

AES Values Guide

From Words to Action

OUR CODE OF CONDUCT



SAFETY

INTEGRITY

AGILITY

FUN

EXCELLENCE



Dear AES People,



At AES, it's what brings us together that makes us unique as a company. We share a vision of being the world's leading power company by safely providing affordable and sustainable energy, and we also share a common set of values that defines how we work towards that vision on a daily basis. Our values guide our every action, providing a common framework for how we interact with other AES people, conduct business with our partners and suppliers, and serve our customers and the many communities and environments in which we operate around the world.

We believe in putting safety above all else, acting with integrity, moving with agility, striving for excellence in all we do and having fun through work. Driven by our values, we invest in corporate social responsibility programs to support the social, economic and environmental well-being of the communities in which we operate and are recognized as an industry leader for our operational and safety performance. Our people are vital to every aspect of AES, and we strive to provide the necessary tools to optimize their potential and the performance of our businesses through the use of new technologies and innovative business solutions. Our Values Guide was developed to help each of us translate our

values into action by describing the business practices and principles that AES people are expected to apply to the work we do and the business decisions we make on behalf of the Company.

The Values Guide is an important resource to ensure we continue to act with the highest ethical standards in all of our business activities. Each one of us is personally responsible for adhering to the Values Guide, and I encourage you to read through it carefully to ensure you understand your commitments as an AES person. Together, we can preserve the ethical standards that have guided AES to the past success we've had as a company and to the success we'll achieve going forward.

Andrés Gluski
AES President and Chief Executive Officer

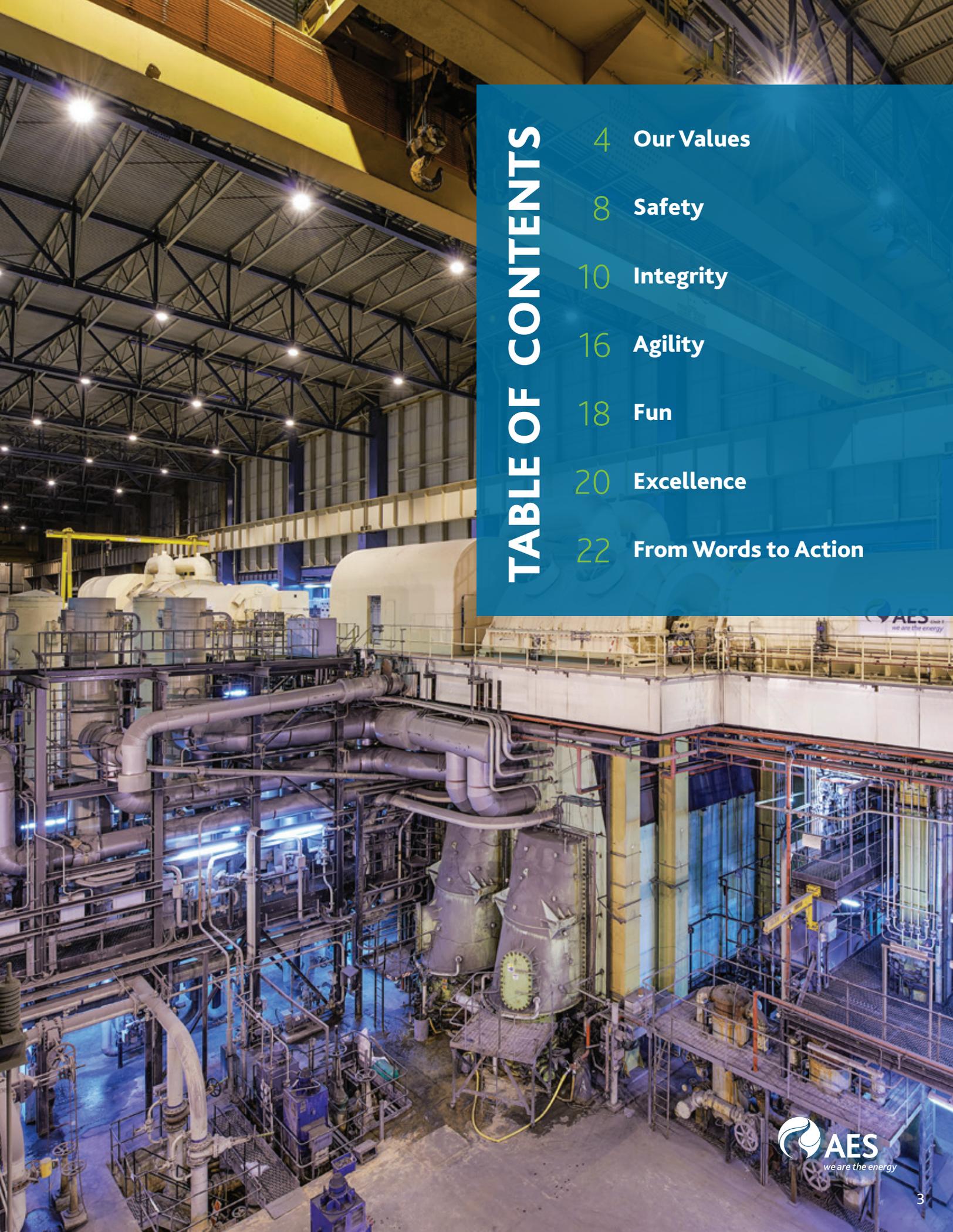


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Our Values

Corporate values have always been a part of AES business practices. Our Values provide a common framework for our business decisions, actions, and behaviors at all of our businesses around the world.

In order to translate our Values from words to action, we must consistently apply the Values to our everyday business activities.

This guide to our Values clarifies the responsibilities that we have to each other, to our business partners and suppliers, to our customers, to our owners, and to our communities. This guide describes the standards of business conduct that govern our business dealings worldwide and highlights considerations that we should think about when making difficult business decisions. This is not an answer guide—no written policy can anticipate every dilemma or provide the appropriate advice for every business situation. Many AES businesses have also adopted more specific policies and procedures related to topics addressed in this guide. All of us have a responsibility to familiarize ourselves with the policies and procedures that apply to our businesses.

As a global company, AES operates in many different economic and political environments and does business in the context of a wide range of social and cultural customs and traditions. This guide is intended to assist AES people around the world with making difficult business decisions while remaining true to the spirit of our Values.

AES people are encouraged to ask questions before acting and are expected to comply with our Values and this guide—business results are never more important than conduct consistent with our Values.

Simply put, our Values define AES and the way that AES people do business worldwide.



Responsibilities of AES People

Each of us is responsible for incorporating our Values into our work and our business decisions. Our stakeholders and our fellow AES people will judge us by our actions, not our words. AES people are strongly encouraged to raise questions and to report wrongdoing.

AES people who in good faith seek advice, raise concerns, or report improper behavior are doing the right thing.

Additional Responsibilities of Managers

Managers are expected to lead by example, to demonstrate a commitment to our Values, and to act with the highest standard of integrity. They should make themselves available to respond to questions and to receive reports of misconduct. It is the duty of every AES leader and manager to encourage regular discussion of our Values and to promote a work environment where consideration of our Values is a regular part of business decisions.



Where to Go for Help

AES people who have questions about our Values or this guide, or concerns about illegal or unethical business conduct or questionable accounting, internal controls, or auditing issues, should contact their manager, another AES leader, an Ethics and Compliance Department representative, AES legal counsel, or another appropriate AES person.

In addition, the AES Helpline is available 24 hours a day, seven days a week to request information or to report concerns.



Contacts to the AES Helpline may be made anonymously, and all efforts will be made to protect the confidentiality of anyone contacting the AES Helpline.

What Happens When a Question or Concern is Raised

AES will respond to all requests for advice and will investigate all reports of improper behavior. AES people are expected to cooperate with investigations into reports of misconduct and to be truthful and forthcoming during the course of such investigations.

Disciplinary measures and corrective action will depend on the specific circumstances of the violation. Actions contrary to law, our Values, this guide, or other corporate policies will be grounds for disciplinary action, up to and including termination, subject to local law and the terms of any applicable collective bargaining agreement. Failure to report improper behavior, knowingly making a false report, or refusing to cooperate with an investigation may also be grounds for disciplinary action.

No Tolerance for Retaliation or Harassment

Open communication is vital to the success of our Values. We are committed to maintaining a work environment where AES people can ask questions, voice concerns, and make appropriate suggestions regarding business practices. We will not tolerate retaliation against any AES person for raising questions or concerns or making a good faith report of possible improper behavior. In addition, harassment and intimidation in the workplace are strictly prohibited.





SAFETY

We will always put safety first—for our people, contractors and communities.

Safety comes before everything at AES. We harness one of the world's most powerful forces: electricity. Our people put their lives on the line when they come to work each day and ensuring safe operations at our facilities around the world so each person can return home safely is the cornerstone of our daily activities and decisions. We always put safety first, and we measure our success by how safely we achieve our goals.

Safety Requirements

We will place the highest priority on safety in the workplace, and in the communities where we do business. We will conduct business in accordance with all applicable workplace health and safety laws and regulations, and we will promptly report safety concerns, incidents, and violations.

Safety Practices

We will continuously improve our safety performance by sharing lessons learned and exchanging best practices. We will promote global safety initiatives to identify and reduce risks. Our safety practices must always come first.

CONSULT SAFETY MANUALS AND SAFETY POLICIES APPLICABLE TO YOUR AES BUSINESS

Safe Workplace

A safe workplace includes a workplace free from violence and negative influences that can distract us from our responsibilities. We will not jeopardize our own safety or the safety of others by working while impaired by alcohol or drugs (prescription or otherwise).





INTEGRITY

We are honest, trustworthy and dependable. Integrity is at the core of all we do—how we conduct ourselves and interact with all of our stakeholders.

When we act with integrity, we earn the trust of our customers, business partners, shareholders and the people who live in the communities where we operate. We honor our commitments by doing what we say and by not making promises that we cannot keep. Maintaining our reputation requires a continuous commitment from all of us to act with the highest standard of integrity in all of our business decisions.

Compliance with the Law

We will follow all laws, regulations, and company policies that govern our work. In some cases, our Values strive for a higher standard than what laws and regulations require. Laws and regulations may differ depending on the country or state in which we work, our country of citizenship, or the AES business entity for which we work. In addition, because AES is a public company based in the United States, some United States laws apply to AES businesses outside of the United States. We must understand what laws apply to our business activities, and we will consult AES legal counsel when in doubt.

Public Disclosures

AES will provide full and accurate information about financial and operational issues to investors and government agencies. All reports and documents submitted to the United States Securities and Exchange Commission or other government agencies, and all public communications, will include full, fair, accurate, timely, and understandable disclosures.

CONSULT THE DISCLOSURE POLICY APPLICABLE TO YOUR AES BUSINESS

In an effort to ensure the quality and transparency of disclosures to shareholders, analysts, and others who trade in AES securities, only authorized AES spokespersons will respond to public inquiries on behalf of AES.

Insider Trading

At times, we may receive confidential information about AES or other companies with which AES does business before it is made publicly available to ordinary investors. Some of this non-public or "inside" information may be considered material to investor decisions and could create an unfair advantage if securities are bought or sold based on such information. We will not use non-public information about AES or other companies for personal benefit, we will not trade securities based on such information, and we will not provide such information to others.

To help protect against potential insider trading, AES establishes "blackout periods" during which certain AES people may not engage in transactions in AES securities.

CONSULT THE INSIDER TRADING POLICY APPLICABLE TO AES SECURITIES IN WHICH YOU TRADE

PAY CLOSE ATTENTION TO NOTICES OF BLACKOUT PERIODS

Anti-Corruption

AES does not condone bribery, kickbacks, or improper payments anywhere in the world even if the refusal to make such a payment results in AES losing a business opportunity.

AES is committed to compliance with international anti-corruption laws and standards, including the United States Foreign Corrupt Practices Act. We will not offer money or any other benefit directly or through another party to any government official in order to influence decisions, obtain or retain business, or secure any improper advantage.

CONSULT THE ANTI-CORRUPTION POLICY

Money Laundering

AES will not provide financial support or assistance to anyone engaged in criminal activity, nor will AES support any process by which individuals or entities try to conceal the proceeds of criminal activity or otherwise make these funds look legitimate ("money laundering").

International Trade Activities

Because AES is subject to United States regulations, all AES businesses must comply with economic sanctions and trade embargoes imposed or approved by the United States government. Other countries or regional organizations may also impose restrictions on exports or dealings with certain countries, entities, or individuals. We will follow all applicable laws, regulations, and restrictions when importing or exporting goods, information, software, or technology. We will also abide by applicable anti-boycott laws and will promptly report any request for AES to participate in a boycott.

CONSULT THE EXPORT CONTROLS, TRADE SANCTIONS, AND ANTI-BOYCOTT POLICY

Fair Competition

We will compete lawfully based on the merits of our products and services and in accordance with the letter and spirit of antitrust and other laws designed to preserve free and open competition. AES will not make formal or informal agreements with its competitors regarding prices, production or inventory levels, bids, or allocation of markets, customers, or suppliers.

Conflicts of Interest

We will avoid situations that could create or appear to create a conflict between our personal interests and the interests of AES. Our business decisions will be governed by judgment, objectivity, and loyalty toward AES and our stakeholders, not by our personal interests.

CONSULT THE CONFLICT OF INTEREST POLICY APPLICABLE TO YOUR AES BUSINESS

Gifts and Entertainment

In many countries, gifts and entertainment are a common part of business interactions. Although customs vary around the world, we will avoid offering, soliciting or accepting gifts, entertainment, favors or other benefits or advantages that may be misinterpreted as improperly compromising our judgment on behalf of AES or obligating us in any way. In addition, AES people engaged in business activities involving government officials must understand what laws apply to their activities.

CONSULT THE GIFT AND ENTERTAINMENT POLICY APPLICABLE TO YOUR AES BUSINESS

Outside Employment and Other Outside Activities

In some circumstances, outside employment or outside activities can interfere with our job responsibilities or conflict with AES business interests. In order to avoid such circumstances, we will not use AES' name, information, work time, property, or other resources to perform a second job or to undertake other outside activities. We will also consider potential conflicts with AES business interests before agreeing to serve as a director or officer for an outside business, seeking a political or other government position, or engaging in service with a charitable, civic, religious, educational, public, political, or social organization.

Political Activities

AES people are encouraged to participate as individuals in political and governmental processes. In order to make clear that such participation is being undertaken

as a private citizen and not on behalf of AES, we will not use AES' name, funds, work time, or other resources to assist a political party, group candidate, or campaign.

When AES businesses participate in political activities and advocacy efforts aimed at influencing legislative, regulatory, or other government policy matters, they will follow all applicable laws and regulations regarding interaction with government officials. All arrangements with outside parties engaged to undertake such activities on behalf of AES must also comply with AES policies and the law.

CONSULT THE LOBBYING POLICY, POLITICAL DONATIONS POLICY, AND CHARITABLE CONTRIBUTIONS POLICY APPLICABLE TO YOUR AES BUSINESS





Protection of Company Assets

We will protect AES assets, including physical equipment, funds, property, supplies or other items of value. Theft or destruction of AES assets is prohibited. We will obtain permission before utilizing AES assets for projects or purposes outside of their normal business use or outside of working hours.

Intellectual Property

Business ideas are among AES' most valuable assets. Intellectual property, such as trademarks, patents, copyrights, trade secrets, logos, business processes, research, and customer or supplier lists, provides AES with a competitive advantage, and we will protect such intellectual property against loss, theft, or other misuse.



Protection of Confidential Information

During the course of our work, we may learn confidential information about AES or AES business partners, suppliers, or customers. We will not share this sensitive information with anyone outside of AES, and we will not use this information for personal gain.

This obligation to protect confidential and proprietary information continues even after leaving employment with AES. AES people must return all copies of any materials containing such sensitive information when they leave AES.

Corporate Records

AES relies on accurate information to make good business decisions. We will create truthful and complete business records and supporting detail. This duty includes financial and accounting data and information regarding transactions, as well as documentation of business travel and entertainment expenses or other payments made on behalf of AES.

We will properly label and handle confidential, sensitive, and proprietary information and will maintain documents, including electronic records, in accordance with AES policies and any instructions from AES legal counsel regarding retention of documents.

CONSULT THE DOCUMENT RETENTION POLICY APPLICABLE TO YOUR AES BUSINESS

Internet and Email

The use of the Internet and Email is critical to conducting business communications effectively and efficiently. We will primarily use AES Internet and Email systems to facilitate AES business objectives. All data stored on AES computers and servers, including Email sent or received, is AES property and will not be considered private except as required by local law.

CONSULT THE INDIVIDUAL INFORMATION TECHNOLOGY POLICY APPLICABLE TO ALL USERS OF AES HARDWARE, SOFTWARE, AND INFORMATION



AGILITY

We move with vision, speed and flexibility to adapt to our dynamic and rapidly changing world.

Our world and our industry are changing at a faster pace than ever. We must be nimble, efficient and continue to evolve our business to succeed. Agility means we create value by moving quickly, anticipating opportunities, avoiding risk and changing direction as necessary to grow in new ways and best serve our customers.

Our Owners

We are committed to protecting the investments of our shareholders and to providing financial return and growth. When making business decisions, we will balance short-term and long-term goals in an effort to maximize value to our owners.

Our Customers

Our customers are fundamental to our success. We will work hard to understand and anticipate the needs of our customers and to provide products and services of the highest possible quality and value.

Our Suppliers, Agents and Business Partners

We seek to do business with suppliers, agents, consultants, and partners who follow the highest standards of business conduct and integrity. All

arrangements with these parties must comply with AES policies and the law. We will make purchasing and procurement decisions that achieve the best value for AES, including price, quality, performance, and suitability.

CONSULT THE CONTRACT COMPLIANCE REVIEW PROCESS HANDBOOK

Continuous Improvement

We seek to continuously improve in all that we do. AES people are encouraged to express good-faith opinions about how AES can improve performance, and we will take active steps to share strategies and lessons learned across the organization.





Fun

We work because work can be fun, fulfilling and exciting.

We enjoy our work and appreciate the fun of being part of a team that is innovative, making a difference and winning. Having fun through work means knowing that what we work at each day has a positive impact and being inspired by what we do. We believe that a workplace that supports respect for one another, teamwork and diversity of backgrounds and views is a fun workplace.

Respecting One Another

We will act in accordance with the highest standards of professional conduct and treat each other with respect and dignity. AES leaders and managers have a special responsibility to foster a workplace environment that supports honesty, integrity, respect, and trust.

Global Team

Our ability to create teams that bring together different geographic, ethnic, cultural and professional backgrounds gives AES a unique advantage in the marketplace. We take pride in the diversity of our global workforce and will abide by laws that prohibit discrimination everywhere that we do business.

Our Responsibility

Our commitment to having fun through work makes AES an exceptional company. We recognize that working together to make a difference for our stakeholders makes work fun, fulfilling, and exciting. We care about working for a company where we can be proud of our achievements, and, when this is not the case, we will change the way we do things.



FUN



Excellence

We strive to be the best in all that we do and to perform at world-class levels.

Excellence is both a goal in itself and the way to achieve that goal. Striving for excellence means continually working to improve ourselves and our business operations.

Global View

We conduct operations around the world with a global view. We will make business decisions with the goal of advancing the business interests of AES as a whole while maintaining our commitments to our stakeholders.

Learning Organization

AES is a learning organization. We will provide continual learning opportunities to help AES people reach the highest skill levels. AES people will be evaluated and rewarded based on their performance and the contributions they make to AES.

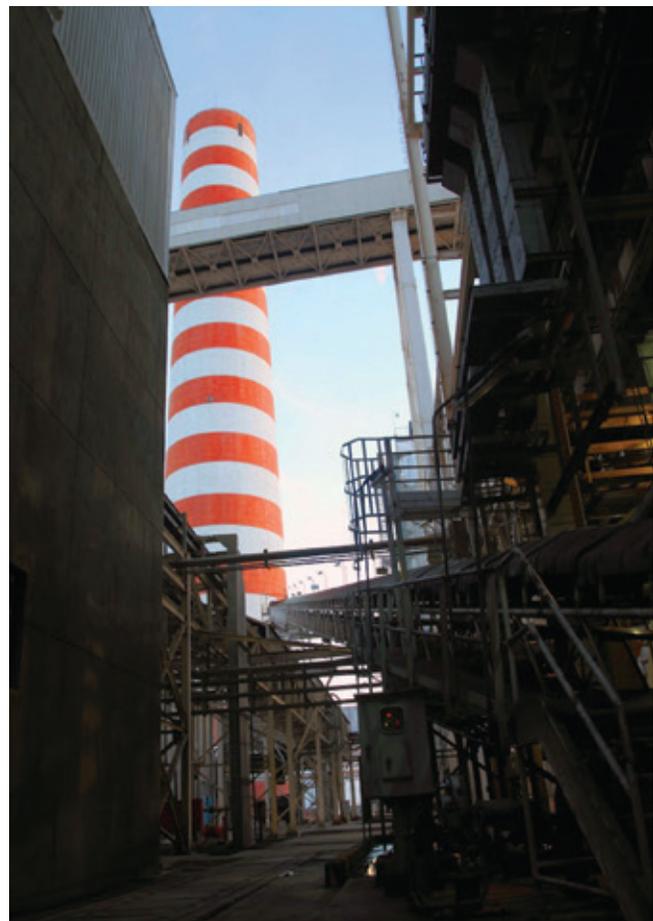
Fair Dealing

We seek to maintain the trust of our customers, competitors, and suppliers by conducting business in a fair and ethical manner. We will not engage in manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practices. We will not offer anything of value to others to gain an improper advantage in obtaining or retaining business or obtaining other favorable action.



Our Communities

We support sustainable business practices in the communities where we operate. We will promote operational practices that reduce the environmental burden associated with our activities and encourage innovation that can offer environmental and social benefits.





From Words to Action

Our Values provide a foundation for good business decisions.

This guide cannot describe every business practice or answer every business question. AES people are expected to rely on their own judgment to translate our Values from words to action.

The following questions may be helpful in applying the letter and spirit of our Values when faced with a difficult business decision:

1. Are my intended actions legal?
2. Would I want to see my actions reported in the media?
3. Could I justify my actions to my friends and family?
4. How will I feel about my actions a few days from now?
5. Am I comfortable with these actions—what does my conscience say is the right thing to do?



About This Guide

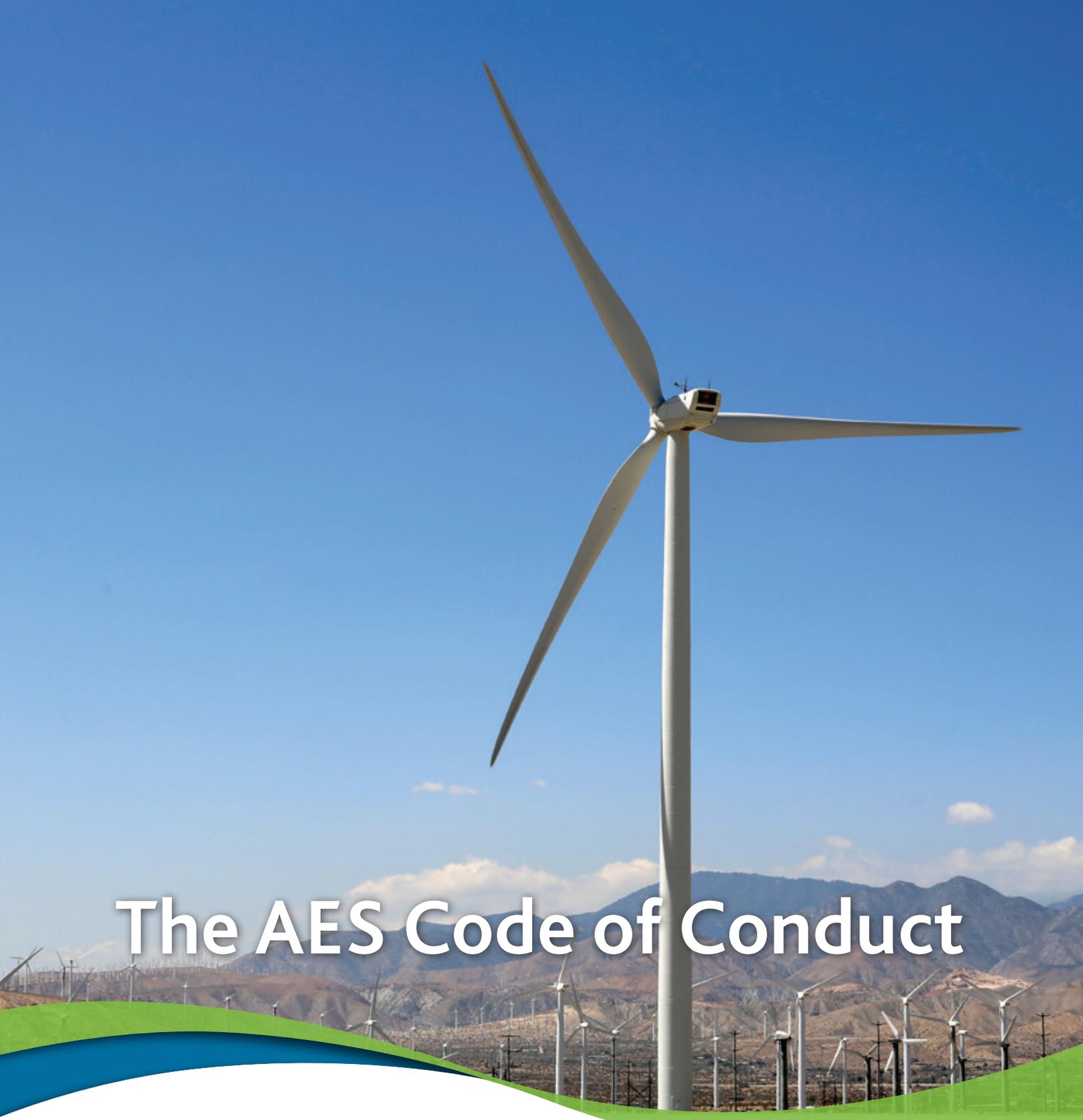
This guide serves as The AES Corporation's Code of Conduct. This guide has been approved by The AES Corporation's Board of Directors and has an effective date of July 30, 2007.

This guide is not an employment contract. This guide does not alter the at-will status of any AES employee or the terms of any applicable collective bargaining agreement and does not provide AES employees with any rights of any kind. AES reserves the right to amend this guide at any time without notice.

The concepts set forth in this guide will be applied based on the particular circumstances presented; however, a waiver of any standard or requirement in this guide for directors, executive officers, or senior financial officers may be granted only by the Board of Directors, following approval by the Audit Committee. Waivers will be disclosed to AES shareholders as required by law.

We all share responsibility for the success and reputation of AES. We cannot avoid this responsibility by simply saying, "Everyone does it" or "No one will ever know" or "It doesn't matter how it gets done, as long as it gets done." Asking ourselves the right questions before we act will help us to do the right thing.

In the end, we want to be proud of our accomplishments at AES, and, more importantly, we want to be proud of the actions we take to reach those accomplishments.



The AES Code of Conduct



The AES Corporation • www.aes.com

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