

2012

ACWA Power and its Group of Companies

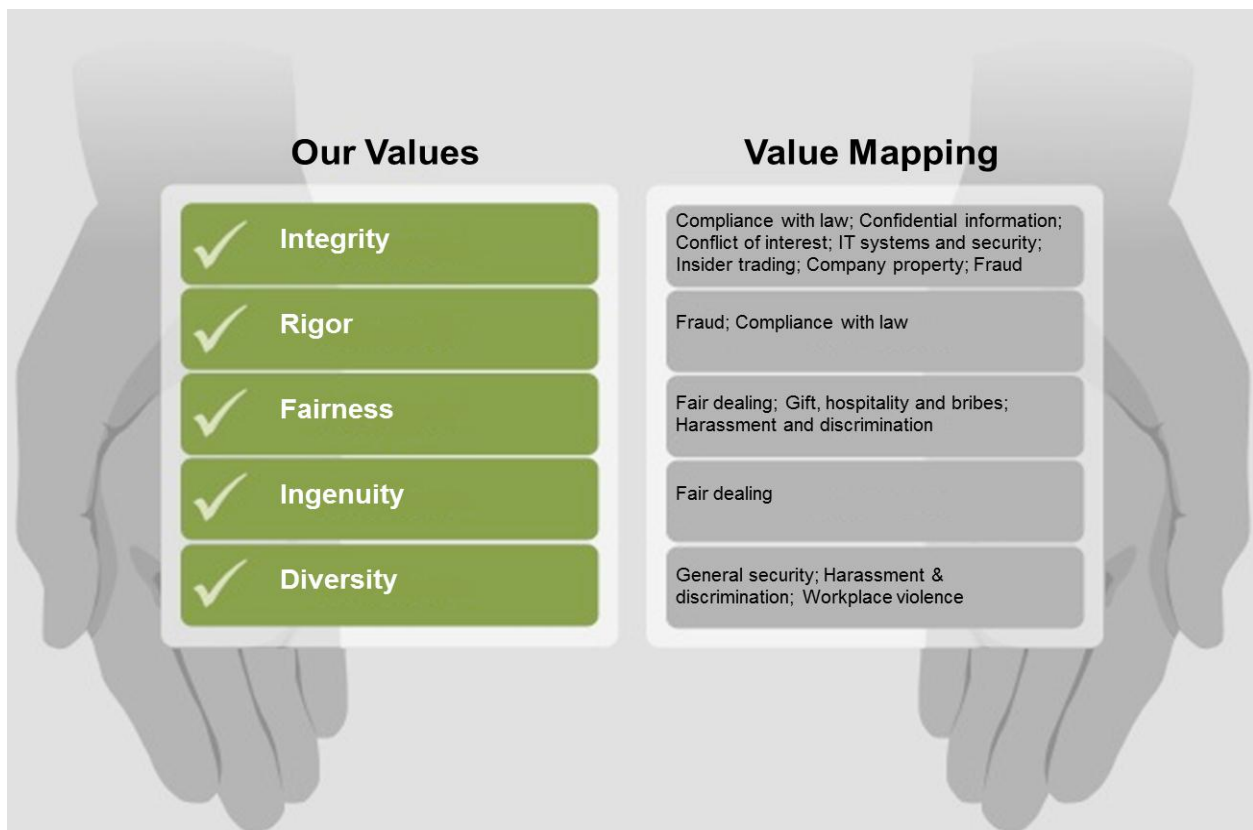
Guidelines on Business Conduct & Ethics



Introduction:

While we understand that all the employees are required to fully comply with guidelines as been communicated through various polices, however, we expect the employees to report to the company management or Compliance Line any variation of the guidelines that they may notice. The Compliance Line listens to and acts on concerns expressed by the Company staffs and others about possible violations of Company policies, laws, or regulations. Company staffs are encouraged to communicate their concerns, as well as ask questions about ethical issues using Compliance Line. No staff will be penalized for making a good-faith report of any violation to the guidelines mentioned in this document nor will the Company tolerate retaliation of any kind against anyone who makes a good-faith report.

These guidelines act as a generic essential tool and support Company's business conduct and ethics to manage the relationship of Company's staff team with each other inside the Company, and with the Partners, Contractors and the wider community of stakeholders and the public at large.



Staff duty:

As an individual working for and / or on behalf of the Company, you have an obligation to do your job to the best of your ability and in such a way that the interests of the Company, the local community, your colleagues and the environment are safeguarded.

Each staff member of the Company is individually and directly responsible towards the adoption and implementation of these guidelines.

Compliance with law:

Company staff will conduct business in compliance with all laws, regulations and other legal requirements applicable wherever the Company is carrying on business.

Fair dealing:

The Company adheres to a practice of fair dealing in all its undertakings. You shall endeavor to deal fairly with the Company's customers, suppliers, competitors and employees. Taking unfair advantage through manipulation, concealment, abuse of privilege, misrepresentation and other unfair dealing practices are unacceptable and prohibited.

Confidential information:

During the course of your work you are likely to have access to information which is private or confidential to the Company or any of its partners, employees, customers, suppliers or other third parties. The staffs have a responsibility for the preservation of the confidentiality and integrity of information used during the course of your work.

Staff must ensure that:

- He/ She uses such information only for the purpose for which it was intended and for no other purpose than the business of the Company;
- He/ She passes such information only to those who need to know it in carrying out Company's work;
- The information is not to be used to harm the Company for any reason or purpose;
- All information contained in PC/Laptop whether as program, studies, legal documents, or any kind of document or information which are listed, copied and written in the PC/Laptop are and shall remain as the property of the Company; and
- It is a serious betrayal of trust to make unauthorized comment on the Company's business or prospects which may bring the Company into disrepute.

Conflict of interest and disclosure of private interest:

Sometimes situations arise in which you may have a private or personal interest in the outcome of a decision or action which may be perceived as causing a conflict of interest. In such circumstances:

- Staff should not allow any personal or other preferences to influence his / her judgment;
- Staff must not put his / her private interests before his / her duty to the Company; and
- Staff must not put himself / herself in a position where his / her duty and private interests conflict.

For greater clarification, below are some guidelines but not limited to:

- Utilizing Company's time to promote personal interests or interests of third party or parties;
- Holding a second job or acting as a consultant with or regarding a vendor, supplier, or a competitor of the Company;
- Conducting Company business with related parties (families members or close personal relationship members or members of your economic household) or with businesses in which you or related parties have a significant interest;
- In your personal account, speculating or dealing in materials, supplies, equipment or product which the Company buys or sells, or in the property rights in which the Company may be interested;
- Serving as a Director, Officer, Associate or Consultant for companies, other than companies in which ACWA Power is presently directly or indirectly a shareholder, with which the Company transacts business, or that are competitors of the Company;
- Owning stock or any other interest (either directly or indirectly) in a supplier, customer or competitor; provided that ownership in a public traded company is permitted if the interest constitutes less than five percent (5%) of the class of security owned and the employee or officer performs no business function, provides no advice, and has no ability to influence the policies or activities of the Company. Disclosure is also required in circumstances, where a relative of an employee or officer owns such an interest in a supplier, customer or competitor;
- Accepting benefits or gifts or trips in violation of the Gift Policy, Code of Conduct & Ethics Policy or any other HR policy issued from time to time;
- Offering or accepting business courtesies from a current or potential supplier, customer or competitor;
- Soliciting charitable contributions on behalf of the Company or any outside party;
- Making payment in any form, directly or indirectly, to or anyone for the purpose of obtaining or retaining business or obtaining any other favorable action or terms;
- Participating in outside activities which would, or could reasonably be expected to, lead to the disclosure of confidential Company information or interfere with the employee's or officer's employment or service obligation to the Company (other than participation in Greenfield or Brownfield opportunities within the scope of duties of relevant employee);
- Using one's position with the Company or knowledge of its affairs, or using the Company name or assets, for personal gains;
- Directly managing or supervising a relative employed by the Company; and
- Preferential allocations of stock or an offer to participate in an initial public offering from a company, other than companies in which ACWA Power is directly or indirectly a shareholder, with whom the Company either conducts or could be expected to conduct business.

Gifts, hospitality and bribes:

Offers of gifts and hospitality are commonplace in the business context; however, no staff may give or receive a gift that violates the laws, regulations, agreements or reasonable customs of the marketplace.

The following provides some guidance to assist Staff on what to avoid:

- Giving or receiving money or other cash equivalent as a business gift;
- The value of the gift or hospitality is greater than US \$1,000 or equivalent currency;
- Unless it is clear that applicable laws and regulations permit it or prior approval has been obtained from authorized individuals, offering business gifts to government employees;
- Giving or receiving gifts that are too costly or frequent to be within the customs of the marketplace;
- Giving any gift to reward a government employee;
- Giving or receiving gifts that influence or give the appearance of influencing business judgment; and
- Offering a gift if you know it would violate the recipient's policy to accept it.

IT systems and security:

Company staffs are prohibited from engaging in any activity illegal under Governmental, or international law or in violation of the Company policy. The categories and list below are by no means exhaustive, but attempt to provide a framework for activities that fall into the category of unacceptable use such as:

- Excessive non-priority use of computing resources;
- Unacceptable system and network activities, which includes:
 - Obtaining configuration information about a network or system for which user does not have administrative responsibility;
 - Engaging in activities intended to hide the user's identity; and
 - Circumventing user authentication or accessing data, accounts, or systems that the user is not expressly authorized to access.
- Unauthorized use of intellectual property. Users may not use facilities or networks to violate the ethical and legal rights of any person or company protected by copyright, trade secret, patent, or other intellectual property, or similar laws or regulation;
- Inappropriate or malicious use of IT systems;
- Misuse of e-mail and communication activities; and
- Password security compliance such as:
 - Staffs are responsible for the security of computer systems, passwords, personal account passwords (i.e. Net ID Passwords) and personal identification numbers (PINSO and will be held accountable for any activities linked to their accounts. Users must follow known uniform, and Company standards for maintaining and managing passwords; and

- Staffs are required to be aware of and employ security practices established by the Company, to prevent unauthorized access to their computers. Security breaches can often be linked to the actions individuals take or fail to take when using information technology resources (i.e. leaving their computers logged into applications while away from their desks, storing written copies of their passwords in obvious places, using insecure methods for transferring information).

Insider trading:

You may have access, through the course of your work, to unpublished confidential information that relates to the business performance or prospects of the Company. Such information, if it were made public, would likely have a significant effect on the price of our shareholders' shares or other securities and could influence your thinking as to when to buy or sell shares in those companies. Insider trading is a serious criminal offence and by law you must not purchase or sell shares or securities of our stakeholders while you have unpublished and potentially share price-sensitive information to which you have access through your employment or association with the Company. It is also an offence to divulge information on Company that permits others to take advantage of such unpublished information. If you have any questions, you should contact Corporate General Counsel and / or Corporate Secretary, as the case may be, before buying or selling shares or securities of our shareholders, or divulging unpublished information to a third party.

Company property:

It is your responsibility to look after Company property with care and respect. It should be used only for the purpose for which it was intended and in the authorized manner. Removal of Company property from site requires appropriate authorization.

Where the Company provides facilities for your official duties such as telephones, computers, stationery, transport, corporate credit card, or company car, they are intended for company business purposes.

Intellectual property such as patents, inventions, discoveries and copyright material related to your employment are the property of the Company when made or developed in the course of your employment.

Fraud:

Fraud is a serious criminal offence. No deliberate false, artificial or misleading entries shall be made in any books, logs, records or documents of the Company. This includes but is not limited to the timesheets, expense forms, leave forms, and claims for benefits or overtime meals. Business documents (e.g. voice, paper and electronic) are to be retained and destroyed in accordance with applicable law and with Company's record retention policies.

General security:



The Security team and the rules they follow are governed by local laws and are there to protect Company's staff and property.

You are expected to comply with all regulations as this ensures your own safety and that of others.

No unauthorized material may be brought onto site, including weapons, firearms or explosives, alcohol or illicit drugs. Nuclear security regulations require that thorough searches be done for contraband items, and all vehicles are subject to random search as a condition of site access and egress.

The Company is committed to providing a safe and healthy work environment. The use of illicit drugs, the inappropriate use of alcohol and the misuse of medications and other substances is prohibited. Any instances of alcohol, illegal drugs, weapons or explosives found within Company boundaries will be investigated.

Harassment and discrimination:

Company is committed to a workplace where staffs are treated with dignity, fairness and respect. All staffs have the right to work in an environment that is free of discriminatory practices and harassment and that provides equal employment opportunities. Discrimination and harassment can take many forms, such as abuse of authority, bullying, mobbing, sexual harassment, sexual solicitation and systemic discrimination, to name a few.

Workplace violence:

Company Staff are prohibited from engaging in or threatening any violence in the workplace. Violence in the workplace covers a broad range of behaviors that includes disruptive, aggressive, hostile or emotionally abusive behaviors, intimidation, threats, stalking, aggressive harassment, physical injury or damage to property. Domestic violence that occurs at work is considered a form of workplace violence.

How to raise a concern:

If you have a concern or that violation(s) (suspected or actual) of the Code of Conduct & Ethics have taken or are taking place, there are below options from which you may consider, and report. The following options are free to be chosen by an individual:

- Discuss the matter with your supervisor; (or)
- Discuss the matter with HR Responsible or Head of the Department; (or)
- Contact Compliance Line supported by EthicsPoint.

The Compliance Line is intended to provide a confidential means for submitting concerns where no other avenue of reporting is available.



As a caller, you will be responsible for giving all details as completely as possible, in case an investigation needs to be started. All calls are submitted on a confidential basis, and will be kept confidential to the extent possible, consistent with the law and the need to conduct an adequate investigation. Anyone who retaliates against someone who has reported a violation in good faith may be subject to discipline up to and including termination of employment. All calls to this line will be taken very seriously. Anyone filing a complaint must be acting in good faith and believe that the information disclosed indicates a violation of the Code of Conduct. Any allegations that prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offence. If you have questions on interpreting the Code of Conduct & Ethics, you are also welcome to call this line for guidance.

For more details on EthicsPoint, please go through [Employee FAQ's](#) posted on the website.

