

ANTI-BRIBERY & ANTI-CORRUPTION POLICY

Prepared by	Compliance Department
Approved by	Management Committee
Date of Creation	25 January 2021
Version No.	1.0
Date of approval	26 January 2021

Document Revision			
Revised Version No.	Revised by	Date of revision	Date of Approval by Management Committee

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1. INTRODUCTION AND PURPOSE

- 1.1. International Company for Water and Power Projects JSC ('ACWA Power' or 'the Company') is committed to conducting its business ethically and in compliance with all applicable domestic and foreign anti-bribery and anti-corruption laws and regulations. The violation of applicable laws and regulations can seriously impact the reputation and image of the Company and expose the Company and its employees to significant regulatory and legal penalties.
- 1.2. The objectives of this Company Policy (the 'Policy' or 'ABC') are to:
- Ensure that ACWA Power staff are aware of their obligations and the need to remain vigilant in the fight against bribery and corruption;
 - Set out the scope, processes and controls required to mitigate any risk related to bribery / corruption within the Company;
 - Set out the responsibilities of ACWA Power, and all individuals who work for ACWA Power, in observing and upholding the Company's position on bribery and corruption;
 - Provide information and guidance to those individuals working for ACWA Power on how to recognize and deal with bribery and corruption issues;
 - Expand on the Company's commitment to prohibit bribery and corruption which is generally set out in the Company's Code of Business Conduct & Ethics Policy (the "Code of Conduct");
 - Establish and apply high standards for hiring employees; and
 - Provide assistance to all stakeholders to recognize, report and deal with bribery and corruption issues, as well as understand their responsibilities.

2. SCOPE

- 2.1. Bribery and corruption are prohibited in KSA through KSA Anti-Bribery Law (Royal Decree M/36 and Royal Decree 4 of 1440H), however, the most comprehensive and leading practice legislation is the UK Bribery Act 2010.

The Company seeks to maintain their standards as per best practice, and therefore, for the purposes of this Policy, the UK Bribery Act 2010 is used as a source of guidance for ABC. Other existing laws, regulations and international best practices have also been used as guidelines for creating internal policies and those used in creating this Policy are detailed below.

- 2.2. The Policy's coverage includes:

- The UK Bribery Act 2010;
- OECD Anti-Bribery Convention;
- KSA Anti Bribery Law;
- The Foreign Corrupt Practices Act of 1977; and
- International best practices and guidelines.

- 2.3. This Policy applies to:

- Directors, officers, third parties such as consultants, agents, vendors, suppliers and independent contractors and all employees of ACWA Power, including its Subsidiaries, business units and branches. Subsidiaries, business units and branches of ACWA Power may deviate from this Policy only if the Policy conflicts with local regulatory requirements within their jurisdiction, in which case they will comply with the higher of the two standards. The Policy administrator or relevant

representative for the Subsidiary should justify the rationale behind the deviation and ensure that the administrator of this Policy is consulted and endorses any deviation. This Policy will be made available for adoption also to JVs and equity accounted companies/affiliates.

- b. In addition, where the relevant Anti-Bribery and Anti-Corruption regulations within a jurisdiction are stricter than those detailed within this Policy, those regulations must be followed, and an addendum produced to document such detail. This addendum must be approved by the administrator of this Company Policy.
 - c. Each employee of ACWA Power, including its Subsidiaries, business units and branches agrees to be bound by the provisions of this Policy upon employment and until separation of employment from ACWA Power or being notified / provided with an updated version of the Policy.
- 2.4. In the context of this Policy, 'third-party' may also refer to any individual or organization the Company interacts with as part of its ongoing business activities. It refers to actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies.
- 2.5. Any arrangements the Company makes with a third-party will be subject to clear contractual terms, including specific provisions that require the third-party to comply with minimum standards and procedures relating to anti-bribery and corruption.
- 2.6. Compliance with this Policy is a condition of continued employment or association with ACWA Power and violations will not be tolerated. Any alleged breach will be investigated, and disciplinary action taken where appropriate.

3. POLICY STATEMENT

- 3.1. ACWA Power is committed to acting professionally and with transparency and integrity in all business dealings and relationships across the Company. ACWA Power is committed to conducting business in an ethical and honest manner and to implementing and enforcing systems that ensure bribery and corruption are prevented. ACWA Power has zero-tolerance for bribery and corrupt activities and will take disciplinary measures against anyone found to have contravened this Policy.
- 3.2. ACWA Power will constantly uphold all laws relating to anti-bribery and corruption in all the jurisdictions in which it operates.
- 3.3. ACWA Power recognizes that bribery and corruption may be punishable by up to ten years of imprisonment and a fine, for example as set out in the UK Bribery Act 2010 ('UK Bribery Act'), Section 11, Point 1 (b)¹ and/or similar legislation. Individuals involved in corrupt activity may be fined or sentenced to imprisonment, depending on the specific prevailing legal jurisdiction. Further, if ACWA Power or any of its employees or associated persons (e.g. contractors, agents or subsidiaries) is found to have taken part in any corrupt activity, ACWA Power could face an unlimited fine, and it could face serious damage to its reputation both in the public opinion and in the countries in which it operates. ACWA Power therefore takes its legal responsibilities very seriously.

¹ https://www.legislation.gov.uk/ukpga/2010/23/pdfs/ukpga_20100023_en.pdf

4. DEFINITION OF BRIBERY

- 4.1. International Law contains several leading examples of anti-bribery legislation which are widely considered as best practice throughout the world. These include the UK Bribery Act 2010, the US Foreign Corrupt Practices Act and the OECD Anti-Bribery Convention. Relevant details from these three leading international regulations are set out in the following sections.
- 4.2. The UK Bribery Act 2010 defines the offence of bribery² as:
- “(1) A person (“P”) is guilty of an offence if either of the following cases applies.
(2) Case 1 is where—
(a) P offers, promises or gives a financial or other advantage to another person, and
(b) P intends the advantage—
(i) to induce a person to perform improperly a relevant function or activity, or
(ii) to reward a person for the improper performance of such a function or activity.
(3) Case 2 is where—
(a) P offers, promises or gives a financial or other advantage to another person, and
(b) P knows or believes that the acceptance of the advantage would itself constitute the improper performance of a relevant function or activity.”*
- 4.3. Bribery is not limited to the act of offering a bribe. If individuals receive a bribe and they accept it, they are also breaking the law.
- 4.4. Bribery is illegal. Employees must not engage in any form of bribery, whether it be directly, passively or through a third party (such as an agent or distributor). They must not bribe a foreign public official anywhere in the world. They must not accept bribes in any degree and if they are uncertain about whether something is a bribe or a gift or act of hospitality, they must seek further advice from ACWA Power’s Head of Compliance.
- 4.5. In KSA specifically, anti-corruption and anti-bribery laws prohibit offering or paying anything of value (including cash, gifts, travel, entertainment and meals) to a government official to influence performance of official functions, in order to carry out, or omit to carry out, any act (even if falling within his duties, or which such official claims as falling within his duties, and even if such act is a legitimate act), or to obtain or retain business or to obtain an improper business advantage (including, for example, obtaining a government permit, license or other authorization). Employees of wholly or partially state-owned or state-controlled enterprises may be considered "Government Officials".

5. DEFINITION OF CORRUPTION:

- 5.1. Transparency International defines corruption³ as:
- “The abuse of entrusted power for private gain.”*
- 5.2. Corruption erodes trust, weakens democracy, hampers economic development and further exacerbates inequality, poverty, social division and the environmental crisis.
- 5.3. Corruption can take many forms, and can include behaviors such as:

² https://www.legislation.gov.uk/ukpga/2010/23/pdfs/ukpga_20100023_en.pdf

³ <https://www.transparency.org/en/what-is-corruption#>

- a. public servants/Government Official demanding or taking money or favors in exchange for services;
- b. politicians misusing public money or granting public jobs or contracts to their sponsors, friends and families; and
- c. corporations bribing officials to get lucrative deals.

6. FORMS OF BRIBERY AND CORRUPTION

- 6.1. For the purposes of this Policy, indicative examples are set out in 6.2 to 6.4 below. These are referred to as a "bribery offence":
- 6.2. **Bribes:**
 - a. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or business or personal advantage.
 - b. An inducement is something which helps to bring about an action or desired result.
 - c. A business advantage means that ACWA Power is placed in a better position (financially, economically, or reputationally, or in any other way which is beneficial) either than its competitors or than it would otherwise have been had the bribery or corruption not taken place.
- 6.3. **Kickbacks** are payment of any portion of a contract made to employees of another contracting party or the utilization of other techniques, such as subcontracts, purchase orders or consulting agreements, to channel payment to public officials, political parties, party officials or political candidates, to employees of another contracting party, or their relatives or business associates.
- 6.4. **Extortion** means to directly or indirectly demand or accept a bribe, facilitation payment or kickback.
- 6.5. **Bribing Government Officials** and offering anything of value will be considered in KSA as a breach of KSA anti-bribery laws. The following are examples of the restrictions imposed in KSA:
 - a. No payment, gift or benefit of any kind or value whatsoever may be promised, offered, authorized or made to any Government Official or a family member of a Government Official, either directly or indirectly, to improperly influence the Government Official, to improperly provide or refrain from providing any service (whether within or outside his scope of duties), or improperly induce the Government Official to use his influence.
 - b. Payments include not only money, but such things as stock, travel expenses, meals, entertainment, gifts, discounts not readily available to the public, offers of employment, products, credit, loans, or less tangible benefits or advantages, such as personal favors. A mere promise or offer of money or anything of value is sufficient to breach this prohibition, whether or not the promise was kept or the offer fulfilled.
 - c. No meals, entertainment, gifts or gratuities may be offered or provided to any Government Official. That a gift or payment is customary or traditional does not make that gift or payment permissible. No cash or cash equivalent gifts (i.e., gift cards, coupons, stipends for souvenirs) may ever be provided to any Government Official or any business partner.
 - d. No travel or related expenses for a Government Official shall be provided. This includes any travel or related expenses in connection with a demonstration of the Company's products or activities (including in relation to regulatory reviews or site visits) or signing a contract.
 - e. Payments that do not go directly to a Government Official but provide an indirect benefit to a

Government Official, also are prohibited. For example, hiring a Government Official's relative is impermissible, absent prior review by the Head of Compliance.

- f. Payments to any business partner or other third party while knowing (or suspecting but ignoring) that all or a portion of the payment will go directly or indirectly to a Government Official are also prohibited.

6.6. **Government Officials** include anyone with any affiliation with a government department, agency or instrumentality, at any level. For the purposes of KSA law, Government Officials include the following:

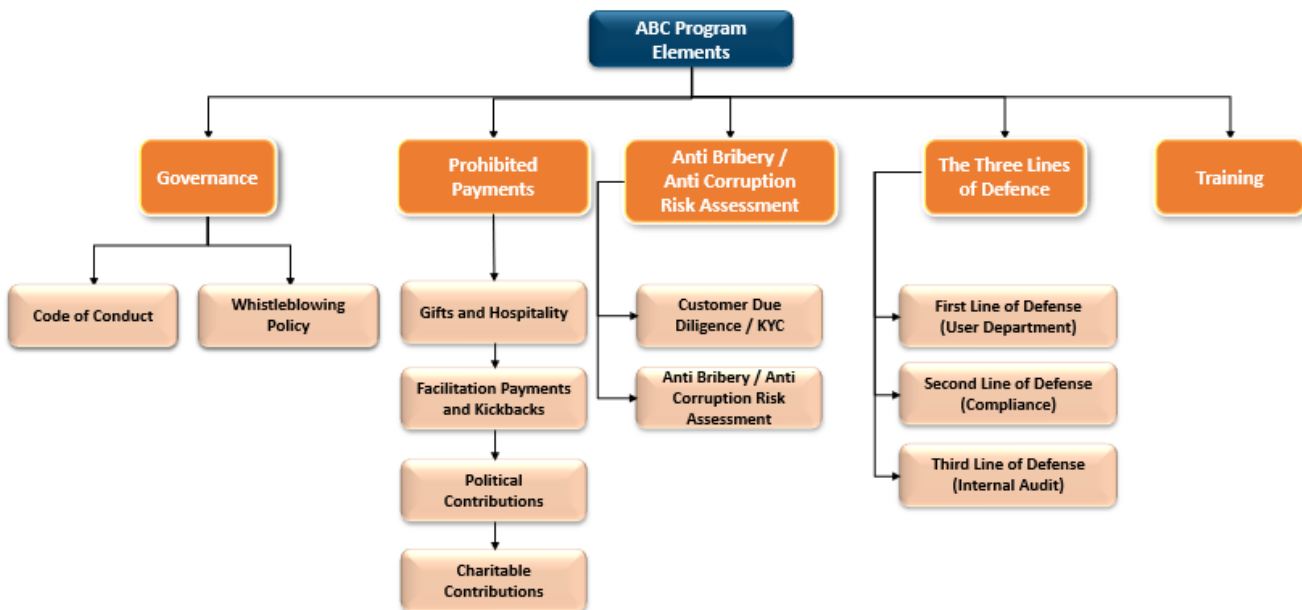
- a. Elected and appointed Government Officials;
- b. government employees and civil servants (at any level, and whether national, provincial or local, and whether of a department, agency, or instrumentality thereof);
- c. employees of private companies or establishments that operate, maintain and manage public facilities or provide a public service;
- d. members of public international organizations (such as the United Nations, International Red Cross and World Health Organization);
- e. anyone acting on behalf of any of the above, such as lobbyists or advisors;
- f. directors, officers and employees (at all levels) of companies that are owned or controlled (in whole or in part) by any government;
- g. doctors, administrators and any other employees at public hospitals or health institutions;
- h. professors and researchers at public universities or research institutes; and
- i. members of royal families.

7. INDICATORS OF BRIBERY AND CORRUPTION

7.1. The following are examples of indicators of bribery and corruption. Although not exhaustive, they represent situations that may indicate the possible existence of corrupt practices and therefore could warrant further scrutiny:

- a. Use of an agent with a poor reputation or with links to a foreign government.
- b. Unusually large commission payments or commission payments where the agent does not appear to have provided significant services.
- c. Cash payments, or payments made without a paper trail or without compliance with normal internal controls.
- d. Unusual bonuses to foreign personnel for which there is little supporting documentation.
- e. Payments to be made through third party countries or to offshore accounts.
- f. Private meetings requested by public contractors or companies hoping to tender for contracts.
- g. Not following ACWA Power policies or procedures – abusing the decision-making process.
- h. Unexplained preferences for certain sub-contractors.
- i. Invoices rendered or paid in excess of contractual amounts.

8. ELEMENTS OF THE ANTI-BRIBERY, ANTI-CORRUPTION PROGRAM - CONTROLS



8.1. GOVERNANCE

- 8.1.1. The ABC Policy is overseen by Senior Management, administered by an individual with sufficient authority, expertise and resources and endorsed by the board of directors (“Board”) or equivalent body.
- 8.1.2. To establish and maintain the ABC program, the Board sets the Tone at the Top through various policies (e.g. Code of Conduct / Whistleblowing) that achieves a culture of ethical business practices and compliance with legal and regulatory requirements.
- 8.1.3. Senior Management shall have the oversight responsibility and should allocate sufficient resources to achieve reasonably effective operations. Periodic updates and material issue reporting should be made to the Executive Board or equivalent body and the Board of Directors or an appropriate committee of the Board.

8.2. PROHIBITED AND RESTRICTED PAYMENTS

8.2.1. GIFTS AND HOSPITALITY

- ACWA Power promotes successful working relationships and goodwill with customers, suppliers and other business partners. ACWA Power acknowledges that normal and appropriate gestures of hospitality and goodwill (whether given to/received from third parties) are an acceptable form of business activity (except in connection with Government Officials in KSA) but employees are expected to observe integrity, impartiality and honesty at all times. Therefore, all employees are required to follow the requirements set out in the Code of Conduct and below for the giving or receiving of gifts:

- a. It is not made with the intention of influencing the party to whom it is being given, to obtain or reward the retention of a business or a business advantage, or as an explicit or implicit exchange for favors or benefits;
 - b. It is not made with the suggestion that a return favor is expected;
 - c. It is in compliance with local law;
 - d. It is given in the name of the Company, not in an individual's name;
 - e. It does not include cash or a cash equivalent (e.g. a voucher or gift certificate);
 - f. It is appropriate for the circumstances (e.g. giving small gifts around public holidays or as a small thank you to a company for helping with a large project upon completion);
 - g. It is of an appropriate type and value and given at an appropriate time, taking into account the reason for the gift;
 - h. It is given/received openly, not secretly;
 - i. It is not selectively given to a key, influential person, clearly with the intention of directly influencing them;
 - j. It is not above a certain excessive value, eventually set out in the Code of Conduct, and has in any case received required approval; and
 - k. It is not offered to, or accepted from, a Government Official or representative or politician or political party, without the prior approval/s set out in the Code of Conduct.
- Where it is inappropriate to decline the offer of a gift (i.e. when meeting with an individual of a certain religion/culture who may take offence), the gift may be accepted as long as it is declared to the Head of Compliance, who will assess the circumstances.
 - Gifts given and received, including those from suppliers, must be disclosed to the Head of Compliance and recorded in the Gifts register.
 - For further guidance, please refer to ACWA Power's Code of Conduct.

8.2.2. FACILITATION PAYMENTS AND KICKBACKS

- Facilitation payments are a form of bribery that involves expediting or facilitating the performance of a public official for a routine governmental action.
- ACWA Power does not accept and will not make any form of facilitation payments.
- Kickbacks are a form of bribery which involves payments from a supplier to an employee (or vice versa) in exchange for the award of a contract or similar, normally paid from the proceeds of the contract itself.
- ACWA Power does not allow kickbacks to be made or accepted and recognizes that kickbacks are typically made in exchange for a business favor or advantage.

8.2.3. POLITICAL CONTRIBUTIONS

- ACWA Power will not make donations, whether in cash or by any other means, to support any political parties or candidates.

8.2.4. CHARITABLE CONTRIBUTIONS

- ACWA Power accepts and encourages the act of donating to charities by employees whether through services, knowledge, time, or direct financial contributions (cash or otherwise).
- Employees must be careful to ensure that charitable contributions are not used to facilitate and conceal acts of bribery.
- Charitable donations by KSA Company entities may not be made outside KSA without the prior approval of the Head of Compliance.

8.3. ANTI-BRIBERY AND ANTI-CORRUPTION RISK ASSESSMENT

8.3.1. CUSTOMER DUE DILIGENCE ('CDD')

- Customer Due Diligence ('CDD') is the act of performing background checks on a customer to ensure that they are properly risk-assessed before being onboarded. This involves conducting a detailed analysis and assessment of the new client from an ABC perspective and subsequently applying a risk rating to the client, such as Low, Medium or High.
- To further protect the Company, ACWA Power may conduct heightened due diligence in circumstances where there is a reason for enhanced due diligence as mentioned in ACWA Power's Compliance Policy and Procedure for Third Party Risk.
- For further information relating to due diligence and the risks associated with entering business with third parties, please see the Compliance Policy and Procedure for Third Party Risk or contact the Head of Compliance.

8.3.2. ANTI-BRIBERY AND ANTI-CORRUPTION RISK ASSESSMENT

- The Risk Management Department will develop metrics designed to assess the effectiveness of the financial crime risk controls in place at ACWA Power and provide Senior Management and the Board with oversight as to the current position regarding risks and issues.
- The financial crime metrics will also be reported to the relevant Executive and Board-level Committees in accordance with the Governance structure of the Company.

8.4. THE THREE LINES OF DEFENSE

8.4.1. THE FIRST LINE OF DEFENSE

- ACWA Power's primary defense against the risks covered by this Policy is the effective operation of the controls inherent in the Three Lines of Defense Model.
- The first line of defense includes functions that own and manage business risks.
- This is formed by managers and staff who are responsible for identifying and managing risk as part of their accountability for achieving business objectives. Collectively, they should have the necessary knowledge, skills, information, and authority to operate the relevant policies and procedures of risk control. This requires an understanding of the company, its objectives, the environment in which it operates, and the risks it faces.
- The first line of defense includes each of ACWA Power's business units/enabling functions.

8.4.2. THE SECOND LINE OF DEFENSE

- The second line of defense includes functions that oversee or who specialize in compliance or the management of risk.
- They provide the policies, frameworks, tools, techniques and support to enable risk and compliance to be managed in the first line, conduct monitoring to ensure how effectively they are compliant and help maintain consistency of definitions and measurement of risk.
- The second line of defense includes Compliance and Risk departments.

8.4.3. THE THIRD LINE OF DEFENSE

- The third line of defense includes functions that provide independent assurance over the first and second lines.
- This is provided by Internal Audit. Sitting outside the risk management processes of the first two lines of defense, its main roles are to ensure that the first two lines are operating effectively and advise how they could be improved. Tasked by, and reporting to the board / audit committee, it provides an evaluation, through a risk-based approach, on the effectiveness of governance, risk management, compliance and internal control to the organization's governing body and senior management. It can also give assurance to regulators and external auditors that appropriate controls and processes are in place and are operating effectively.

8.4.4. ROLES AND RESPONSIBILITIES

- The first line of defense is primarily responsible for the prevention and detection of bribery in all of the Company's activities. This responsibility cannot be outsourced to any other area of the Company or to third party consultants.
- The second and third lines of defense provide support to the first line in the execution of this responsibility.

8.5. TRAINING AND RECRUITMENT

8.5.1. COMMUNICATION, TRAINING AND ANNUAL CERTIFICATION

- New Directors, officers, employees, consultants and contractors of ACWA Power at the time of their induction will be provided by People & Culture Department with an overview of the Policy, educated on its importance and informed where the Policy is available for future reference.
- All Directors, officers and employees of ACWA Power, including its Subsidiaries, business units and branches, shall receive annual refresher training on the Policy and will be asked annually to formally accept that they will comply with this Policy. To ensure that they are made aware of the Policy, they will be advised that the Policy is available on ACWA Power's intranet for their review and shall be informed whenever significant changes are made.
- All Directors, officers, employees and long-term consultants and contractors (contracted longer than 6 months) of ACWA Power will provide annual certification of compliance to this Policy using the indicative annual declaration form attached to this Policy. The Head of Compliance will be responsible for ensuring that all annual certifications are obtained on or before the end of the third fiscal quarter of each year, and for providing written confirmation to the Board of Directors that

such certifications have been obtained and no instances of non-compliance have been identified / reported.

- ACWA Power will provide a copy of this Policy to all short-term contractors and consultants (contracted for less than 6m), suppliers, business partners and third parties and communicate the zero-tolerance attitude and importance of their adherence to anti-bribery and ant-corruption laws and regulations.

8.5.2. RECRUITEMENT

- Appropriate due diligence and screening procedures have been established by the People and Culture Department to ensure high standards of honesty, integrity, ethics and professionalism in all new employees. This includes conducting screening and background checks for all new hires.

9. RECORD KEEPING

- 9.1. ACWA Power will keep detailed and accurate financial records and will have appropriate internal controls in place to act as evidence for all payments made.
- 9.2. ACWA Power will declare and keep a written record of the amount and reason for hospitality/gifts accepted and given. ACWA Power's Head of Compliance will be responsible for maintaining this list as set out in the Code of Conduct.

10. RESPONSIBILITIES UNDER THE POLICY

- 10.1. All Directors, officers, consultants, contractors and employees of ACWA Power, including its Subsidiaries, business units and branches, must read, understand and comply with this Policy and the following related policies:
- a. Code of Business Conduct & Ethics Policy;
 - b. Whistle Blowing Policy; and
 - c. Anti-Money Laundering and Counter Terrorist Financing Policy
- 10.2. The prevention, detection and reporting of bribery offences and other forms of corruption are the responsibility of all those working for ACWA Power or under its control. All such persons are required to avoid any activity that might lead to, or suggest, a breach of this Policy.

11. MONITORING AND REVIEW

- 11.1. ACWA Power's Head of Compliance is responsible for monitoring the effectiveness of this Policy and will review the implementation of it on a regular basis. The Head of Compliance will assess its suitability, adequacy, and effectiveness.
- 11.2. Internal control systems and procedures designed to prevent bribery and corruption will be subject to regular audits to ensure that they are effectively in practice.

12. BREACHES

- 12.1. A breach is defined as non-compliance with any requirement in this Policy which has not received appropriate prior approval. A lack of adherence to this Policy may have severe consequences both to the Company and its employees, including:

A. For the Company:

- i. Violating ABC laws and regulations;
- ii. Receiving monetary fines, criminal penalties, and/or regulatory enforcement orders; and
- iii. Exposing the Company to reputational risk.

B. For employees:

- i. Disciplinary action, up to and including dismissal; and
- ii. Potential criminal or regulatory censure in an individual capacity including imprisonment.

12.2. Any information brought to the notice of the Head of Compliance on solicitations to engage in a prohibited act or possible violation of the Policy shall be promptly reported to the Chief Executive Officer, the Chairman of the Audit Committee, and where appropriate, to the Chairman of the Board. Further, adequate steps shall be taken to investigate the matter and the same shall be led by the Internal Audit Department.

13. CLARIFICATION AND QUERIES

13.1. If you have any questions about how this Policy should be followed in a particular case, please contact the Head of Compliance of ACWA Power in the first instance.

14. GLOSSARY

Term	Definition	Source
Agent	A representative who normally has authority to make commitments on behalf of the principal represented.	Transparency International
Bribery	The offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal or a breach of trust (the Business Principles for Countering Bribery 2013).	Transparency International
Charitable Contribution	A payment or in-kind benefit gifted to a body having charitable or equivalent status and made without expectation of return	Transparency International
Directors	Directors of the Board of ACWA Power and members of Board Committees	
Facilitation Payment	A form of bribery coined in 1988 when the United States Congress amended the Foreign Corrupt Practices Act in 1988 and created an exception for 'facilitating or expediting payment[s]' made to foreign officials to expedite or secure the performance of 'routine governmental actions'. 15 U.S.C. §§78dd-1(b), 78dd-2(b), 78dd-3(b). See the portal guidance on small bribes.	Transparency International
FCPA	A United States federal law (15 U.S.C. §§ 78dd-1, et seq.) generally prohibiting U.S. companies and citizens and foreign companies listed on a U.S. stock exchange from bribing foreign public officials to obtain or retain business. The FCPA also requires 'issuers' (any company including foreign companies) with securities traded on a U.S. exchange to file periodic reports with the Securities and Exchange Commission to keep books and records that accurately reflect business transactions and to maintain effective internal controls.	Transparency International
Foreign Public Official (FPO)	Defined in the UK Bribery Act as an individual who holds a legislative, administrative or judicial position of any kind, exercises a public function for or on behalf of a country or territory outside the UK or for any public agency or public company of that country or territory, or is an official or agent of a public international organization. Unlike the FCPA, under the Bribery Act the term FPO does not include foreign political parties or candidates for foreign political office.	Transparency International
Gift	Money, goods, services or loans (of any value) given ostensibly as a mark of friendship or appreciation. A gift is professedly given without expectation of consideration or value in return. A gift may be used to express a common purpose and the hope of future business success and prosperity. It may be given in appreciation of a favor done or a favor to be carried out in the future. A gift has no role in the business process other than that of marking and enhancing relations or promoting the giver's enterprise by incorporating a logo or message on a promotional item.	Transparency International
Hospitality	Entertaining including meals, receptions, tickets to entertainment, social or sports events, participation in sporting events, such activities being given or received to initiate, develop or strengthen relationships. The distinction between hospitality and gifts can blur, especially where the giver of the hospitality does not attend and act as host.	Transparency International
Internal Control	Internal control is a process, effected by an entity's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance	Transparency International

Term	Definition	Source
Kickback	A payment or in-kind bribe given in return for facilitating a commercial transaction such as a contract or a loan. The term kickback describes its most common form where a portion of a contract fee from an awarded contract is returned to the person approving the contract.	Transparency International
Passive Bribery	The request or receipt, directly or indirectly, by any persons who direct or work for, in any capacity, private sector entities, of any undue advantage or the promise thereof for themselves or for anyone else, or the acceptance of an offer or a promise of such an advantage, to act or refrain from acting in breach of their duties	Transparency International
Political Contribution	Financial and in-kind gifts donated or transferred to a political party, politician or political candidate. This may include sponsorships, gifts of property or services, advertising or promotional activities endorsing a political party, the purchase of tickets to fundraising events, subscriptions and affiliation fees, money to meet expenses, and loans, property, services and other facilities at less than market value. The release of employees without pay from the employer to undertake political campaigning or to stand for office could also be included in the definition.	Transparency International
Public / Government Official	An officer or employee of a government, public department or public international organization. Definitions in anti-bribery laws vary and may include employees of state-owned enterprises and other government funded or owned entities.	Transparency International
Risk Assessment	A systematic and continuing process for identifying and analyzing inherent bribery risks to enable assessment of their likelihood and impact on the enterprise's ability to achieve its commitments and objectives. Within the framework of the risk approach of the enterprise, the results of risks assessments are used to decide the controls to be implemented to mitigate the risks.	Transparency International
Stakeholder	Stakeholders are those groups who affect and/or could be affected by an organization's activities, products or services and associated performance. This does not include all those who may have knowledge of or views about an organization. Organizations will have many stakeholders, each with distinct types and levels of involvement, and often with diverse and sometimes conflicting interests and concerns.	Transparency International
Subsidiary	A company owned and controlled by another company through the following: a. Owning 30% or more of the voting rights in a company, b. Having the right to appoint 30% or more of the Board of Directors	Capital Market Regulations (KSA) for JSC
Third Party	For anti-corruption purposes, a third party is a prospective or contracted business associate including agents, distributors, lobbyists, brokers, consultants and other intermediaries, joint venture and consortia partners, contractors, vendors and suppliers.	Transparency International

Source: <https://www.antibriberyguidance.org/glossary>

Annexure

ANNUAL DECLARATION ON CODE OF CONDUCT, ANTI BRIBERY & ANTI CORRUPTION, ANTI MONEY LAUNDERING & COUNTER TERRORIST FINANCING

Name:

Designation:

Department:

Email:

I hereby declare that for the period _____ to _____:

- A. I have read and understood International Company for Water and Power Projects JSC's ("ACWA Power" or the "Company") Anti Bribery & Anti Corruption (ABC) Policy and Anti-Money Laundering (AML) & Counter Terrorist Financing (CTF) Policy and the Code of Business Conduct and Ethics Policy (the "Code")
- B. I shall be mindful of the transactions that I prepare, review and approve and shall comply with all the requirements and provisions described in the above policies.
- C. Within the period specified above, I confirm that I am abiding to the above policies and have no instance of non-conformance / non-compliance to be reported.
- D. I have not been involved with any corrupt practices as illustrated in the ABC and/or AML and/or CTF policies.
- E. I also understand that to have assisted or facilitated the violation of the above-mentioned policies, whether actively or by way of negligence or omission, will also be deemed to have been a violation and may be liable for the actions.
- F. I have not witnessed, withheld or failed to report any information on corrupt / wrong practices as illustrated in the above policies.
- G. I have not received any form of gift that contravenes with the Code.
- H. I have declared any gift received to the Compliance function.
- I. I understand ACWA Power has zero tolerance for illegal practices and that lack of adherence to the Code, ABC, AML and CTF policies may have severe consequences for the Company and for the employees which may be object of disciplinary action, up to and including dismissal.

I also understand that ACWA Power reserves the right to request information regarding my assets, bank records etc. in the event that I am implicated in any malpractice set out in the abovementioned policies.

Signature:

Date: