customers base has grown to 856 customers with PV systems with a total production capacity of 92.500 MW. We anticipate reaching approximately 130 MW of PV generation capacity connected to the NEDC network by the end of 2025. The table below is a summary of the capacity connected to each type of customer.

#	Category	Customer Accounts	Capacity (kW AC)
1	Government	119	20,815.30
2	Commercial	178	60,262.00
3	Residential	476	5,948.00
4	Agricultural	83	5,475
Total Applications (No.)			856
Total (kW AC)			92,500

- Installation of solar panels at primary electrical substations, providing renewable energy to the main electrical systems.
- Expanded its oil filtration plants to recycle transformer oil, significantly reducing the environmental impact of oil spills from distribution transformers.
- 66 environmental observations were recorded and addressed in accordance with established company procedures

NEDC has announced the following projects:

 Oman's first community solar energy project, a 1.47 MW initiative aimed at enhancing local energy resilience, reducing reliance on fossil fuels, and promoting renewable energy investment. The project will reinforce Oman's leadership in green infrastructure and sets a benchmark for future clean energy projects. By integrating solar power into local communities, NEDC continues to empower residents, support national sustainability goals, and drive Oman's energy transition toward a cleaner, more sustainable future.

- Expansion of EV charging infrastructure by installing three electric vehicle (EV) charging stations at strategic locations, in Muscat and Sohar including one at NEDC Headquarters, supporting Oman's transition to sustainable transportation., supporting the transition to clean energy.
- Installation of an 136 kW solar energy system on rooftops (HayAl-Khuwairat) healthy village in Barka to support eligible beneficiaries.
- Integration of Smart Grid Technologies Deploying Al-driven analytics and real-time monitoring for energy optimization.

14.5. GOVERNANCE EXCELLENCE

Strong governance is the foundation of our sustainability strategy. NEDC operates under a comprehensive corporate governance framework that aligns with OIA policies/guidelines and Nama Group regulations, ensuring transparency, compliance, and ethical decision-making. In 2024, we reinforced our compliance framework, achieving zero major governance violations and strengthening our internal controls.

Additionally, we enhanced our governance practices in business continuity and risk management by establishing robust risk and business continuity frameworks that align with national regulations and international standards. These frameworks incorporate clear accountability structures, Board of Directors (BOD) strategic oversight, and regular Executive reviews, ensuring a proactive and resilient risk management approach.

To further strengthen our operational resilience and risk-based decision-making, we launched disaster recovery testing programs, simulating crisis scenarios to evaluate and refine our crisis response capabilities. These measures mitigate risks to NEDC's business, protect lives, and ensure minimal disruptions to electricity distribution across Oman. By continuously refining our governance and crisis management strategies, we remain committed to maintaining a stable, secure, and future-ready electricity distribution network.





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