ABOUT THIS SUSTAINABILITY STATEMENT
ACWA Power Sustainability Statement outlines our strategies, commitments and performance as a responsible corporate citizen and catalyst for a more sustainable world. It summarises our sustainability activities and achievements over the course of 2019, providing a prelude to our full Sustainability Report 2019, developed in alignment with Global Reporting Initiative (GRI) Standards and scheduled for publication in 2020.

In ACWA Power, we believe it is crucial to act as a sustainability enabler for our region: we are committed to creating a sustainable future by generating power and producing desalinated water efficiently, reliably and safely, at low cost. Through our activities, we are deploying the latest technologies and providing the communities where we operate with a more sustainable future.

Our Sustainability Statement focuses on three key areas:
2019 OVERVIEW
Since the launch of our inaugural Sustainability Report in 2014, we have been reflecting upon our sustainability performance each year, highlighting the major milestones in our sustainability journey and the opportunities and challenges we may face in the years ahead. This process ensures the continuous improvement and communication of our environmental, social and governance (ESG) performance.

In 2019, ACWA Power showcased a resilient performance and continued to strengthen the foundation for sustainable, long-term growth. Key highlights for the year include:

• Continuing to develop our solar energy portfolio in Saudi Arabia, the UAE, Vietnam, Egypt and Jordan, with further plans to expand in Africa and Asia in 2020 and beyond.
• Remaining at the forefront of the Gulf region’s transition to clean renewable energy, enabling the decarbonisation of the power generation and water desalination sectors, while advancing governmental climate goals through our cutting-edge low-carbon energy projects.
• Developing the world’s largest independent water desalination plant in Taweelah, Abu Dhabi, which will come online in Q4 of 2022 with a capacity of 909,216m³ of water per day. The AED 3.28 billion Taweelah plant will be one and a half times larger than the world’s then second largest reverse osmosis (RO) plant, Rabigh 3 IWP, which is another one of our projects.
• Expanding Shu’aibah 2 Independent Water Project (IWP) in Saudi Arabia, with a capacity of 250,000 m³ per day, helping to meet the growing water needs of the Kingdom by utilising seawater reverse osmosis (SWRO) technology.
• Completing the first large-scale solar power project in Saudi Arabia, the 300 MW Sakaka Independent Power Project (IPP), which harnesses solar energy by utilising cutting-edge photovoltaic (PV) technology to generate power at a world record-breaking tariff of US $2.3417 per kWh (8.781 halalas/kWh).

• Leading the way to decarbonisation and catalysing the Saudi national renewable energy agenda, which aims to produce 9.5 GW of renewable energy by 2023. At ACWA Power, we view the communities where we operate as our own, investing and supporting local initiatives that address global issues and promote local development. We continue to invest in local talent and suppliers in communities where we operate, thereby stimulating the human, economic and social development of these countries.

We follow industry best practices related to ESG issues. Our projects comply with the International Finance Corporation (IFC) performance standards, meeting its comprehensive and stringent guidelines.

We are proud of our achievements to date and are confident that we will continue to build on this strong foundation to create additional value in the years ahead. While pursuing our path to sustainability, we will continuously communicate our ESG performance, not only disclosing our environmental performance, but also our social, economic and governance achievements. At ACWA Power, we consider our partnerships with our stakeholders as central to our journey to excellence, and we value the feedback of our stakeholders as a critical resource for continual improvement and a central component of our strategic planning.

During the year, we also enabled the GCC region’s first Climate Bond Initiative’s (CBI) Certification for Renewable Energy Project Financing. The fourth phase of Mohammed bin Rashid Al Maktoum (MBR) Solar Park – Noor Energy 1 – became the first project in the GCC region to receive this certification, supporting the efforts to meet the Dubai Clean Energy Strategy 2050. The flagship project is a collaboration between ACWA Power, the Dubai Electricity and Water Authority (DEWA) and China’s Silk Road Fund aimed at closing the clean energy investment gap. This pioneering green funding achievement will promote and facilitate future investments in regional projects and assets that drive the rapid transition to a low-carbon and climate-resilient economy. This will also improve our credibility across the international financing market, increasing ACWA Power’s attractiveness for future investors, as the market becomes increasingly sensitive to the decarbonisation of the electricity generation sector.

In 2020, we will assess further opportunities related to sustainable finance, and intend to expand and diversify the Company’s sources of sustainable financing, including instruments linked to the achievement of our decarbonisation targets and in line with the United Nations Sustainable Development Goals (SDGs).
OUR APPROACH TO SUSTAINABILITY
EMBEDDING ESG IN OUR BUSINESS MODEL
At ACWA Power, we understand that our business context is rapidly changing, and that the markets are increasingly valuing low-carbon and high-ESG performance. Facing unprecedented global issues will bring emerging business opportunities and risks. As such, we embed the consideration of ESG issues deep within our business model, strategy and vision of the future in order to adapt with insight and confidence to our evolving business landscape. As we drive economies towards sustainability, we design our business strategies to create shared value and protect the best interests of all our stakeholders.

In 2019, ACWA Power and our operating assets made significant progress towards formalising our sustainability commitments, informed by material issues while remaining agile and responsive to best address the needs of our communities, serve our environment and encourage economic growth. Our sustainability commitments are not standalone initiatives; rather, the Company’s sustainability and ESG agenda are deeply integrated into how we think, plan and act each day.

Indeed, our ESG focus and efforts are woven into the fabric of our operations, guiding how we do business on a daily basis. This includes driving the transition to cleaner energy by increasing the share of renewable energy installed capacity, transforming the green financing landscape by driving down the cost of capital for climate projects in developed and emerging markets, promoting shared prosperity in the countries where we operate, and embedding best practices in terms of corporate governance.

OUR SUSTAINABILITY STRATEGY
During 2019, we conducted a comprehensive review of our sustainability framework, and re-constructed our strategy, which will be adopted and implemented in 2020. It will be centred around four key areas:
• Leveraging operational efficiency;
• Bolstering our brand;
• Mitigating risk and identifying opportunities from an ESG performance perspective; and
• Creating shared value that benefits all our stakeholders.

OUR SUSTAINABILITY MANAGEMENT PROCESSES
Our sustainability priorities and actions are structured to best serve the needs and opportunities of our stakeholders, local communities and future generations. This structure allows us to prioritise sustainability as a Group-wide imperative with a global impact, while maintaining the flexibility to invest in targeted local programmes and share learnings from community initiatives across our portfolio.

Successful Performance Measures
We use non-financial ESG metrics to guide our financial decisions in a holistic manner. Our ESG performance is continually measured, monitored and assessed against our overarching sustainability ambitions and material Key Performance Indicators (KPIs). These KPIs are assigned to relevant departments, each with their own sustainability performance measurement, monitoring and management responsibilities. An embedded monitoring system enables continuous reporting of our performance to the CEO and the Board to help refine and develop new strategies.

Policies Driven by the Pursuit of Excellence
In 2019, we reaffirmed our commitment to robust corporate governance through our policies and protocols. We continued to implement industry best practices and leading standards, policies and programmes across our operations, and to roll them out to our EPC contractors.

One of our key governance mechanisms is our HSSE policy and programme, which is designed to protect human health and safety, as well as the natural environment, while contributing to global water and energy solutions.

Sustainability Impacting our Value Chain
Beyond our direct operations, we ensure that sustainability principles are also upheld by our suppliers and contractors. We outline our HSSE requirements prior to project development, implement contractual obligations, conduct due diligence assessments, complete regular audits, and proactively engage with project managers. Building on these practices, we have recently implemented our new Contractor Management Standard, designed to guide our contractors, and support and improve their own HSSE performance.
CHAMPIONING THE SDGs

ACWA Power recognises that our sector plays a vital role in achieving the United Nations Sustainable Development Goals (SDGs). With our work, we champion progress towards the SDGs and continue to support our host nations’ advancement on the global goals and, ultimately, their national contributions to the Paris Agreement. In turn, the SDGs represent a useful tool to measure and improve our performance.

We believe by aligning ourselves to the SDGs as a strategic lens at the core of our operations, we will ultimately be better placed to unlock market opportunities, manage emerging risks and consolidate an enduring license to operate on the road to 2030. Therefore, in a targeted effort, we have identified the following SDGs, aligned them with our business priorities and objectives, and incorporated them into our business model, supported by performance goals and reporting.

Moving forward, ACWA Power will be incorporating SDG-relevant KPIs to provide the all-important bridge between prioritising the SDGs, embedding them into our business strategy and action planning, and, in turn, producing better reporting. By setting targets and KPIs, and creating a clear link to the value created, we are working to demonstrate and report on our impact towards the SDGs in a concrete way.

Prioritising climate action is essential to ACWA Power and we align to this goal by mobilising financial resources, increasing education and promoting mechanisms to help effective climate change-related planning and management in countries where we operate. Furthermore, we are continuously working to minimise the carbon footprint of our plants, at a time when demand is increasing in our region, by leveraging technological improvements.

Increasing market access to renewable energy is at the core of our commitments. We are also focused on enabling cost-effective, energy-efficient and renewable energy-fuelled water desalination.

As one of our core focus areas is fostering continuous learning environments for our local operations and workforces, ACWA Power is championing SDG 4 by providing training and education opportunities to our employees, as well as implementing CSR initiatives that have a strong focus on enabling quality education in the communities where we operate.

We support initiatives that promote Women in the STEM sphere. We have also established partnerships with Women Organising for Change in Agriculture and Natural Resource Management (WOCAN) to create and roll-out projects that promote community development and empower women in communities nearby our renewable projects in Morocco and South Africa.

As our operations are mainly in regions where seawater desalination contributes more than 90 percent of all daily water requirements, ACWA Power continuously strengthens the reliability and availability of our water delivery by improving the efficiency of our water desalination processes through technology improvements.
COMMITTED TO EXCELLENCE

At ACWA Power, our commitment to sustainability governance and continual improvement go hand-in-hand with our fundamental approach to growth and leadership. Strong sustainability governance supports effective management of environmental and social risks, while supporting the ability to have long-term impact and create shared value for our stakeholders and our communities.

With our Board-level commitment to sustainability and CSR, we will continue to evaluate and improve our governance structure, actions and initiatives to derive even greater value for our Company and all our stakeholders.

Our commitment to continual progress in sustainability and corporate governance involves:

1. Publishing ESG/sustainability KPIs on a regular basis.
2. Setting and achieving short and long-term, quantitative and qualitative ESG targets.
3. Increasing the share of our portfolio dedicated to renewable energy.
4. Improving our energy efficiency on water desalination.
5. Implementing cutting-edge technologies.
7. Furthering the investigation of transformative CSR programmes that perpetuate shared value.
8. Enabling the green/sustainable certification of our loans.
9. Starting to evaluate energy efficiency improvements of power generation from natural gas and fuel oil.
10. Supporting the Saudi government in its plan to develop an emission trading scheme.
At ACWA Power, we are committed to being agents of positive change and fulfilling our share in building a sustainable future for all. We achieve this by generating power and producing desalinated water efficiently, reliably, responsibly and safely at a low cost, while deploying the latest technologies and supporting the communities where we operate.

Our Sustainability Statement focuses on three key areas:

LEADING THE WAY TO DECARBONISATION
ACWA Power is a major driving force in the transition to a low-carbon future and the economic diversification of the region. We understand that climate change is one of the greatest threats to humanity and we are committed to being part of the solution to that problem by minimising our environmental impact, while also capitalising on new opportunities in renewable energy and water desalination.

Growing the Market and Our Share of Renewable Energy
ACWA Power aims to power our sustainable future through the implementation of large-scale renewable energy generation projects, increasing the presence of renewable energy in our portfolio, and implementing innovative and pioneering energy technology. This also helps relieve the economic dependence on finite fossil fuels and foster a prosperous sustainable economy for future generations. Moreover, in pursuit of our ambition to remain a developer of low-cost renewable energy, we have significantly contributed to the affordability of renewable energy and catalysed the global transition to clean energy.

In 2019, ACWA Power continuously sought new solutions to generate renewable energy by commissioning the following renewable energy projects in four countries:

- Three solar PV power plants in Ben Ban, Egypt, with an aggregate capacity of 120 MW;
- The Risha PV IPP in the Risha area of Jordan with a capacity of 50 MW;
- The Vinh Hao 6 solar power plant in the Vietnamese province of Binh Thuan with a capacity of 41 MW; and
- The Sakaka Solar PV power plant in the Kingdom of Saudi Arabia with a capacity of 300 MW.

Vinh Hao 6 solar power plant, Vietnam
"ACWA POWER SUPPORTS THE WORLD’S SUSTAINABILITY GOALS BY ENABLING COUNTRIES TO INCREASE THEIR SHARE OF RENEWABLE ENERGY."
ACWA Power supports the world’s sustainability goals by enabling countries to increase their share of renewable energy, as showcased below, and by contributing to their economic diversification, development of human capital and elevation of national competencies.

**SAUDI VISION 2030**
ACWA Power is proud to contribute to the sustainable development efforts of the Kingdom of Saudi Arabia and to accelerate the pace of renewable energy utilisation to fulfil the growing energy needs of the region. In 2019, ACWA Power successfully connected the Sakaka Solar PV plant – the first large utility scale renewable energy project in the Kingdom – to the national grid.

As we develop the renewable power industry in the Kingdom, we are committed to prioritising local workers and partners. For example, Sakaka established a 100 percent local employment rate within its first year of operation, with 90 percent of the workforce comprised by the youth of Al Jouf region. Additionally, Sakaka registered over 30 percent of contractual local content during its construction and development phases. The project also recorded more than three million safe working hours without any LTIs during construction and development.

**UAE VISION 2021**
Noor Energy 1, a 950 MW hybrid project (700 MW CSP & 250 MW PV), is the largest single-site concentrated solar power (CSP) plant in the world, aligning to the UAE Vision 2021’s goal of increasing the contribution of clean energy. The project also supports the Dubai Clean Energy strategy 2050 to increase the share of clean energy in Dubai to 25 percent by 2030 and will offset the emirate’s CO₂ emissions by one million metric tons when it starts commercial operations in 2022.

Also supporting the UAE Vision 2021, the Shuaa Energy 1 Project is a 200 MW Solar PV plant that provided the lowest tariff of US $0.0584 per kWh over a 25-year period at the time when it was awarded. This project demonstrates the declining costs of Solar PV technology, making it more cost-competitive when compared to conventional energy, such as natural gas.

The Taweelah IWP, developed by ACWA Power in 2019, is the world’s first water desalination plant to feature integrated solar PV generation capacity. The project aims to utilise SWRO technology to produce up to 200 Million Imperial Gallons per Day (MIGD) of potable water, equivalent to 909,216 m³ per day, with production capacity of 37,884 m³ per hour. The tariff offered by ACWA Power for the Taweelah IWP is the lowest achieved in the world to date for desalinated water.

**ETHIOPIA’S GROWTH AND TRANSFORMATION PLAN (GTP)**
Further progressing our agenda to pioneer renewable energy production and technology, ACWA Power recently signed two long-term power purchase agreements (PPA) with Ethiopia’s state-owned electricity producer Ethiopian Electric Power (EEP) for two 125 MW solar PV projects. These projects will be the first of their kind in the Ethiopian utilities landscape and will support the diversification of the energy mix within the country. They are also in line with Ethiopia’s GTP, which outlines a 15-year plan with three five-year phases to transform Ethiopia from a developing country to a middle-income country by 2025. With a combined capacity of 250 MW, these PV projects are estimated to generate enough electricity to power 750,000 homes in Ethiopia, fostering community and livelihood enhancements such as increasing access to energy in remote areas and creating economic opportunities.

**OMAN VISION 2040**
In March 2019, ACWA Power was awarded by the Oman Power & Water Procurement Company (OPWP) the contract to develop a 500 MW Solar PV power plant in the Ad Dhahirah region of Ibra. As part of Oman’s Vision 2040, the government of the Sultanate of Oman has engaged in a successful programme over the past two decades to restructure and develop the private sector involvement in the electricity and water sectors of Oman in order to expand and improve delivery of electricity and water services in the Sultanate. In line with this agenda, the ACWA Power’s Ibra II Solar project will utilise bifacial type Solar PV panels located in an undeveloped area of approximately 1,327 hectares in the Ad Dhahirah region of Ibra, Oman.
We are committed to the responsible management of all our environmental impacts and risks. Relevant environmental and social issues are identified and managed by undertaking due diligence assessments by commissioning Environmental & Social Impact Assessments (ESIA), which are conducted by independent consultants during the feasibility assessment, development, and/or acquisition phases for new assets.

Further aligned with our dedication to continuously minimising our environmental impact, the total specific CO₂ emission of our 2019 installed capacities was less than 0.400 kg per kWh.

ESIA compliance is monitored by our Group HSSE team and operating assets, who are supported by independent environmental consultants that conduct comprehensive audits on the lenders’ behalf. These critical assessments identify and assess potential environmental impacts that may occur as a result of the project’s construction and operational activities, and specify applicable mitigation and management measures to avoid or minimise such impacts wherever possible.

Each ESIA is comprehensive and includes impact assessments of: Air Quality; Marine Water; Sediment and Ecology; Waste Management; Geology; Seismicity; Soil and Groundwater; Terrestrial Ecology; Noise; Traffic; Archaeology and Cultural Heritage; Socio-Economic; Landscape and Visual Amenity; Community Health; Safety and Security; Workers Condition and Occupational Health and Safety.

MINIMISING THE ENVIRONMENTAL IMPACTS OF OUR ASSETS

Share of Renewable Assets

<table>
<thead>
<tr>
<th>Total number of assets</th>
<th>Renewable assets</th>
<th>Contracted gross renewable capacity (GW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>56</td>
<td>24</td>
<td>4.6</td>
</tr>
<tr>
<td>40 operational</td>
<td>16 operational</td>
<td>(of which 1.6 GW is installed renewable capacity)</td>
</tr>
<tr>
<td>6 under construction</td>
<td>1 under construction</td>
<td></td>
</tr>
<tr>
<td>10 advanced development</td>
<td>7 advanced development</td>
<td></td>
</tr>
</tbody>
</table>

Gross project cost of renewable projects

| SAR 42.2 BN (25% of total portfolio) |

<table>
<thead>
<tr>
<th>Gross project cost of renewable assets (SAR)</th>
<th>Emission reduction of the renewable projects (t CO₂ per year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>36.6 BN</td>
<td>1,930,489</td>
</tr>
<tr>
<td>5.6 BN</td>
<td>870,000</td>
</tr>
<tr>
<td>42.2 BN</td>
<td>2,800,489</td>
</tr>
</tbody>
</table>

ACWA Power Renewable Projects Portfolio (excluding Bulgaria)

<table>
<thead>
<tr>
<th>Number of renewable assets</th>
<th>Contracted renewable capacity (GW)</th>
<th>Gross project cost of renewable assets (SAR)</th>
<th>Emission reduction of the renewable projects (t CO₂ per year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-2019</td>
<td>2019</td>
<td>End-2019</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>7</td>
<td>24</td>
<td>1,930,489</td>
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<td>2.6</td>
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INCORPORATING THE ENERGY EFFICIENCY OF WATER DESALINATION

ACWA Power’s home market is in the water-scarce Gulf region, where seawater desalination contributes more than 90 percent of all daily water requirements. Utility-scale desalination has become the source of choice for potable water in water-stressed regions around the world, and global issues, such as climate change, are likely to exacerbate water scarcity and accelerate this trend in the future. The high demand for potable water as a result of population growth and industrialisation continues to put pressure on existing supply capacity, prompting government utilities to step up their investments to increase water desalination capacity.
To further foster the transition to a low-carbon economy, our water desalination plants implement world-class energy-efficient technology, by actively increasing the efficiencies of our desalination plants and employing innovative technologies to mitigate environmental impacts, we reduce costs for our business and our customers, while minimising negative impacts to our stakeholders and the planet.

**Water Desalination Assets**

In 2019, we commissioned the Shuaibah 2 IWP project with an investment value of SAR 1.2 billion and a designed capacity to produce 250,000 m³ per day of potable water. This plant will utilise SWRO technology, which is currently the most energy-efficient desalinisation technology in the world.

We are also developing additional energy-efficient desalination plants, with a total capacity of 2.5 million m³ per day and a total investment value of SAR 13.8 billion, including:

- Taweelah IWP in the UAE – the world’s first water desalination plant to feature integrated solar PV generation capacity, which aims to utilise SWRO technology to produce more than 900 thousand m³ of potable water per day; and
- Al Dur Phase II Independent Water & Power Project (IWPP) in the Kingdom of Bahrain – a new Combined Cycle Gas Turbine (CCGT) natural gas fired power plant of 1,500 MW power capacity and a SWRO desalination plant of 227 thousand m³ per day capacity.

We continuously strive to innovate solutions that support clean energy transitions, push energy efficiency to new boundaries, and increase supplies of potable water and clean energy. While these investments grow our business, they are also great advances in diversifying our assets and increasing market access to renewable energy markets.
CREATING SHARED VALUE

At ACWA Power, we believe that we have a responsibility to all the people whose lives we impact each day. We work with purpose and passion to create shared value, both across our organisation and in every one of the communities we serve.

FOSTERING EMPLOYEE DEVELOPMENT

Investing in the capacity, well-being and satisfaction of our employees is core to our business values and strategic objectives. Therefore, we continuously implement cohesive approaches and adopt responsible HR practices to ensure that our development strategies are aligned with the evolving needs of our employees, and to build an inclusive society and create shared value.

It is our imperative to attract and retain passionate and talented individuals, foster their success and prepare them to take on the business challenges of the future. We achieve this through regular engagement with our employees, providing them with evaluation sessions, feedback and satisfaction assessments, and personalised training programmes. This plays a significant role in developing a more inclusive workforce, one that feels valued, respected and equipped with the dynamic skills they need to foster success. This commitment is reflected in our Human Capital Strategy, which has an overarching goal of better supporting and developing our employees for long-term success. ACWA Power’s Human Capital Strategy is comprised of five pillars:

1. Business Partnering
2. Global Resourcing
3. Learning, Talent and Development
4. Service Delivery
5. Automation/Digitalisation

Students at HIWPT, Saudi Arabia
In alignment with our Human Capital Strategy, we executed two flagship programmes in 2019: the Future is Together (FIT) Leadership Programme and the EMO Development Programme.

The FIT Leadership Programme was established in 2018 to identify and elevate promising candidates within the Company, creating a talent pool of future leaders in local markets to ensure the smooth succession, continuity and resilience of our business in the future. In 2019, we completed Wave 2 of the FIT programme, entitled ‘Pushing for Impact.’ Wave 2 was designed for deep institutionalisation – to embed our Human Capital Strategy into our organisation and unify our company culture, aiming to build greater capacity across the organisation by improving knowledge management, clarifying employee roles, improving the delegation of authority, mapping career paths for senior leadership, and ultimately enabling greater learning and mentorship by improving collaboration and providing learning tools.

Similarly, our EMO Programme, dedicated to the CEOs of our operating assets, teaches commercial concepts and skills including delivering cost savings and capitalising on business opportunities, in order to improve the long-term commercial sustainability of our projects.

At ACWA Power, we believe that diversity brings broad perspectives, which lead to better decision-making, greater innovation, and improved job satisfaction and team performance. Therefore, we foster a diverse, inclusive and productive working environment, embedded in our Equal Employment Opportunities practices. Aligned to this, we continuously support and encourage women to develop their careers and skills, and in 2019 reached a new record for our female employment rate.

**Encouraging Local Content**

One of our strategic priorities is to encourage and develop local content in the markets where we operate. Through our Sakaka Solar PV project in Saudi Arabia, we are seeing the benefits of supporting local content for the wider industry. Aligned with this, in November 2019, ACWA Power has established ACWA Industrial Investment Company (AIICO), a business unit dedicated to enabling local content development and industrialisation in the Kingdom. AIICO will focus on complying with mandatory local content targets for new projects, enhancing our capacity to competitively export Saudi products abroad, promoting innovation, localising knowledge and creating job opportunities.

ACWA Power has also enabled young Saudi talent to develop their technical skills in the power and water sector, through the Higher Institute for Water and Power Technologies (HIWPT), a vocational training institute founded by ACWA Power and located in Rabigh, Saudi Arabia. Our flagship CSR project since 2010, the Institute was established in partnership with the Technical Vocational Training Corporation (TVTC), as a not-for-profit technical institute aimed at training and upskilling young Saudis to work as operators and technicians in the field of water desalination and power technologies. The continued success of HIWPT is assured by the strong strategic partnerships that have been established between the Institute and government authorities, water and power sector partners, industry leaders, equipment manufacturers, international training providers and plant operators.

In 2019, the Institute successfully trained 130 graduates in its long-term diploma programmes, and 140 in technical short courses. In support of HIWPT’s ongoing efforts to foster, train and develop young talent through its vital partnership with Estidamah, a key innovation hub in Saudi Arabia, ACWA Power supported the World Solar Challenge Race in Australia, where the Estidamah team of young Saudi engineers competed against around 100 teams from all over the world, becoming the first Saudi team to do so. Their solar car was fully designed and manufactured in Saudi Arabia by the participants, showcasing impressive design thinking, technical ingenuity and development ability.

Additionally, ACWA Power focused on local content through our sponsorship of the Middle East Solar Industry Association (MESIA) conference in November 2019. The conference was dedicated to power generation, with a strong focus on local content requirements, industrialisation and new investment laws and incentives. MESIA also had a strong knowledge-sharing focus and provided technical workshops specially tailored for talented Saudi youth, in collaboration with selected HIWPT trainers and students, who were primarily engaged in solar power projects and training development.

To develop a skilled, capable and dynamic local workforce, we also provide technical training to our employees and local community members. In 2019, ACWA Power’s workforce is comprised of 3,500 employees across the 11 countries where we operate. Our commitment to support the local workforce is also reflected through our employment of more than 2,200 local employees, representing a 64.5 percent of our total workforce.

**Employee Safety and Wellbeing**

Our top priority and another core value to ACWA Power is employee safety and wellbeing. Accordingly, we proactively launch and enhance HSSE standards and compliance policies to drive continuous improvements in safety and health performance. In 2019, we continued to regularly examine and enhance our employee health and safety policies, standards, and training programmes.
DRIVING COMMUNITY IMPACT

At ACWA Power, we consider ourselves members of the many communities where we operate. At local and project levels, we have implemented a framework of socio-economic development standards and guidelines to be adopted at the commencement of operations in any new country. Each framework is based on local context and needs and encourages self-reliance at the local level. This approach supports our effective synergy with local communities and maintains our license to operate for generations to come.

In 2019, we consistently communicated our corporate sustainability performance in alignment with our commitment to prioritise community engagement. We continued to effectively respond to the most crucial issues facing our communities with relevant, impactful and transformative CSR programmes that offer lasting shared value.

The CSR programmes implemented in 2019, representing a total investment of about SAR 14 million, focused on facilitating community development by:

- Providing access to education for youth
- Empowering women
- Supporting opportunities for livelihood enhancement
- Developing community infrastructure
- Driving climate action
PROVIDING ACCESS TO EDUCATION FOR YOUTH

Our commitment to invest in youth and education was demonstrated through the introduction of several education, training and development programmes designed to build the capacity of local youth and support local economic growth. Through these efforts, we aim to improve local quality of life now and for generations to come.

<table>
<thead>
<tr>
<th>Location</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mafraq (Jordan)</td>
<td>Partnership with King’s Academy, to expose young students to clean energy, elevate their environmental consciousness and transfer knowledge, thereby enabling future generations of responsible leaders who are adept and aware of the impact of their decisions on climate.</td>
</tr>
<tr>
<td>In DGC (Dhofar Governate in Oman)</td>
<td>Implementation of digital learning in a school, including installation of projectors and TVs in each class, as well as a laboratory smartboard for a primary and secondary school.</td>
</tr>
<tr>
<td>TK Solar, Alcom and Ben Ban One (Egypt)</td>
<td>Capacity building by providing a PV training programme, covering concepts, design and installation, to the local population of the Aswan Governorate.</td>
</tr>
<tr>
<td>SQWEC (Saudi Arabia)</td>
<td>Summer training for five students from Jazan University.</td>
</tr>
</tbody>
</table>

EMPOWERING WOMEN

Gender equality is one of our major focus areas and, in 2019, we reaffirmed our commitment through strategic partnerships that sought to empower women. Through our partnership with Women Organising for Change in Agriculture and Natural Resource Management (WOCAN), we continued to leverage W+, a tool developed by WOCAN that quantifies and compensates women in developing economies for previously unpaid contributions to climate change mitigation. This in turn supports women’s wellbeing and provides additional value to their communities. Originally launched in 2017, our partnership with WOCAN has generated enough revenue to invest 100 percent in the development of local women’s initiatives in the communities in Ouarzazate, Morocco.

NOOR Ouarzazate CSP IPP highlights:
- **Income and Assets:**
  - 400 women beneficiaries in livestock component.
  - Increase of 67 percent per woman over the 24-month period.
- **Education and Knowledge:**
  - 400 women beneficiaries in livestock component and 15 women in handicraft component.
  - Increase of 183 percent per woman for livestock component and 278 percent per woman for handicraft component over the 24-month period.

The Charitable Diplomatic Circle of Rabat sits under the high Patronage of HM King Mohamed VI the International Bazaar of Charity, Morocco.
In addition, we have partnered with the local associations in the village of Ghassate since 2015, to offer programmes to children designed to build their capacity to pursue future opportunities through events, activities and exposure to new places. Moreover, in 2019, we continued to invest in our landmark healthcare project in Morocco, the mobile medical centre in Ghassate. Another major focus area in Morocco is developing women’s empowerment initiatives, which include:

**NOORo Ouarzazate CSP IPP**

- Handicraft training programmes in collaboration with the Ministry of Craft:
  - Two technical training sessions provided at the Traditional Art Institute of Ouarzazate;
  - Each training lasted five months; and
  - 30 young women participants.

- Support the creation of ‘Nour Chams’, a handicraft cooperative, and provide the necessary equipment:
  - Two training sessions provided in cooperatives management;
  - Creation of the first female handicraft cooperative in Ghassate; and
  - Provide the equipment and arrange the workshop.

- Support the first orders of ‘Nour Chams’:
  - 1,500 school aprons;
  - 1,500 wool/knitted articles;
  - 250 beach towels; and
  - Participation in national and international craft fairs.

- Support provincial handicraft fairs:
  - Support the ‘Festival National des Tapis Traditionnels de Taznakht’; and
  - Support the ‘Rencontre Internationale de l’Artisanat de Ouarzazate’.

ACWA Power’s CSR approach is designed to meet the needs of local communities through participatory and decentralised activities, and is based on partnerships with official platforms. To address the most pressing issues, we work with local communities in Ouarzazate to build long-term agricultural infrastructure and capacity. These efforts include the rehabilitation of almond and palm trees, the installation of crushing and packaging equipment, and the training of local cooperative members in leading agricultural practices.
DEVELOPING COMMUNITY INFRASTRUCTURE

Besides supporting education, we continued to invest in community infrastructure wherever we operate, to improve access to needed resources and services, including roads and community cooperatives. Moreover, we continued to work towards improving health facilities, as we consider the health and wellbeing of communities a vital component of our local CSR strategy.

<table>
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<th>Location</th>
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| CEGCO (Jordan) | - Providing an ultrasound machine for Rehab Medical Centre  
                  - Facilitating a free medical day                                    |
| Mafraq (Jordan) | - Supporting school children by providing them with bags and coats     |
| Noor 1 (UAE)   | - Organising mobile medical caravans  
                  - Funding medical equipment for the haemodialysis centre in Ouarzazate |
| DGC (Oman)     | - In collaboration with the Ministry of Health’s Sultan Qaboos Hospital,  
                  procuring an ergometer used in stress echocardiography, which was installed  
                  in Sultan Qaboos Hospital’s cardiac centre in Salalah  
                  - In collaboration with the Ministry of Social Development, providing special  
                  equipment for the centre for rehabilitation of disabled students, which  
                  accommodates 200 students with special needs in Salalah                  |
| Khalladi (Morocco) | - Management of a mobile dental care unit                               |
## SUPPORTING OPPORTUNITIES FOR LIVELIHOOD ENHANCEMENT

In 2019, our community development initiatives continued to address issues that are specific to the local communities across several countries where we operate.

### CEGCO (Jordan)
- Distributing food packages during Ramadan in cooperation with ‘Tkiyet Um Ali’s’
- Providing a basket crane truck for Rehab municipality for the safe installation of streetlamps, reducing risk, saving time and facilitating the work
- Implementing a school rehabilitation programme

### Zarqa (Jordan)
- Establishing a football field to be used by local youth
- Testing and providing hearing aids for 50 children
- Supporting local athletic and cultural events in local agencies by building one room to teach the women of the region to use sewing machines for the Association of Orphans Care
- Providing Ramadan charity food packages for the poor

### Barka (Oman)
- Printing of safety awareness booklets and brochures
- Community volunteer work for cleaning the fisheries port

### Noor 1 (Morocco)
- Supporting the creation of a welding cooperative
- Supporting Association of Horizon for the disabled
- Holding spring & summer holiday camps for the children of Ghassate
- Rehabilitation of the Taferghouste mosque
- Supporting the milk cooperative of Ghassate by purchasing a collection vehicle

### Khalladi (Morocco)
- Providing school transportation
- Creation of cooperatives to develop income-generating activities

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### School Minibus, Morocco
Traffic Awareness Training, Zarqa, Jordan
DRIVING CLIMATE ACTION
ACWA Power’s leadership in the area of driving positive impact related to climate change has created new and expanded opportunities for impactful partnerships. We are currently engaging with a range of organisations to drive climate action, including the International Emissions Trading Association (IETA) and the Green Climate Fund. In 2019, we also reinforced our partnership with Women Organising for Change in Agriculture and Natural Resource Management (WOCAN). These collaborations focused on the roll-out of high-impact projects that promote community development and empower women in the communities to participate in our renewable projects in Morocco and South Africa.
EMBODYING CORPORATE EXCELLENCE
ACWA Power promotes corporate excellence throughout the Company and operating assets by diligently ensuring adherence to robust corporate governance and risk management, proactive engagement with our stakeholders to address their needs, and the highest standards of integrity and transparency at every level of our organisation and across our geographic footprint.

ENSURING ROBUST CORPORATE GOVERNANCE
ACWA Power’s corporate governance structure consists of our Board and five functional Board Committees, which are responsible for reviewing the Company’s operations within their respective areas of expertise and presenting their findings and suggestions to the Board. The Board, its advisors, its functional Committees, Company management and employees, shareholders and direct stakeholders are guided by our Corporate Governance Guidelines and Procedures, as well as our Code of Ethics.

Our robust governance framework is designed to enhance accountability through the recognition and management of all risk areas, including those related to ESG issues. It specifies the distribution of rights and responsibilities among various participants across the Group, including our Board of Directors and its five functional Committees, our executive managers and our employees.

ENGAGING OUR STAKEHOLDERS
ACWA Power is committed to understanding and addressing the needs of our key stakeholders through our stakeholder engagement initiatives, ESG frameworks and business processes. We value stakeholder feedback and participation, as it drives the continual improvement of our business and operations.

ACWA Power has a broad and diverse set of key stakeholders, ranging from our employees, Governments and government agencies, shareholders and investors to suppliers, financial institutions, labour groups, contractors, off-takers, regulators, international organisations and competitors. We engage on an ongoing basis with our key stakeholders and conduct an annual comprehensive review of our non-financial material issues most relevant to our stakeholders and our business. We are committed to understanding our stakeholders’ expectations and requirements related to our business, which we then take into consideration in our strategic decision-making and goal-setting.

ACWA Power embraces integrity and transparency. We do so by adhering to the highest professional and ethical standards towards our stakeholders and one another. Our sustainability priorities and actions are guided by our management team and are informed by the needs and opportunities of our local communities.

OUR WAY FORWARD
ACWA Power is proud to reaffirm our pledge to contribute to a more sustainable future for all, cementing our position as a leading sustainability enabler in the region. We achieve this by generating power and producing desalinated water efficiently, reliably, responsibly and safely at low cost, while deploying the latest technologies and supporting the communities where we operate.

This Sustainability Statement provides a snapshot of our sustainability and ESG performance for 2019, as well as our commitments for the years to come. We are scheduled to publish our next full Sustainability Report 2020 aligned with GRI Standards in 2021.