جهاز أبو ظبي للاستثمار
Abu Dhabi Investment Authority

ADIA

2025 Review

Real Progress

Mission

ADIA's mission is to sustain the long-term prosperity of Abu Dhabi by prudently growing capital through a disciplined investment process and committed people who reflect ADIA's cultural values.

CONTENTS

Letter from Hamed bin Zayed Al Nahyan

Managing Director

The defining theme of global markets in 2025 was a return to breadth and balance, in which the technology-driven gains of recent years evolved into a broader rally across asset classes. With inflation steadily moderating and a gradual transition toward more accommodative monetary policy, investors were presented with a supportive backdrop and a deeper pool of attractive opportunities.

Global equities continued to generate strong returns, as the economic benefits of artificial intelligence began rippling outward from technology companies into the wider economy. The significant infrastructure required to support these technologies – from power generation to raw materials – drove robust earnings growth across industrials, real estate, and financial stocks. This rotation not only broadened the foundation of market returns but also prompted a geographic rebalancing, lifting non-US and emerging markets to their strongest relative performance in recent memory.

Fixed income markets also generated positive returns as the transition toward lower policy rates allowed investors to capture capital appreciation while locking in historically attractive yields. This strength extended to real assets and commodities, which benefited from the broader stability of the macroeconomic environment.

Yet, beneath these strong annual returns flowed undercurrents of heightened sensitivity and occasional market dislocations throughout 2025. Investors were frequently tested by

global trade and geopolitical shifts, along with the volatility that these produced. Generating consistent returns in this environment required a careful balance between the flexibility to adapt to rapidly changing conditions, and the discipline to look beyond short-term turbulence.

After a thorough review of the transformations reshaping many aspects of the investment landscape, ADIA has, over recent years, progressively adopted a more granular, systematic, and quantitative investment process. Combined with a growing focus on higher capital velocity, this evolution has enabled allocation to strategies across and within asset classes, supporting more dynamic and agile management of both the total portfolio and its major components.

Over this period, capital was reallocated to strategies across listed equities, private assets, diversifying financial alternatives, and fixed income, in line with ADIA's risk and return objectives.

At a total portfolio level, this resulted in increases in the allocation ranges for financial alternatives and private equity. ADIA's percentage allocation range for real estate declined slightly due to the relative growth of other asset classes in recent years. Absolute exposure to real estate remained steady, and it remains an important component of the total portfolio offering attractive risk-adjusted returns.

Against this backdrop, ADIA delivered another year of robust overall performance in 2025. By pairing global diversification with a steady expansion of internal capabilities, ADIA was able to dynamically manage complex risk exposures and capitalise on moments of dislocation.

In public market portfolios, ADIA increased allocations to systematic and absolute-return strategies to enhance its risk-adjusted returns and manage periodic bouts of volatility. At the same time, the strength of global markets and a more accommodating financing environment allowed private market teams to realise value from mature assets and recycle capital into new opportunities. These included high-quality businesses and assets positioned to benefit from the secular expansion of artificial intelligence, evolving global supply chains, and changing demographic needs.

In parallel, ADIA continued to accelerate its own internal evolution, expanding the use of data-driven insights and technology to identify and capture new opportunities.

As at 31 December 2025, ADIA's 20-year and 30-year annualised rates of return, on a point-to-point basis, were respectively 6.6% and 7.2%*, compared to 6.3% and 7.1% in 2024. As always, these returns can be influenced by the combination of years exiting the calculations together with the inclusion of new data from the latest financial year. This underlines ADIA's preference to focus on long-term trends.

* Performance is measured based on underlying audited financial data and calculated on a time-weighted basis. Performance for 2025 remains provisional until final data for non-listed assets is included.

Letter from Hamed bin Zayed Al Nahyan

Continued

Outlook

As we look to 2026 and beyond, the global economic environment is navigating a period of elevated uncertainty. While key economic indicators, such as corporate earnings and consumer demand, have demonstrated notable resilience, the landscape remains susceptible to fluctuations in sentiment and policy. Investors face a complex matrix of variables, stretching from evolving global trade dynamics to episodic geopolitical tensions that challenge the decision-making of major central banks.

A defining feature of this current environment is the changing structure of market leadership. In recent years, returns in major equity indices have been driven by an unusually narrow group of large companies. While this concentration has delivered strong performance, it has also increased market sensitivity to the earnings and capital expenditure cycles of these companies.

At the same time, a more fragmented global backdrop is introducing new challenges, requiring both disciplined risk management and the necessary agility to adapt quickly as events unfold. For a multi-generational investor like ADIA, however, our focus reaches beyond these immediate factors. Our goal is to dynamically manage cyclical risks while remaining mindful of the deeper structural forces that will reshape the global economy in the years ahead.

Foremost among these is the evolving nature of technological disruption, as the digital economy becomes increasingly tethered to the tangible world.

Just as software defined the first wave of growth, the current race to develop artificial intelligence is now driving heavy investment in infrastructure. Today, companies are deploying capital of a magnitude rarely seen, to build data centres, secure electrical transmission, and expand semiconductor capacity.

This shift has significant implications for global markets. The economic benefits of technological advancement — historically concentrated within the technology sector itself — are now spilling over into the broader industrial landscape. As this cycle matures, we expect to see increased opportunities emerge across traditional industries as they leverage these new tools to enhance their own productivity.

Yet, while this wave of innovation unlocks significant value, the pace at which new technologies are being adopted means that business models across a variety of sectors may face fundamental disruption with increasing frequency.

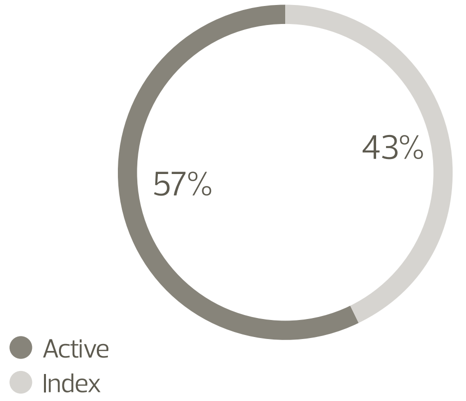
In such an environment, achieving investment objectives will depend less on predicting outcomes and more on maintaining a diversified, dynamic approach to capital allocation.

In turn, these same forces are fundamentally altering the business of investing itself. The integration of advanced quantitative and systematic models is rapidly becoming a core component of modern portfolio management.

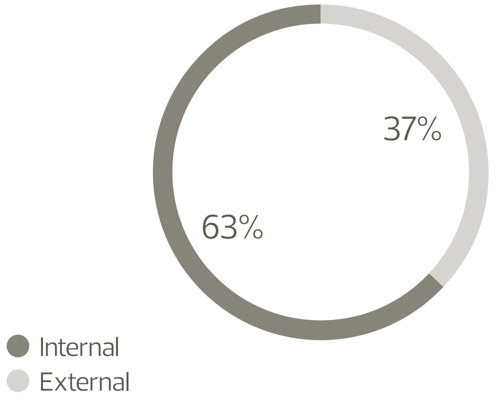
While new digital tools continue to reshape the market in many ways, we believe that competitive advantage will continue to be found at the intersection of machines and people. Ultimately, the best outcomes are likely to emerge from combining technology with human judgement to interpret and apply data-driven insights within an organisational context, and to navigate systemic changes when data alone is insufficient.

Portfolio Overview

Active Management versus Index Replication



Internal versus External Management



Over recent years, ADIA has significantly advanced its institutional capabilities, enabling it to capture emerging opportunities and strengthen its resilience in a fluid global environment.

We have continued our multi-year focus on broadening our ability to process complex data sets, allowing our investment professionals to concentrate their judgement on those areas where human insight and experience add the greatest value.

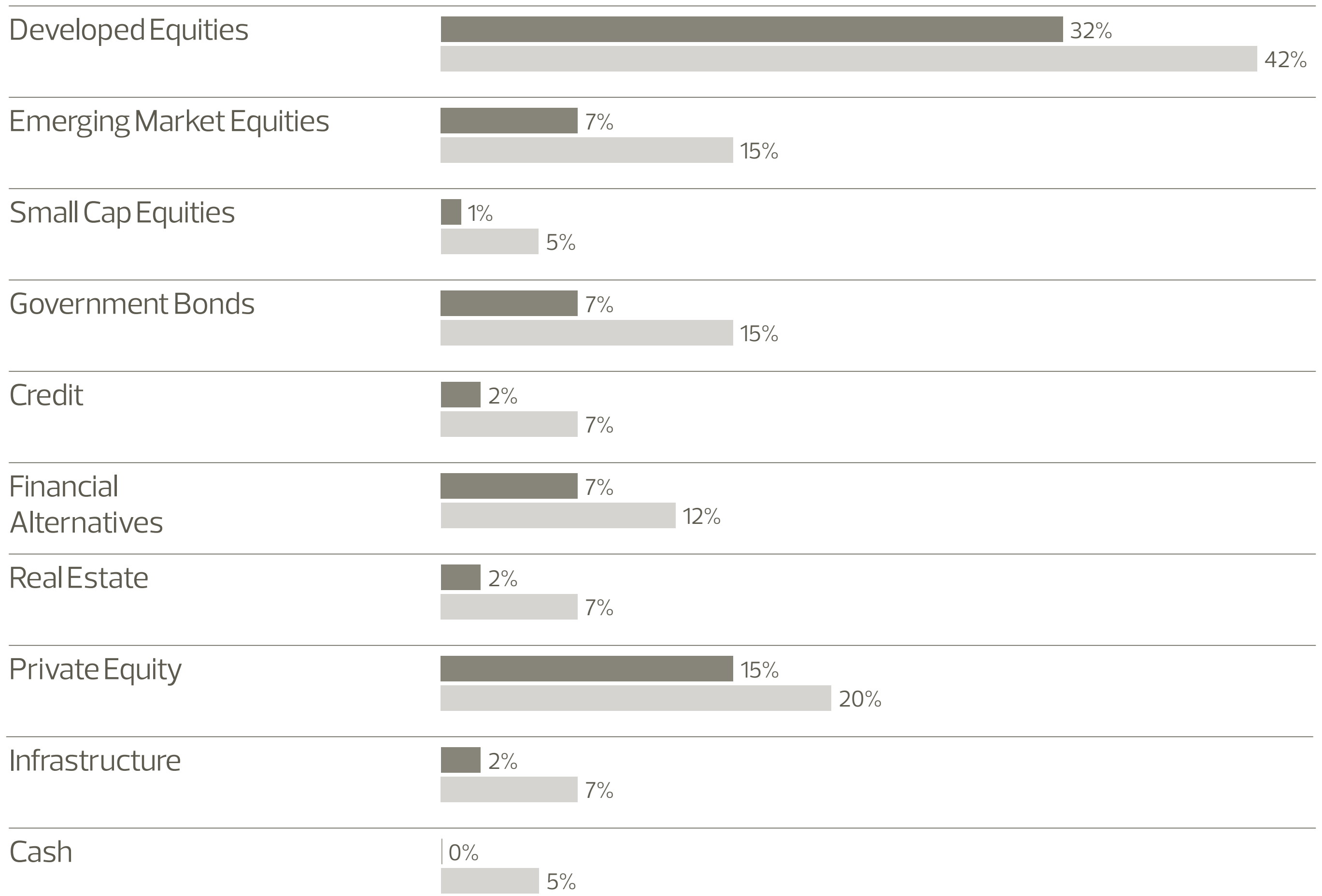
In parallel, we have enhanced our risk management capabilities at the total portfolio level. Through the Core Portfolio Department, ADIA has a single, consolidated view of its total balance sheet across cash, fixed income and indexed equities. This allows ADIA to fund investment strategies with different risk-return profiles while maintaining sufficient liquidity across the portfolio.

As we look to the future, it is increasingly clear that the world is undergoing a period of significant transformation. While such transitions naturally generate uncertainty, they also present opportunities for investors with the foresight and readiness to capitalise on them. Through continuous refinement, ADIA is building the strong foundations required to manage the challenges and seize the opportunities that lie ahead.

Throughout this journey, our core mission remains unchanged: prudently managing capital to deliver sustained, generational growth. It is this clarity of purpose that motivates us to ensure that ADIA is prepared not just for the markets of today, but for the unfolding realities of tomorrow.

Long-Term Strategy Portfolio

Portfolio by Asset Class *



* The above denotes long-term strategy portfolio ranges within which allocations can fluctuate; hence, they do not total 100%.
* In 2025, the following allocation range changes were made:
Financial Alternatives increased from 5%-10% to 7%-12%
Private Equity increased from 12%-17% to 15%-20%
Real Estate declined from 5%-10% to 2%-7%

Minimum
Maximum

Portfolio by Geography

North America
45% — 60%
MIN MAX

Europe
15% — 30%
MIN MAX

Emerging Markets
10% — 20%
MIN MAX

Developed Asia
5% — 10%
MIN MAX

Investments

ADIA has a highly diversified portfolio that spans geographies, asset classes and asset types, with the objective of generating consistent, long-term returns throughout market cycles.

CONTENTS

Equities

> Global equities delivered another year of exceptional returns in 2025, confounding expectations that the market's post-pandemic momentum had peaked. The extended rally was anchored by resilient corporate earnings, moderating inflation, and a weaker US dollar that enhanced non-US returns.

Macroeconomic conditions became increasingly supportive as the year progressed. Central banks shifted decisively toward monetary easing over the course of 2025, with the US Federal Reserve cutting rates three times while the European Central Bank and the Bank of England also loosened policy.

A major bout of market volatility followed US tariff announcements in April. However, equities recovered rapidly as tariff exemptions widened and bilateral negotiations eased trade tensions. As the year concluded, the global rally broadened meaningfully, reflecting improving macroeconomic stability and reduced tariff anxiety.

Earnings growth proved robust across major markets, powered largely by the ongoing artificial intelligence investment cycle. This structural tailwind lifted semiconductors, cloud infrastructure providers, power equipment manufacturers and digital platforms. The US market was again strong with the S&P 500 returning 16% for the year, driven primarily by the Technology, Communication Services and Industrials sectors.

In Europe, the STOXX Europe 600 delivered a full year return of 17%, benefiting from increased fiscal spending in Germany, attractive valuations, improving business sentiment and softer inflation. A firmer euro provided an additional boost for US dollar-based investors.

The Financials and Resources sectors were among the region's strongest performers, while defence-related stocks also significantly outperformed the broader market.

Japan's equity markets reached record highs, fuelled by substantial foreign inflows, corporate governance reforms and strong performance from export-oriented firms benefiting from a weak yen for much of the year. The TOPIX index recorded one of the strongest global performances with a full year gain of approximately 22%. Although expectations of Bank of Japan policy tightening created some late year volatility, Japanese equities closed the year near historic highs, sustained by robust earnings and ongoing policy support.

In emerging markets, China's onshore A-share market continued to build on its 2024 recovery with strong gains in 2025, underpinned by state support. In addition to liquidity injections by the Chinese central bank, state-backed institutional funds also stepped in to buy equities. The CSI 300 ended the year up almost 18%.

Conversely, while India's macroeconomic resilience and long-term growth prospects remained strong, it lagged major global markets for most of the year as valuations cooled, foreign flows moderated and earnings growth softened. However, sentiment improved late in the year following indications of easing trade tensions. The Nifty 50 returned approximately 10% for the year.

Different factors led market performance in different regions. Globally, Momentum was the strongest theme for much of the year, as stocks that had already risen continued to climb. However, outside the US, investors favoured Value and Quality stocks. Europe's gains, for example, were largely driven by cyclical value stocks and stable, income producing sectors rather than high-growth technology.

Geopolitical tensions exerted a major influence on asset prices throughout 2025. Broader global fragmentation — including sanctions, tariffs and supply chain shifts — injected volatility and maintained a persistent geopolitical risk premium embedded in commodities and select equity sectors. Despite these headwinds, global markets ended 2025 with robust gains overall, anchored by earnings resilience, monetary easing and sustained demand for technology-led growth themes.

Against this backdrop, ADIA's Equities Department (EQD) continued to increase allocations to systematic managers and extension strategies with higher turnover, seeking to enhance overall risk-adjusted returns while carefully managing aggregate exposures to control risks. EQD also expanded its roster of managers in China to fully capture the opportunity set in a market demonstrating strong alpha potential.

Furthermore, the Department helped ADIA diversify its sources of return by scaling up market-neutral and total return strategies. These efforts required carefully selecting specialist managers capable of generating consistent returns with limited correlation to broader equity market movements.

Fixed Income

In 2025, fixed income markets navigated a complex landscape defined by rising global protectionism, accelerating asset diversification, and heightened geopolitical uncertainty.

These forces, combined with divergent economic trajectories and a surge in AI-related capital expenditure, created challenges but also distinct opportunities for agile managers.

The US economy demonstrated resilience, growing modestly above trend despite tariff-related volatility and a prolonged government shutdown. Across the Atlantic, growth in Europe and the UK hovered near trend levels, while China met its 5% growth target, driven by strong exports, even as domestic consumption remained subdued.

As inflation moderated globally, central banks proceeded with policy normalisation, although their paths diverged notably. The Federal Reserve continued its gradual normalisation amid growing concern over softening labour market dynamics. In contrast, the ECB cut rates towards neutral, responding to a benign mix of growth and disinflation, while the Bank of England maintained a restrictive stance to combat persistent inflation. The Bank of Japan extended the tightening cycle it began in 2024, reintroducing volatility to the long end of the Japanese government bond curve.

Long-term yields rose modestly, driving a steepening of yield curves in most major markets. This trend was most pronounced in German Bunds and Japanese government bonds, where expectations of fiscal expansion and increased issuance pushed term premia higher.

This backdrop of resilient consumption, robust capital expenditure, and shifting policy expectations fed directly into positive risk sentiment. Equities, credit, and emerging market debt performed strongly, weathering brief bouts of volatility following the April tariff announcement and tensions in the Middle East. Credit spreads compressed to near-historical tights, supported by solid fundamentals and low default rates, with subordinated debt and high yield sectors outperforming amid strong risk appetite.

Emerging market local currency debt also delivered robust returns, driven by contributions from both rates and foreign exchange. However, performance varied widely across countries, reflecting the broader global divergence in policy and growth fundamentals observed throughout the year.

In currency markets, the US dollar weakened notably as investors diversified away from US assets and increased FX hedging ratios. The trade-weighted dollar declined by 7% over the year, with the sell-off intensifying after the April tariff announcement. In this environment, precious metals and commodity-linked currencies outperformed, while the Japanese yen lagged.

During the year, the Fixed Income Department continued to strengthen its analytical and investment capabilities, placing a strong emphasis on technology integration. It significantly enhanced insight generation and decision-making through its continued development of AI-driven research platforms. In parallel, the Department expanded its talent pool across FX, credit, and quantitative strategies, while further broadening its investment universe.

Financial Alternatives

The hedge fund industry delivered another strong year in 2025, despite periodic market volatility that reinforced the importance of portfolio diversification and tactical positioning. Navigating these conditions required managers to be agile, as different strategies dominated performance at different times.

Quantitative strategies experienced pronounced swings throughout the year. The opening months brought favourable conditions for systematic cash equity managers, who capitalised on heightened stock dispersion and volatility triggered by US tariff announcements. Strategies across short, medium, and long-term time horizons delivered robust gains during this period. These strategies faced challenges during the summer and again late in the year, when they were caught offside by sudden factor rotations and a speculative rally in lower-quality assets which pressured short positions. Against this backdrop, the Alternative Investments Department (AID) sought to capitalise on these drawdown periods to increase allocations at attractive entry points.

CTAs and similar systematic trend-followers faced a difficult first half, recording substantial losses as whipsawing markets reversed established trends on multiple occasions. Uncertainty around AI-related capital expenditure in January and the US tariff rollout in April – both major catalysts of volatility – disrupted positioning across commodities, currencies, and equity indices. The second half brought much-needed stability, allowing managers to reverse earlier drawdowns with strong gains from equity and precious metals trades.

Discretionary equity managers faced headwinds early in 2025 but delivered strong results as the year progressed. Enthusiasm surrounding AI applications and increased defence sector spending provided tailwinds, particularly in the second and third quarters. While the persistent equity rally complicated short-selling activities, market-neutral portfolios were able to extract significant alpha from security selection.

Macro strategies thrived in 2025, skillfully navigating an environment characterised by policy uncertainty and shifting macroeconomic narratives. Managers who correctly positioned for yield curve steepening, dollar weakness, and equity market strength reaped substantial rewards. Commodity exposure further enhanced returns across the year.

Credit strategies also delivered positive results, with both corporate and structured credit managers benefiting from widening dispersion among issuers and sectors, in an environment where spreads generally compressed. Relative value approaches capitalised on the year's elevated volatility, identifying and exploiting mispricings across related instruments and markets.

AID delivered strong absolute returns to ADIA's total portfolio in 2025, with minimal correlation to equity market movements. The Department's thoughtfully constructed diversification proved its value: strategies that led performance in the early months were complemented by others that excelled mid-year, while the year-end saw positive contributions across the entire platform.

AID continued to enhance its structuring by expanding the Department's investments in a managed account platform. The platform onboarded additional existing AID relationships while also directly integrating some new managers, enhancing both capital efficiency and operational flexibility.

AID demonstrated its ongoing commitment to talent development in 2025 through strategic hires of experienced professionals, internal training programmes, and the cultivation of emerging talent through the UAE national graduate programme.

As it enters a new year, the Department's mandate remains clear: deliver attractive absolute returns through exposure to uncorrelated liquid alternative strategies, providing meaningful diversification for ADIA's broader portfolio. AID will also continue to build in 2026 on established partnerships with top-tier managers while actively pursuing opportunities to access top talent and innovation across the hedge fund landscape.

Private Equity

Global private equity activity continued to rebound in 2025, with buyout deal value rising 23% year-on-year to $2.2 trillion, adding to gains in 2024 to recover more than 50% from the 2023 trough.

Large-cap transactions accounted for 52% of deal value compared to 35% in the prior year. Public-to-private activity also increased by 67% as sponsors capitalised on valuation dislocations in the public markets. Credit conditions improved steadily, supported by default rates sitting near cycle lows and central bank rate cuts that eased broader financing conditions.

Exit activity strengthened markedly, with global volume surpassing $1 trillion for the first time since 2021 and initial public offerings (IPOs) recovering to their strongest levels outside the 2020-2021 peak. Assets increasingly sold at premiums to their carrying values, supporting a stronger case for increased realisations. Value creation was often attributed to revenue growth and operational improvement, rather than multiple expansion - reflecting an environment driven more by fundamental business building than macroeconomic tailwinds. However, the industry continues to work through a substantial backlog, with more than $3.7 trillion of assets held for longer than five years. As a result, General Partners (GPs) have increasingly turned to alternative liquidity mechanisms including continuation vehicles (CVs), which accounted for 14% of exit activity in 2025.

In contrast to dealmaking, fundraising remained constrained, declining 22% year-on-year and sitting more than 40% below the 2021 peak, as Limited Partners (LPs) focused their commitments on key relationships.

In 2025, ADIA's Private Equities Department (PED) maintained its integrated approach, acting as a capital solutions provider across direct investments, funds, and platforms. This multi-strategy presence, spanning buyouts, growth equity, private credit and venture capital, provides a distinctive vantage point on emerging developments, which continues to inform new deployment and portfolio management.

Through its platform initiative, PED partnered with multiple GPs to launch new strategies in the private equity space, notably in structured financing in the US and EMEA. The Department's flexible capital approach also supported participation in select GP-led secondaries transactions, including single-asset CVs for high-quality portfolio companies, as well as acting as an anchor investor for a China-focused multi-asset portfolio managed by CDH Investments.

With exits becoming a core focus for the wider private equity industry, PED actively monetised positions through multiple channels during the year. The Department agreed the direct sale of its stake in Pension Insurance Corporation, a UK specialist insurer, and the sale of its stake in IFCO, a global packaging solutions provider. Furthermore, Medline, a leading healthcare supplies distributor held since 2018, successfully reached the public markets in what was the year's largest IPO globally.

On the direct deployment side, PED continued to invest in high-quality businesses across its core sectors, taking advantage of increased digitisation of business processes, demographic shifts and supply chain reconfiguration. A prominent feature of the year was the Department's activity in take-private transactions, in partnership with some of its core GPs, to capitalise on attractive valuations in certain sectors and pursue operational transformation away from public market pressures.

Technology remained a key priority, with an emphasis on enterprise software businesses positioned to benefit from AI integration and the digital transformation of core processes. Notable transactions included the take-private of Dayforce, a US-based HR software platform, and an investment in IFS, a European cloud software company specialising in industrial AI applications.

In healthcare, PED targeted businesses with exposure to non-discretionary demand and demographic tailwinds. In a notable transaction, the Department joined a consortium for the take-private of US-headquartered Hologic, gaining exposure to an international leader in mammography and molecular diagnostics. The team also backed Sebia, a French speciality diagnostics business focused on protein analysis for oncology and diabetes.

Industrial investments were directed toward businesses serving critical infrastructure and advanced manufacturing supply chains. Transactions included Alvest, a Paris-based leader in airport ground support equipment, SK Specialty, a South Korean provider of high-purity gases for semiconductor manufacturing, and Clarience Technologies, a US-based commercial vehicle safety platform.

Consumer activity focused on resilient demand segments, notably experiential leisure and consumer staples. Investments included European Camping Group, a pan-European outdoor hospitality operator, and an expanded stake in Froneri, the global ice cream manufacturer, executed concurrently with a GP-led liquidity process.

Throughout the portfolio, the Department continues to assess how artificial intelligence will reshape value creation across private markets, both as a source of disruption and as an operational enabler. PED remains focused on investing in sectors and transactions where operational complexity and scale favour patient, solutions-oriented capital.

Real Estate

The global real estate market in 2025 was defined by a gradual, uneven recovery following the valuation reset of the prior cycle, alongside ongoing geopolitical uncertainty and a still restrictive, though improving, cost of capital.

While debt markets reopened and liquidity improved — narrowing bid-ask spreads — investors remained selective, and wide dispersion across sectors persisted. On average, private real estate values bottomed in late 2024 and stabilised throughout 2025, with office lagging other major sectors in finding stability. Transaction activity also gained momentum as pricing became more actionable for both buyers and sellers.

Within this environment, ADIA's Real Estate Department (RED) was active throughout 2025, balancing portfolio optimisation with disciplined capital deployment. The Department continued to recycle capital, enhance portfolio efficiency, and maintain the flexibility needed to respond to changing market conditions — reflecting a sustained emphasis on discipline, agility, and dynamic portfolio management.

RED's investment commitments remained aligned with themes where market dislocation and structural demand created attractive entry points. In the United States, RED increased its exposure to senior housing, supported by demographic tailwinds and limited new supply, consistent with strengthening sector fundamentals. In Asia, RED deepened its relationship with a valued partner through an investment in its Greater China business. This capital will support the growth of logistics and digital infrastructure platforms positioned to benefit from strong export markets and the secular expansion of e-commerce and AI-related demand. In Europe, RED continued to expand its exposure to residential and equity solution strategies, capitalising on opportunities created by bank selectivity and refinancing needs, which favoured lenders with strong underwriting capabilities and flexible capital structures.

Alongside these equity investments, private credit continued to be a core focus throughout the year. Real estate credit has demonstrated resilience through periods of rate volatility, and RED expanded its existing platforms while backing the creation of a new platform in Hong Kong targeting senior secured loans. These private credit strategies continue to provide stable income and valuable optionality as the cycle normalises.

In parallel, RED pursued an active disposition programme to rotate out of assets where business plans had been completed and to fund higher-returning opportunities. Key initiatives included the sale of a student housing portfolio in the US and the divestment of retail assets in Singapore, while in Europe, RED exited selected residential assets in the Netherlands and retail assets in the UK. These actions reflect a disciplined approach to recycling capital in a market where liquidity has improved but remains differentiated by asset quality and depth of buyer demand.

Operational execution and development discipline remained central to value creation across the portfolio. Major development projects advanced throughout the year, including a master-planned London residential development, where the first units were completed in September 2025, while projects in the Bay Area, Stockholm, and Sydney remain on track to meet their targeted delivery milestones.

RED also continued to strengthen how insights are translated into investment decisions. During 2025, the team progressed the use of artificial intelligence in a measured and deliberate way, piloting tools to improve productivity and generate insights to inform decision-making. These initiatives improve consistency, speed, and analytical depth across the investment process.

Looking ahead, 2025 reinforced that the next phase of the cycle is likely to be led by income growth, operating capability, and sector selection rather than broad market exposure. Logistics and digital infrastructure remain well supported by structural demand and constrained supply dynamics, while living sectors — particularly senior housing — continue to offer durable fundamentals underpinned by demographic shifts.

Overall, the asset class demands a heightened level of selectivity, capital expenditure discipline, and strategic repurposing where appropriate, as technology and changing work patterns reshape utilisation. Against this backdrop, RED's focus on high-conviction themes, disciplined capital recycling, and selective deployment positions the portfolio to capture recovery upside while maintaining resilience in an evolving operating environment.

Infrastructure

The global infrastructure sector delivered robust performance in 2025, characterised by a resurgence in fundraising and a clear trend toward market consolidation.

Fundraising activity accelerated significantly, with more than $200 billion raised, an increase of approximately 50% from 2024 levels. Industry consolidation continued as capital concentrated among fewer managers, with the number of successful fund closures declining to 115 from 146 in the previous year.

The asset class generated solid returns, underpinned by resilient global economic growth of approximately 3.2% and a continued moderation in inflation, though levels remained above central bank targets.

ADIA's Infrastructure Department continued to leverage its strong capital base and flexible investment mandate in 2025 to deliver stable returns through core positions aligned with long-term thematic trends. The Department utilised its global network and sector expertise to target investments benefiting from enduring secular drivers. A notable commitment was the $600 million investment in the Vantage APAC data centre platform, with assets across Japan, Malaysia, and Singapore, positioning the portfolio to capture value from the surging global demand for AI and cloud infrastructure.

Building on key themes from 2024, the Department responded to rising electricity demand in the United States by agreeing significant investments in a high-quality US utility company and a gas-fired power generation asset. It also pursued selective opportunities in private credit, stepping in as traditional lenders retreated amid tighter financing conditions. This included an investment of more than $200 million associated with operational data centres in the US alongside an established industry leader, as well as participation in secondary market transactions to provide liquidity.

Consistent with its disciplined portfolio management approach, the Department actively recycled capital into assets that more closely aligned with its target risk-return profile. It capitalised on buoyant equity markets to realise gains in listed infrastructure holdings and maintained a proactive stance in managing its direct investment portfolio.

During the year, the Department continued to strengthen its organisational capabilities to support effective investment execution. It also deepened industry relationships and explored collaborative opportunities in key high-growth segments.

Looking ahead to 2026, we expect infrastructure assets, with their essential nature and contracted or regulated cashflows, to offer stability amid volatile market movements. The Utilities and Energy sectors are better positioned to handle a possible upshift in inflation. Merger and acquisition activity, which gained momentum in the second half of 2025, is projected to accelerate further once geopolitical tensions ease, reinforcing a long-term positive outlook for the sector.

Operational Review

Over the past decade, ADIA has prioritised agility and embraced uncertainty as an inherent feature of the investing landscape.

This has led to a clear emphasis on ADIA as a unified entity rather than as a collection of individual components, while retaining the breadth of perspectives, expertise and activities offered by its investment departments.

In each issue of the ADIA Review, we highlight some of the initiatives from the past year that demonstrate this way of thinking in action.

Optimising ADIA's Global Partnerships for an Evolving Landscape

As a global investor, ADIA has always recognised that its long-term success is closely tied to the strength of its external partnerships. Even as the organisation has continued to develop its internal capabilities in recent years, it has also worked to deepen and broaden its relationships with external counterparties in mutually beneficial ways.

In 2025, ADIA took this a step further by introducing a more systematic and structured approach to managing these relationships – a natural evolution that reflects the increasing scale and complexity of the global investment landscape.

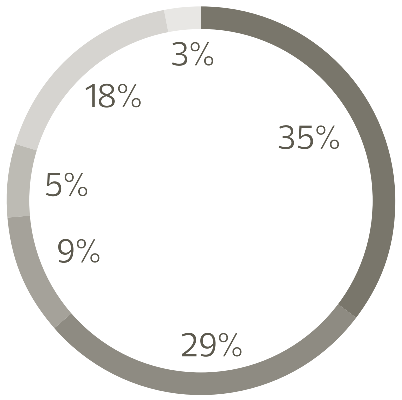
At the heart of this shift is a centralised framework that combines decades of institutional memory with modern analytical tools. By bringing together information and feedback from across the organisation, ADIA has gained a clearer understanding of the connections and interactions that shape its partnerships globally.

This enhanced visibility enables ADIA's teams to move beyond day-to-day transactions and engage in deeper discussions with counterparties. It also supports more structured reviews alongside regular desk-level interactions, helping ADIA focus counterparties on its key priorities while identifying new opportunities to work together.

The approach is overseen by a dedicated Counterparty Forum, which includes senior representation from across ADIA and focuses on four core areas: strengthening oversight, supporting relationship development, aligning strategy with a changing regulatory landscape, and improving process efficiency. Together, this framework helps ADIA to engage with counterparties in a more coordinated and consistent way.

By taking a more structured and holistic approach to counterparty management, ADIA is continuing to optimise how it works with external institutions, ensuring that these relationships continue to develop as an important pillar of the organisation's long-term growth.

Our People



- UAE
- Europe
- Americas
- Middle East and Africa
- Asia-Pacific
- Australasia

1,350
Employees from

61
Countries

ADIA Lab's Educational Footprint Expands in Abu Dhabi and Beyond

In 2025, ADIA Lab continued to foster the development of Abu Dhabi's scientific community through a series of education and outreach programmes.

A key milestone during the year was the launch of ADIA Lab's first summer internship programme, aimed at developing emerging research talent in the UAE. Over eight weeks, 15 undergraduate and graduate students worked closely with leading scientists and gained practical experience in advanced research methods. The programme concluded with students presenting their own research projects, giving them valuable exposure to the demands and standards of professional scientific work.

Established as an independent data and computational sciences research institution supported by ADIA, the Lab also expanded its international educational activities in 2025 by hosting two summer schools. These two-week programmes focused on timely topics: "Explainable AI" in Granada, Spain, and "Sustainable AI" in Shanghai, China. In total, these events brought more than 100 participants together for intensive academic study, along with opportunities for cultural exchange and professional networking.

To support scientific exchange throughout the year, ADIA Lab hosted seven specialised seminars in Abu Dhabi. These events showcased leading researchers in artificial intelligence, climate science, health sciences and computational research to the local community. By sharing new ideas and encouraging discussion across disciplines, the seminars helped researchers in Abu Dhabi build connections and explore new areas of collaboration.

As in previous years, a key highlight of 2025 was the ADIA Lab Symposium. This flagship three-day event attracted record attendance, with more than 800 participants joining in person and 600 attending online from around the world. Featuring 41 distinguished speakers, including four Nobel Laureates, the Symposium examined how AI can support advances in climate science, health sciences, and the digital economy.

ADIA Lab also continued to broaden its international research network. Through a competitive grant programme, ADIA Lab attracted high-quality proposals and appointed new Fellows from leading institutions including Harvard University, NYU Abu Dhabi, Sorbonne University Abu Dhabi, and Mohamed bin Zayed University of Artificial Intelligence. By linking local talent with world-class researchers, ADIA Lab is helping to build a strong foundation for long-term, data-driven innovation.

Governance

ADIA has robust governance standards with clearly defined roles and responsibilities that ensure accountability.

For further details regarding ADIA's governance, please visit the ADIA website: www.adia.ae/en/investments/governance

CONTENTS

Board of Directors

ADIA's Board of Directors is responsible for setting ADIA's strategy and risk-return parameters and meets periodically to review its performance.

The Board of Directors comprises a Chairman, Managing Director and Board Members who are appointed by a resolution issued by the Abu Dhabi Supreme Council for Financial and Economic Affairs.

ADIA's Managing Director has responsibility for implementing ADIA's strategy and its investment and operational activities.


H.H. Sheikh Tahnoun bin Zayed Al Nahyan
Chairman


H.H. Sheikh Khaled bin Mohamed bin Zayed Al Nahyan


H.H. Sheikh Mansour bin Zayed Al Nahyan


H.H. Sheikh Hamed bin Zayed Al Nahyan
Managing Director


H.E. Khalil Mohammed Sharif Foulathi


H.E. Jassem Mohamed Bu Ataba Al Zaabi


H.E. Hamad Mohammed Al Hurr Al Suwaidi


H.E. Dr. Ahmed Mubarak Al Mazrouei

Investment Committee

H.H. Sheikh Hamed
bin Zayed Al Nahyan

Board Member, Managing Director
Chairman - Investment Committee

H.H. Sheikh Mohammed
bin Khalifa bin Zayed Al Nahyan

Executive Director, Alternative Investments

H.E. Khalil Mohammed
Sharif Foulathi

Board Member
Senior Deputy Chairman - Investment Committee

Majed Salem Khalifa
Rashed Alromaithi

Executive Director, Strategy & Planning
Deputy Chairman - Investment Committee

Dhaen Mohamed
Dhaen Mahasoon Alhameli

Executive Director, Core Portfolio

Nasser Shotait Salem
Rashed Al Ketbi

Executive Director, Equities

Khalifa Matar Khalifa
Saif Almheiri

Executive Director, Fixed Income

Hamad Shahwan Surour
Shahwan Aldhaheri

Executive Director, Private Equities

Mohamed Rashid
Mohamed Obaid AlMheiri

Executive Director, Central Investment Services

Juma Khamis Mugheer
Jaber Alkhyeli

Executive Director, Operations

Disclaimer

The contents of this review are provided by ADIA for information purposes only and, therefore, should not be construed as investment advice or a recommendation to buy or sell any investment instrument. No representation, warranty or undertaking, express or implied, is given as to the accuracy or completeness of the information contained in this review by ADIA. ADIA accepts no liability for any losses or damages incurred or suffered that are claimed to result from the use of or reliance upon any information contained in this review including, without limitation, any direct, indirect, incidental, special or consequential damages. Any statements or terms in this review used to describe ADIA's relationship with third parties do not, and should not be construed to, acknowledge or establish any legal relationship between ADIA and such third party, acknowledge or establish any fiduciary duty on the part of ADIA to such third party or otherwise, or acknowledge or establish any responsibility for or liability in respect of the actions of such third parties. The copyright to this review is held by ADIA. Unauthorised reproduction or conversion is strictly prohibited.

Abu Dhabi Investment Authority
211 Corniche, PO Box 3600
Abu Dhabi, United Arab Emirates

WWW.ADIA.AE