



Hub, Pakistan

- We value our reputation as a caring employer and seek to attract and retain high calibre employees
- We endeavour to ensure that all of our staff conduct themselves, internally and externally, in a manner of the highest integrity
- We have a number of share-based plans that are an integral part of our strategy to reward and retain employees

# Employees

We operate an incentive weighted compensation scheme which we believe rewards and develops staff on the following basis:

- **Achievement of tangible personal objectives:** annual targets are set for all personnel, calibrated at levels designed to ensure that individuals are able to contribute to the attainment of these objectives.
- **Professional and educational advancement:** we promote and facilitate mid-career training, internal and external seminars, personal development plans and other educational programmes. In addition, we encourage our employees to participate actively in their personal development and in relevant professional organisations.
- **Leadership:** we expect our employees to exercise leadership in their dealings with colleagues, partners, customers and suppliers.

This all relies on a foundation of personal integrity and respect. We endeavour to ensure that all of our staff conduct themselves, internally and externally, in a manner of the highest integrity.

Clear communication links are critical to enhance business and commercial awareness throughout our Company. Corporate publications, the International Power website and extranet, employee awareness briefings from executive management and team briefings are all used to promote communications and an understanding of the development and application of policies and strategy. We use the latest technology to aid rapid communication with all staff around the world, as well as holding the biennial International Power Global Forum.

## Equal opportunities

The Group is committed to equal opportunities, both from a sense of social responsibility and also because it makes sound business sense to benefit from the wide ranging knowledge and experience of individuals in all sectors of society. This commitment to equal opportunities means that decisions to appoint, reward, train, develop and promote are taken purely on the basis of skills and abilities, as matched against the requirements of the job.

International Power operates in an increasingly complex business environment. We place a high priority on the recruitment, retention and training of staff at all levels, whether employed by us directly or by any of our subsidiaries, joint ventures or associates.

The Group values its reputation as a caring employer and seeks to attract and retain high calibre employees. Opportunities for training are given a high priority to ensure that all individuals can contribute to their own career development. This approach extends itself to the fair treatment of people with disabilities in relation to their recruitment, training and development.

### Diversity in the workplace

Cultural awareness and diversity training is provided to all relevant managers within the business and specific cultural awareness training is provided to our employees prior to overseas assignments.

At a regional level a number of our assets are members of diversity organisations. Our UK assets are registered as 'Investors in People'. Rugeley is also accredited to the 'Positive about Disability' standard. Our UK assets also have established a set of policies and procedures to ensure diversity in the workplace. This ensures equal opportunities are integrated into their recruitment and selection processes and subsequent employment.

Since acquiring our Shuweihat and Umm Al Nar assets in the Middle East, we have increased our awareness of ethnicity and country of origin issues as these form part of the in-country work visa process. Our awareness continues to increase as our business expands throughout the world.

The Company uses a variety of techniques for assessing applications as part of its selection process. Where external selection techniques are implemented, the Company is at pains to ensure that the providers are able to demonstrate their methodologies are free of bias. Internal selection processes revolve around objective assessment of the candidates insofar as they are able to meet the specification of the job.

### Employee share plans

International Power has in place a number of share-based plans under which employees of the Group and its subsidiary companies may acquire Ordinary Shares in International Power plc.

These plans form an integral part of the Group's strategy to provide appropriate reward and retention strategies for employees, to align employee and shareholder interests through incentive targets based on clear operational and financial criteria and to recruit, motivate and retain employees.

These employee share plans are:

- the 2002 Performance Share Plan (a discretionary plan open to Executive Directors and selected senior managers);
- the International Power Approved Executive Share Option Scheme (a discretionary plan open to selected UK-resident employees);
- the International Power Unapproved Executive Share Option Plan (a discretionary plan for selected UK-based employees);
- the Global Executive Share Option Plan (a discretionary plan for executives resident outside the UK);
- the International Power Sharesave Plan (open to all UK-resident employees);
- the International Power Global Sharesave Plan (open to employees in certain jurisdictions outside the UK).

All of the listed plans are currently in operation.

Executive Share Options have been granted to executives in seven countries outside the UK and the Global Sharesave Plan is now in operation in four countries outside the UK. As the Group continues to grow and employee numbers continue to increase, we anticipate that the extension of share plans to overseas jurisdictions will continue apace.

The vesting of any awards made under the 2002 Performance Share Plan, and the ability to exercise options granted under the Approved, Unapproved and Global Executive Share Option Plans, are all subject to the satisfaction of certain financial performance conditions. Information on the relevant performance conditions for each award or option grant under each plan is given in the Directors' remuneration report. The exercise of options under the Sharesave Plans are not subject to any performance condition.