



More is possible
through meaningful impact



Bridging gaps,
empowering growth



Once a barren stretch of lahar-covered land in San Marcelino, Zambales—unusable for agriculture and isolated from basic infrastructure—**585 MW SanMar Solar** now stands as a symbol of transformation. What was once an unutilized expanse has been reimagined into a landmark renewable energy development that contributes significantly to the Philippines’ clean energy targets.

Beyond generating solar power, the project built over 14 kilometers of transmission lines, a new substation, and 6 kilometers of roads and bridges—reducing travel time for Indigenous communities from up to five hours to just one. With more than 3,600 jobs created across our sites, SanMar Solar reflects ACEN’s deep commitment to building a sustainable future where both **clean energy and local communities can thrive**.

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Providing a holistic view of our strategy, governance and financial and non-financial performance reflects our commitment to creating value for our stakeholders.

Frameworks, guidelines and standards

Task force on Climate-related Financial Disclosures (TCFD)

We are guided by TCFD recommendations in reporting climate-related financial information. Our TCFD disclosures are consolidated on



SASB Standards

We prepared this report in accordance with the SASB Standards for electric utilities and power generators.



Global Reporting Initiative (GRI) Standards

We reference the GRI Universal Standards and GRI Topic Standards for select non-financial disclosures.



<IR> Framework

We adopt the Integrated Reporting <IR> Framework to structure the content of this report.



Sustainable Development Goals

We use the UN Sustainable Development Goals as a blueprint to align our business activities with sustainable development.



Coverage of the report

The disclosures in this report cover entities within ACEN Group's equity and operational control. For non-financial data, we report using operational control approach, which entails that we account for 100% of an entity's non-financial data if ACEN or its subsidiaries can implement operating policies over the entity. The governing management procedures and policies outlined in this report are applicable to ACEN Corporation and its subsidiaries in the Philippines, unless stated otherwise.

A detailed explanation of the reporting methodology for our sustainability performance indicators can be found on

Financial statements

Our audited financial statements for the period January 1, 2024 to December 31, 2024 have been approved by ACEN's Board of Directors and are pending approval by the shareholders at our Annual Stockholders' Meeting on April 23, 2025. The latest Audited Financial Statements is available on www.acenrenewables.com.

SyCip Gorres Velayo & Company is the external auditor of the company's financial statements. The audit partner principally handling ACEN's account is rotated every seven years in accordance with regulations of Philippine Securities and Exchange Commission.

Verification and assurance



We engaged SyCip Gorres Velayo & Co. to perform limited assurance on selected GRI and SASB disclosures in our 2024 Integrated Report. The engagement was conducted in accordance with PSAE 3000 (Revised) and covers selected disclosures on economic, environmental, social and governance aspects of our business.

Note on forward-looking statements

Certain statements describing our objectives, projections, estimates, and expectations may constitute as forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

Responsibility statement

The Board-level Sustainability Committee reviewed the contents of this report and believes that this report fairly presents the overall performance of ACEN Corporation for the reporting year 2024.

A working committee composed of groups from various disciplines including Corporate Communications and Sustainability, Corporate Planning and Investor Relations, Legal, Governance and Compliance, Finance, Risk, and key operating units across ACEN were responsible for the contents presented in this report.

The Sustainability Committee unanimously approved this report on April 14, 2025.

We welcome inquiries and feedback on this report. Please email investorrelations@acenrenewables.com and corpcomm@acenrenewables.com.

ACEN at a glance

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- 5 Sustainability highlights
- 6 Geographic presence

52 MW NorthWind in Bangui, Ilocos Norte,
the first wind farm in Southeast Asia

BUSINESS HIGHLIGHTS

Investments in renewables (CapEx)

₱48 billion

Financial

Core attributable EBITDA

₱19.3 billion

25% increase YOY

Net income

₱9.36 billion

27% increase YOY

Total asset value

₱329.5 billion

Market capitalization

~₱157.4 billion

as of end-2024

Total shareholders' equity

₱157.4 billion



Read more about our financial performance on [page 12](#) ▶

7 GW

Attributable renewables capacity

- > **5.8 GW** of operating and under construction portfolio
- > **1.2 GW** of renewable energy projects with signed agreements

Renewables growth



19 Solar projects



14 Wind projects

ACEN also has strategic investments in geothermal energy and battery energy storage systems.

Read more about our geographic presence on [page 6](#) ▶

Attributable output from renewable sources

5,596 GWh

25% increase YOY

Completion of the Philippines' largest wind and solar projects

545 MW in total

- > **160 MW** Pagudpud Wind in Ilocos Norte
- > **385 MW** SanMar Solar (Phases 1 & 2) in Zambales

Retail electricity supply growth

374 MW

36% increase YOY in commercial and industrial customers

New strategic partnerships

- > Second partnership with BrightNight to advance the development, construction and operation of its power portfolio in the Philippines
- > Partnership with Barito Renewables to accelerate the development of wind energy projects in Indonesia

Read more about our business performance on [pages 12 to 17](#) ▶





SUSTAINABILITY HIGHLIGHTS

Environment

1 million trees planted

A year ahead of our 2025 target

As of end-2024, we have achieved our ambition, planting 1,017,103 trees across 43 sites in the countries where we operate.

Net Zero progress

2030 target for scope 1 emissions achieved

We surpassed our 2030 target of a 73.6 percent reduction in scope 1 emissions per MWh from our own energy generation activities, achieving an 81 percent decrease compared to our 2021 baseline.

Pioneering energy transition

In August, we signed a Memorandum of Understanding (MOU) with GenZero and Keppel Ltd. to jointly explore the origination and utilization of Transition Credits to accelerate the retirement of the SLTEC coal plant and replace it with a clean energy dispatch facility.

Resource efficiency

8,900 kg of plastics diverted from landfill

Read more about our environmental initiatives on [pages 22 to 35](#) ▶

Social

Employer award

Best Companies to Work for in Asia

We were recognized as one of the Best Companies to Work for in the Philippines, honoring our strong employee engagement and exceptional workplace culture.

Our employees

1,194 across the ACEN group

We continue to foster a workplace where employees are empowered to drive our growth and expansion.

45% women

vs 40% in 2023

43,176 safety training hours

Upholding the highest health and safety standards, we doubled our safety training hours compared to 2023.

Our communities

~95% hired from local communities

during construction

Community investments

~₱222 million

Read more on how we invest in people on [pages 36 to 57](#) ▶

Governance

4 Golden Arrows recognition

For the second consecutive year, we were awarded with 4 Golden Arrows by the Institute of Corporate Directors (ICD) at the 2024 ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow Awards, signifying alignment with international corporate governance standards and practices.



ACEN Speak Up Safely

Demonstrating our unwavering commitment to conduct business with the highest ethical standards, we launched the ACEN Speak Up Safely, an independent and confidential whistleblowing platform managed by a third-party.

Diversity in leadership

38% women

Read more about how we embed sustainability in our business on [pages 58 to 71](#) ▶

ESG RATINGS

Progress compared to baseline score

CDP: Climate Change score
Sustainalytics: ACEN Garnered a lower ESG risk rating from high risk to medium risk



↑ A- as of Feb 2025



↑ A as of Mar 2025

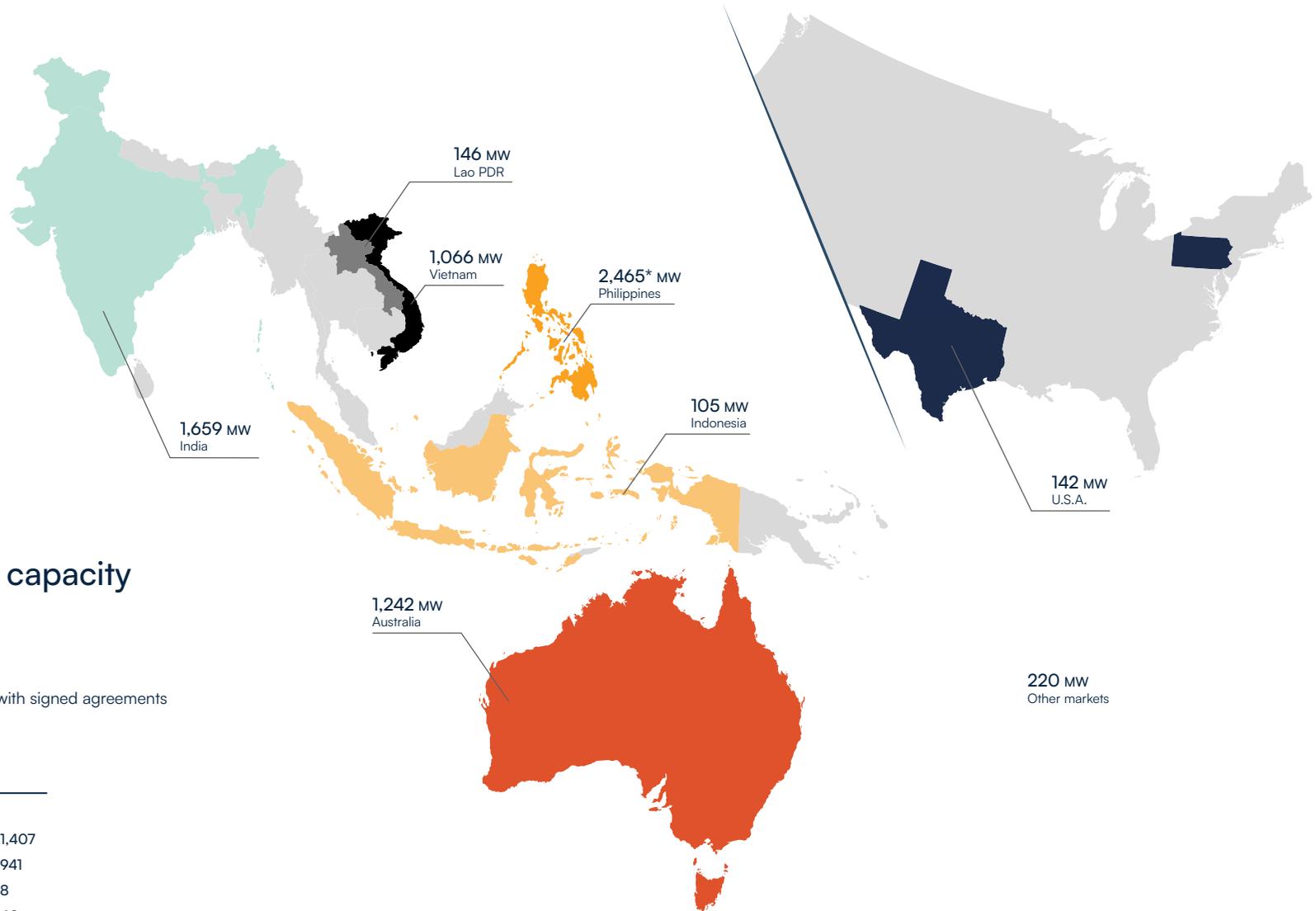


↑ 29.0 as of May 2024



↑ 57 as of Dec 2024

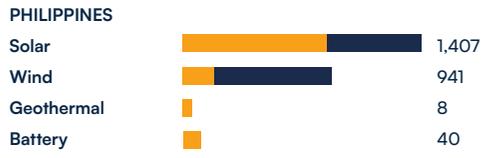
GEOGRAPHIC PRESENCE



Attributable renewables capacity

7 GW

> Projects in operation, under construction and with signed agreements



● Operating
● Under construction

Numbers are in MW

*2,465 MW includes 68 MW Diesel

How we create value

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585 MW SanMar Solar in Zambales,
the largest solar farm in the Philippines



“With a solid foundation, a growing portfolio and unwavering commitment, we are poised to thrive—not just by growing capacity, but by building a more equitable and sustainable energy future.”

CEZAR CONSING
Chairman

MESSAGE FROM THE CHAIRMAN

Dear fellow shareholders,

The past year marked another significant step in our journey, as we continued to grow attributable renewable capacity and earnings.

Growth momentum remained strong, resulting in the expansion of our operating and under-construction portfolio to 5.8 GW. We have 1.2 GW of renewable energy projects with signed agreements expected to reach financial close within the next 12 to 18 months.

This pipeline supports our growth trajectory and underscores our commitment to driving energy transition.

While the global renewable energy sector has faced headwinds, including the prospect of elevated interest rates and shifting energy policies — particularly in the United States — we believe the sector's long-term fundamentals remain intact. In fact, we continue to see robust momentum in key markets such as

7 GW

Projects in operation, under construction and with signed agreements

the Philippines, Australia and India, where supportive policies and strong market demand continue to drive renewable energy growth. We remain steadfast and focused as we navigate these evolving dynamics.

On behalf of the Board, I extend our sincere gratitude to our outgoing directors, Melinda Ocampo and Garry Lester, for their invaluable service and contributions.

Melinda has been a dedicated Board member since 2019, serving in various board committees and bringing deep industry expertise to our discussions. Garry, as Chair of the Audit Committee, has played a pivotal role in establishing our financial guard rails and in guiding our strategic direction. Mel's and Garry's insights, engagement and commitment have helped guide our company, and we are very grateful for their engagement.

At the same time, we warmly welcome our incoming directors, Christopher Paul Beshouri and David John Nicol, whose experience and expertise will add considerable value to our company.

Let me extend my heartfelt thanks to the ACEN management team and all our employees for their exceptional work and unwavering passion. Their dedication has been instrumental in our becoming a leading renewable energy company in the region.

As we look ahead, we remain focused on delivering sustainable value for our stakeholders while driving the global transition



to renewable energy. With a solid foundation, a growing portfolio and unwavering commitment, we are poised to thrive—not just by growing capacity, but by building a more equitable and sustainable energy future.

With your continued trust and support, we will navigate the evolving energy landscape and accelerate the shift to a cleaner world.

CEZAR CONSIGNING
Chairman



“We will remain steadfast with our purpose and aspirations, notwithstanding the global headwinds and noise besetting sustainable initiatives.”

ERIC FRANCIA
President & CEO

MESSAGE FROM THE PRESIDENT

Fellow shareholders,

ACEN continued its strong growth momentum in 2024. Net income grew 27 percent to ₱9.36 billion, while renewables output increased by 25 percent to 5,596 GWh driven by new operational capacities in the Philippines and Australia.

Pagudpud Wind in Ilocos Norte, now the largest operating wind farm in the country at 160 MW, has reached substantial completion. Meanwhile, SanMar Solar located in Zambales, also currently the largest operating solar project in the country with 385 MW of capacity, commenced operations in early 2024. SanMar Solar is being expanded further with additional 200 MW capacity currently under construction.

The company is also expanding its solar and wind portfolio in the Philippines. We are scaling up our Palauig Solar project with an additional 300 MW capacity. We have also commenced construction of the 335 MW Quezon North Wind Phase 1. These projects lay the groundwork for sustained growth in the years ahead.

Beyond the Philippines, we continue to accelerate our international expansion. In Australia, we achieved full operations for the 521 MW New England Solar Phase 1. We also commenced the construction of a 200 MW Battery Energy Storage System in New England to complement the solar farm. Meanwhile, the construction of the 520 MW Stubbo Solar Farm is nearing completion, and is expected to reach full operations by 2025. Sustaining the growth momentum in Australia, the company successfully secured two important contracts

— the Valley of the Winds project, one of the largest wind projects in New South Wales, and the Phoenix Pumped Hydro project, which was awarded a Long-Term Energy Service Agreement (LTESA) under the NSW Electricity Infrastructure Roadmap. These wins provide long-term revenue certainty and help address market needs for reliable and affordable renewable energy.

The company also had success winning well over 1 GW worth of customer off-take contracts in India. As such, our global portfolio now stands at 7 GW of attributable capacity (operating, under construction and board approved), driven by a growing renewable energy pipeline. More importantly, we are building a stronger, more capable organization—focused on execution, reinforcing our balance sheet, and driving sustainable growth.

Our pioneering efforts on coal to clean initiatives have attracted global interest, opening the door for new partnerships. In August 2024, the Philippine and Singapore governments signed a Memorandum of Understanding on Article 6 cooperation under the Paris Agreement, which sets the stage for international cooperation for carbon mitigation. In the same month, ACEN signed an MOU with Temasek affiliates, GenZero and Keppel Infrastructure, for a potential collaboration on the world's first Transition Credits pilot project involving ACEN and the accelerated just transition of the SLTEC coal plant.

ACEN's balance sheet remains strong, with cash reserves of over ₱25 billion and a reasonable net debt to equity ratio of 0.69. With this said, the company shall continue to strengthen its balance



The 160 MW Pagudpud Wind in Ilocos Norte comprises 32 wind turbine generators, each capable of producing 5 MW of power.

sheet, including the augmentation of equity capital, to enable our continued expansion while maintaining a healthy financial position.

In summary, ACEN remains committed to lead the energy transition in the Philippines and around the region. We will remain steadfast with our purpose and aspirations, notwithstanding the global headwinds and noise besetting sustainable initiatives. At the core of this sustained transformation is the organization's focus on execution while delivering impact for all our key stakeholders.

ERIC FRANCIA
President & CEO

Landmark projects completed

160 MW Pagudpud Wind

Largest wind farm in the Philippines

385 MW SanMar Solar (Phases 1 & 2)

Largest solar farm in the Philippines

BUSINESS PERFORMANCE

The global shift towards renewable energy (RE) continued to build momentum in 2024. In the Philippines, our home market, the government continued to implement and enforce policies that encourage players to transition to renewables, especially with the impending depletion of the Malampaya gas field in 2027, which is expected to impact the current energy supply. To achieve the government's target of 35 percent renewables output by 2030 — and longer term, 50 percent by 2040 — approximately 17 GW of new RE plants are needed, in addition to those already under construction.

While full-year generator-weighted average spot prices at the Wholesale Electricity Spot Market (WESM) fell below 2023 levels, a tight power situation drove spot prices up to an average of nearly ₱8.00 in May. This surge coincided with peak summer consumption, leading to over 150 red and yellow alerts and totaling more than 530 hours. This underscored the urgent need for more capacity to meet projected demand, which is anticipated to increase by roughly 40 percent by 2030.



Construction for the 70 MW Capa Wind, our fourth wind project in Ilocos Norte, was completed in 2024.

Net income

₱9.36 billion

⬆️ 27% increase YOY

Core attributable EBITDA

₱19.3 billion

⬆️ 25% increase YOY

In our other markets, the renewables sector continued to grow. In Australia, over 4.3 GW of new RE capacity was approved for construction in 2024. India, now our second-largest market by attributable capacity, saw its total clean energy capacity reach 209 GW—up 16 percent year-on-year—underscoring the country's tremendous growth potential. Meanwhile, the Vietnamese government released the much-awaited Power Development Plan (PDP) 8, which lays out the next phase of RE growth in the country and provides renewed clarity for generators who have been awaiting the next opportunity to serve that country's exponential demand. It also approved the Direct Power Purchase Agreement (DPPA), which will allow the sale of renewable energy by generators directly to large-scale consumers.

Finally, we maintained our strategic presence in Indonesia, which holds significant growth potential for renewable energy and remains on the cusp of implementing stronger decarbonization policies.

2024 Financial performance

Statutory revenues increased 2 percent year-on-year to ₱37.3 billion, driven by the operationalization of several new plants in the Philippines, including SanMar Solar Phases 1 and 2, Pagudpud Wind, Capa Wind and Cagayan North Solar. Our international portfolio also contributed significantly to the group's top line, with the first full year of power generation from Super (Solar NT) in Vietnam, Masaya Solar in India and New England Solar in Australia. Attributable revenues, which includes ACEN's share of revenues from international and other non-consolidated assets, grew 3.8 percent to ₱54.1 billion.

We also closely track attributable earnings before interest, taxes, depreciation and amortization (EBITDA), which includes our profits from both wholly-owned entities and the combined returns from our non-consolidated businesses, composed of both equity-treated preferred share dividends and equity income. Attributable EBITDA grew 30 percent in 2024 to ₱24.5 billion, driven by output from newly operating plants. This was further supported by strategic value realization proceeds amounting to ₱2.8 billion, which includes the sale of our stake in Sidrap Wind in Indonesia for a total gain of ₱489 million.

Core attributable EBITDA, which excludes such value realization and interest income from accounts and other receivables, grew 25 percent to ₱19.3 billion.

Growing our portfolio

We concluded 2024 with 7 GW in attributable renewables capacity. Plants operating and under construction comprised 5.8 GW, while projects with signed agreements which have received board approval but have not yet been issued notice-to-proceed (NTP) made up 1.2 GW.

Our renewables portfolio now includes 2.4 GW in the Philippines, 1.7 GW in India, 1.2 GW in Australia, 1.2 GW in Vietnam and Lao PDR, with the balance in the U.S.A., Indonesia and other markets.

Our next phase of growth will be allocated among the Philippines, our home market, and our other primary markets of Australia, India and Vietnam. At the same time, we will continue to plant the seeds for future expansion in select high-potential markets such as Indonesia and other Southeast Asian countries.



The 133 MW Cagayan North Solar is the first utility-scale solar in the Cagayan province.

BUSINESS PERFORMANCE



Our retail electricity unit, ACEN RES, signed a landmark agreement with the Asian Development Bank (ADB) in 2024 to power its headquarters in Mandaluyong with 100 percent renewable energy.

Retail electricity supply growth

374 MW

ACEN Renewable Energy Solutions (RES) portfolio

554 retail customers

36% increase in commercial and industrial customers

Philippines

In 2024, we completed several Philippine plants, including Pagudpud Wind, SanMar Solar Phases 1 and 2, Cagayan North Solar and Capa Wind. Meanwhile, Arayat-Mexico 2 Solar completed its first full year of operations. The Quezon North Wind project, spread across the municipalities of Real and Mauban in Quezon province, also began construction in the fourth quarter. With an estimated combined capacity of 553 MW in the first two phases, it is set to become the largest wind farm in the country upon completion.

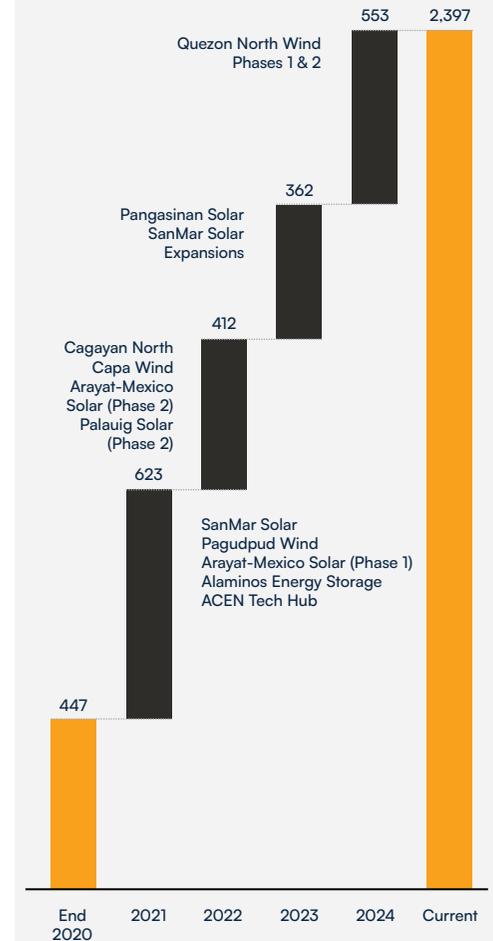
We also continued to expand our solar portfolio, with work commencing on SanMar Solar Phase 3 and construction of Palauig Solar Phase 2 well underway. These projects, along with future solar and storage developments in the area, as well as the significant transmission investments we made in recent years, will form an integrated renewables energy hub which will be able to provide clean mid-merit power at scale.

In July, wholly-owned ACEN subsidiaries won two 10-year contracts, inclusive of renewable energy certificates (RECs), amounting to 160 MW in Meralco’s Competitive Selection Process (CSP).

ACEN Renewable Energy Solutions (RES), our retail electricity unit, grew its portfolio to 374 MW, a 36 percent increase over 2023. As of end-2024, ACEN RES supplied 554 customers primarily across the industrial, school, office and residential segments and is now the leading player in the RE supplier market, with 50 percent market share of all contracts under the Philippine government’s Green Energy Option Program (GEOP).

Net addition to ACEN’s Philippine renewables capacity

Attributable MW, both operating and under construction



BUSINESS PERFORMANCE

Australia

New England Solar saw its first full year of generation following its energization in 2023, delivering a 50 percent year-on-year growth in output. Development on the plant's 200 MWac battery energy storage system (BESS) began in the second quarter of 2024. Once complete, the batteries will enable the firming of New England Solar's power supply and mitigate the plant's exposure to low-to-negative midday spot prices driven by rooftop solar capacity. Construction on 520 MW Stubbo Solar was 91 percent complete at the end of 2024, with nearly all of its solar panels already installed. The plant is currently undergoing grid commissioning ahead of its planned entry into operations in 2025.

We continued to strengthen our pipeline of projects in Australia — in December, we secured a Capacity Investment Scheme Agreement (CISA) for our ACEN Australia's 936 MW Valley of the Winds project in New South Wales. The project was the largest to secure a CISA in what is so far the biggest tender held by the Australian government.

India

Following its completion in 2023, Masaya Solar had its first full year of operations in 2024, resulting in generation growth of 93 percent year on year.

Construction on the Maharashtra Solar-Wind Hybrid plant is well underway, with targeted

completion in the second half of 2025. In the third quarter of 2024, the plant's capacity was expanded to 153 MW from 132 MW, taking advantage of low solar PV prices to augment the number of installed panels. The plant's expected annual output has likewise increased from 262 GWh to 290 GWh.

In 2024, our pipeline of committed projects increased to over 1,000 MW of net attributable capacity. This brings our total capacity in India to over 1,600 MW, making the country the second-largest market in our global portfolio.



The 520 MW Stubbo Solar located in New South Wales, Australia is expected to be completed in Q3 2025.

“With generation beginning at Stubbo Solar and Valley of the Winds securing a CISA, we’re seeing meaningful progress across our Australia platform. While New England Solar contributed to year-on-year growth, it’s the strength of our growing pipeline that signals ACEN’s long-term potential in the market.”

JOSE MARIA ZABALETA

Group Chief Operating Officer
& Group Chief Development Officer

BUSINESS PERFORMANCE



Our 600 MW Monsoon Wind project is the largest wind farm in Asia and the first cross-border wind project exporting electricity from Lao PDR to Vietnam.

Vietnam-Lao PDR

The 60 MW Lac Hoa and Hoa Dong Wind projects, built in partnership with UPC Renewables, secured provisional tariffs from the Vietnamese government and began operating in 2024, contributing nearly 100 GWh of attributable output. This new capacity allowed overall generation from the Mekong region to grow 7 percent year-on-year.

Construction on the 600 MW Monsoon Wind project in Lao PDR, where we hold a 25 percent economic interest, is well underway and is targeted for completion in the second half of 2025. Once operational, the wind farm is expected to generate nearly 1,500 GWh of renewable energy annually for export into the national grid of Vietnam.

Rest of world

In December, notice-to-proceed was issued for Unit 7 of Salak Geothermal in Java, Indonesia. The plant, where we hold a 15 percent economic interest, is being developed by our partner, Star Energy. The project is expected to generate around 320 GWh annually when it is completed in 2027.

In August, ACEN and Barito Renewables formalized their strategic partnership to accelerate the development of wind projects across Indonesia. As an initial step, the two companies have committed to collaborating exclusively to bring 320 MW in wind energy projects to fruition.

In the United States, we continued to progress on the repowering of Stockyard Wind in the Texas Panhandle. UPC Power Solutions, our joint venture with PivotGen and UPC Solar & Wind, successfully completed the repowering of all 79 turbines across eight wind farms under the Stockyard Wind portfolio in March 2025.

We continued to explore other opportunities across Southeast Asia with both existing and new partners. Several projects are expected to begin construction within 2025, allowing us to further diversify our portfolio and participate in emerging, high-potential renewable energy markets.



"ACEN's rapid growth in the region and beyond highlights our ability to scale renewable energy in high-growth markets, positioning us as a leader in the energy transition through strategic collaborations and robust financial results."

PATRICE CLAUSSE

Group Chief Investment Officer

“ACEN’s 27% growth in net income and 25% increase in RE output for 2024 reflect our strong progress in expanding RE capacity. With new operational plants and robust project pipeline, we are driving meaningful contributions to the global energy transition.”

JONATHAN BACK
Group Chief Finance Officer
& Group Chief Strategy Officer



Sustained funding to support growth

Our balance sheet is healthy, with ₱330 billion in assets, an increase of 16 percent compared to 2023. Our cash balance, meanwhile, stood at ₱25.2 billion. Net debt to equity ended at 0.69, well below our internal and external thresholds.

In February 2024, ACEN Australia secured a total of AU\$150 million in green term loans from Australia and New Zealand Banking Group (ANZ) and Westpac Banking Corporation, with each bank providing AU\$75 million. The green term loans represent our commitment to the Australian market, where 1 GW is already in operation and under construction, with an additional development pipeline of more than 8 GW in renewables.

In April, our subsidiary, ACEN Renewables International Pte. Ltd. (ACRI), signed a US\$150 million green term loan facility with Sumitomo Mitsui Banking Corporation Singapore Branch (SMBC), for financing investments in renewable energy projects across the region. The green term loan has a tenure of five years with SMBC acting as both lender and green loan coordinator. This facility represents the first partnership between ACEN and SMBC.

In July, ACRI also secured a five-year syndicated green term loan and revolving credit facility amounting to US\$150 million. A consortium of leading international financial institutions well-received the transaction, which further solidified the market’s trust and confidence in our robust renewable



Through our subsidiary, ACEN Renewables International (ACRI), we signed a US\$150 million green term loan facility with SMBC to finance our renewable energy projects across the region.

energy pipeline across the region. CTBC Bank (Philippines) Corp. and CTBC Bank Co. Ltd. acted as structuring bank and arranger, respectively, and formed a strategic alliance with five banks — Singapore branches of CTBC Bank Co., Ltd., Malayan Banking Berhad, Chang Hwa Commercial Bank, Ltd., Land Bank of Taiwan and Mega International Commercial Bank Co., Ltd.

₱330 billion
Consolidated assets

0.69
Net debt to equity ratio

\$398 million
Signed green term loans

BUSINESS PERFORMANCE



In our 585 MW SanMar Solar, we built a gas-insulated type substation with intricate engineering requirements to accommodate large amounts of renewable generation.

Outlook

Our focus for 2025 remains operationalizing the renewable energy plants we have under construction and on advancing the development of the extensive pipeline of projects across our global portfolio. To support this, we have allocated over ₱70 billion for capital expenditures in 2025.

In the Philippines, we expect the capacity which we have operationalized in the past year to contribute significantly to generation, further improving our net selling position and ability to capture market opportunities. We are also keeping a close eye on the upcoming green energy auction GEA-3 and GEA-4 rounds, which will provide further support for renewables in our home country and inform our medium-term strategy.

In Australia, the now-commissioning 520 MW Stubbo Solar project will virtually double our capacity and output. In India, we have nearly 2 GW of projects expected to begin construction in 2025 which will underpin our future growth in this dynamic market.

While some uncertainty remains around the speed of the rollout of renewables due to political developments in some markets, ACEN's diversified portfolio will allow us to continue to grow despite potential shifts in local landscapes.

In this more uncertain environment, we will maintain a prudent approach to expansion, keeping our balance sheet robust while deploying capital to develop and operationalize our projects, and naturally favoring those projects offering the best risk-adjusted outcomes.

Globally, the renewables policy push remains favorable, and with our strong pipeline and growing portfolio, we believe we are well-positioned to drive sustainable growth and accelerate the energy transition.

2025 capital expenditure allocation

~₱70 billion

VALUE CREATING BUSINESS MODEL

Inputs

Financial capital

> Consolidated assets (₱)	329.5B
> Market capitalization (₱)	157B
> Cash (₱)	25.2B
> Total shareholder's equity (₱)	157.4B
> Net debt to equity ratio (x)	0.69

Human capital

> New hires	376
> Employees	1,194
> Total training hours	32,165
> Investment in employee learning and development (₱)	49M

Industrial and natural capital

> Total attributable capacity (MW)	7,046
• Renewables	6,978
• Thermal	68
> Renewables share (%)	99
> Operating (MW)	3,352
> Under construction (MW)	
• Renewables	2,465
• Thermal	0
> Signed agreements (MW)	1,229
> Average wind speed	~6.1 m/s
> Average solar irradiance	155.9kWh/sqm
> Revenues (₱)	
• Renewables	~30.4B
• Thermal	~3.6B

Social and relationship capital

> Community investment (₱)	~222M
> Strategic partners (no.)	21

Our business model

As one of the fastest growing renewable energy companies in Asia Pacific, we drive value by leveraging our expertise and collaborative approach to reshape the energy landscape with tailored renewable solutions.

Our growth areas

By market

Philippines
The Philippines remains our core and largest market, with 2.4 GW of attributable capacity, accounting for 35 percent of ACEN's total portfolio.

Through ACEN RES, our retail electricity arm, we empower businesses and consumers to transition from fossil fuels through innovative renewable energy supply agreements—now serving a growing customer base of 554.

Australia
Through ACEN Australia, our first wholly-owned development and operating platform outside of the Philippines, we have developed 1.2 GW of attributable renewables capacity in the New South Wales region, comprising around 18 percent of our generation portfolio.

India
We expanded our presence in India in 2024, supported by the country's favorable renewable energy policies. With a total attributable capacity of nearly 1.7 GW, accounting for 24 percent of our portfolio, India is now our second largest market.

Vietnam-Lao PDR
Our total attributable capacity in the Mekong region—encompassing Vietnam and Lao PDR—has reached 1.2 GW, underscoring our growing presence in Southeast Asia. This accounts for 18 percent of our overall generation portfolio.

Other markets
While we remain focused on our core markets, ACEN also maintains a strategic presence in key high potential markets such as Indonesia, ASEAN and the U.S.A.

By technology

Solar, wind and geothermal
We leverage our in-house capabilities and adopt leading practices in construction, operations and maintenance of renewable energy plants across the region to ensure optimal delivery of clean and reliable energy.

Battery, floating solar and offshore wind
We aim to utilize new renewable energy technologies to maximize available resources and firm up the supply and delivery of clean energy in the markets where we operate.

Outputs

- Our Philippine renewables output grew 60 percent year-on-year to 1,826 GWh of generation output due to newly commissioned and operationalized wind and solar projects.
- We began construction of the Quezon North Wind project, which, upon completion, will be the largest wind farm in the Philippines, with over 550 MW of capacity.
- ACEN RES has a portfolio of 374 MW, a 36 percent increase over 2023. Furthermore, ACEN RES has a 50 percent share of the RE supplier market under the Green Energy Option Program (GEOP).

- The 521 MW New England Solar project had its first full year of operations in 2024, driving significant growth in generation output.
- A 200 MW battery energy storage system (BESS), co-located in the New England Facility, started construction.
- The 520 MW Stubbo Solar farm in Central-West Orana, NSW, is slated for completion in 2025.

- With the commissioning of Masaya Solar, we now have 504 MW of operating capacity in India.
- Completion of the 153 MW Maharashtra Solar-Wind Hybrid project is targeted for 2025, while over 1.8 GW of projects are expected to enter construction within the next 18 months.

- With the completion of the Lac Hoa and Hoa Dong Wind farms, ACEN's portfolio in Vietnam is now fully operational.
- Construction on Monsoon Wind in Lao PDR is slated for completion in 2025. Upon completion, it is set to export power across the border into Vietnam.

- In Indonesia, we have established a partnership with Barito Renewables to acquire 320 MW of wind assets. We have also formed a strategic partnership with Dewata & Suryagen in the same country to expand our renewables footprint.

- Plant performance**
- Solar performance ratio: 77 percent
 - Wind plant availability: 88 percent
 - Geothermal plant capacity factor: 94 percent

- Ongoing initiatives**
- We are developing Integrated Renewable Energy and Storage Systems (IRESS) to allow us to deliver mid-merit energy from our solar assets.
 - We are also exploring the potential of offshore wind farms to harness the Philippines' abundant wind resources.
 - ACEN has signed service contracts to utilize portions of the Laguna Lake for up to 1,000 MW of floating solar capacity.

Outcomes

Financial capital

> Revenues (₱)	37.3B
> Core attributable EBITDA (₱)	19.3B
> Net income (₱)	9.4B
> Dividends paid (₱)	
• To Common	2.0B
• To Preferred	1.9B

Human capital

> Net population growth (%)	25
> Top talent retention rate (%)	94
> Women in leadership positions (%)	38
> Safe man-hours	20.3M
> Lost time injuries	
• Employees	0
• Contractors	5

Industrial and natural capital

> New renewable projects in 2024 (MW)	~1,000
> Total attributable output (GWh)	~5,771
• Renewables	~5,596
• Thermals	~175
> GHG emissions avoided (MTCO ₂ e)	~3.9M

Social and relationship capital

> Retail customers (no.)	554
> Customer satisfaction index (out of 10)	9.14
> Active supplier base (no.)	~1,450
> Community programs beneficiaries (no.)	~45,000
> Sustainability partners (no.)	120
> Jobs created (no.)	~9,000

Our approach to ESG

- 20 Our sustainability strategy
- 22 Environment
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- 69 TCFD report

The Brown-breasted Kingfisher is one of the 146 fauna species that we protect in our Ilocos Norte Conservation Estate.



PositiveCharge+

Built on three pillars, PositiveCharge+ is our visionary strategy that embodies our commitment not just to lead the energy transition, but to lead it with vigor, innovation and a deep sense of responsibility towards our planet and its inhabitants.

ENVIRONMENT

Protect + Sustain

SOCIAL

Unite + Thrive

GOVERNANCE

Influence + Innovate



Environment

Leading the energy transition in the region

Our approach

We continue to expand our renewable energy portfolio while advancing our climate goals—ensuring access to clean, reliable, and affordable energy for all.

Our focus

We are on track to become a 100 percent renewable energy company by 2025.

As part of our just transition strategy, we are working toward the early retirement of the 246 MW SLTEC coal plant by 2040, which we successfully divested in 2022 through the Energy Transition Mechanism.

We also aim to achieve Net Zero greenhouse gas emissions by 2050.



Read more about our environmental initiatives on [page 22](#).

Aspiring excellence in environmental management

Our approach

We are committed to protecting and conserving biodiversity, maintaining ecosystem services and responsibly managing natural resources throughout the lifecycle of our power plants.

Our focus

We work to safeguard natural habitats and biodiversity as part of our broader efforts to address climate change. In developing our projects, we continue to apply the mitigation hierarchy and aim for No Net Loss of biodiversity.



Social

Investing in our people

Our approach

Our energy transition is a shared journey with our workforce—anchored on a Just Transition that leaves no one behind.

Our focus

We develop programs and provide benefits that support the growth and well-being of our team members. We continue to prioritize the health and safety of our employees, customers, suppliers and the communities we serve.

Creating inclusive communities

Our approach

We develop renewable energy projects that generate meaningful impact and tangible benefits for the communities where we operate.

Our focus

We aim to create opportunities that uplift our host communities—through job creation, sustainable livelihoods and improved access to basic services and human needs.



Read more about how we invest in our communities and our people on [page 36](#).

Governance

Integrating sustainability into our business operations

Our approach

We continue to grow our renewables portfolio while delivering our climate ambitions that will provide access to clean, reliable and affordable energy.

Our focus

We proactively work to enhance our ESG reporting in order to deliver on our sustainability ambitions.

We continue to collaborate with all our stakeholders and place their interests at the core of our operations.

We align our processes in all the jurisdictions where we operate and ensure ESG management practices.

We strive for leadership diversity and inclusion to foster a culture of excellence.

We align our disclosures and policies with the different ESG frameworks and data providers.



Read more about how we anchor our strategy on good governance on [page 58](#).

Protect + Sustain



We safeguard **natural resources** and **biodiversity** to ensure our projects enhance rather than harm ecosystems.

With our Sea Turtle Conservation Program, we have released 2,646 hatchlings and protected 45 sea turtle nests since 2013.



ENVIRONMENT

At ACEN, we are taking urgent action to protect our planet's limited resources and lead the charge in addressing climate change. In addition to scaling up renewable energy, we are pioneering early coal retirement initiatives, driving decarbonization and accelerating the transition to a sustainable energy future across the region.

We align with the United Nations Framework Convention on Climate Change and the Paris Agreement, striving to reduce global carbon emissions and limit global temperature increase to 1.5°C. Our commitment to sustainable development drives us to safeguard the wider environment and create value for the communities we serve.

Our ESG Policy represents our principles as we develop and operate projects, driving us to integrate sustainability in our decision-making, strategy, capital allocation, operations, governance and culture. This policy displays our commitment to the efficient use of our resources, implementing systems and initiatives to monitor emissions and energy use, reduce

waste generation and water usage, as well as apply a circular approach throughout the lifecycle of materials we use.

To operationalize our ESG Policy, we follow the procedures established in our Environmental and Social Management System (ESMS) to identify, manage and monitor environmental and social risks for each project. The ESMS was developed to ensure that we align with international standards on environmental management and social development practices for all of our projects.

Understanding the profound interdependence between our environment, communities and economy, our environmental initiatives are strategically designed to tackle three critical challenges that threaten the health of ecosystems.

Climate change

We recognize the urgent and far-reaching effects of climate change and are positioning ourselves as a leading force in energy transition. To this end, we have been working on several pioneering initiatives on climate action that all align with and contribute to the global goal of transitioning to a low-carbon economy and ensuring that our sites are resilient to current and future impacts of climate change:

- Net Zero by 2050 ([page 24](#))
- Pioneering energy transition ([page 26](#))
- Climate adaptation and resilience ([page 27](#))



ACEN president and CEO Eric Francia joined the 2024 Climate Week NYC, the biggest annual climate event of its kind. He joined key figures in a panel discussion entitled “Harnessing Transition Credits to Drive a Coal to Clean Transition in Emerging Markets” where he emphasized the significant role of transition credits in overcoming the challenges of the energy transition in emerging markets.

Biodiversity

We are committed to preserving and conserving biodiversity, recognizing that human activities depend heavily on the essential ecosystem services it provides. Our measures to protect and enhance the biodiversity in our sites include:

- Biodiversity assessments ([page 28](#))
- Mitigation hierarchy in project development ([page 28](#))
- Conservation efforts ([page 28](#))

Resource efficiency

To minimize our environmental impact and address the increasing scarcity of natural resources, we proactively implement measures to increase the efficiency on how we use resources such as energy and water and how we employ a circular approach to materials and waste. Given our operational context, we focus on the following initiatives:

- Waste and end-of-life management ([page 32](#))
- Water management ([page 34](#))
- Energy management ([page 35](#))

ENVIRONMENT

Climate change and the energy transition

2030 target achieved

For scope 1 emissions from own generation

55% reduction

Scope 1 emissions vs baseline

The announcement of our Net Zero by 2050 ambition in 2021 and the launch of our Net Zero roadmap in 2023 — the first energy company in Southeast Asia to take such a critical step — demonstrates our commitment to climate action. Our roadmap includes near-term emission reduction targets by 2030 aligned with the GHG Protocol and the latest climate-science and long-term targets by 2040 that are consistent with the deep decarbonization of the power sector.

Since then, we have carried out the following activities to advance our targets and address remaining gaps in emissions reduction:

- › Training on Net Zero for the board, senior management and employees
- › Roadshows and meetings with business units to discuss and develop Net Zero targets, initiatives and metrics at their level
- › Regular monitoring and reporting of Net Zero progress
- › Continuous improvement of data collection and disclosures on Net Zero

Our targets, strategies and performance

Target 1 addresses scope 1 emissions from our own generation activities.

› With the successful implementation of the world's first market-based Energy Transition Mechanism (ETM), our scope 1 emissions have significantly decreased. The ETM enabled the divestment and early retirement of the 246 MW SLTEC coal plant by 2040, 15 to 25 years ahead of its typical operational lifespan.

› To achieve our 2030 target, we aim to divest the two remaining thermal assets from our portfolio by 2025 to further reduce scope 1 emissions. Our renewable energy output will also continue to increase as more projects begin operations.

› In 2024, **we achieved an 81 percent reduction from our 2021 baseline, effectively surpassing our 2030 target of 73.6 percent reduction.** This achievement was driven by a 55 percent decrease in scope 1 emissions associated with energy generation due to lower fuel consumption, coupled with a 130 percent increase in output from renewable sources.

Target 2 addresses scope 1 emissions from sources other than own electricity generation such as from fleet vehicles and scope 2 emissions from electricity consumption.

› To reduce our emissions from these scopes and achieve the 2030 target, we aim to procure Energy Attribute Certificates (EACs) and install solar technologies across sites to reduce grid consumption.

› In 2024, our scope 1 emissions from non-generation-related activities and scope 2 emissions increased to 28,662 tCO₂e as more renewable sites began construction and operations. Acknowledging the gap that must be addressed for this target, we continue to promote energy efficiency across our sites and are exploring greener options for fuel and electricity.

Target 3 addresses scope 1 and scope 3 emissions from our own generation and retail electricity activities.

› To achieve our 2030 target, aside from divesting our thermal assets by 2025 and increasing our generation output from renewable sources, we intend to address emissions associated with retail electricity.

› In 2024, we achieved a 38 percent reduction compared to our baseline in 2021. In addition to having lower scope 1 emissions from energy generation and higher renewable energy output, our scope 3 emissions from retail activities also decreased, contributing to improved performance on this target.

Achieving Leadership level in CDP's climate change assessment



Underscoring our continued commitment to climate action and transparency, we received an **A-rating and Leadership level** from CDP, the global non-profit that assesses transparency and performance in climate change, deforestation and water security.

To attain Leadership status, companies must demonstrate best practices in climate action, environmental governance, transparency, risk management and target setting. CDP scores organizations from A (highest) to D (lowest) based on the comprehensiveness of their disclosures, awareness of environmental issues, management strategies and progress toward sustainability goals.

This milestone reflects our disciplined approach to integrating sustainability into our business strategy, raising our score to A- in our third year of participation.

ENVIRONMENT

Target 4 addresses the remaining scope 3 emissions from upstream and downstream activities, including purchased goods and services, capital goods, fuel- and energy-related emissions not covered in target 3, upstream transportation and distribution, upstream leased assets, waste, employee commuting, business travel and investments

- Based on our 2021 baseline, emissions from our supply chain—purchased goods and services, capital goods and upstream transportation and distribution—constitute the biggest share of this target.
- To this end, we are working towards establishing a detailed strategy and roadmap to address upstream emissions, including enhancing GHG data collection and reporting, engaging and collaborating with key suppliers and contractors to align with Net Zero goals and procuring lower carbon materials when possible.
- In 2024, our intensity from other scope 3 emissions decreased by 40 percent compared to 2021 levels, a significant progress from last year's performance. This performance reflects our increasing RE output from newly completed projects.

Having established strategies to address our primary emissions hotspot — scope 1 emissions from generation activities — we are now directing our efforts towards addressing the next key sources of emissions: supply chain and purchased electricity. We are closely collaborating with our business units to integrate Net Zero strategies and targets at every step of project development and operations.

ACEN's Net Zero progress

Net Zero Target	Unit	2021 Baseline	2024 Performance	2024 Progress	2030 Target	2040 Target
TARGET 1						
Own generation scope 1	tCO ₂ e/MWh	0.169	0.033	📉 81%	📉 73.6%	📉 94.5%
TARGET 2						
Other scope 1 and 2	tCO ₂ e	7,362	28,662	📈 289%	📉 42%	📉 90%
TARGET 3						
Own generation scope 1 and retails scope	tCO ₂ e/MWh	0.955	0.590	📉 38%	📉 73.8%	📉 99%
TARGET 4						
Other scope 3	tCO ₂ e/MWh	0.191	0.114	📉 40%	📉 51.6%	📉 97%

Read more about the launch of our [Net Zero](#) roadmap

Through our energy transition efforts, emissions from energy generation activities continue to significantly decrease year-on-year.



Jaime Urquijo (second from the right), ACEN director and chairperson of the Sustainability Committee, joined the Bloomberg Sustainable Business conference in Singapore in 2024 to talk about Net Zero and Transition Credits.

ENVIRONMENT

Pioneering energy transition

2022

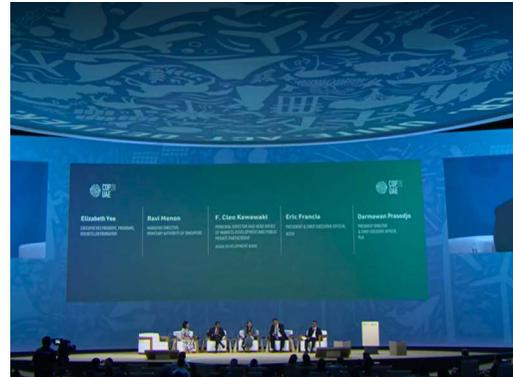
In November 2022, we completed the world's first market-based Energy Transition Mechanism transaction for the divestment and early retirement of the 246 MW SLTEC coal plant in the Philippines.



Read more about our [Energy Transition Mechanism](#)

2023

At COP28, we announced our partnership with The Rockefeller Foundation's Coal to Clean Credit Initiative (CCCI) and the Monetary Authority of Singapore (MAS) to develop the world's first Transition Credits project that would leverage carbon finance to phase out a coal-fired power plant and replace it with renewable energy, in line with the Paris Agreement.



Read more on our pioneering initiative on [Transition Credits](#)

2024

In August, we signed a Memorandum of Understanding (MOU) with GenZero and Keppel Ltd. to jointly explore the origination and utilization of Transition Credits to accelerate the retirement of the SLTEC coal plant, and replace it with a clean energy dispatch facility.



Read the [press release](#) on our collaboration with GenZero and Keppel

“We’ve been collaborating with our partners to address the challenges of the energy transition. By pioneering the Transition Credits mechanism, we’re accelerating decarbonization and demonstrating a viable path for coal-dependent economies. We hope this will inspire other coal plant owners to start their own clean energy journeys.”

ERIC FRANCIA
President & CEO

ENVIRONMENT

Climate adaptation and resilience

We proactively identify and address the environmental and social risks across our projects, including climate risks, through our Environment and Social Management System (ESMS). We determine which among our operational plants are prone to physical risks, including tropical cyclones, flooding, water stress, drought, wildfires and extreme temperatures. We also identify climate risk adaptation and mitigation measures as part of our environmental assessment studies during the development phase. These studies play a crucial role in shaping engineering solutions that will help optimize our construction design and operational and management plans.

In the Philippines, for instance, we implement adaptive work schedules and heat index monitoring to safeguard workers during extreme heat, while continuously enhancing emergency response plans for cyclones, floods, wildfires and extreme temperature as aligned with international standards. To reduce the risk of wildfires, we establish fire breaks and regular vegetation management.

In Vietnam and Australia, advanced weather tracking software and early warning systems are deployed to enable proactive responses to extreme weather events, This is supported through local fire brigade engagement and completion of emergency preparedness scenarios at the facility. These comprehensive measures not only address immediate climate risks, but also pave the way for sustainability certifications and green financing opportunities.

Project measures on climate adaptation and resilience

<p>Before the event</p>	<p>Preparedness measures Goal: Reduce risk and improve readiness</p>
<p>Extreme weather preparedness</p> <ul style="list-style-type: none"> › Protocols for key equipment during extreme weather events to ensure operational safety › Regular assessments and maintenance of equipment and electrical systems to withstand extreme weather › Pre- and post-disaster checks as part of the typhoon preparedness plan › Proactive preparation of sites for extreme weather by securing equipment, maintaining drainage systems and safeguarding public access roads <p>Early warning systems</p> <ul style="list-style-type: none"> › Solar projects: Use of phone applications for early warnings on storms and bushfires › Wind projects: (i) Use of weather tracking and real-time monitoring systems to enable proactive shutdowns and asset protection during storms; (ii) Use of early notifications to ensure that personnel can evacuate or seek shelter promptly 	
<p>During and immediately after the event</p>	<p>Response measures Goal: Ensure safety and enable rapid and effective recovery</p>
<p>Training and emergency response</p> <ul style="list-style-type: none"> › Regular health and safety trainings, technical trainings, mock drills and fire safety initiatives › Development of a comprehensive emergency response plan 	
<p>Sustained measures over time</p>	<p>Resilience and long-term adaptation Goal: Improve long-term resistance to extreme weather</p>
<p>Climate-resilient design and infrastructure</p> <ul style="list-style-type: none"> › Solar projects: (i) Incorporation of design that minimizes hail damage by optimizing panel angles to reduce potential impacts; (ii) Incorporation of bushfire risk assessment in fire response plans and implemented measures to manage fire risk; (iii) Implementation of solar grazing with sheep to manage grass height, reducing fire risk › Wind projects: (i) Alignment with International Electrotechnical Commission (IEC) standards on wind turbine generator model selection, ensuring technical excellence and adaptability to varying wind conditions; (ii) Incorporation of design that minimizes noise emissions and visual impact, balancing efficiency with community and environmental considerations; (iii) Reinforcement of turbines and foundations to withstand high wind speeds, flooding and erosion; (iv) Establishment of automatic shutdown systems to protect equipment during extreme weather events › Behavioral and managerial adaptation measures Implementation of adaptive work schedules and real-time heat index tracking to protect employees from extreme heat conditions 	



Our best practices on climate resiliency through ESMS

Sitara Solar

The project conducted a thorough Environmental Impact Assessment and established a robust Emergency Response Plan, ensuring compliance with regulatory standards. A comprehensive Site Health, Safety and Environment (HSE) Management Plan is in place, supported by regular HSE and technical training, mock drills and a preventive maintenance schedule to maintain operational readiness.

SanMar Solar

The project underwent Asian Development Bank’s (ADB) preliminary climate risk screening, which identified the importance of integrating lahar hazard mitigation into its design. Aligning with ADB standards, the project prioritizes safety and sustainability through a clear disaster response plan, including evacuation and recovery protocols and regular vegetation management to reduce wildfire risks.



ENVIRONMENT

Biodiversity

Progress on 1M trees target by 2025

1,017,103 trees planted

Natural habitat areas protected

2,815 hectares

Threatened species protected through established conservation programs

15 species of reptiles, birds and mammals

Based on the International Union for Conservation of Nature (IUCN) Red List of Threatened Species

Biodiversity assessments

We uphold the highest standards in environmental management, guided by our ESG Policy, to minimize our impact. In site development, we also adhere to the mitigation hierarchy principles and international conservation standards when developing our sites.

During pre-development, we use the Integrated Biodiversity Assessment Tool (IBAT) to assess biodiversity risks and impacts. The insights from IBAT and biodiversity assessment reports enable our project teams to apply the mitigation hierarchy throughout a project's lifecycle, ensuring no net biodiversity loss and implementing measures to achieve net gain in terms of environmental impact.

To ensure the effectiveness of our efforts, we implement rigorous monitoring and adaptive management practices. We conduct regular biodiversity surveys across our projects, including bird and bat monitoring, to assess and mitigate potential impacts on local species.

Embedding mitigation hierarchy principles in project development

We integrate the mitigation hierarchy principles—avoid, minimize, restore and offset—into our renewable energy projects. Our efforts span biodiversity protection, habitat restoration, sustainable land management and innovative partnerships, all aimed at minimizing environmental impact while supporting local communities and ecosystems.

In the Philippines, one of our key strategies is biodiversity protection and habitat restoration. We establish protective buffers or “No Go Zones” around critical habitats, such as creeks and forests, to prevent disturbance and support local wildlife. We also deploy forest guards to protect natural habitats from illegal activities like logging and slash-and-burn farming, while implementing fire prevention measures and community awareness programs.

Our project teams work with the Department of Environment and Natural Resources (DENR) in conducting tree survey, tree earth-balling and tree inventory activities. We adhere to a 1:50 or 1:100 tree replacement policy, depending on the type of trees, ensuring that for every tree removed during development, at most one hundred are planted. Advanced tree inventories and reforestation plans that go beyond compliance further help us minimize vegetation clearance and promote biodiversity.

While the majority of our solar project sites pose minimal risk to biodiversity, as they require flat terrain with little development for optimal operation, we maintain these measures to mitigate the impact of vegetation loss caused by land clearing for project development.



The Philippine Duck is right at home in the wetlands of Pagudpud, Ilocos Norte, where ACEN's wind projects and conservation efforts help protect biodiversity.

Conservation efforts in the Philippines

In Zambales, Palauig Solar uses native plants like vetiver grass for soil retention and erosion control, stabilizing slopes, promoting ecosystem recovery and reinforcing our commitment to a completely sustainable land management.

For Quezon North Wind, we conduct High Conservation Value Area (HCVA) assessments and Natural Capital Accounting to help us identify and manage biodiversity risks.

We actively conserve and monitor wetland ponds, which are vital habitats for resident and migratory birds. The consistent presence of the endemic Philippine Duck, a species of cultural and ecological significance, underscores the

value of these wetlands as thriving ecosystems. In a remarkable highlight, a migratory Ruddy Shelduck, a rare visitor from southeastern Europe and Central Asia, was also observed in Ilocos Norte—only the third recorded sighting in the Philippines. This extraordinary event highlights the global importance of our conservation efforts.

Looking ahead, we remain dedicated to expanding conservation practices and ensuring that these ecosystems continue to thrive for generations to come.

ENVIRONMENT

Achieving our 1 million trees target

We continue to champion the vital role of protecting natural ecosystems in limiting global temperature rise to below 1.5°C, building on the foundation of our forest protection program established in 2014. Advancing our commitment to protecting and restoring ecosystems in locations where we operate, in 2021, we set an ambitious target of planting 1 million trees by 2025.

We have successfully surpassed our ambition one year ahead of schedule with 1,017,103 trees planted across 2,815 hectares of forestland to date.

Seventy-one percent of the trees in the Philippines were planted across our sites while the remaining 29 percent were planted in sites that we adopted as part of the National Greening Program of the Department of Environment and Natural Resources, mangrove forests and other partners.

This achievement highlights our proactive approach to environmental stewardship, going beyond regulatory requirements to drive meaningful ecological restoration.

Conservation Estate in Ilocos Norte

~345 KTCO₂e

Carbon stored as of 2023



In addition to our tree planting and forest restoration activities, we aim to quantify the impacts of our efforts to verify effectiveness and ensure measurable environmental benefits.

We conducted a baseline assessment of the carbon stock in our Ilocos Norte Conservation Estate with our forestry partner, the University of the Philippines Los Baños College of Forestry and Natural Resources, and our dedicated NLR forestry team in 2018. Following a five-year update, we engaged an auditor, Carbon Check, to verify the carbon sequestration or additionality in the site using ISO-14064-2:2019.

As of 2023, our Conservation Estate holds 345 kilotons of carbon dioxide equivalent (KTCO₂e), sequestering 78 KTCO₂e as verified by Carbon Check. This metric validates and measures the environmental impact of our reforestation efforts.

Looking ahead, we aim to extend carbon measurement to other sites, ensuring a lasting positive effect on both the environment and the communities we serve. By combining reforestation initiatives with environmental assessments, we create a results-driven approach to restoring ecosystems and contribute to global carbon reduction goals.

Read more about [Conservation Estate in Ilocos Norte](#)

Read more about our [Net Zero roadmap](#)



As of 2024, we planted more than 1 million trees across our sites, surpassing our target ahead of schedule.

	Trees and mangroves planted	Natural area protected (hectares)
Philippines	794,087	2,188
ACEN sites	563,744	1,483
Adopted National Greening Program sites	126,738	546
Mangrove forests	28,082	46
Other partners (Ayala Land's Carbon Forest, Samahan ng mga Katutubong Dumagat ng Ipo, Paco, Sapang Munti)	75,523	113
International*	223,016	627
Total	1,017,103	2,815

*Australia, India, Indonesia and Vietnam sites

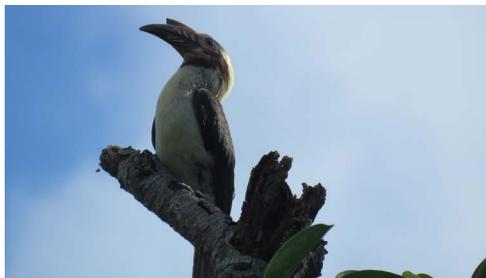
ENVIRONMENT

Conservation Estate in Ilocos Norte, Philippines

One of our flagship sustainability programs, the Conservation Estate in Ilocos Norte, Philippines, is a multi-pronged initiative that continues to be a pioneering model for ecological stewardship. Located within our 81 MW North Luzon Renewables (NLR) wind farm, the project combines reforestation, agroforestry and biodiversity protection and circularity programs, transforming once-degraded landscapes into thriving ecosystems while fostering community development.

Originally a 700-hectare forest protection project, the Conservation Estate has now expanded to more than 1,400 hectares dedicated to ecological restoration and community empowerment. By addressing the adverse effects of unsustainable agricultural practices and illegal logging, this initiative strengthens biodiversity conservation and climate resilience.

Leveraging the expertise of specialists and our in-house capacity, we conduct regular biodiversity surveys and monitoring within the Conservation Estate to track the health and



The Luzon Hornbill is one of the endemic forest birds that we observe and study in the Conservation Estate.

diversity of local ecosystems. A key feature of our effort is the strategic establishment of a no-impact eco-trail near fruit-bearing trees, which attracts a variety of bird species for foraging. This trail serves as a living observatory, allowing our teams to document and study forest birds.

Since we began our conservation efforts in 2014, more than 1.3 million seedlings were produced and over 560 thousand trees were planted in the Conservation Estate. In addition, we deliberately plant threatened native tree species, including Narra, Tindalo and Apitong, to enable the forest ecosystem to maintain its biodiversity and build resilience.

Aside from forest management activities, we implement a Sea Turtle Conservation Program which actively monitors and protects an 81-hectare foreshore area in Bangui. It focuses on safeguarding the nesting and hatching seasons of three IUCN Red List threatened species: the Olive Ridley sea turtle, Green sea turtle and Hawksbill sea turtle. Coastal areas in the municipalities of Pagudpud, particularly in the villages of Caparispisan and Balaoi, are closely monitored by partner community organizations and trained locals. Their efforts include rescuing sea turtles caught in fishing nets (by-catch) and relocating vulnerable nests to a local hatchery for their constant protection.

Building on these initiatives, we will continue strengthening our measures to protect and enhance the flora and fauna within our site while closely engaging our communities to foster long-term environmental and social sustainability.

Biodiversity

Flora

Seedlings produced since 2014	Over 1.3 million
Trees planted since 2014	563,744
No. of threatened native flora species planted	10

Fauna species

Fauna species	146
Threatened fauna species protected	12
Sea turtle nests recorded and protected since 2013	45
Sea turtles rescued since 2020	58
Sea turtle hatchlings released since 2013	2,646

Habitat

Forestland protected	1,402 ha
Areas developed for agroforestry	89 ha
Carbon stock	~345 KTCO ₂ e

Social program

Green jobs	~400
Farmers trained and provided assistance on agroforestry development	~300
Farming families involved in community seedling production	~300

Resource efficiency

Plastics collected from host communities	614 kg
Upcycled products made from plastics	150 trash bins 300 chairs 100 crates
Partner-barangays	14

Prestigious accolade from the Department of Energy



In 2024, we were recognized as the winner of the Department of Energy's (DOE) first Sustainable Energy Awards, bagging the prize for Renewable Energy Projects in On-Grid Areas category.

This recognition highlights our significant contributions to advancing clean energy solutions, particularly through our 81 MW North Luzon Renewables wind project in Pagudpud, Ilocos Norte.

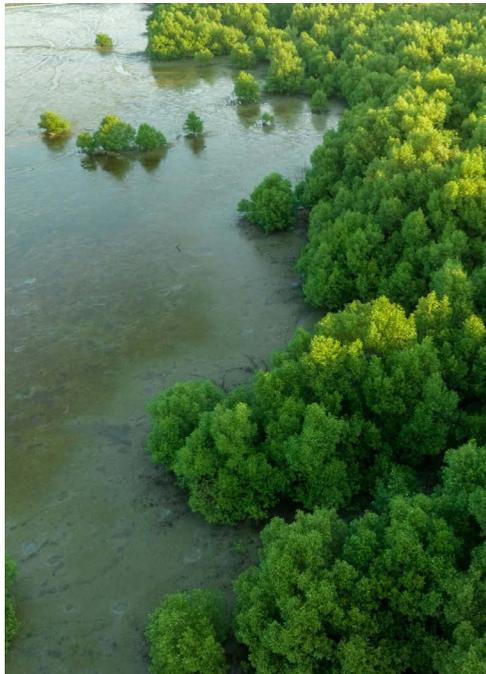
The DOE's awards program aims to honor exceptional efforts in promoting renewable energy innovation, best practices and impactful achievements.

The Conservation Estate's significant environmental contributions, which served as a benchmark for sustainability and community empowerment, were a critical factor for ACEN and NLR to earn such a prestigious accolade from the DOE.

ENVIRONMENT

Conservation efforts in international plants

In Australia, during the construction of our 520 MW Stubbo Solar, we repurposed cleared trees into mulch for erosion control and ground stabilization, ensuring minimal waste and maximum resource efficiency. We are also promoting land use coexistence at our 521 MW New England Solar, where more than 6,000 merino sheep graze among solar panels. The same site also features "No Go Zones" for sensitive ecological areas, with strict access controls as well as ongoing management to protect habitats.



New England Solar supports biodiversity by entering into a partnership with tertiary research institution to evaluate soil conditions. Additionally, gum trees removed during construction have been repurposed to enhance biodiversity along a 30-kilometer stretch of the Peel River, revitalizing local ecosystems.

In Vietnam, we implement bat curtailment systems and bird diverters to minimize collision risks with the wind turbines in our 88 MW Ninh Thuan Wind. Meanwhile, Super (Solar NT) collaborates with the Sõng Foundation on a five-year mangrove afforestation campaign, planting 5,555 trees by 2027 to restore 1.3 hectares of mangroves while equally promoting environmental education. Community-led roadside planting in Lai Hoa commune further strengthens local engagement in sustainability efforts.

Similarly, we strategically install our wind turbines to avoid critical habitats and adopt noise mitigation measures to reduce wildlife disruption in our projects in the United States.

In Indonesia, Salak and Darajat Geothermal focuses on reforesting critical lands, preventing landslides and conducting regular biodiversity monitoring with key stakeholders to ensure long-term forest conservation.

Read more about our [biodiversity efforts](#).



Our best practices on biodiversity through ESMS

Pagudpud Wind

Pagudpud Wind is dedicated to sustainable forestry practices by following existing laws and forest management standards. Replicating the best practices of ACEN's Conservation Estate within North Luzon Renewables, the project focuses on proper planning and budgeting to plant suitable tree species in the right places at the right time.

Forestland restoration involves detailed activities like site surveys, biophysical studies, species matching and site-specific plans. Almost 300 local families are engaged in seedling production to boost their income. Building strong community ties through green jobs, behavioral communication campaigns, CSR activities and positive relations with host communities ensures smooth wind farm operations.

Vietnam projects

Mui Ne Wind's key initiatives include habitat protection plans, rigorous bird and bat monitoring to prevent blade collisions and adjustments to site locations and operations to reduce habitat disruption. Strict land disturbance measures limit vegetation clearing to essential areas, significantly reducing habitat loss and fragmentation.

The same goes for Lac Hoa & Hoa Dong Wind and their initiative to preserve the naturally grown mangroves in their site. Since the 2022 Phase 1 update, follow-up biodiversity surveys have provided critical data to refine practices and further mitigate impacts on sensitive habitats.

Our biodiversity programs are designed to protect and preserve the unique ecosystems within our sites, striving to address the impacts of our development activities and promote no net loss.

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Resource efficiency

8,900 kg
Plastics diverted from landfill

20.9 GWh
Electricity used from renewable sources

Environmental management system and procedures

Adhering to best practices and international standards, we certify our integrated management system to ensure operational excellence, enhance sustainability performance, and maintain compliance with global regulatory requirements. As of 2024, eight out of 12 of ACEN's Philippine operating plants under our control have garnered the coveted Integrated Management System (IMS) certification on Environmental Management System (EMS) ISO 14001:2015, Quality Management System (QMS) ISO 9001:2015 and Occupational Health and Safety Management System (OHSMS) ISO 45001:2018.

This certification provides a framework to help organizations identify, manage, monitor and improve their environmental performance in a systematic manner, as verified by DQS Certification Philippines, Inc. It also enables us to have more efficient and streamlined processes, enhance compliance, improve risk management, increase stakeholder confidence, have more sustainable practices and induce continuous improvement. As we grow our

renewables portfolio, we intend to have all plants certified under IMS to reinforce our dedication to sustainability and ensure continued operational excellence. Part of our plant operations' quality management procedures is to ensure plant employees receive proper training on the implementation of the ESMS as it is subject to external compliance audits. Additionally, regular environmental impact audits are conducted annually across all our operational sites that are ISO-certified, which take into consideration the management of waste, water and energy.

To learn more about our ESMS, refer to [pages 61 to 62](#).

Waste management

Our plants implement waste management initiatives customized to their operations, all of which are aligned with country regulatory policies and international standards. In developing environmental and social management plans, we integrate efforts to minimize, reduce and reuse waste throughout the life cycle of our projects. We also ensure that appropriate onsite materials recovery facilities are present on each project site and waste management procedures per country of operation are implemented. Additionally, we implement waste segregation systems in our plants that incorporate reduction initiatives, minimizing the use of polyethylene terephthalate (PET) bottles and other single-use plastics.

In the Philippines, we are the first renewable energy company to implement an integrated circular approach in our solar developments. With a strong focus on sustainability, we continue to engage multiple stakeholders



We ramped up our circularity efforts with an e-waste management initiative with IWM to transform our e-waste into recycled products.

across various phases of our value chain from the plant's development stage to its commercial operations. This helps us reframe workstreams on plant waste management and integrate our circularity framework into Engineering, Procurement and Construction (EPC) contracts.

Scaling up our circularity approach

We are advancing our circularity efforts by collaborating with more sustainable waste management partners like Integrated Waste Management (IWM), a subsidiary of AC Logistics. This partnership has enabled us to work with Sentinel Upcycling Technologies

and Zolo Philippines Corporation to upcycle our plastic waste and manage our electronic waste (e-waste) effectively.

Through these collaborations, Sentinel has collected approximately 8.9 tons of plastic waste from Palauig Solar (Phase 2), which is now being used to produce upcycled products such as pallets, crates and furniture.

At our corporate office, through ACEN Shared Services (ACES), we have turned over our e-waste to IWM. Through its partnership with Zolo, IWM ensured that the

ENVIRONMENT

collected e-waste will be repaired, reused, refurbished, recycled or resold. By turning over a total of 110 used computers, laptops, monitors, keyboards and printers, we diverted 220 kilograms of e-waste from landfills, avoiding approximately 27.8 tons of carbon emissions.

Across our Philippine sites, we implement paperless initiatives by using cloud-based or digital forms to minimize paper waste. In Palauig Solar, organic fertilizers from vermicomposting cow manure and biodegradable waste helped reduce waste disposal and lowered methane emissions associated with waste breakdown. We also continue to increase awareness and knowledge on waste management, with employees from Alaminos Solar celebrating World Environment Day by attending learning sessions that discussed waste recycling and plastic pollution.

Across our international sites, our Vietnam and U.S. plants are implementing repair and refurbishment practices as part of our maintenance work. These efforts help reduce waste and lower procurement costs.

In Australia, New England Solar and Stubbo Solar are leading the way in circularity. Beyond the reduce-and-reuse approach for operational compliance, we promote sustainable value chains by engaging contractors and favoring suppliers who limit plastic usage and ensure responsible transportation of packaging to recycling facilities. EPC contractors are required to implement a waste management plan, procure materials that have recycled components and are requested to purchase

locally where possible to reduce transport emissions. In both plants, an evaporation septic system has been established in their respective operations building which includes the primary waste treatment and a series of trenches and pipes to allow natural absorption of waste.

Our project team in New England Solar provides damaged PV modules to a local recycling facility. In addition, all steel, timber pallets, cable reels and other waste timber from the site have been recycled.

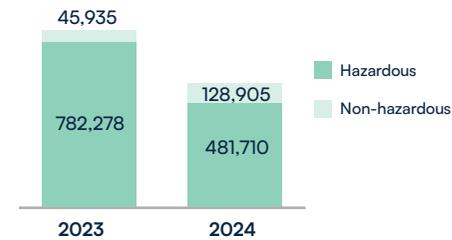
Across our India and Vietnam plants, hazardous waste is managed through recycling methods and buyback procurement for battery waste. Damaged modules, depending on the extent, are either repaired on site or recycled to minimize disposal.



In the U.S., through our joint venture with PivotGen and UPC Solar & Wind Investments, we are extending the useful life of existing wind farms through preventative maintenance and repowering.

In 2024, our total waste generation declined by 26 percent compared to previous year as a result of lower fuel consumed by our thermal plants. For non-hazardous waste, 65% of waste generated from our projects were diverted from the landfill, reflecting our efforts on circularity.

Waste generation (in kg)



See annex for detailed waste generation and disposal figures.

End-of-life management

Our commitment to responsibly managing waste entails ensuring that we adhere to best-in-class standards on end-of-life management. EPC contractors for projects that are under development are required to adhere to our ESG policy as well as to the Environmental and Social Management System (ESMS). We also select and monitor EPC contractors that comply with applicable standards provided by International Electrotechnical Commission (IEC) standards and ISO standards.

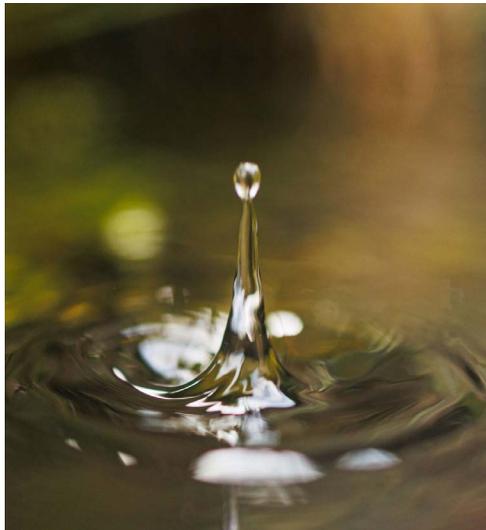
Our EPC contractors implement appropriate waste management practices for the disposal of PV panels, including recommended treatment, storage and disposal facilities within the operational areas, as well as cost estimates for each waste management step. During the operational phase, we also include end-of-life plans that adhere to national regulations and are tailor-made to address the structural specifications, stakeholder concerns and environmental conditions of the project site.

In 2024, ACEN Australia joined the Circular PV Alliance (CPVA) as an industry member. CPVA is a not-for-profit industry body focused on transitioning solar energy to a circular economy through innovation, high standards and a sustainable approach to the renewable energy transition.

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ACEN Australia is also partnering with Yurruga, a start-up Indigenous business based in Dubbo. This partnership aims to explore solutions for the responsible recovery of materials from solar PV panels at our solar energy facilities. We are working towards establishing a commercial agreement on circularity services which include receiving, testing (for reuse), recycling and resource recovery of used or decommissioned PV panels from Stubbo Solar. This collaboration reflects a shared commitment to regional and Indigenous business innovation, supporting Australia's transition to a clean energy future.

Lastly, we continuously explore strategies to extend the useful life of existing wind project. In the U.S.A., for example, we are extending the useful life of existing wind project, including the 136 MW Stockyard Wind in Texas, through preventative maintenance and repowering.



We champion water stewardship by implementing efficient water practices and ensuring responsible discharge of used water.

Water management

We pursue water stewardship in our projects and offices by transitioning from freshwater to alternative sources, implementing water efficiency practices and discharging used water responsibly. We also adhere to local and national water management regulations for both projects under development and in operation.

Our strategy of developing solar and wind projects, which are generally low water-intensive, enables us to minimize exposure from risks associated with water scarcity. Despite having low risk, we maintain our efforts to promote water efficiency.

In the Philippines, we promote water conservation by placing signages to remind employees of responsible water use. In Palaui Solar, we efficiently use a rainwater harvesting system to utilize natural precipitation for facility needs such as PV module cleaning. MonteSol and SaCaSol are using automated cleaning machines to reduce water usage. NLR and NorthWind have installed water meters across their facility to monitor water usage and establish water reduction targets.

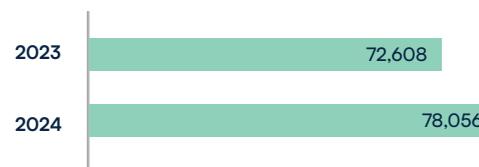
In New England Solar and Stubbo Solar, rainwater tanks are attached to operations warehouses. The captured rainwater will be utilized for all water requirements in the office and ongoing landscape management. The operational buildings are equipped with water-efficient fixtures for taps and toilets to minimize overall water usage.

During construction, all water required for dust suppression was sourced from non-potable sources such as the use of onsite dams. In our India sites, we use pressure nozzles in module cleaning tractors and properly designed water drainage systems for efficient rainwater discharge.

We also ensure that wastewater coming from our sites is treated in compliance with national regulatory standards. We also regularly test for harmful substances to help preserve the marine ecosystem. For example, in Mui Ne Wind in Vietnam, all wastewater generated on-site is treated through a three-compartment septic tank system, preventing discharge into the environment. Once the tank reaches capacity, a contracted, licensed company is responsible for the collection, transport and proper treatment of the wastewater, ensuring it meets all environmental requirements.

In 2024, our water use increased slightly by 8 percent due to projects that began operations during the year.

Water use (in cubic meters)



See annex [page 102](#) for water withdrawal, discharge and intensity figures.



Our best practices on circularity through ESMS

Palaui Solar

A solar parking area was installed to serve a dual purpose, providing shaded parking while generating energy for critical infrastructure. Energy-efficient appliances and conservation measures were implemented to promote energy-saving practices, while a 6 cubic meter rainwater harvesting system enhances water efficiency.

The project also introduced vermicomposting, transforming cow manure and biodegradable waste into organic fertilizer using African night crawlers, reducing waste and methane emissions. The project's employee training in composting further embedded a culture of sustainability.

New England and Stubbo Solar

Both projects constructed respective rainwater tanks with a combined capacity of 300,000 liters. Attached to the operations warehouses, the tanks capture and store rainwater, which is then used for toilets and landscape management, reducing reliance on potable water. The sites also feature water-efficient fixtures in operational buildings to further minimize water consumption.

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Energy management

As part of our resource efficiency efforts, we implement initiatives to reduce energy consumption and comply with regulatory requirements on energy management.

Across our sites, we use various strategies to conserve energy, including retrofitting or upgrading existing systems with newer, more efficient technologies, optimizing operations and maintenance to minimize energy use and promoting behavioral adjustments.



Our facilities in Mui Ne Wind are powered by our own turbines whenever they're operating, harnessing clean energy on-site.

In Palauig Solar, we installed solar panels as roofing for the control building's parking area to reduce energy consumption. The project also tracks energy export and import and vehicle trips to optimize transportation and minimize facility light usage. To ensure optimal performance and reduce energy wastage, regular cleaning and maintenance of air-conditioning units' (ACU) air filters are conducted. Similarly, our SanMar Solar implements route and fuel optimization planning to reduce fuel use.

Several behavioral energy-saving measures are carried out across our sites, including turning off machinery and equipment when not in use.

We also engage energy auditors to identify efficiency initiatives. For example, in NLR and NorthWind, we set office temperatures to 24°C as recommended by auditors. This has led to a 6 percent reduction in energy consumption for each degree Celsius.

In Australia, New England Solar and Stubbo Solar's electricity requirements for the operation of the plants are mitigated through the Large Scale Generation Certificates (LGCs) process. In New England Solar, a 50 KW solar panel array was installed on the operations warehouse to minimize emissions. In Stubbo solar, two electric vehicle charging points have been included within the design of its car park, promoting the use of electric vehicles.

In Vietnam, Lac Hoa and Hoa Dong Wind's infrastructure lighting is energized through solar power. In Ninh Thuan Solar, a practice of adjusting a timer for the perimeter lighting within the plant is being implemented, ensuring the optimization of lighting when appropriate given the change of sunrise and sunset in each quarter of the year. In Mui Ne Wind, electricity used to power facilities comes from own generation when the turbines are operating, minimizing electricity purchased from the grid. Lastly, in our Super (Solar NT) sites, a car service has been provided to encourage carpooling, reduce individual emissions and support employee safety.

In 2024, our fuel consumption decreased significantly by 34 percent given the lower dispatch from our thermal plants, while purchased electricity increased significantly, driven by Alaminos Energy Storage's first full year of operations.



In Palauig Solar, we optimize energy efficiency by installing solar panel roofing over the control building's parking area, reducing energy consumption while maximizing clean energy use.

We also started reporting self-generated and consumed electricity which amounted to 24.7 GWh. Electricity from our own generation across our renewable plants reached 20.9 GWh, reducing the need to purchase electricity from the grid and avoiding ~14,800 tCO₂e of scope 2 emissions.

Energy consumption (in GWh)

	2023	2024
Electricity purchased from the grid	10.9	45.8
Electricity from own generation	-	24.7
Renewables	-	20.9
Thermal	-	3.8
Fuel consumption	479.5	314.6

See annex [page 100](#) for our energy consumption figures.

Unite + Thrive

We unite our people, diverse communities and partners to foster an equitable and sustainable energy transition.

In San Marcelino, Zambales, we partner with Indigenous communities to create shared value—supporting livelihoods and infrastructure that directly benefit them as we expand our renewables presence.



**At ACEN,
our people drive
our success.
By fostering career
growth, respect, and
continuous learning,
we empower
employees
to thrive
and make a
meaningful impact.**

**We are committed
to protecting
and improving
the communities
affected by our
operations, including
Indigenous and
vulnerable populations.**

Our communities

Our sustainability programs are designed to improve the well-being of our host communities, particularly Indigenous and vulnerable populations, by addressing their specific needs through globally recognized frameworks.

We actively engage with communities and local government units throughout the lifecycle of our projects, ensuring transparent information sharing, consultations and accessible grievance mechanisms. Beyond energy, we are committed to creating a lasting impact in the communities in which we operate through our social programs.

We ensure alignment of our programs with the United Nations Sustainable Development Goals (UN SDGs) and the Social Progress Index (SPI). We prioritize shared value creation, scalability and replicability to maximize positive community impact. By maintaining inclusive consultations, robust grievance mechanisms and continuous feedback loops, we ensure that our programs are responsive, sustainable and contribute to long-term societal well-being.

We anchor our social programs on the following pillars:

- > Livelihood creation ([page 38](#))
- > Community infrastructure ([page 40](#))
- > Education ([page 41](#))
- > Empowering Indigenous Peoples ([page 42](#))
- > Health and wellness ([page 43](#))
- > Climate change and emergency preparedness, mitigation and adaptation ([page 44](#))

Our people

We recognize that our people are the foundation of our organization. To empower them to thrive and drive our long-term vision, our programs are designed to enhance their skills, support career growth, promote well-being, and cultivate a safe, inclusive, and engaging work environment.

We focus on the following areas to enhance employee experience:

- > Growth and development ([page 46](#))
- > Employee engagement and support ([page 49](#))
- > Performance assessment ([page 52](#))
- > Compensation and benefits ([page 53](#))

Health and safety

We are dedicated to maintaining a safe and healthy workplace as a core business priority. To achieve this, we adopt best practices and global industry standards, setting clear targets to monitor and enhance our performance with the goal of becoming a health and safety leader in the energy industry.

Our initiatives to enhance and reinforce health and safety in all our activities include:

- > Hazard identification and risk assessment ([page 55](#))
- > Incident management ([page 55](#))
- > Training and certification ([page 56](#))



Through our Monsoon Wind project in Lao PDR, we awarded 10 initial scholarships to local students to study at a partner university in Thailand.

Our communities

₱222 million
Community investments

~95%
Workers hired from local
communities during construction

Livelihood creation

Thriving communities are the heart of sustainable progress, and we are committed to empowering them through meaningful livelihood opportunities. More than just providing aid, we invest in skills, resources and long-term economic self-sufficiency. By integrating livelihood programs into our renewable energy projects, we are not only generating green jobs but also fueling economic growth in our communities.

Alignment to SPI:
Basic Human Needs, Foundations of Well-being, Opportunity

Contributions to UN SDGs:
1, 5, 8, 19, 17



We generate green jobs for the community in areas where we operate.



Philippine initiatives

› **Reforestation and agroforestry as sources of sustainable livelihoods:** By training and engaging local communities for our reforestation and agroforestry activities in our Conservation Estate in Ilocos Norte, we empower farmers and members of the community to secure sustainable means of livelihood while advocating for sustainable land management. We've provided assistance to more than 300 farmers and involved approximately 300 farming families in community seedling production.

Our Agro-Circularity in Renewable Energy (ACRE) program with SukiGrocer (formerly SariSuki) supports our Certificate of Stewardship Contract or CSC-holder farmers through capacity-building training, access to agricultural inputs and market integration strategies.

› **Supporting farmers and maximizing land productivity through agrivoltaics:** We partnered with local farming cooperatives like Alaminos Laguna Consumers Cooperative (ALACCO), Zambales Millennial Farmers and Producers Association, and Kalipunan Ng Liping Pilipina (KALIPI) to transform idle spaces within our solar projects into useful land.

By strategically integrating crops beneath solar panels, we maximize resource efficiency by combining agriculture with solar energy production. Since 2022, our agrivoltaics program has generated over 13,500 kilograms of crops and enhanced the livelihoods of over 100 farmers.

SPI component: Nutrition and Basic Medical Care, Environmental Quality, Personal Rights



Australia initiatives

› **Promoting agricultural growth through solar grazing:** The unique microclimate created by our solar panels in New England Solar have the potential to generate enhanced pasture conditions, leading to healthier grazing areas. By allowing sheep to graze on vegetation under and around our solar panels which offer shade and preserve morning moisture, agriculture and energy generation coexist.

Around 6,000 merino sheep are now grazing across New England Solar, with plans to introduce more sheep on site, providing them with shelter from the sun and rain.

SPI component: Access to Advanced Education, Personal Rights

SOCIAL



India initiatives

› **Supporting local farmers with agricultural inputs:** In Sitara Solar, grass cuttings from the project were donated to farmers, which were used as cattle feed. More than 18,000 kilograms of grass were donated to help lower costs for inputs. By utilizing materials available on-site that can benefit nearby communities, we not only support their livelihoods but also encourage resource efficiency.

SPI component: Personal Freedom and Choice

₱14.6 million

Total investments for livelihood creation and support



Vietnam-Lao PDR initiatives

› **Providing sustainable agricultural livelihoods:** In Lao PDR, Monsoon Wind invested in an agricultural learning center that tests innovative farming techniques to boost yields and hosts coffee farming training to enhance productivity and quality.

By focusing on capacity-building activities, local communities acquire valuable skills, strengthen their livelihoods and build resilience to economic and environmental challenges in agriculture.

In Mui Ne Wind, we supported a cow farming business by donating cattle feed and other supplies. This helps farmers reduce livestock costs.

SPI component: Access to Advanced Education Nutrition and Basic Medical Care, Personal Freedom and Choice



Indonesia initiatives

› **Supporting Indigenous and local enterprises:** Salak and Darajat Geothermal's Kopi Absolute initiative empowers local coffee farmers and entrepreneurs, creating sustainable income opportunities while preserving traditional farming practices.

SPI component: Personal Freedom and Choice

› **Enhancing community-based economic development:** Salak and Darajat Geothermal's agrotourism initiative in Pamijahan integrates tourism with nature conservation and freshwater fisheries programs that strengthen local economies. It also supports small business development through village-owned enterprises, enhancing financial stability for Tugubandung residents.

SPI component: Personal Freedom and Choice

Moving forward

We intend to integrate upskilling programs and promote social entrepreneurship to equip communities with the skills and resources needed to establish sustainable enterprises. By fostering economic self-sufficiency, we aim to build lasting and resilient communities.

Thriving together: Growing opportunities in Bais City

What began as a compliance-driven tree-planting initiative in Bais, Negros Oriental, has evolved into a livelihood program empowering local farmers. Through MonteSol's partnership with the Palaypay Integrated Social Forest Farmers Association Inc. (PISFFAI), coffee farming is now a pathway to economic stability. MonteSol's ongoing commitment makes sure that this project is not just about planting trees, it is about creating lasting livelihoods and a thriving coffee industry in Bais.



SOCIAL

Community infrastructure

As we expand our renewable energy footprint, we also evaluate our potential social impact. From the early development stages of our projects, we proactively identify opportunities to build infrastructure that not only supports our operations but also directly benefits host communities. Infrastructure plays a crucial role in community well-being. Safe roads improve accessibility, reliable lighting enhances security, health facilities strengthen emergency response and educational infrastructure supports future generations. Each project, whether large-scale or small, serves as an investment in the quality of life of our host communities.

Alignment to SPI:
Basic Human Needs, Foundations of Well-being, Opportunity

Contributions to UN SDGs:
7, 9, 11, 13, 17

Strategic approach and SPI alignment

Philippine initiatives

> **Enhancing community safety and security:** Our Palauig Solar project has contributed to safer communities by donating solar-powered perimeter lights, while our projects in Quezon and Pangasinan installed solar streetlights to improve road safety and deter crime. Our SanMar Solar project further enhanced security in Subic by providing solar lighting, ensuring better visibility for residents.

SPI component: Personal Safety



In Ilocos Norte, we are building eco-classrooms made of upcycled materials such as eco-bricks.

> **Supporting education through infrastructure:** Our Ilocos Norte wind farms have reinforced support in education by constructing eco-classrooms from upcycled materials, while our IslaSol project in La Carlota, Negros Occidental, has installed rooftop solar to a remote school. Our Cagayan North Solar project also supported the construction of classrooms for remote communities and improvement of multi-purpose gymnasiums in the villages of Magapit and Santa Maria, providing venues for community gatherings and events.

SPI component: Access to Basic Knowledge, Shelter

> **Strengthening medical and emergency response services:** Our SanMar Solar project has played a vital role in the rehabilitation and expansion of the Castillejos mega rural health unit, which has improved healthcare access for locals. Another solar project in Zambales supported the Armed Forces of the Philippines (AFP) by upgrading facilities at their headquarters, ensuring efficient emergency response in Zambales and Bataan.

SPI component: Nutrition and Basic Medical Care

> Supporting community spaces:

Recognizing the importance of spiritual and mental well-being, the ACEN Tech Hub in Bataan contributed to the construction of a new chapel, fostering a stronger sense of community through faith-based communal spaces.

SPI component: Personal Freedom and Choice

Global contributions

> In Australia, Stubbo Solar funds an Electric Vehicle (EV) charger at the Dunedoo Bowling Club in partnership with Destination NSW, promoting eco-friendly tourism. In Indonesia, Salak and Darajat Geothermal helps electrify remote communities by providing free electricity installations, enhancing access to power. Meanwhile, Ninh Thuan Wind in Vietnam contributes to improving living conditions by helping low-income families.

SPI component: Shelter, Environmental Quality

Moving forward

As we continue to expand, our commitment to increasing access to essential facilities remains a priority. We aim to integrate upcycled materials in infrastructure projects wherever possible and further align our initiatives with SPI objectives. By embedding sustainability into community development, we not only reduce environmental impact but also create lasting benefits for future generations.

Thriving together: Brightening futures in La Carlota

For years, Haguimit Elementary School in La Carlota, Negros Occidental, struggled without electricity. Teachers had to commute long distances daily, unable to stay overnight due to the lack of power. Students missed out on opportunities for modern learning, relying solely on traditional methods. This changed when IslaSol's Solar Pailaw Program installed solar panels at the school, providing light and electricity for the first time.

Now, teachers can stay on-site, reducing long commutes, and students can experience multi-media learning such as watching educational videos, using audio-visual tools and engaging with lessons in new ways.



SOCIAL

Education

We believe in the transformative power of education to break cycles of poverty and inequality. Our investments in education go beyond immediate access; we focus on long-term sustainability, equipping both students and teachers with the knowledge and tools to drive positive change.

Alignment to SPI:
Foundations of Well-being, Opportunity

Contributions to UN SDGs:
4, 5, 8, 10, 17

Strategic approach and SPI alignment Philippine initiatives

› **Expanding access to education:** Our Pangasinan Solar project supported the construction of child development centers, while our Cagayan North Solar project constructed a four-classroom high school building in Lal-lo town. In Quezon, our partnership with the Ayala Foundation ensured Indigenous and non-Indigenous students in Real and Mauban received essential school supplies. To improve school facilities, several ACEN projects also joined Brigada Eskwela, ensuring students learn in a safer and more conducive environment.

SPI component: Access to Basic Knowledge

› **Supporting higher education:** Scholarship programs from our Ilocos Norte wind farms continue to open doors for students. Meanwhile, Bulacan Thermal's summer job assistance program provided financial aid to

at least five students, helping them save for the upcoming school year.

SPI component: Access to Information and Communications, Personal Rights

› **Promoting renewable energy awareness:** Through our Renewable Energy Advocacy Program (REAP), we continue to educate students and communities on clean energy. One of our Zambales projects also partnered with Zambales Allied Forces for SOLAR Talks on Security-Safety and Order, equipping students with knowledge on emergency preparedness and disaster resilience.

SPI component: Environmental Quality

› **Enhancing school safety:** NLR and Pagudpud Wind launched the Spark of Safety Program, promoting disaster preparedness and emergency response in schools by equipping students and teachers with essential safety knowledge.

SPI component: Personal Freedom and Choice

Global contributions

› **Supporting cultural and leadership development:** In Australia, New England Solar partners with Cultural Camps Aboriginal Corporation to promote Aboriginal cultural exchanges, while in Central West NSW, we supported the Max Potential Mudgee Program, fostering youth leadership through mentoring.

SPI component: Personal Freedom and Choice

› **Enhancing access to education and resources:** Stubbo Solar supports the Country Universities Centre in Mudgee, Australia, ensuring regional students have access to tailored educational facilities over a five-year period. New England Solar contributes to Uralla Central School's study excursions and provides computers for researchers at the Uralla History Hub, improving learning opportunities.

SPI component: Access to Information and Communication

› **Scholarships and financial assistance:** In Vietnam, Super (Solar NT) runs the Light Up Your Dreams scholarship, covering tuition and living costs for disadvantaged students until high school graduation. Mui Ne Wind also provides school fee assistance and scholarships for kindergarten students. In Indonesia, Salak and Darajat Geothermal offers Beasiswa Prestasi, a merit-based scholarship supporting diploma and undergraduate students near company sites.

SPI component: Access to Information and Communication

Moving forward

We are committed to strengthening our education programs by integrating sustainability and climate action into school curricula. Moving forward, we will strengthen partnerships with educators, local governments and community organizations to enhance environmental literacy and develop innovative programs that promote renewable energy awareness.

Thriving together: From scholar to engineer, a journey of transformation

In Ilocos Norte, the journey of one of our scholars came full circle as she joined our team as a substation engineer. Jamie Martinez's story is a testament to the lasting impact of education and opportunity, proving that investing in people lights the way for community progress.

Jamie was once a scholarship beneficiary of NorthWind, uncertain about her future but determined to succeed. Currently, she works as a substation engineer at NorthWind, a role she proudly attributes to the support she received from ACEN's scholarship program.



SOCIAL

Empowering Indigenous Peoples

We are deeply committed to protecting and empowering Indigenous Peoples (IP) across our markets, ensuring that progress uplifts rather than displaces. Our approach goes beyond support—we champion their right to quality education, healthcare and economic opportunities while safeguarding their cultural heritage. Through meaningful collaboration, we strive to create a future where Indigenous communities are not only recognized but thrive as vital partners in shaping a more equitable and sustainable world.

Alignment to SPI:

Basic Human Needs, Foundations of Well-being, Opportunity

Contributions to UN SDGs:

1, 4, 5, 8, 10, 16, 17

Strategic approach and SPI alignment

Philippine initiatives

- › **Strengthening Indigenous leadership and livelihoods:** In Zambales, SanMar Solar supports IP communities by establishing an Indigenous Peoples Organization (IPO) under the National Commission on Indigenous Peoples (NCIP) and by providing digital tools such as the KOBO app. Support such as rice assistance, event sponsorships and TESDA-accredited skills training for Indigenous communities also exemplify our Quezon North Wind project's dedication to empowering IPs.

SPI component: Personal Freedom and Choice, Access to Advanced Education



Monsoon Wind supports local skilled craftsmen from Dak Cheung district in Lao PDR in creating unique tribal textiles and handicrafts.

- › **Improving access to basic services:** To provide clean water and reduce waterborne diseases, Pagudpud Wind launched the Safe Water Project, ensuring that the Indigenous communities have access to potable water

SPI component: Water and Sanitation

Global contributions

- › **Preserving Indigenous heritage:** In Australia, New England Solar integrates Indigenous participation through land stewardship and heritage protection programs, ensuring that cultural and environmental preservation remains a key aspect of project development. In Lao PDR, Monsoon Wind recognizes the rich traditions of the Dak Cheung district by highlighting the skills of local craftsmen in creating unique tribal handicrafts.

SPI component: Inclusion, Personal Freedom and Choice

- › **Strengthening cultural and community engagement:** In Vietnam, Lac Hoa and Hoa Dong Wind actively engages with Indigenous communities by supporting local traditions and events, including New Year gift-giving for households in Hoa Dong Commune and Vinh Chau town and financial support for the Boat Racing Festival in Soc Trang province.

SPI component: Inclusion

Moving forward

We will continue to strengthen programs across infrastructure, healthcare, livelihood and training, ensuring they are tailored to the distinct needs and aspirations of each community. By working closely with Indigenous leaders, we aim to build long-term partnerships that foster economic independence, cultural preservation and overall well-being.

Thriving together: Reinforcing an inclusive energy transition with the Yindjibarndi people

Through the Yindjibarndi Energy Corporation (YEC), a partnership between ACEN and the Yindjibarndi Aboriginal Corporation (YAC), we plan to develop, construct and operate up to 3 GW of renewable energy and storage projects on Yindjibarndi Ngurra (country) in Western Australia's Pilbara region. It represents one of the largest Indigenous-led renewable energy partnerships in Australia.

In 2024, YEC partnered with Ngarluma Yindjibarndi Foundation Ltd (NYFL) to support more community members who need a helping hand. YEC and NYFL have signed a Memorandum of Understanding (MoU) to work together on activities that provide social outcomes and enhanced self-determination for the Ieramugadu (Roebourne) Traditional Owner community. The MoU includes initial funding for NYFL to develop a small-scale community garden.



SOCIAL

Health and wellness

Through partnerships with local government units, health organizations and private organizations, we strive to improve healthcare access, promote wellness and support long-term health programs for our communities. Our initiatives cater to various segments of the population: children, youth, women, senior citizens and the broader community, ensuring that everyone has the opportunity to lead healthier lives.

Alignment to SPI:
Basic Human Needs, Foundations of Well-being

Contributions to UN SDGs:
2, 3

Strategic approach and SPI alignment

Philippine initiatives

› **Improving health access:** Our collaboration with Generika and local government units in the Philippines made health caravans and medical missions possible. In Zambales, our projects' ambulance donation strengthens emergency response while the NutriSolar initiative by our Palauig Solar provided essential nutrition to vulnerable communities. In Bulacan, we extended a pneumonia vaccine drive to more villages to promote preventive healthcare.

SPI component: Nutrition and Basic Medical Care

› **Promoting clean water and sanitation:** Recognizing the importance of clean water for overall health, our Safe Water Project



In Lao PDR, Monsoon Wind continues to focus on regular health check-up and feeding program campaigns for its host communities.

implemented by our Ilocos Norte wind farms provided communities with improved access to potable water and sanitary facilities. These efforts significantly reduced the risk of waterborne diseases and improved hygiene standards in underserved areas.

SPI component: Nutrition and Basic Medical Care, Water and Sanitation

› **Championing wellness and sports:** Beyond medical interventions, we continue to promote an active and healthy lifestyle through community sports events such as Bike with the Wind in Ilocos Norte. These events encourage physical activity, foster community engagement, and contribute to local tourism.

SPI component: Health and Wellness

Global contributions

› **Improving healthcare access and services:** In Australia, Stubbo Solar has supported the Wings4Kids program which provides free flights for children in regional areas to access treatment at major hospitals. In Vietnam, Mui Ne Wind equips Thien Nghiep health station

with essential clinic equipment. In Indonesia, Salak and Darajat Geothermal offers free health check-ups, tuberculosis screening and patient follow-ups. In Lao PDR, Monsoon Wind promotes community health with screenings and dental care in Champasak and Dak Cheung.

SPI component: Nutrition and Basic Medical Care

› **Promoting nutrition and wellness:** The Uralla Central School P&C initiative of New England Solar in Australia helps improve student diets. In Indonesia, Salak and Darajat Geothermal's nutrition and health education programs for nearby communities equip them with knowledge to live healthier lifestyles.

SPI component: Health and Wellness

› **Encouraging physical activity:** In Vietnam, Mui Ne Wind promotes an active lifestyle by supporting local sports activities in Thien Nghiep Commune, encouraging community participation and overall well-being.

SPI component: Health and Wellness

Moving forward

We will continue to strengthen our health and wellness initiatives by expanding healthcare access, enhancing nutrition programs and promoting active lifestyles. Through sustained partnerships with local governments, health organizations and private sectors, we aim to scale up medical support, improve water and sanitation systems and introduce more community-driven wellness activities.

By integrating innovative approaches and broadening our reach, we remain committed to fostering healthier, more resilient communities across our project sites.

Thriving together: Bringing healthcare closer to communities

Through the Health Caravan, a collaboration between ACEN's Visayas plants and Generika, communities in Negros island and Guimaras gained access to medical check-ups, mobile blood donations and health education sessions.

By offering medical missions, feeding programs and essential health services, the initiative directly improved the lives of residents while strengthening local healthcare infrastructure. Through continuous engagement, resource allocation and collaboration with local government units (LGUs) and non-government organizations (NGOs), the goal is to build a self-sustaining healthcare network that serves generations to come.



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Climate change and emergency responses

The Philippines, our home market, faces some of the world's most severe natural disasters. This vulnerability to climate change drives our commitment to disaster resilience and environmental stewardship. Beyond sustainability, we equip communities with the skills, resources and infrastructure to withstand and recover from climate crises, ensuring they do not just adapt—but thrive.

Alignment to SPI:
Basic Human Needs, Opportunity

Contributions to UN SDGs:
11, 13, 17

Strategic approach and SPI alignment

Philippine initiatives

- › **Disaster preparedness:** We empower communities through training programs like Maging Handa supported by our Ilocos Norte wind farms, disaster response training for fisherfolk in Malaya and Safety at Home by ACEN Tech Hub, which taught mothers basic first-aid and household safety.

SPI component: Personal Safety, Access to Advanced Education
- › **Emergency relief and assistance:** During crises, we mobilize relief efforts with our partner, Ayala Foundation. Our projects in Cagayan, Ilocos Norte, Zambales, Quezon, Laguna and Visayas provided timely aid after typhoons and calamities struck our host



ACEN volunteers joined the Brigadang Ayala led by Ayala Foundation in distributing aid for victims of the Kanlaon Volcano eruption in Negros, Philippines.

communities. These include distributing relief goods, roofing materials, cellphones and essential items to provide immediate support and assistance to affected communities.

SPI component: Personal Safety

- › **Strengthening response capabilities:** Our Quezon North Wind project helped around ~210 families rebuild their homes after Typhoon Aghon. In Ilocos Norte, our wind projects also strengthened municipal disaster centers by donating fire blowers to the Bureau of Fire Protection. These programs enhance community response capacities, protect lives and property and ensure long-term disaster resilience.

SPI component: Personal Safety

- › **Extending disaster preparedness to schools:** Through the Spark of Safety program of NLR and Pagudpud Wind, teachers and students learn about disaster preparedness and emergency response for schools.

SPI component: Personal Safety

Global contributions

- › **Strengthening emergency preparedness:** In Vietnam, Mui Ne Wind donated 89 fire extinguishers to Thien Nghiep, Hong Phong Commune and Tanh Linh District, enhancing local fire safety measures and disaster response capabilities.

SPI component: Personal Safety

Moving forward

We remain committed to strengthening collaborations with stakeholders and local partners to develop and implement initiatives that bolster disaster preparedness and climate resilience. Through continued investments in education, training and essential emergency equipment, we aim to empower individuals and families to effectively respond to crises while promoting sustainable environmental conservation.

₱7.4 million

Investments in disaster preparedness and response efforts for local communities in the Philippines

Thriving together: Reinforcing the bayanihan spirit during calamities

In 2024, Typhoon Carina devastated several areas in Luzon, including Santa Fe, the host barangay of SanMar Solar in San Marcelino, Zambales. Torrential rains rendered the area nearly impassable, cutting off the community and leaving residents in urgent need of assistance.

Demonstrating ACEN's commitment to community resilience, the SanMar Solar team, alongside our external affairs and project development team, swiftly launched a relief operation—braving zero visibility, flood risks and treacherous roads to deliver aid. The team provided 180 liters of fuel, 500 food packs and essential supplies, embodying the bayanihan spirit and bringing much-needed relief in the face of adversity.



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Ensuring the relevance of our programs

We engage affected communities and local government units throughout the lifecycle of our plants and establish information dissemination, consultations, grievance mechanism and reporting procedures to understand and address their concerns.

During the early development phase, we conduct consultations to gather views on project risks, impacts and mitigation measures using various methods such as interviews with stakeholder representatives, public meetings, focus group discussions and surveys, ensuring that we enable culturally appropriate measures and provide opportunities for two-way dialogue. Our grievance mechanism covers the procedures to receive, screen, resolve, monitor and report grievances from host communities to facilitate resolution of their issues. Through these modes of engagement, we minimize risks, obtain consent and support from our stakeholders and create shared value as we build and operate projects.



We tailor-fit our social programs based on the needs of our host communities.

Before constructing any project, we conduct comprehensive Environmental and Social Impact Assessments (ESIA) and develop detailed Environmental and Social Management Plans (ESMP). These ensures that potential risks and impacts are fully understood and managed effectively. For instance, we determine if involuntary resettlement or economic displacement will occur because of the project. In the case of physical displacement, we provide compensation, through either property resettlement or cash, and full replacement cost for land and other assets lost. For areas of operations near ancestral domains or Indigenous lands, we engage Indigenous Peoples (IPs) as part of our social assessment and stakeholder engagement process, ensuring that we comply with regulatory requirements and develop meaningful programs that address their specific needs.

Measuring impact through the Social Progress Index (SPI)

In 2023, we partnered with RiShift, a consultancy firm known for helping organizations embed sustainability into their core business strategies, to adopt the Social Progress Index (SPI). The SPI is a critical tool in guiding our decision-making and optimizing resource distribution, ensuring that our strategies and actions are finely tuned to the needs of the communities we support. We are adopting the SPI framework to ACEN's unique operational context, ensuring that our efforts are measured against both global standards and local realities. We built the foundation and mapped our programs to align with SPI's dimensions and components.

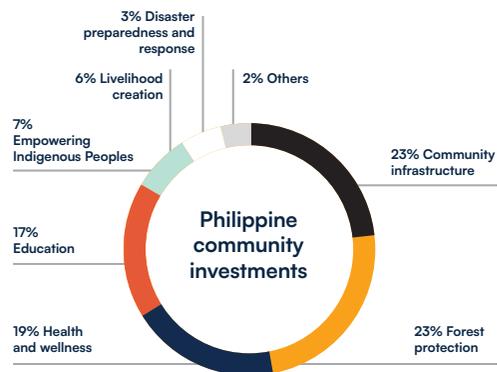
The SPI has three dimensions composed of the following:



2024 updates

We started to shift our focus from tangible outputs to outcomes that reflect real improvements in community well-being. We assessed all our sustainability programs implemented across all sites to see which types of strategic programs we allocate our resources to. This assessment will guide our decision-making and optimize resource distribution, ensuring that our actions are finely tuned to the needs of the communities we serve.

We invested ₱222 million in community programs. Out of the 393 initiatives implemented across all projects sites, we completed the resource allocation baseline as follows:



Additionally, we began developing a Theory of Change (ToC) for our sustainability programs by actively engaging with community stakeholders. This framework outlines clear pathways from inputs to long-term outcomes and sets both short- and long-term targets that contribute to the SDGs. Our ToC is dynamic, evolving through ongoing assessments, stakeholder feedback and new insights, capturing our host communities' needs and aspirations and providing the foundation for selecting outcome-based metrics.

In 2025, we will continue refining our approach and strengthening our capacity to capture outcomes over outputs. This includes standardized data collection and continuous stakeholder engagement to ensure that our strategies remain responsive and impactful.



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Our people

One of the
**Best Companies
to Work for in Asia**
by HR Asia

Launch of MyHR

An all-in-one platform for
better employee experience

45%

Women across ACEN group

We place our people at the core of what we do — they are the driving force that makes more possible every day at ACEN. Beyond competitive compensation and benefits, we continuously strive to create a supportive, growth-driven work environment for our employees, providing them with a clear pathway for career growth as we navigate the ever-evolving energy landscape.

Through our Human Rights Policy, we also outline our commitment to upholding the rights of our stakeholders, ensuring that we have a work culture founded on respect, proper work ethics, safety, diversity and inclusion. We uphold our employees' freedom of association and collective bargaining as stated in our policy, ensuring open communication and meaningful engagement across the whole breadth of the organization.

Read more about our [Human Rights Policy](#)

In 2024, ACEN was recognized as among the Best Companies to Work for in Asia by the HR Asia Best Companies to Work in Asia Awards. It is an awards recognition program for organizations that have been identified by their employees as one of Asia's employers of choice.

Growth and development

Fostering a high-performing workforce is driven by our focus on continuous learning and development. Guided by our Learning and Development Policy, we provide opportunities for employees to enhance their skills, grow professionally and align personal aspirations with organizational goals. By emphasizing practical application, we create a culture where learning is not just theoretical, but actionable and impactful.

Read more about our [Learning and Development Policy](#)



Our Group CHRO, JP Orbeta, received the award for ACEN when the company was awarded as among the Best Companies to Work for in Asia – a testament to the strong bond we've built together as a renewables company, where employee engagement, collaboration and a culture of excellence thrive.



At ACEN, our people are at the heart of our success, thriving in a dynamic and fun environment that fosters collaboration and growth.

Our development framework follows the 3Es of learning: education, exposure and experience. Education, comprising 30 percent of the learning strategy, includes formal methods of learning that increase employees' technical knowledge and skills. Exposure, accounting for 20 percent, focuses on social learning where insights are gained through conversations with peers and seasoned professionals. Experience, the cornerstone piece at 50 percent, emphasizes on-the-job learning experiences that provide an opportunity to lead valuable endeavors.

These pillars ensure an effective and comprehensive approach to skill-building and personal development.

In 2024, we spent ₱49 million for learning and development investment, empowering ACEN employees to unlock their potential and prepare for future challenges. Our holistic approach to learning fosters a culture of excellence and innovation, ensuring that our workforce is not only equipped for their current roles, but also poised to drive organizational success in the years to come.

Our robust learning and development program also highlights our commitment to diversity, equity and inclusion (DEI), ensuring that all employees have access to resources and programs designed to foster their growth. As such, core programs are accessible to part-time employees and contractors to ensure that compliance and regulatory training

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“At ACEN, our people are the driving force behind our success. Together, we unlock more—for ourselves, our communities and our planet. By prioritizing career growth, respect and continuous learning, we empower our employees to thrive and make a meaningful impact.”

JP ORBETA

Group Chief Human Resources, Group Chief Administrative Officer & Group Chief Risk Officer



is provided to all personnel regardless of rank, status and level. The compliance training courses include topics such as occupational health and safety and ACEN’s Code of Conduct.

Our established learning programs continue to provide value to our people:

Anchoring on Clarity

In partnership with OneCORE and using the Gallup StrengthsFinder assessment tool, we committed to creating a culture of clarity to align the time, energy and resources of the organizations with the strengths and potential of our people. This workshop addresses key pain points such as the need for greater self-awareness, clarity and personal mastery, adapting to new roles and structures, maximizing time and energy and improving focus and direction. The program helps our employees to tackle personal and professional challenges to ensure they have the tools to thrive in a fast-paced working environment and energy industry. This program is provided to all employees regardless of rank and level.

Emerging Ayala Group Leaders (EAGLE) Program

The Emerging Ayala Group Leaders Program (EAGLE) is an immersive program that equips managers with the skills to lead themselves and their teams and execute business strategies. Participants will develop a personal leadership brand, foster a high-performance culture and synergize across functions and industries to drive innovation. Eight of ACEN’s managers were able to participate and complete this program alongside other managers from the Ayala group’s business units.

Ayala Leaders League

The Ayala Leaders League is a three-day immersive experience for leaders from different Ayala companies to bond and interact with each other. ACEN had four graduates of this program who were top leaders in their respective teams. The goodwill generated from this experience becomes the foundation for synergistic opportunities and facilitates effective communication among leaders at the strategic level.

ACEN Mentoring Program

We also continued our successful Mentoring Program which engaged 100 participants, including 73 mentees and 27 mentors within the ACEN group. This program played a pivotal role in helping mentees develop critical competencies like strategic thinking, decision-making and business acumen through guidance from experienced leaders. The program received high satisfaction ratings from both mentors and mentees, with customer satisfaction scores of 4.4 and 4.2 out of 5, respectively. We are pleased to report that there was an 87 percent



The ACEN Mentoring Program provides a unique opportunity for employees to connect with senior managers and executives to exchange stories of personal and professional growth.

increase in this program from 2023 to 2024, displaying the value of this initiative to the employees’ continuous growth and development.

ACEN Coaching Program

Through the ACEN Coaching Program, our employees receive personalized support in one-on-one sessions with external experts. Coaching is performance-driven, focusing on enhancing leadership and professional skills, setting goals and addressing specific development gaps to improve effectiveness. Aligned with our growth philosophy, the program empowers employees to take charge of their development.

Lunch and Learn sessions

To enhance business acumen and broaden operational knowledge, we hosted Lunch and Learn sessions focusing on key aspects of the company’s global operations. These sessions covered introductions to ACEN Australia, operating assets in the Philippines, Vietnam and India plants, providing employees with valuable insights into the business and a better understanding of ACEN’s operations across the Asia Pacific.

LinkedIn Learning

Our Human Resources team’s partnership with LinkedIn Learning allows our employees to get exclusive access to LinkedIn courses about relevant topics where they can get certifications afterwards. The activation rate for LinkedIn Learning licenses increased from 66 percent in 2023 to 98 percent in 2024, displaying employee interest in utilizing the available courses in the platform.

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Ayala Group Summer Internship Program

We regularly participate in the annual Ayala Group Summer Internship Program (AGSIP), providing opportunities for students to immerse in the daily operations of different Ayala companies. This program includes leadership seminars, upskilling workshops, networking, plant tours and capstone project as their culminating activity at the end of the program. This holistic method of training allows students to unleash their full potential while learning the Ayala Way.

ACEN Cadetship Program

The Cadetship Program at the plant-level was a structured training initiative for new graduates that ran from October 2023 to March 2024. Designed to equip participants with technical expertise and leadership skills, the program provided hands-on experience, mentorship and exposure to key plant operations.

Through this initiative, we strengthened our commitment to developing young talent and building a pipeline of skilled professionals for the energy industry.

We reinforced our commitment to employee development by introducing impactful programs and strategically investing in targeted initiatives. A significant portion of this year's learning investment was allocated to targeted programs, which were designed to address specific skill gaps and close critical competency gaps identified across the workforce. This approach ensured that employees were equipped with the necessary tools to meet both individual and organizational objectives effectively.



The Ayala group welcomed over 90 interns into the Ayala Group Summer Internship Program (AGSIP), designed to identify and nurture promising young individuals who demonstrate exceptional potential to become future leaders in the industry.

We ensure that relevant training and development programs are offered at our corporate offices and plant sites. We offer core programs for all career levels, citing specific levels for each type of program offered. Our learning and development team assists employees with gaining access to targeted training sessions approved by their immediate superiors.

In 2024, several new programs at the corporate office were introduced for all employees, including *Data Storytelling*, which empowered participants to effectively communicate insights; *Safe Spaces and Courageous Conversations*, fostering a culture of openness, inclusion and psychological safety; *Emergency First Aid Training*, equipping employees with vital life-saving skills; and *Cultural Sensitivity Training*, which promoted understanding a respect within

ACEN's diverse and global workforce. Across our plant sites, targeted programs were also implemented, such as learning sessions on proper waste management, water conservation and climate change for sustainability officers.

By focusing on targeted learning programs and personalized development strategies, we demonstrated our unwavering commitment to fostering a culture of continuous improvement. Our total learning hours for targeted programs have increased by an estimated 6,900 hours, displaying employee engagement in the targeted programs provided.

These initiatives not only addressed immediate development needs but also aligned employees' growth with the company's strategic goals, positioning both individuals and the company for sustained success. Moving forward, we will

continuously develop our programs based on feedback surveys we conduct after every learning and development session.

Total training hours

32,165

Average employee training satisfaction score

4.70/5

Succession planning

Our succession planning strategy identifies and prepares successors for critical roles across the organization, ensuring business continuity and readiness for future challenges. It is a proactive, continuous and future-focused strategy encompassing the following steps:

- **Prioritizing critical roles:** The process begins with identifying roles essential for business continuity, strategic growth and operational excellence. Roles are assessed based on their importance to the company's strategy, impact on financial and growth outcomes, and difficulty of replacement due to skill availability or market demand.
- **Assessing future leadership needs:** Leaders align the requirements of prioritized roles with business strategy, focusing on the top five to seven capabilities essential for success in these roles. This step ensures that successors are prepared not just for the current role but for its evolution as business needs change.

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➤ Sourcing successors broadly:

Successors are identified from within or across business units based on talent reviews and assessments. Each role has at least one Emergency, Ready Now, and Ready Later successor, categorized based on their readiness and development needs.

➤ Providing diversified experiences to successors:

Development planning is integrated into the succession process by providing nominees with experiences like stretch assignments, cross-functional roles and exposure to diverse challenges. This ensures successors gain the necessary breadth and depth of experience to perform in higher roles.

➤ Engaging successors with career conversations:

Leaders engage potential successors in meaningful discussions to outline career paths, set expectations and align their development plans with organizational goals. These conversations build transparency and motivate successors by showing them a clear path forward.

➤ **Embedded follow-up:** The succession process includes regular reviews to ensure successors' progress as planned. Leaders and HR Business Partners monitor development milestones and adjust plans as needed to address gaps, align with strategic changes and maintain accountability.

Just energy transition

Following our groundbreaking completion of the world's first market-based Energy Transition

Mechanism (ETM) that involved the divestment of the 246 MW SLTEC coal plant and commitment to its early retirement by 2040, we pledged to ensure a just transition for the affected workers.

We are guided by the principles of transparent and open dialogues, individualization and adequate planning. Employees will be given options depending on their needs, with the options of transitioning to green jobs, being placed in other local industries with proper support and being reskilled or upskilled to diversify job opportunities.

Read more about our [just energy transition roadmap](#)

Employee engagement and support

At ACEN, we recognize that our people are the cornerstone of our success. We're committed to building a dynamic and engaging work culture through different employee engagement programs tailored to foster work-life balance and well-being, strengthen team collaboration and contribute to the organization's overall productivity.

ACEN People Committee

The ACEN People Committee is composed of representatives from different business units that champion employee engagement alongside our HR team. As stewards of our culture, they ensure the programs and initiatives are designed to uphold ACEN's ABCD core values: Aspire, Believe, Collaborate and Deliver. Serving as ambassadors of the ACEN way, the People Committee serves as employees' voices on critical organization agenda, driving

meaningful conversations on diversity, equity, inclusion and well-being. Despite the absence of an independent trade union, the People Committee was internally established to act as representatives of the general employee population to be part of activities and sentiments assessment.

Special Interest Groups (SIG)

Special Interest Groups were formed to enhance employee engagement by bringing together individuals with shared interests, hobbies or advocacies. These employee-led groups foster collaboration, personal growth and a sense of belonging, while also contributing to a positive and connected workplace culture. In 2024, we successfully launched 10 SIGs for various shared interests such as running, basketball, tennis, badminton, board games and golf.

Ayala Beats @ 190

We participated in *Ayala Beats @ 190*, the milestone celebration of Ayala Corporation's 190th anniversary, held on March 8, 2024 at Ayala Triangle Gardens. Over 200 ACEN employees from our headquarters and plant sites took part in the event, joining both in person and online through the We Are Ayala Business Club (WAABC).

The event brought together over 8,000 Ayala group employees on-site and 3,200 virtually to celebrate Ayala's almost two centuries of building businesses that enable people to thrive. The celebration not only looked back at the Ayala group's successes in the past 190 years but also looked forward to a more meaningful future together with its various stakeholders,



The Ayala Beats @ 190 event marked the comeback of the JZA Streetdance Competition, with streetdance teams from different Ayala business units battling it out on the dance floor.



In 2024, we signed the Working with Cancer pledge to help end the stigma surrounding employees battling cancer, with our CEO Eric Francia and group CHRO JP Orbeta joining AC Health CEO Paolo Borromeo and Healthway Medical Network President and CEO Jaime Ysmael in support of the initiative.

including customers, whose trust and loyalty have inspired the company to do more for the greater good. ACEN, alongside other Ayala companies, has been instrumental in this journey, and we are committed to continue challenging the status quo and bringing innovations in the energy sector that contribute to the nation’s social and economic agenda

Working with Cancer pledge

In August 2024, we joined the Working with Cancer pledge, a global movement that aims to support people struggling with cancer in the workplace, becoming the first energy company in the Philippines to do so. This initiative ensures our solidarity with our colleagues with cancer by creating a more supportive, open

and recovery-forward environment in the workplace. Through this pledge, we have committed to extend support to employees battling cancer through programs under ACEN CARES. Additionally, we introduced a Cancer Care Leave benefit to ensure job security and provide additional paid leave of up to six months for employees with cancer so that they can focus on their recovery.

tACbo

As part of Ayala Corporation’s 190th anniversary celebration, 104 ACEN employees participated in the *tACbo: Run for the Benefit of Ayala Foundation* in January 2024. To encourage participation, ACEN subsidized half of the registration fee for employees who joined

the event. The benefit run raised ₱6 million to support Ayala Foundation’s education programs, furthering its mission to empower communities through learning and development initiatives.

JZA Cup

The JZA Cup is a flagship groupwide initiative designed to foster collaboration, camaraderie and a sense of unity among employees from various Ayala companies. This friendly sports competition serves as a platform for team members across different industries and subsidiaries to connect, build relationships and showcase their athletic skills in a vibrant, inclusive and engaging environment. This year, we proudly participated in the JZA Cup, fielding talented players across various sports, including golf, volleyball, bowling, badminton and street dance. By taking part in these events, ACEN employees not only showcased their athleticism and sports camaraderie but also contributed to the overarching goal of strengthening the bonds within the Ayala group.



ACEN employees joined the 2024 tACbo benefit run to kick off Ayala Corporation’s 190th anniversary celebration.

Mental Health Awareness Month

In solidarity with the global movement for mental well-being, our Mental Health Awareness Month aligned with the World Federation for Mental Health (WFMH) Global Campaign 2024 and its theme, “It is Time to Prioritize Mental Health in the Workplace.” In 2024, we embraced the theme “Very Thoughtful, Very Mindful: Driving Employee Well-Being Through Compassion and Empathy”, to encourage employees to embody thoughtfulness in actions, respect in interactions and calmness in navigating personal and professional challenges.

By fostering these values, we aim to create a more supportive, empathetic and resilient workplace. Throughout the month, we’ve launched programs aligned to the theme such as Lunch & Learn session on *Practicing Mindfulness in the Workplace, Healing Harmony (A Sound Bath Experience), Being Mindful of Personal Time, Harmonizing Mindfulness: Exploring the Power of Music for Inner Peace, and Thoughtfull Workshop: Letting Go of Perfectionism though Mandala Drawing.*

Mental well-being programs

We ensure that the mental health of our employees is taken care of to preserve their well-being and sustain productivity in the workplace. With this, we partnered with international and local wellness organizations to provide holistic mental wellness programs.

The *ThoughtFull* mobile app is an online mental health platform that supports our employees’ wellness journey. Employees are able to access online consultations, self-help tools, webinar training, daily check-ins including round-the-

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clock crisis support from trained psychological first aiders anytime of the day.

We also engage with a local partner, Argao Psych, for our subsidiaries in the Philippines. They provide services on prevention and intervention programs, assessment services and workplace mental health programs.

By having a range of options, both locally and internationally, we can provide inclusive support to all our employees globally.

At ACEN Australia, a team of employees came together for the *Treely* challenge — a 10-day challenge where their footsteps turned into trees, making a real impact on the planet. The team placed 2nd and contributed 424 trees to the 1,161 total. Their impact ensured mangrove reforestation in Ankinao, Madagascar, providing coastal protection, improving water quality and supporting local communities and wildlife.

MyHR platform: HR Integrated System Technology Platform

We also improved employees' experience by launching our new HR Integrated System (HRIS), *MyHR*. It is the HR technology platform of ACEN that centralizes the various transactions of employees when it comes to managing employee profile, salary and benefits, performance appraisal, training database and career development. Powered by SAP SuccessFactors, ACEN centralizes the various transactions of employees when it comes to managing employee profile, timekeeping and attendance, paid time-off

filling and management, employment records, performance evaluations, individual development plan documentation and monitoring, learning and development database including career development tracking as well as succession readiness planning, personnel hiring requests, payroll management and other day-to-day HR transactions. Allowing our HR Business Partners to focus on establishing high-trust interactions to address organizational concerns with employees and entrusting transactional administrative matters to technology.



Our transition to the new HRIS platform, myHR, has made our employees' HR experience more centralized, efficient and seamless.



ACEN Australia is now Great Place To Work-certified, with an incredible 93 percent of the team saying the company is a great place to work — a testament to its shared commitment to build a workplace culture that truly shines.

Cultural Sensitivity Workshop: Building cultures across ACEN

The Cultural Sensitivity Workshop equipped participants with strategies to understand cultural differences, enhance cross-cultural communication and resolve cultural workplace conflicts across the ACEN group. Through group activities, employees shared experiences of intercultural misunderstandings and explored Western and Eastern work styles, using select case studies to analyze miscommunications.

Participants reflected on cultural beliefs they wished to uphold or change and practiced handling challenging workplace conversations. Each created a 30-day action plan to address three key discussions, ensuring proactive conflict resolution. The workshop emphasized empathy, adaptability and trust in diverse teams. To sustain impact, participants partnered with “success partners” for accountability, committing to follow-up discussions.

Ayala Inclusive Circle

As part of our commitment to diversity, equity and inclusion (DEI), each Ayala Inclusive Circle is designed to foster a workplace where employees feel safe, valued and empowered to be their authentic selves.

These circles provide a space for open dialogue, mutual support and psychological safety, strengthening our sense of belonging and community. Through these connections, employees can navigate unique perspectives their identities and experiences bring—shaping their careers, goals, relationships and the values that matter most in their lives.

Atletang Ayala

This transformative program helps fuel the dreams of emerging Filipino athletes aspiring to compete in the 2028 Olympics, equipping them with the support they need to excel in their respective sports. Launched in 2022, this

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program leverages the resources and networks of the Ayala group to nurture rising athletes and support their unique needs to become sports champions. This year, ACEN has pledged to support two Filipino athletes:

- **Allain Ganapin**, a 26-year-old Filipino Taekwondo para-athlete who has been a member of the Philippine National Team since 2015
- **Sammuel Tranquilan**, a 26-year-old national fencing athlete representing the Philippine Men's National Fencing Team

As part of the Atletang Ayala program's holistic training approach, both athletes are employed part-time at ACEN, working with our HR team to



Atletang Ayala Allain Ganapin (in blue), 26, competed in the Paris 2024 Summer Paralympic Games for Taekwondo. He has been a member of the Philippine National Taekwondo Team since 2015.

support employee well-being and engagement initiatives across the group. This dual-role setup not only provides them with Ayala's support in their athletic journey, but also equips them with valuable skills beyond sports, preparing them for future opportunities beyond competition.

Employee engagement survey

At ACEN, we believe in actively listening to our people to continuously improve their workplace experience. We conduct regular employee surveys to assess key aspects such as alignment with company goals, access to resources, team synergy and motivation. These insights allow us to implement initiatives that genuinely enhance engagement and satisfaction.

In our latest employee engagement survey, we're proud to have achieved a 92 engagement score, outperforming the Global High Performance norm—a benchmark developed by Willis Towers Watson that evaluates organizations excelling in both financial performance and human resource practices. ACEN scored particularly high in goal alignment, resource availability and team synergy.

While this is a significant achievement, we remain committed to continuous improvement, striving to enhance the employee experience and create a stronger culture of engagement across the organization.

Performance assessment

Our performance appraisal process is a structured, collaborative framework designed to evaluate and enhance employee performance while ensuring alignment with



During a townhall, our CEO Eric Francia launched our refreshed brand message, "More is possible," which captures our bold ambition and relentless drive to lead the energy transition.

organizational goals. Conducted annually, the process integrates continuous feedback, development planning and final evaluation to ensure fairness, transparency and engagement. It serves as our basis for recognizing achievements, supporting career growth and providing constructive feedback for improvement.

The process begins with employees and their immediate superiors co-creating Key Result Areas (KRAs) at the start of the year. Employees identify priority goals and adhering to the SMART framework—Specific, Measurable, Adds Value, Realistic and Time-based— to ensure a clear focus on strategic and tangible

outcomes. The KRAs constitute the largest share of an employee's overall performance evaluation. Beyond performance metrics, a percentage of the performance evaluation is dedicated to development planning, supporting employees in enhancing employee competencies and advancing their careers in accordance with ACEN's learning and development framework. In addition to the KRAs and development planning, employees are also evaluated based on how they embody ACEN's core values—Aspire and Believe, Collaborate and Deliver.

The performance review process begins with a self-assessment where employees reflect and evaluate their performance. This is followed by

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Our stellar employee engagement score of 92 reflects a strong culture of engagement across the ACEN group.

a collaborative discussion with their immediate superiors to provide balanced feedback and identify development strategies, as well as calibrations across teams and business units to validate ratings.

The process concludes with a focus on rewards and career progression, linking performance appraisal outcomes to career advancement, merit increases, performance bonuses and learning opportunities. By integrating clear goals, regular feedback and structured evaluations, our performance appraisal process not only measures results but also opens opportunities for career growth.

Compensation and benefits

Our compensation philosophy ensures the competitiveness of the employees' total remuneration compared to our relevant market while complying with national labor laws. We factor in the quality of an individual's performance relative to corporate and individual Key Result Areas (KRAs) to determine the appropriate compensation, regardless of gender. Salary increments, benefits and rewards are commensurate with the overall company and individual performance, determined through the mid-year and annual performance and talent review process. We offer variable pay in the form

of a performance bonus, allowing opportunities to reward individual contributions all throughout the year.

Aside from standard compensation packages and cash benefits, we offer a competitive employee benefit package that comprehensively supports employees' financial and personal well-being.

Our medical and wellness benefits include comprehensive health insurance, medical allowances, defined contribution retirement plan, entitlement to extended paid medical leave (cancer care leave), sponsorship for professional or organizational club memberships, and subsidy for activities that promote overall well-being. For project-based employees, medical, life and accident insurance as well as service incentive leaves are provided.

Our effort to promote diversity, equity and inclusion (DEI) includes gender-support benefits, with our health insurance package covering the common law and LGBTQIA+ partners. Dependents coverage has also been expanded to include in-laws, nieces and nephews in our health insurance.

Our office provides functional private and public spaces for our employees and guests. This includes a nursing and lactation room for working mothers, nap rooms, recreation and training rooms, gender neutral shower rooms and restrooms, enclosed phone booths situated in open office spaces in each floor, and activity halls (i.e., the Melting Pot) for employees and guests to dine and socialize. The office provides unlimited access to premium coffee, tea and

clean water with enough food storage spaces and food warmer appliances.

For employees at our plant sites, dedicated shuttle services are provided for those residing in remote areas. Staff housing is provided for long-term accommodation, especially for employees assigned in plants located in remote and far-flung areas. Daily meals are also provided by our in-house cafeteria operated by partnered concessionaires.

In 2024, we continuously improved our employee benefits through:

- › Meal and transportation subsidy for non-managerial employees
- › Additional leave credits of up to six months for employees battling with cancer and other dreaded diseases
- › Improved employee experience on health care with an insurance provider that gives additional network access to standalone clinics



We offer competitive packages and benefits for employees at the plant level.

SOCIAL

- More preventive health and wellness programs and facilitating various mindfulness and mental health seminars
- Additional incentives for managerial employees who will avail an electric vehicle in our car plan, encouraging a sustainable lifestyle

As part of our retention program, ACEN's reward system includes long-term incentive plans, which are equity-based compensation program designed to incentivize management team managers in driving high-performance and achieve our targeted three-year performance indicators on growth, total shareholder return and ESG. The latter is considered as a key performance metric to reflect the company's commitment to responsible and sustainable growth.

Rewards under this plan are granted in the form of performance shares, which are awarded to executives and key employees in the year following the completion of the performance cycle. These shares are then subject to a three-year vesting period and awarding is based on the overall performance score of the committed performance targets governed and managed by the senior leadership team, personnel compensation committee and chairman of the board.

In 2024, we successfully implemented the Defined Contribution (DC) Plan as part of our amended retirement program, the ACEN Multi-Employer Plan. Employees can voluntarily contribute a percentage of their monthly basic salary, while the employer provides a contribution relative to a portion

of the employee's monthly basic salary. Policy guidelines also allow employees to select their preferred investment mandate options, which can be adjusted annually, along with their monthly contribution rates.

Integrating sustainability at the workplace

Aligned with our commitment to sustainability, we have created a workplace that embeds sustainable features for our offices and project sites. We believe that our continuous efforts to advance our renewables agenda must be met with an environment that embodies the sustainability principles we all want to achieve.

Our ACEN headquarters is located in Ayala Triangle Gardens Tower 2, a Leadership in Energy and Environmental Design (LEED) Gold-Certified building, signifying that the structure was designed and constructed with resource-efficient features to minimize negative impact on its surroundings. We used environmentally-friendly materials in our office wherever possible, such as in the carpets which are made from recycled fishing nets. To conserve water and energy, water-saving faucets are installed in the restrooms and motion-sensor lights and floor-to-ceiling windows are established. We ensure good air quality by strategically placing air-purifying indoor plants all throughout our office. These plants eliminate toxins and carbon dioxide and convert them into oxygen in an efficient and natural manner.

Similar elements are found in our Australia offices. In addition to indoor plants that are stationed around the office, our desk spaces



Air purifying indoor plants are strategically placed all throughout our office, while ergonomically designed work spaces help reduce health risks.

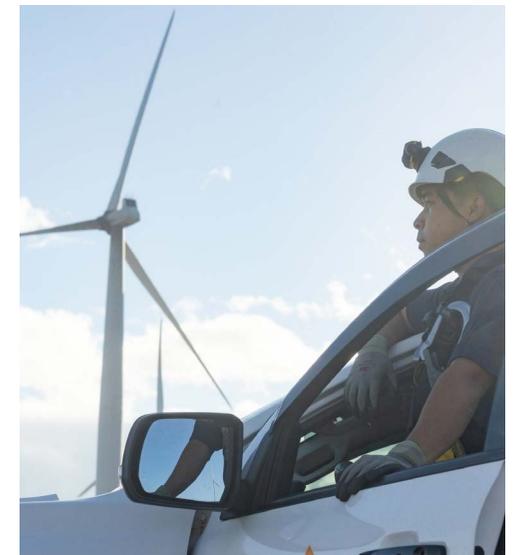
are ergonomically designed with standup capabilities to provide flexibility and help reduce health risks from prolonged sitting. End-of-trip facilities such as shower rooms are available in our Sydney and Melbourne offices to support employees who commute. To avoid additional waste, we transitioned from coffee machines that use pods to those that grind whole beans.

Across our sites, we regularly monitor heat index and noise to assess our work environment and ensure that we implement preventive measures for the safety of our workers. For employees and contractors,

we conduct yearly trainings on heat stress management, provide access to drinking water and offer shuttle services to and from our sites. To minimize dust pollution, we water our roads during the dry season.

We promote employee welfare by implementing features such as shower rooms, ergonomic workstations, food supplies in office pantries and adequate lighting and ventilation. In some of our sites, we have on-site sports facilities and equipment such as basketball court and badminton rackets to encourage physical fitness as well as teamwork and collaboration.

By integrating sustainable practices and features into our offices and project sites, we create a work environment that reflects our vision and supports the well-being of our employees.



Across our sites, we offer shuttle service for employees and contractors for ease of transportation.

SOCIAL

Health and safety

43,176

Safety training hours in 2024

ISO 45001:2018

Certification in all operational sites in the Philippines



As we drive our renewables agenda forward, we prioritize the health and safety of our employees at the core of our business.

In line with our Health, Safety, Security and Environment (HSSE) policy, we remain steadfast in our commitment to provide a safe workplace for our personnel. We adhere to the highest level of standards in terms of labor practices, including occupational health and safety (H&S). We align with local laws and global best practices, including implementing an HSSE management system, setting clear targets and collaborating with employees, partners and contractors to build a strong safety culture across the organization.

The HSSE policy is overseen by our group chief risk officer who represents health and safety at the executive level. At the corporate level, the HSSE team manages health, and safety matters and works with H&S officers at the project level to embed health and safety practices from development until operations.

Hazard identification and risk assessment

We implement a risk management process to identify, assess and prioritize health and safety risks on all sites, from projects which are under development to operating projects, to minimize probability or impact of potential incidents. The risk assessment is carried as early as during the development phase. In addition, our contractors are required to undergo a prequalification process aligned with ACEN's safety rules, policies and workplace procedures.

Read more about how we prioritize the health and safety of our people



Incident management

Our Incident Management System (IMS) provides a structured approach in responding to any kind of emergency that has impact on people, asset, community and environment. The HSSE and Risk team in the head office oversees the process and ensures its effectiveness.

In 2024, a number of employees took the courses on IMS 100, IMS 200 and IMS 300, covering topics such as the IMS overview, its application to the company, its leadership and management system, to ensure the

effectiveness of the implementation of the MS. To provide a structured and timely approach for reporting, investigating and managing HSSE incidents, we have an incident reporting process and tool that applies to all locations where ACEN has operational and development activities and covers staff, contractors, vendors, subcontractors and third-party incidents. Through the standardized procedures, all incidents are reported in line with local regulations and industry best practices, and that appropriate level of investigation is conducted to prevent recurrence of incident.

SOCIAL

We require all incidents to be logged in our Automated Incident Reporting System (AIRS) within 24 hours of the incident occurring, followed by internal and external notification and incident investigation and review.

To ensure that similar incidents are prevented in the future, learnings from incident (LFI) are shared and learning sessions are also conducted regularly. We also adopt an incident command system to facilitate smooth coordination with external parties, including government agencies, for emergency response or incident management. We deploy incident

commanders to ensure incident safety on-site and to communicate relevant information to stakeholders following the necessary response procedures for incidents and emergencies.

We utilize e-learning modules to cascade trainings on permit-to-work, effective intervention and risk management. Health and safety reorientations are also held yearly for all employees. In all of our project sites and operating plants, safety trainings are conducted regularly. In 2024, we organized a total of 43,176 safety training hours, more than double the previous year's total of 20,106 hours. Our

training sessions were attended by employees and contractors from our development teams, operations teams and head office.

As part of our intention to continuously collaborate with partners and contractors in advocating occupational health and safety, a whole day workshop was held last October with three of the biggest contractors of our plant operations. This was a follow through of the HSSE Leaders Contractor's Forum held in 2023 wherein twenty key contractors were engaged on ACEN's Contractor Health and Safety Standards.



We celebrated the 2024 World Safety Day with the theme, 'Recognize, Ready and Respond' in line with the global campaign of the International Labor Organization (ILO), which is "ensuring safety and health at work in a changing climate."

Health and safety certification

100 percent of our operational sites in the Philippines are certified under ISO 45001:2018 (Occupational Health and Safety), which demonstrates the organization's capability to address the specific health and safety risks of its operational activities.

The certification is a testament of ACEN meeting global standards on preventing work-related injuries, illnesses and fatalities, as well as improving occupational health and safety performance through proactive management and continual improvement. This includes measures to ensure compliance with legal requirements, promote worker participation and consultation, and provide resources and training to support a safe working environment. Internal and external audits are periodically conducted to evaluate the performance and compliance of these sites in reference to the ISO standards.

In addition to our ISO certification, several of our Philippine plants have been recognized for their excellent health and safety performance. North Luzon Renewables and NorthWind were awarded by the Safety Organization of the Philippines, Inc. (SOP) for achieving 1.75 million safe man-hours and 753 thousand safe man-hours, respectively, since 2020. Safety & Health Association of the Philippine Energy Sector, Inc. (SHAPES) awarded North Luzon Renewables, NorthWind, Pagudpud Wind and Cagayan North Solar for attaining zero lost time incidents in 2024.

20.3 million
Safe man-hours

SOCIAL

2024 targets and performance

As part of our commitment to continuously improve in our health and safety performance, we have established both lagging and leading safety indicators in 2024. To help ensure that we have the capacities in our operating and project sites, leading indicators such as training sessions, toolbox talks, management field visits, hazard and near-miss reporting, action close-out rate, participation rate in safety meetings are regularly tracked, analyzed for trends, and evaluated for its effectiveness in shaping a positive safety culture. These are on top of the lagging indicators such as zero fatalities and lost-time injuries and total recordable cases reduction targets.

The monthly performance results are also presented to management to monitor progress and discuss strategies to address repeat incidents, further mitigate health and safety risks for high risk work activities and enhance health and safety protocols, among others.

While we had zero employee and contractor fatalities, unfortunately, there were two motor vehicle crashes involving contractor personnel that resulted to four third-party fatalities. We have conducted extensive investigations with all parties involved to gather all necessary information and develop detailed incident reports, conducted root cause analysis and created corrective action plans identifying the controls to be implemented for each identified problem area. Part of the corrective actions implemented include defensive driving training,

strengthening of contractor protocols on fatigue management and journey planning. Similarly, while there were zero employee lost time injuries (LTI), a total of five contractor LTIs were recorded during the same period. Each incident was comprehensively investigated, and additional control measures were put in place for identified gaps. Key learning points from the incident investigations were shared to relevant stakeholders.

Aside from measuring our safety performance through LTI and TRCF, we are employing the use of leading indicators which are preventive measures designed to proactively identifying

hazards and establish adequate controls to avoid occurrence of serious incidents. As of year-end, we have conducted more management field visits and safety meetings compared to the previous year and received higher engagement on hazards reported, exceeding internal targets.

Moving forward, we will prioritize contractor safety management, construction and road safety as well as development of a health and safety governance framework to further address health and safety risks.



We conducted more management field visits and safety meetings in 2024, driving higher hazard reporting and exceeding internal targets.

ACEN's 2024 health and safety performance

	Employees	Contractors	Third-party
Total recordable cases (injuries)	0	26	4
• High consequence work-related injuries	0	0	4
• Fatalities	0	0	4
• Permanent total disability	0	0	N/A
• Non-high consequence work related injuries	0	26	N/A
• Lost time injuries ^a	0	5	N/A
• Non-lost time injuries ^b	0	21	N/A
Total recordable cases frequency rate (TRCF) ^c	0.00	1.85	N/A
Fatality rate ^c	0.00	0.00	N/A
High consequence work-related injury rate ^c	0.00	0.00	N/A

a. Lost time injuries refer to injuries resulting to permanent partial disability that partially limits a person's ability to work or perform daily activities but does not completely prevent them from working.

b. Non-lost time injuries refer to injuries that do not result in lost workdays such as restricted work cases, medical treatment cases.

c. TRCF, fatality rate and high consequence work-related injury rate were computed based on a 1,000,000-hour basis. Formula is based on the number of cases, fatalities or injuries multiplied by 1,000,000 and divided by total man-hours.

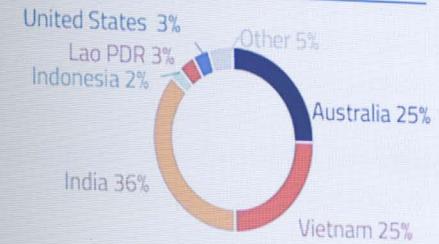
Influence + Innovate

We propel the regulatory, financial and technological advancements required to accelerate clean energy adoption.

Our quarterly analyst and investor briefing keeps stakeholders informed and engaged on ACEN's business performance and growth trajectory.

Breakdown by Net Attributable Capacity (International)

Geography



Operating Status



Battery 2%

Solar 3
73%



At ACEN, we aim to be a governance leader in the power industry. We integrate environmental and social considerations into our investment decisions and ensure robust systems are in place to implement our ESG policy effectively.

We are committed to continuously evolving our governance practices to lead with integrity across all our operations.

In our organization

Board-level Sustainability Committee

- › Responsible for the oversight and regular review of the company’s sustainability strategy and issues as well as climate-related risks and opportunities

Executive-level ESG Committee

- › Advises on ESG-related matters in policymaking and monitors performance on key ESG and climate-related metrics

Executive-level Risk and Health and Safety Committee

- › Provides an oversight function towards operational safety and sustainability-related risks

Corporate-level Sustainability Team

- › Performs sustainability and climate oversight functions led by the Head of Corporate Communications and Sustainability
- › Proactively works with all business units within ACEN, including project-level development leads, plant managers, HSSE leads, pollution control officers and sustainability officers to assess and manage environmental and social risks and issues
- › Facilitates capacity-building and ESG awareness campaigns on ESG for senior leaders and across the organization

Read more about the roles and responsibilities of the Board-level Sustainability Committee in the Sustainability Committee Charter.

Diversity in leadership

We are committed to having our board comprised of qualified and dedicated directors with a diverse mix of expertise, experience, skills and backgrounds. Diversity includes business experience, age, gender and ethnicity. Nominees shall be selected based on merit. With respect to gender, the board shall commit to ensure appropriate representation of women in the board to the greatest extent possible.

Our board has a diverse group of highly qualified and experienced leaders in their respective fields. Among our 11 Board members, 27 percent are women, while 36 percent are independent directors. As of December 31, 2024, 91 percent of the board is composed of

non-executive and/or independent directors. Independent directors do not have any interest or relationship with the company that may hinder their independence, or which could reasonably be perceived to interfere with the exercise of their independent judgment while carrying out their responsibilities as directors.

Aside from board diversity, we also track the diversity of employees in leadership positions. In terms of gender, 38 percent of employees at the Assistant Vice President (AVP) level and above are women.

38%
Women in leadership positions



For the second consecutive year, ACEN has been honored with 4 Golden Arrows by the Institute of Corporate Directors (ICD) at the 2024 ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow Awards.

GOVERNANCE

In our policies

We hold sound governance and ethical conduct across all facets of our business, ensuring that our interactions with stakeholders, counterparties and communities are guided by a profound respect for human rights.

As part of our dedication to integrating sustainability into our operations, we continue to be guided by policies that strengthen governance on crucial ESG themes such as:

- › [ESG Policy](#)
- › [Health, Safety, Security and Environment Policy](#)
- › [Human Rights Policy](#)
- › [Learning and Development Policy](#)
- › [Procurement Policy](#)
- › [Supplier Code of Conduct](#)
- › [Whistleblower Policy](#)

Visit our [website](http://www.acenrenewables.com) for our full list of policies at www.acenrenewables.com

To ensure that our principles of good governance and business ethics are cascaded across the organization, we launched governance programs that are embedded in the learning and development of each employee. All new employees are required to undergo training on the different aspects of the Code of Conduct and Ethics which were followed by online assessments. Annually, employees are required to declare that they have complied with the Code of Conduct and Ethics.

Our Code of Conduct and Ethics provides guidelines to the following topics:

- › Fair dealing with customers, suppliers and business partners
- › Confidentiality of information
- › Conflicts of interest
- › Insider trading
- › Safety in the workplace, including anti-harassment
- › Anti-bribery and anti-corruption



We uphold excellence in corporate governance by ensuring our employees follow the highest standards through our policies and Code of Conduct.

The chief human resources officer is tasked to implement and monitor compliance with the provisions of the Code of Conduct.

This Code, together with its Implementing Rules and Policies, our Human Resources Manual of Policies and Procedures, Employee Handbook and other company policies guide our employees in dealing with stakeholders, including other employees, customers, investors, business partners, the government and the public.

ACEN Speak Up Safely

To provide a mechanism to report any perceived wrongdoing, malpractice and any irregularities that are contrary to the Company's core values, we launched ACEN Speak Up Safely, an independent whistleblowing service managed by a third-party.

This service is offered to our employees, customers, suppliers, contractors, other third-party service providers and any person connected to ACEN, its subsidiaries, associated or related parties as a channel for reporting fraud or other misconduct.

We take whistleblowing very seriously and will review all reports and initiate an investigation where possible.

ACEN Speak Up Safely is available in the Philippines, Australia, Vietnam, Indonesia, India and the United States and will support reports in English, Tagalog, Bahasa Indonesia and Vietnamese through its translation feature.

[Learn more](#) about ACEN's Speak Up Safely program.

GOVERNANCE

Environment and Social Management System (ESMS)

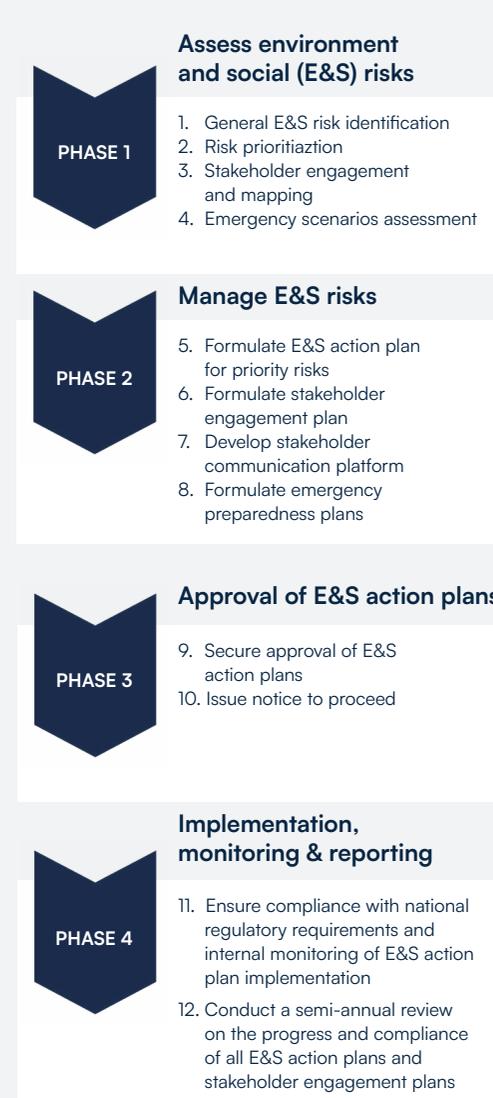
As we continue to expand our business, we diligently identify opportunities to address environmental and social (E&S) challenges.

Our Environmental and Social Management System (ESMS) serves as a robust framework for managing E&S risks and impacts across the entire project lifecycle.

Aligned with international standards and our ESG policy, the ESMS guides project teams in assessing, mitigating and managing risks. Additionally, its implementation ensures compliance with the investment criteria of green financial institutions and investors—critical to accelerating the growth of our renewable energy portfolio.

Building on insights from our collaboration with Climate Smart Ventures Pte. Ltd (CSV) and their prior assessment of 22 project sites in 2022, we expanded the assessment to cover 9 additional projects across the Philippines, India, Vietnam and the U.S.A. The review highlighted strategies implemented to address risks, ensure compliance and drive ongoing developments, spanning all project phases—pre-development, construction and those nearing commercial operations. This approach allowed us to evaluate how environmental and social safeguards are integrated into project management plans, identify best practices and pinpoint areas for improvement.

The ESMS process



ESMS material topics

Climate change

Climate risk assessment

Physical risks:

- > Tropical cyclone
- > Flooding
- > Water stress
- > Drought
- > Wildfire
- > Extreme temperature

Climate mitigation

- > Greenhouse gas (GHG) emissions reduction

Climate adaptation

- > Measures for sites to increase their ability to adapt and quickly recover from the negative impacts of climate change

International Standards ACEN TCFD Report

Climate change risks are considered in the assessment phase of the ESMS in order to embed climate-resilient features in our plant design.

To know more how we integrate climate change adaptation and resilience measures, refer to [page 27](#) ▶

Biodiversity

Biodiversity goal

- > No net loss
- > Net gain

Mitigation hierarchy

- > Avoid
- > Minimize
- > Restore
- > Offset

International Standards

International Union for Conservation of Nature (IUCN) Guidelines on mitigating biodiversity impacts associated with solar and wind energy development

The ESMS incorporates biodiversity commitments from our Environmental, Social and Governance Policy, referencing IFC Performance Standard 6 as well as mitigation hierarchy principles.

To know more how we integrate biodiversity measures in our areas of operation, refer to [pages 28-31](#) ▶

GOVERNANCE

Circularity

Approaches

- › Reduce and reuse
- › Repair and refurbish
- › Repurpose and recycle

Energy management

Water management

Solid and hazardous waste management

International Standards

UNEP Circularity Platform

Waste management is tackled under the environmental assessments conducted through the ESMS to identify opportunities to manage impacts on waste.

To know more how we integrate circularity in ensuring resource efficiency, refer to [pages 32 to 33](#) ▶

Local communities

Stakeholder engagement

- › Implement measures to consult with and obtain consent
- › Provide regular update on the status of the project to affected communities

Grievance redress mechanism

- › Clear procedure such as receiving platform, screening process, resolution, monitoring & reporting

Social program

- › Addresses identified needs of our host communities
- › Align with our Sustainability Program Pillars
 - Biodiversity
 - Resource efficiency
 - Social programs

International Standards

IFC Performance Standards & ADB Safeguards

The ESMS outlines procedures for engaging with local communities across the life cycle of each project. Stakeholder engagement and mapping are embedded in the ESMS process to inform appropriate programs and responses that address community concerns and interests.

To know more how we communicate, work with and ensure we create shared value with local communities, refer to [pages 37 to 45](#) ▶

Human & labor rights

Health and safety

- › Project-level
- › Community-level

Involuntary resettlement

- › **Level 1:** Compliance with regulatory requirements
- › **Level 2:** Additional revenues and services through benefit-sharing schemes
- › **Level 3:** Develop and implement an involuntary resettlement action plan

Indigenous people

- › **Level 1:** Compliance with regulatory requirements
- › **Level 2:** Social initiatives targeted to IP community
- › **Level 3:** Develop and implement an Indigenous Peoples' plan

International Standards

IFC Performance Standards & ADB Safeguards

The ESMS integrates labor and community risks across all environmental and social assessments conducted in each site.

To know more how we integrate humans and labor rights in developing projects, refer to [pages 37 to 39, 42 & 45](#) ▶



We ensure that climate risks and mitigation measures are communicated across our sites.



We prioritize protecting biodiversity by minimizing impacts across our solar and wind developments.



We empower indigenous groups with social initiatives that enable them to thrive.

GOVERNANCE

Supply chain

Our dedication to fostering responsible and ethical business practices covers not only our operations but also our entire value chain. We seek to partner with suppliers that share our commitment to conducting business with integrity and the highest ethical standards. By building and maintaining strategic partnerships that are anchored on sustainability, we create a ripple effect that drives positive environmental and social impact for our stakeholders.

In 2023, the Board approved our Supplier Code of Conduct which reflects our commitment to uphold and protect human rights, adhere to labor, environmental, health and safety standards and observe ethical business practices at all times. The code applies to all of ACEN's bidders, vendors, consultants, contractors, and their employees, representatives, subcontractors and agents that supply or offer to supply goods and services to ACEN.



Our sustainability and procurement teams consistently collaborate to operationalize sustainability in our supply chain.

Suppliers are required to comply with all applicable laws and regulations in the Philippines and in the jurisdictions where they operate. In addition to our Supplier Code of Conduct, our Procurement Policy was approved and adopted by the Board in 2024 to guide our procurement activities. The policy establishes key principles and promotes high standards throughout the procurement process while ensuring compliance with business integrity, ethical conduct and our ESG policy.

ACEN Australia has also signed a modern slavery pledge developed by the Clean Energy Council to strengthen efforts in managing the risks of modern slavery in the supply chain. The pledge aims to show a commitment to action and to drive change in the energy industry.

[Read more](#) about our Supplier Code of Conduct

[Read more](#) about our procurement principles as stated in our Procurement Policy

Our Supplier Code of Conduct

Ethical business practices

- › Ethical principles and conflict of interest
- › Anti-bribery
- › Anti-money laundering and anti-terrorism financing
- › Data privacy
- › Confidential information
- › Protection of intellectual property

Environmental, health and safety standards

- › Health, safety and environmental compliance
- › Safe and healthy workplace
- › Business continuity management

Compliance with laws, human rights and labor standards

- › Compliance with applicable laws
- › Human rights
- › Compliance with labor standards
- › No harsh or inhumane treatment
- › No discrimination
- › No forced or compulsory labor
- › No child labor

Management system

- › Establishment of management system

Integrating ESG into the supply chain through *givvable*

To promote the alignment of our ESG goals with our suppliers, in 2024, we began a pilot engagement with *givvable*, an Artificial Intelligence (AI)-powered platform that gathers third-party verified ESG data on suppliers.

The platform allows us to track the credentials of suppliers on sustainability, collecting environmental, ethical sourcing, social impact, governance, community engagement, diversity, equity and inclusion practices, and their mapping to the United Nations Sustainable Development Goals (UN SDGs) and corporate objectives.

Through the engagement, we analyze ESG data of select 100 suppliers with the objective of aligning them with our overall sustainability framework, standards and targets, including our Net Zero goals. *Givvable* also provides free sustainability modules and a dedicated training session that suppliers can leverage on to enhance awareness and drive action on sustainability.

Insights from the pilot engagement will be used in setting ACEN's comprehensive strategy and roadmap to embed ESG into our supply chain. Additionally, we aim to expand ESG screening by evaluating all critical suppliers on potential ESG risks to identify key gaps and drive improvements.

STAKEHOLDER ENGAGEMENT

554

Retail customers

1,450+

Active suppliers

21

Strategic partners

We recognize that meaningful engagement and collaboration are essential for our stakeholders to thrive. By fostering open dialogue and strong partnerships, we gain valuable insights, share best practices and work toward common goals. This approach builds trust, strengthens relationships and creates long-term shared value—ensuring that our stakeholders and communities grow alongside our sustainable progress.

For our projects, we establish a stakeholder engagement framework that begins with mapping and prioritizing stakeholders, identifying those who are directly and indirectly affected and those who would have impact or influence on the projects. We create a stakeholder engagement plan that details the concerns, engagement method and information to provide for each stakeholder. Our engagement activities include consultations, grievance redress mechanisms, partnerships, training and sustainability programs.

Investors and creditors

They sharpen our focus on sustainability and help shape our renewables expansion.

Value proposition

- › To maximize value for equity and debt holders
- › To increase the market's understanding of our business and corporate developments
- › To enable a fairer valuation of our stock price

How we engage

- › Annual Shareholders' Meeting
- › Disclosures to the SEC, PSE and SGX
- › Quarterly investor and analyst briefings
- › Special information sessions on key transactions
- › Site visits
- › Comprehensive Integrated Report
- › Regular meetings with senior management for company updates



Retail customers

As key enablers of the energy transition, they provide opportunities to expand the renewables space.

Value proposition

- › To provide opportunities to jumpstart the customers' energy transition journey and facilitate their green switch

How we engage

- › Customer experience (CX) that covers canvassing, signing up, switching, billing and collection and renewal
- › One-on-one discussions with customers
- › Dedicated Renewable Energy Solutions (RES) website and social media
- › Organization of and participation in conferences
- › Site visits



Partners and suppliers

They provide us with a competitive advantage in accelerating our renewables expansion globally

Value proposition

- › To build and sustain mutually beneficial strategic partnerships with sustainability-aligned partners

How we engage

- › One-on-one discussions and continuous dialogue to actively seek collaboration opportunities and exchange best practices
- › Ensure alignment to ESG policy and adherence to Supplier Code of Conduct
- › Conduct supplier onboarding and accreditation which includes HSSE assessments
- › Supplier feedback forms



STAKEHOLDER ENGAGEMENT

Government and regulators

They provide the regulatory framework to enable our business and ensure continuity of operations.

Value proposition

- › To be a steadfast partner in policy formulation and adherence
- › To be a governance leader in the power industry

How we engage

- › Compliance with government regulations and adoption of leading practices in corporate governance
- › Participation in public consultations for key policies and legislations
- › Cooperation and participation in regulatory audits
- › Regular coordination and communication with regulators



Employees

Our employees are the bloodline of our business and the key to our success.

Value proposition

- › To maintain a safe and rewarding work environment that promotes the personal development of all ACEN employees

How we engage

- › HR integrated system technology platform, “MyHR”
- › Dedicated HR business partners for each business unit
- › Creation of ACEN People Committee
- › Regular company-wide engagement activities and events, including the formation of special interest groups
- › Quarterly townhalls
- › Comprehensive learning and development programs: trainings, workshops, online courses, extended education support, mentorship and coaching program



Communities

They are our partners in making projects tangible, successful and sustainable.

Value proposition

- › To promote socio-economic progress in our host communities and surrounding areas

How we engage

- › Designated Sustainability Officer and External Affairs Officer for each project
- › Regular and continuous engagement with communities through consultations and established communication channels
- › Institutional development initiatives with local governments
- › Development of sustainability programs anchored on our social pillars
- › Utilization of grievance mechanism procedures during development and operational phases



Media and other stakeholders

They act as catalysts for us to communicate our vision and initiatives, allowing avenues to accelerate the energy transition.

Value proposition

- › To provide information about corporate developments and management perspectives to the broader public

How we engage

- › Regular participation in industry conferences, speaking engagements, roundtable discussions and other events
- › Collaboration with partners in climate change and the energy transition
- › Dedicated Corporate Communications team
- › Media briefings
- › Regular press releases
- › Utilization of ACEN website and social media platforms



RISK MANAGEMENT

ACEN's enterprise risk management framework

We strive to enhance our internal governance framework to align with the evolving business landscape and meet the expectations of our regulators, shareholders, business partners, customers, suppliers, employees and other stakeholders. In 2022, we appointed a chief risk officer and established a team on both operational and financial risks - the risk and insurance management team and health, safety, security and environment team. In addition, we launched our Enterprise Risk Management (ERM) Policy that incorporates risk management approaches from ISO 31000:2019 (Risk Management — Guidelines) and the COSO (Committee of Sponsoring Organizations).

The ERM Policy contains the following:

- › ERM policy statement
- › Risk appetite statement
- › Risk universe
- › Risk management process
- › Risk ownership guidelines
- › Risk assessment matrices
- › Alternatives for risk mitigation measures

In 2023 and 2024, we enhanced the alignment of risk-based processes to the ERM Policy, particularly the risk assessment matrices. We improved and cascaded a risk dictionary and reporting protocol to teams handling development and construction projects based on the Risk Assessment Matrices. To guide emergency response and incident management teams on the level of preparation and response for specific risk scenarios, we created alert levels

as part of our business resiliency efforts. As we aggressively grow our retail supply business, we also enhanced the review and monitoring of customer credit risk through the ACEN RES Credit Scoring system.

Finally, the Risk Assessment Matrices were used to align and expand the criteria for determining audit findings by the Internal Audit team.

Read more about our risk management process in our [ERM policy](#).

Strategic risks

Through a bottom-up and top-down approach, we review strategic risks or risks that could significantly impact our strategies and business directions on an annual basis. The Risk team presents these risks to senior management to discuss and prioritize the risks vis-a-vis our 2030 goals and global portfolio. The final list is reviewed and approved by the Board Risk Management and Related Party Transactions (BRMRPT) Committee following the risk assessment matrix stated in the ERM policy.

For each strategic risk, we've established mitigation measures and their respective residual impact and likelihood. Residual impact and likelihood refer to the potential impact and likelihood of the risk occurring after existing controls and mitigating measures have been implemented. Residual impact is classified into five levels: minimal, minor, moderate, major, and significant, with significant representing the highest impact. Similarly, residual likelihood is categorized as rare, unlikely, possible, likely, and almost certain, with almost certain indicating the highest probability of risk occurrence.

Regulatory risk

Definition Risk of loss or missed opportunities due to:

- › Implementation of unfavorable regulations by the ERC/DOE
- › Delays or poor implementation of supportive regulations that could foster the company's growth

Mitigation measures

- › Established a Regulatory Affairs team to manage regulatory matters
- › Actively participating in industry associations to influence regulatory measures
- › Engaging local partners and hire locals to navigate business and political landscapes in other regions
- › Monitoring key policy and political developments abroad, such as the US elections and tariff changes in India

Residual impact Significant

Residual likelihood Almost certain

Grid availability risk

Definition Possible disruptions, losses or limitations in the availability of the grid to deliver power due to technical issues, natural disasters, regulatory changes, cyberattacks or supply-demand imbalances.

Mitigation measures

- › Strengthening the communication with grid operators for the transmission of power from operating assets

Residual impact Major

Residual likelihood Almost certain

Project execution risk

Definition Significant deviations from RE projects' approved scope, budget and schedule due to both controllable and uncontrollable factors, resulting to opportunity losses, regulatory penalties and damage to reputation.

Mitigation measures

- › Stronger emphasis on risk identification pre- and post-notice to proceed (NTP)
- › Enhancing project management discipline, particularly on risk management and mitigation
- › Enhancing incident management protocols for construction projects

Residual impact Major

Residual likelihood Possible

Supply chain disruption risk

Definition Risk of loss or opportunity loss due to delays, shortages or interruptions in the delivery of goods and services that meet ACEN's requirements (i.e. quality, time and budget). This includes availability of qualified third-party suppliers.

RISK MANAGEMENT

Mitigation measures	<ul style="list-style-type: none"> › Establishing and maintaining strategic partnerships with key suppliers › Creating purchase agreements for key components › Improving procurement and vendor management
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Residual impact	Moderate
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Residual likelihood	Possible
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Financial markets risk

Definition	Risk of loss or opportunity loss due to significant changes in the global financial market such as, but not limited to, fund availability, interest rates, foreign exchange, commodity prices, or inflation.
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Mitigation measures	<ul style="list-style-type: none"> › Implemented hedging strategies for USD funded projects › Maintaining healthy cash balances and ensuring loan maturities are at acceptable levels › Reviewing investment parameters and financial metrics prior to new investments › Maintaining strong relationships with key financial partners
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Residual impact	Moderate
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Residual likelihood	Possible
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People risk

Definition	The risk of failing to attract, develop, and retain key talent is essential to ACEN's achievement of its goals. This includes having inadequate measures for talent retention and succession management.
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Mitigation measures	<ul style="list-style-type: none"> › Creating a holistic employee experience which covers enhanced retention and rewards programs, comprehensive professional learning, leadership and mentoring opportunities and wellness activities, including mental health and a program for cancer-stricken employees
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Residual impact	Minimal
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Residual likelihood	Unlikely
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Change management risk — policies, standards, and procedures

Definition	The inability to revise, adapt or streamline the company's policies, procedures, and standards that will support the company's growth ambitions. This includes the communication and consistent implementation of these policies, procedures and standards throughout the company.
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Mitigation measures	<ul style="list-style-type: none"> › Created a taxonomy for corporate policies, procedures, and documents › Reviewed 1,300+ documents › Launched a multi-year project in enhancing document management
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Residual impact	Minimal
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Residual likelihood	Unlikely
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Operational risks

We've increased the risk reporting frequency of operating assets, requiring them to update their risk registers on a quarterly basis. For projects under development, project teams are also required to report their risks and mitigation measures during milestone approvals. Lastly, as part of their planning and budgeting process, functional departments update their risk registers on an annual basis.

Insurance management

Our global insurance portfolio grew as a reflection of our continued expansion. In 2023, we launched an initiative to refine our insurance

portfolio, which was fully implemented in 2024. Master Insurance Programs were created for the Philippine solar, wind and thermals portfolio, the Vietnamese portfolio, and the Australian portfolio. Besides the administrative benefits of single anniversary dates, the portfolio has resulted in improved signings. In addition, the average subscription rate increased from 110 percent to 215 percent due to the consolidation of the insurance policies and aggressive marketing to insurance companies. As an effect, the blended rate decreased by 7 percent along with the improvements of several insurance terms and coverages.



Milo Alejo, head of risk and insurance management at ACEN, joined a breakout session at the WTW Strategic Risk Conference 2024 to discuss the realistic challenges of climate and the energy transition.

RISK MANAGEMENT

Cybersecurity

We recognize that cyber threats, if not mitigated, could lead to business disruption, security threats to our employees and clients, financial losses and reputational damage. We work towards addressing cybersecurity risks as we adopt and leverage information technology (IT) tools to improve organizational efficiency and increase relevance to our stakeholders. We have aligned our Information Security Policy with ISO 27001 on information security management system and ISO 27002 on information security controls. The policy supports in ensuring that our IT environment is secure, particularly on the confidentiality, integrity and availability of information and information systems.

Our group chief risk officer, John Philip Orbeta, is in-charge of ensuring policy compliance and managing cybersecurity threats at ACEN. He is supported by Albert Palero, head of information security, who leads the information security team. To provide strategic guidance on IT investments, our IT Steering Committee approves IT projects, covering applications, infrastructure, security and analytics.

Annually, we conduct Vulnerability Assessment and Penetration Testing (VAPT) and third-party audit covering the ACEN IT Suite to ensure that our current security measures are either within industry standards or above them. We also employ third-party information security tools to enhance our cyber threat response.

Since cybersecurity incidents mainly stem from a company's workforce, often through malware, phishing and social engineering, we conduct mandatory cybersecurity awareness training on a quarterly basis. 92 percent of our employees completed cybersecurity awareness trainings cascaded during the year.

In 2024, we also implemented several initiatives to further manage cybersecurity risks:

- Completed the gap analysis to secure ISO certification
- Collaborated with a third-party company to conduct a risk assessment and identify areas for improvement in our information systems
- Partnered with Globe Telecom for 24/7 Managed Security Operation Center, a log monitoring and log analysis service covering all security events and alerts, to extend our detection capability
- Coordinated with internal audit to align current initiatives and procedures with industry best practices
- Completed the IT disaster recovery strategy that is now under IT Steering Committee approval
- Secured cyber insurance for the year 2025

As a result of these measures, there were zero breaches of information security for ACEN in 2024.

Given the nature of our transactions, independence to cyber activities, segregation of databases and risk mitigation measures were included in our top risks. However, recognizing that it can have impact to the tactical and operational aspect of the business, cybersecurity risk is still closely monitored.

[Learn more](#) about our approach to information security in our Information Security Policy.

We commit to observe the highest ethical standards on using and protecting information and information systems.



In August 2024, we partnered with Globe Business to enhance our Security Operations Center. This collaboration gives ACEN access to skilled professionals with deep expertise and knowledge of the necessary platforms to protect our assets and data.

OUR TASK FORCE ON CLIMATE-RELATED DISCLOSURES (TCFD) REPORT



Since 2021, we have been a supporter of the Task Force for Climate-Related Financial Disclosures (TCFD), established by the Financial Stability Board to develop voluntary and consistent climate-related financial disclosures to improve transparency on climate risks and opportunities. These disclosures revolve around four thematic areas: governance, strategy, risk management and metrics and targets.



Our CEO Eric Francia delivered a keynote address during a Climate and Clean Energy Transition forum at the 2024 ASEAN-Australia Special Summit in Melbourne.

Governance

Board oversight on climate governance

The Board plays an integral role in our climate agenda, including the increasing integration of climate-related issues into our broader corporate strategy. In particular, the Board reviews and approves major strategic decisions proposed by senior management around energy transition, decarbonization strategy and portfolio of top risks including climate and medium and long-term climate targets. Further, the Board reviews and approves management's specific responsibilities against ESG targets, including the development of science-based metrics and targets towards our Net Zero goal by 2050.

In recent years, key strategic decisions of the Board have had an increased focus on climate change. These include the establishment of our Environmental, Social and Governance (ESG) Policy which defines our transition to a low carbon portfolio and our commitment to Net Zero by 2050 as announced in 2021. The Board was likewise instrumental to the divestment and early retirement of the 246 MW SLTEC coal plant and its transition to cleaner technology by 2040 through the landmark Energy Transition Mechanism.

To sharpen our focus on our sustainability agenda, in 2021, the Board created the Sustainability Committee to review strategic objectives and monitor the progress of sustainability initiatives, including climate change, and lead all climate-related matters. Since its inception, the Sustainability Committee has provided oversight on our key climate

initiatives: the Net Zero commitment, transition to a low carbon portfolio and carbon emission reduction targets.

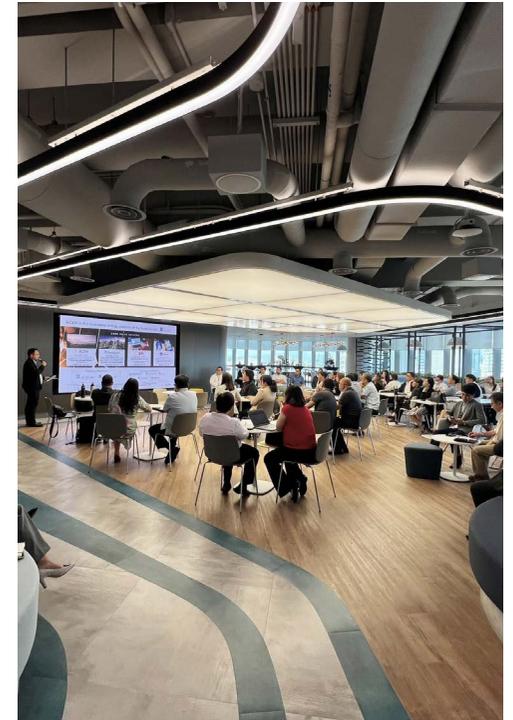
Additionally, the Board's Risk Management and Related Party Transaction Committee has oversight of our Enterprise Risk Management system, which includes climate risks.

Management oversight on climate governance

Management is primarily responsible for the execution of Board-approved climate-related strategies and monitoring of performance. In addition, it designs and implements an adequate and effective system of internal controls and risk management processes to ensure the achievement of objectives while maintaining compliance with laws, rules and regulations.

To facilitate the flow of strategic and operational information among key decision-makers, we created in 2022 the ESG Committee at the executive level to review, monitor and aid senior management and the Board on policymaking and decision-making processes around ESG issues. The Committee is composed of the functional heads of governance and compliance, sustainability and investor relations, and headed by the group chief human resources, administrative and risk officer. In addition, we created the Risk and Health and Safety Committee to provide oversight on operational safety and sustainability risks.

At the corporate level, the sustainability team has oversight in managing sustainability initiatives, climate-related risks and



Our risk and insurance management team regularly conducts risk engineering surveys and roadshows in the ACEN headquarters and plants.

opportunities, as well as climate-related disclosures. At the project-level, development leads proactively mitigate the physical effects of climate change in the planning and design of new projects. The sustainability team works closely with the development teams to ensure that any environmental and climate-related issues are adequately addressed. For operating plants, plant managers as well as health, safety, security and environment teams work closely with the sustainability team to address any environmental issues and manage the physical risks of climate change.

OUR TASK FORCE ON CLIMATE-RELATED DISCLOSURES (TCFD) REPORT

Strategy

Our long-term strategy is tied to climate action, enabling us to play a leading role in the energy sector's transformation towards a low-carbon economy. Since 2023, sustainability has been part of our corporate key result areas which are regularly monitored and reported to our Board of Directors.

In 2022, we engaged Aon and The Climate Service (TCS) to conduct a climate scenario analysis, quantifying the impact of climate-related risks to the company's 40 existing sites. We used Representative Concentration Pathways (RCPs) 4.5 and 8.5 scenarios to model the financial impacts until 2030. The RCP 4.5 "Low Emissions" scenario implies coordinated action to limit greenhouse gas emissions to achieve a global temperature warming limit of approximately 2°C, while the RCP 8.5 "High Emissions" scenario assumes that no major global effort to limit greenhouse gas emissions will go into effect. In this scenario, it is estimated that end-of-century increases in global mean surface temperature will be in the range of 4.2 to 5.4°C. For both the analyses for climate-related physical risks and climate-related transition risks, the Modelled Average Annual Loss (MAAL) was used to determine the possible loss after considering the investments made on existing risk mitigation measures.

Recognizing that our asset portfolio continues to grow and that climate models improve over time, we will conduct another climate-related scenario analysis starting 2025, in line with our three-year cycle for climate risk assessment.

We plan to improve our climate analytics, covering both physical and transition risks until 2050.

Climate-related physical risks

Based on the scenario analyses, extreme temperature was the most significant physical risk. To address this, we adjust work schedules and monitor heat indices to safeguard workers during extreme heat. We also continue to improve our emergency response plans for various climate hazards.

As global temperatures affect wind patterns and heat indices, our renewable energy projects may experience revenue reduction and property damages. We continue to look into modeling these extreme temperature scenarios and how to best mitigate against these, focusing on integrating climate-resilient measures in our projects.

Flooding is also a major risk as some wind farms are built in coastal areas. To mitigate the risk of flooding, key equipment is placed in higher or

in millions	RCP 4.5		RCP 8.5	
	% Risk	MAAL (in USD)	% Risk	MAAL (in USD)
Temperature extremes	0.2983%	15.17	0.3450%	17.55
Coastal flooding	0.1874%	9.53	0.2073%	10.54
Fluvial flooding	0.1323%	6.73	0.1943%	9.88
Wildfire	0.0656%	3.34	0.0516%	2.62
Water stress	0.0260%	1.32	0.0260%	1.32
Tropical cyclone	-0.0173%	-0.76	-0.0173%	-0.88

raised areas while the rest of the power generation assets are built to become more flood-resilient. To reduce wildfire occurrence, our projects install fire breaks and regularly manage vegetation.

Climate-related transition risks

Due to the changes in wind patterns, heat indices and the global supply chain brought about by climate change, there is an expected loss of value as organizations align with the shifting policies, technologies, markets and consumer preferences towards a low-carbon economy. This risk is expected to be gradual, affecting our business model more than the physical assets themselves.

in millions	RCP 4.5		RCP 8.5	
	% Risk	MAAL (in USD)	% Risk	MAAL (in USD)
Technology	0.0908%	4.62	0.1091%	5.55
Reputation	0.0637%	3.24	0.0763%	3.88
Market	0.0511%	2.60	0.0611%	3.11
Litigation	0.0153%	0.78	0.0183%	0.93

To address transition risk, we are committed to becoming a Net Zero company by 2050, with near-term emission reduction targets aligned with the GHG Protocol and the latest climate-science, and long-term targets that are consistent with the deep decarbonization of the power sector. We are also leading efforts on energy transition, having completed the first market-based Energy Transition Mechanism (ETM) and pioneering initiatives on Transition Credits.



Our growing asset in the Philippines, which includes the 60 MW Pangasinan Solar, entails continuous enhancement of our climate models over time.

OUR TASK FORCE ON CLIMATE-RELATED DISCLOSURES (TCFD) REPORT

Risk management

Climate-related risks are considered in our Enterprise Risk Management process, with climate-related physical and transition risks as part of our risk universe and risk dictionary. Identifying climate-related risks is embedded in our project development and operational cycles.

Natural catastrophe analysis

Part of our project development process is an assessment of the risks around topography, weather patterns, hydrological studies, seismological studies, volcanic activities and water levels. These assessments inform mitigation measures that are implemented across the construction and operation phases. For operating assets, we regularly review the risk of natural catastrophes to our projects sites, leveraging available tools such as the NATHAN tool from Swiss Re, a leading global insurance provider. See an example of a [natural catastrophe report](#) using the abovementioned tool.

Metrics and targets

Greenhouse gas emissions

Having established our near-term and long-term greenhouse gas (GHG) emissions reduction targets as part of our Net Zero roadmap, we have monitored our progress in 2024 covering scope 1, 2 and 3 GHG emissions. Across this report, we have disclosed metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

TCFD recommendation	Disclosure
Metrics used by ACEN to assess climate-related risks and opportunities in line with its strategy and risk management process	<ul style="list-style-type: none">• ACEN's Value Creating Business Model (page 18)• Exposure to physical and transition risks (pages 24 to 27)
Scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	GHG emissions breakdown (page 101)
Targets used by the organization to manage climate-related risks and opportunities and performance against targets	ACEN's Net Zero progress

[Read more](#) about our Net Zero roadmap.



Proactive maintenance is a key component of our risk management strategy, allowing us to safeguard our clean energy infrastructure against extreme weather conditions and continue delivering sustainable power for the long term.

Governance at ACEN

- 73 Board of directors
- 76 Leadership team
- 79 Corporate governance
- 92 Awards

Chairman Cezar Consing (right)
and CEO Eric Francia (left)

BOARD OF DIRECTORS



Cezar Consing
Chairman

Date of Appointment	April 2021
Length of Service	4 years
Committees	Executive (C), Personnel and Compensation

CEZAR CONSING is the Chairman of ACEN and has been a Director of the Company since April 2021. He holds the following positions in publicly listed companies: President & CEO of Ayala Corporation, and the Vice Chairman of the Bank of the Philippine Islands (BPI), Ayala Land, Inc., and Globe Telecom, Inc. He has been a member of the Ayala Group Management Committee since April 2013. In addition, he holds various positions in the Ayala Group’s unlisted companies, including Chairman of AC Logistics Holdings Corporation, AC Infrastructure Holdings Corporation, AC Industrial Technology Holdings, Inc., AC Ventures Holding Corp., and AC Mobility Holdings Incorporated. He is also the Vice Chairman of AC Energy and Infrastructure Corporation and Ayala Healthcare Holdings, Inc., and serves as a Director of Asiacom Philippines, Inc. and ACEN International, Inc. He is the Chairman of the Philippine Dealing System and the College of St. Benilde. He is a member of the Trilateral Commission and serves on the boards of trustees for the Philippine-American Educational (Fulbright) Foundation, the Philippines-Japan Economic Cooperation Committee, and the Manila Golf Club Foundation. Mr. Consing was President & CEO of BPI from 2013-2021. He was a Partner & Co-Head for Asia of the Rohatyn Group from 2004 to 2013. He was an investment banker with J.P. Morgan & Co. from 1985-2004. For seven years, Mr. Consing was the Head or Co-Head of Investment Banking for Asia Pacific and President of J.P. Morgan Securities Asia. He worked for BPI from 1981 to 1985. Mr. Consing has previously served as Chairman and President of the Bankers Association of the Philippines, President of Bancnet, and Chairman of the National Reinsurance Corporation. He has previously served as an independent director of Jollibee Foods Corporation, CIMB Group Holdings Berhad and First Gen Corporation. He served as a board director of the Asian Youth Orchestra, the US-Philippines Society, La Salle Greenhills, Endeavor Philippines, and International Care Ministries.

Mr. Consing obtained an M.A. in Applied Economics from the University of Michigan, Ann Arbor and an A.B. Economics degree (Accelerated Program), magna cum laude, and the gold medal for Economics, from De La Salle University, Manila.



Gerardo Ablaza, Jr
Vice Chairman

Date of Appointment	April 2024
Length of Service	1 year
Committees	Executive

GERARDO ABLAZA, JR is the Vice Chairman of ACEN and has been a Director of the Company since April 2024. He holds the following positions in publicly listed companies: Chairman of ENEX Energy Corp., and director of Advanced Info Services, PLC (Thailand), iPeople, Inc., and Roxas and Company Inc. He is also a director in other Philippine corporations operating in the fields of retail banking, property development, education, infrastructure, and health. He is also a member of the Board of Trustees in a number of non-profit foundations engaged in social initiatives, namely Ayala Foundation, BPI Foundation, and Gawad Kalinga Foundation. He previously served as director of the Company from 1 July 2019 until 18 March 2021.

Mr. Ablaza retired from full-time executive work in 2017, after performing various corporate executive roles over a period of 43 years. His experience spanned a variety of industries: FMCG, agribusiness, retail banking, telecommunication and water distribution. He served as President and CEO of Manila Water Company (PLC) from June 2010 to April 2017. Prior to this, Gerry was the Chief Operating Officer of Globe Telecom, Inc. in 1997, and its President and CEO from 1998 to April 2009.

He graduated as summa cum laude and obtained his degree in Liberal Arts (Honors Accelerated Program) with a major in Mathematics from the De La Salle University.



Eric Francia
Director

Date of Appointment	May 2019
Length of Service	6 years
Committees	Executive

ERIC FRANCIA is the President and CEO of ACEN Corporation and serves on its board of directors. He is also a Senior Managing Director and member of the Management Committee of Ayala Corporation. Under his leadership, Ayala established its energy platform from a standing start in 2011, to become one of the largest renewable energy platforms in the region, with ~7 GW of attributable renewables capacity across Asia Pacific.

Mr. Francia has also led pioneering initiatives in early coal retirement, including the successful completion of the world’s first market-based Energy Transition Mechanism (ETM).

Mr. Francia earned a master’s degree in Management Studies at the University of Cambridge in the United Kingdom, graduating with first class honors. He received is undergraduate degree in Humanities and Political Economy from the University of Asia & the Pacific, graduating magna cum laude.

Legend:
(C) - Committee Chairperson

GOVERNANCE AT ACEN



Jaime Alfonso Zobel de Ayala
Director

Date of Appointment	September 2022
Length of Service	2.5 years
Committees	N/A

JAIME ALFONSO ZOBEL DE AYALA is a Director of ACEN. He also serves as director in publicly listed companies AyalaLand Logistics Holdings Corp. and Globe Telecom, Inc. He is the Chief Executive Officer of ACMobility, a platform for mobility solutions including automotive distribution, dealership, aftersales services, and electric vehicle infrastructure.

He is also a director of AC Industrials, Isuzu Philippines, and BPI Capital Corporation, among others. He has been appointed as a member of the Inter-Agency Investment Promotion Coordination Committee (IIPCC), as the sole private sector representative of the National Capital Region of the Republic of the Philippines. Prior to his role in ACMobility, he was the Co-Head of the Strategic Development Group and Head of Business Development and Digital Ventures of Ayala Corporation.

Mr. Zobel de Ayala holds a master's degree in Business Administration from Columbia Business School, New York. He graduated from Harvard University with a Primary Concentration in Government.

Legend:
(C) - Committee Chairperson



Jaime Urquijo
Director

Date of Appointment	April 2024
Length of Service	1 year
Committees	<ul style="list-style-type: none"> • Sustainability (C) • Executive

JAIME URQUIJO is a Director of ACEN. He holds the following positions in publicly listed companies: Chief Sustainability and Risk Officer (CSRO) of Ayala Corporation, and director of Integrated Micro-electronics, Inc. and Bank of the Philippine Islands. He also serves as director of BPI/MS Insurance, AC Industrial Technology Holdings, Inc., AC Ventures Holdings Corp., and Chairman of Klima 1.5 Corp. He is Vice Chairman of the Board of Trustees and Chairman of the Executive Committee of Ayala Foundation, a member of the Board of Trustees and Chief Executive Officer of WeAreAyala Business Club, Inc., and an Independent Advisor to the Board of Directors of Ayala Land Inc. He is also part of the board of WWF Philippines, the European Chamber of Commerce of the Philippines (ECCP), Makati Central Estate Association, Inc. (MACEA), and the Hero Foundation.

Mr. Urquijo was previously vice president for business development of the company, during which he led initiatives to expand the group's portfolio of assets in the Philippines, Vietnam, Myanmar, and Indonesia. Prior to this, he served as the head of business development for AF Payments, Inc., which created the Beep Card payment system, the country's first interoperable public transport payment card. Prior to joining the Ayala Group, Mr. Urquijo was an associate at JP Morgan in New York.

He received his MBA from INSEAD in France and his Bachelor of Arts degree in Political Science from the University of Notre Dame in the U.S.



Nicole Goh Phaik Khim
Director

Date of Appointment	March 2021
Length of Service	4 years
Committees	<ul style="list-style-type: none"> • Audit • Board Risk Management and Related Party Transactions

NICOLE GOH PHAIK KHIM is a Director of ACEN. She is Head, Asia at GIC Infrastructure. She has coverage responsibility for the Asia-Pacific region with prior experience investing in the U.S. and Europe. GIC was established in 1981 as a private company, wholly-owned by the Government of Singapore, to manage the foreign reserves of Singapore. It is one of the world's largest global investors, with well over US\$100 billion of assets in more than 40 countries worldwide. Ms. Goh has been a member of GIC's infrastructure practice since 2008.

Ms. Goh has a master's degree in Management Science and Engineering from Stanford University and a bachelor's degree in Mathematics with Statistics for Finance from Imperial College London.



Dean Travers
Director

Date of Appointment	April 2022
Length of Service	3 years
Committees	N/A

DEAN TRAVERS is a Director of ACEN. He has occupied senior executive roles in the energy sector for more than 25 years and is experienced in multi-disciplinary projects covering global markets, mergers and acquisitions, deal structuring and project development. He has been active in Europe, North America, Asia and Australia leading teams developing conventional and renewable energy projects for ENGIE, a global electricity utility and energy service company.

Prior to leaving ENGIE in 2019, he occupied positions of Senior Vice President Business Development, Indonesia, and General Manager, ENGIE Renewables Australia, which was responsible for the development of 2GW of wind and solar projects. Dean is currently active in the clean energy and climate tech sectors in Australia and Southeast Asia. He is a member of the board of Australian Renewable Energy Agency (ARENA) and a partner with NEXCatalyst, a climate tech impact fund focused on Indonesia, Vietnam and the Philippines.

Mr. Travers is a member of the Australian Institute of Corporate Directors (GAICD) and holds a doctorate (PhD) in Electrical Engineering, a Bachelor of Engineering (BE) and a Bachelor of Science (BSc) from the University of NSW.

GOVERNANCE AT ACEN



Garry Lester
Independent Director

Date of Appointment	April 2023
Length of Service	2 years
Committees	<ul style="list-style-type: none"> • Audit Committee (C) • Board Risk Management and Related Party Transactions • Corporate Governance and Nomination

GARRY LESTER is an Independent Director of ACEN. He was formerly managing director with leading independent investment banking firm Evercore Inc. and held senior executive positions with J.P. Morgan & Co, The Rohatyn Group, and KPMG where he advised on important cross-border M&A deals across a broad spectrum of industries including power generation and renewable technologies.

Mr. Lester previously served as non-executive director on various boards of banking, financial and investment companies during his career and has been licensed by relevant Securities, Futures and Investment Ordinances as a professional corporate adviser and investment manager in multiple jurisdictions including: U.S., Australia, Hong Kong and Singapore.

Mr. Lester is a Chartered Accountant Fellow with Chartered Accountants Australia and New Zealand. He holds a Master of Financial Management degree and a Bachelor of Commerce degree awarded with first class honors, both from the University of Queensland.

Legend:
(C) - Committee Chairperson



Melinda Ocampo
Independent Director

Date of Appointment	September 2019
Length of Service	5.5 years
Committees	<ul style="list-style-type: none"> • Board Risk Management and Related Party Transactions (C) • Audit • Corporate Governance and Nomination • Sustainability

MELINDA OCAMPO is an Independent Director of ACEN. She is also an independent director of publicly listed company ENEX Energy Corp. since 25 April 2022. She currently serves as consultant to the Ricardo Energy and Environment Consulting Firm, a United Kingdom-based company, for a project entitled, "The Philippines Grid Diagnostic and Roadmap for Smart Grid Development." Said project is under the funding support of the United Nations Office for Project Services, with the main task of establishing and developing governance issues to implement the project.

Ms. Ocampo served as President of the Philippine Electricity Market Corporation ("PEMC"), a nonstock, non-profit private organization that governs the country's wholesale electricity spot market, from 27 March 2009 until 31 July 2017. Her experience includes developing energy policies and programs as Undersecretary of the Department of Energy from May 2005 to December 2007. She was also involved in electric utility system regulation, planning and technical feasibility of electric power generation, transmission and distribution systems including granting of electric franchises to both electric cooperatives and private distribution utilities. She has extensive knowledge of energy regulation including petroleum and electricity pricing and competition rules and has provided consulting services to legislators on electricity pricing, particularly on the power purchased adjustments. She was also a consultant in the World Bank's project on Electric Cooperatives system loss reduction program and to the USAID under the Asia Foundation in its project to introduce the open access and competition in the coverage of Philippine Economic Zone (PEZA). She was a board member (February 1996 to June 1998) and Chairman (August 1998 to August 2001) of the Energy Regulatory Board (now Energy Regulatory Commission). She served as a division chief (October 1979 to November 1988) and a director (December 1988 to February 1996) of the National Electrification Administration. Ms. Ocampo is a certified public accountant. She earned her master's degree in Business Administration from the University of the Philippines, Diliman, and holds bachelor's degree Commerce, major in Accounting from the Republic Central Colleges in Angeles City, Pampanga.

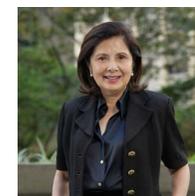


Jesse Ang
Independent Director

Date of Appointment	April 2023
Length of Service	2 years
Committees	<ul style="list-style-type: none"> • Executive • Corporate Governance and Nomination (C) • Personnel and Compensation (C)

JESSE ANG is Lead Independent Director of ACEN. He is currently an independent director of Integrated Micro-Electronics, Inc. (a publicly listed company), BPI Capital Corporation, BPI Wealth Corporation (formerly, BPI Asset Management and Trust Company), BPI AIA Life Assurance Corporation, BPI/MS Insurance Corporation and BPI Wealth Hong Kong (formerly, BPI International Finance Limited) (based in Hong Kong). He was formerly an independent director of BPI Securities Corporation (August 2022 - February 2023); part of the Philippine office of the International Finance Corporation (2000-2018) of which he was Head (Resident Representative) from 2007-2015; CFO of the Philippine International Air Terminals Company (1998-2000); Director for Global Structured Finance, New York City branch of Australia New Zealand Bank (1994-1998); Vice President for Trade and Commodity Finance, New York City branch of Generale Bank (1988-1994); Assistant Vice President in the Asia Division, Irving Trust Company in New York City (1985-1988); Budget Analyst for the Philippine National Oil Company (1982-1983); and Lecturer at the Department of Industrial Engineering of the University of the Philippines - Diliman (1981-1982).

Mr. Ang earned his master's degree in Business Administration (with Distinction) from the Wharton School of Business, University of Pennsylvania. He graduated with a bachelor's degree in Industrial Engineering from the University of the Philippines, graduating summa cum laude.



Maria Lourdes Heras-de Leon
Independent Director

Date of Appointment	April 2023
Length of Service	2 years
Committees	<ul style="list-style-type: none"> • Personnel and Compensation • Sustainability

MARIA LOURDES HERAS-DE LEON is an Independent Director of ACEN. She previously served as Managing Director and Member of the Management Committee of AC (2011-2015) and President of Ayala Foundation, Inc. (2011-2015). She was also Vice President for Policy, Government, and Public Affairs of Chevron Geothermal Philippines Holdings (1997-2011), where she led corporate affairs for Chevron's geothermal and natural gas interests and activities in the Philippines.

Ms. Heras-de Leon has held various leadership positions in Greater Houston Partnership and First City National Bank of Texas. She was a former trustee of Assumption Antipolo, Museo de La Salle, World Wildlife Fund-Philippines, and Asia Society Philippines. She also served on the Advisory Board of Texas Children's Hospital and Asia Society Texas.

Ms. Heras-de Leon holds a master's degree in Business Administration from the Thunderbird School of Global Management and a bachelor's degree in Asian Studies from the University of British Columbia.

LEADERSHIP TEAM



Eric Francia
President & CEO

ERIC FRANCIA is the President and CEO of ACEN Corporation and serves on its Board of Directors. He is also a Senior Managing Director and member of the Management Committee of Ayala Corporation. Under his leadership, Ayala established its energy platform from a standing start in 2011, to become one of the largest renewable energy platforms in the region, with ~7 GW of attributable renewables capacity across Asia Pacific.

Eric has also led pioneering initiatives in early coal retirement, including the successful completion of the world's first market-based Energy Transition Mechanism (ETM).

Eric earned a master's degree in Management Studies at the University of Cambridge in the United Kingdom, graduating with first class honors. He received his undergraduate degree in Humanities and Political Economy from the University of Asia & the Pacific, graduating magna cum laude.



Jose Maria Zabaleta
Group Chief Operating Officer & Group Chief Development Officer

SECH ZABALETA is the Group Chief Operating Officer and Group Chief Development Officer of ACEN. He is a member of ACEN's Strategy Committee, Investment Committee and Executive Management Committee. He is Executive Chairman of ACEN Australia, and Chairman and/or President of ACEN's Philippine development and land companies. Sech is also the Chief Development Officer of ACEIC.

Sech has over 20 years of experience in renewable energy. Prior to joining ACEN, he was Co-Founder and Chief Executive Officer of Bronzoak Clean Energy, a pioneer and leader in clean technology energy development in the Philippines. Bronzoak's energy businesses were integrated into ACEN in early 2017.

Sech holds a master's degree in Business Administration from the Fuqua School of Business, Duke University, USA, and a bachelor of science in Management (Honors) degree from the Ateneo de Manila University. He has experience in the Philippines, Hong Kong, the UK, the U.S and Australia.



Jonathan Back
Group Chief Finance Officer & Group Chief Strategy Officer

JONATHAN BACK is the Group Chief Finance Officer and Group Chief Strategy Officer of ACEN. He is a lawyer and banker with over 25 years of experience in the legal, investment banking, and private investment sectors with significant experience in equity capital markets, corporate finance, and in advising on large infrastructure, power and telecom projects.

Jonathan was previously a Director and the Executive Vice Chairman of BPI International Finance Ltd., the Hong Kong banking subsidiary of BPI and concurrently, co-head of Wealth Management and Head of International Businesses of BPI. He was also a Director of Schools Relief Initiative Ltd., a Hong Kong based charity supporting education in Southern Sri Lanka. Previously, Jonathan served as an Executive Director in Goldman Sachs, Hong Kong (Corporate Finance and Equity Capital Markets) and Managing Director and Head of Asian Equity Capital Markets in JP Morgan, Hong Kong.

Jonathan holds a bachelor of Civil Laws degree from the University of Oxford, where he graduated with first class honors. He also received first class honors in the solicitor's final exam.



Patrice Clausse
Group Chief Investment Officer

PATRICE CLAUSSE is the Group Chief Investment Officer of ACEN. He joined Ayala Corporation in May 2010 as an advisor to the Strategy and Business Development Team and became a founding member of the ACEN management in 2011, where he led the Business Development and Operations Teams.

Patrice is also the President and CEO of ACEN International and is a member of the board of directors/management and advisory committee of various ACEN International projects. Prior to joining Ayala, he was a Management Consultant with McKinsey & Company in London as well as with Marakon Associates (part of Charles River Associates).

Patrice holds a master's degree in Business Administration from Harvard Business School, where he graduated with high distinction as Baker Scholar. He also received his master's and bachelor's degrees in Manufacturing Engineering from Cambridge University in the UK.

GOVERNANCE AT ACEN



John Philip Orbeta
Group Chief Human Resources, Group Chief Administrative Officer & Group Chief Risk Officer

JP ORBETA is the Group Chief Human Resources, Group Chief Administrative Officer, and Group Chief Risk Officer of ACEN. He is a Director at ACE Shared Services, Inc., an ACEN subsidiary.

JP was a Managing Director at Ayala Corporation, where he served as Chief Human Resources Officer and Group Head for Corporate Resources from 2005 to September 2021. Today, he serves on the boards of several companies across the Ayala Group, including AG Legal and Globe group's ASTICOM and HCX, and is currently the Chairman of the Ayala Multi-Purpose Cooperative (Ayala Coop). Previously, he was the President and CEO of Ayala Automotive Holdings Corporation, Automobile Central Enterprise, Inc. and Ayala Aviation. He also previously served as a Director on the Boards of BPI Family Bank, ALFM Mutual Funds, AC Health and Ayala Foundation. Prior to joining Ayala Corporation, he was the Vice President and Global Practice Director of the Human Capital Consulting Group at Watson Wyatt Worldwide (now Willis Towers Watson).

JP completed his advanced management programs at Harvard Business School, IMD and INSEAD, and holds a degree in AB Economics from the Ateneo de Manila University.



Cecile Cruzabra
Group Treasurer

CECILE CRUZABRA is the Group Treasurer of ACEN and Chief Finance officer of ACEIC and ACEN International. Prior to joining ACEN, she held the role of CFO, treasurer, chief risk officer and group director for corporate finance & strategy of Manila Water Company, Inc. from 2018 to September 2021, and was the treasurer of Ayala Corporation from 2014 to 2018. She is also a fellow of the Institute of Corporate Directors.

Cecile has over 37 years of career experience in research, treasury & finance, risk management, having worked at Ayala Corporation, Manila Water, Inc., Globe Telecom, Inc., Makati Business Club, Sun Hung Kai Securities, Metro Pacific Corporation, Steniel Manufacturing Corporation, Altimax Broadcasting Co. Inc. and Bethlehem Holdings, Inc. She also previously taught finance at the De La Salle Graduate School of Business and the Asian Institute of Management and also taught Economics at the Ateneo de Manila University.

Cecile completed her master's degree in Business Administration from the Asian Institute of Management. She graduated with a degree in AB Economics (Honors Program) from the Ateneo de Manila University.



Maria Franchette Acosta
Corporate Secretary

FRANCHETTE ACOSTA is the Corporate Secretary of the ACEN. She is also the Corporate Governance Group Head and Chief Legal Officer of Ayala Corporation.

She has been a practicing lawyer for 24 years, with 18 years in the Villaraza & Angangco Law Firm where she was a Senior Partner, Co-Managing Partner and Head of its Corporate and Commercial Department. Ms. Acosta was an Assistant Secretary at the Office of the Chief Presidential Legal Counsel of the Republic of the Philippines where she served from 2001 to 2003. She is recognized as an expert counsel in leading legal journals and publications such as Chambers Global, Chambers Asia Pacific and Legal 500. She consistently among Asia Business Law Journal's top 100 lawyers in the Philippines.

Franchette graduated from New York University with a master of laws in 2003. She ranked 3rd in the Philippine Bar Examination and earned her bachelor of laws from the University of the Philippines College of Law in 1998 where she graduated Class Valedictorian and cum laude. She holds a bachelor of science in Business Economics from the University of the Philippines School of Economics in 1994 where she graduated magna cum laude.



Dodjie Lagazo
Group General Counsel, Group Compliance Officer & Assistant Corporate Secretary

DODJIE LAGAZO is a Managing Director and the Head of Legal, Governance and Compliance unit of ACEN. In his role, he led the development and execution of ACEN group's corporate legal strategy, while overseeing governance and compliance programs.

Dodjie concurrently serves as the Corporate Secretary of ENEX. He was a Director and Member of AG Counselors Corporation's Management Committee from January 2014 to July 2017. Prior to joining Ayala, he worked with the law firm of SyCip Salazar Hernandez & Gatmaitan.

Dodjie earned his bachelor of laws degree from the College of Law of the University of the Philippines — Diliman. He also holds an undergraduate degree in Political Science from the University of the Philippines — Diliman, graduating magna cum laude.

GOVERNANCE AT ACEN



Miguel De Jesus
Managing Director,
Philippines

MIGUEL DE JESUS is a Managing Director of ACEN and Head of Philippine Operations. Prior roles included leading the company's solar developments in Vietnam, pioneering its retail electricity business, and managing the company's first operating wind assets in the Philippines.

Miguel is also Director and President of various operating subsidiaries of ACEN. Prior to joining ACEN, Miguel practiced law, with a focus on energy and project finance.

Miguel holds a master's degree in philosophy from Ateneo de Manila and is also an alumnus of Harvard Business School's Advanced Management Program. He holds a bachelor of laws degree from the University of Philippines, graduating cum laude.



David Pollington
Managing Director,
Australia

DAVID POLLINGTON is the Managing Director of ACEN Australia (formerly UPCVAC Renewables Australia), having previously been the Chief Operating Officer since its establishment in 2016. He has been involved in the renewable energy sector for more than 30 years leading projects from inception through to operations.

David has held key roles in the industry, most notably, the Technical Director of Renewables at SKM/Jacobs, and General Manager of Construction for Roaring 40s, a joint development and asset management company between Hydro Tasmania and China Light and Power based out of Hong Kong, where he was responsible for construction activities in China, India, and Australia.

David holds a bachelor of Mechanical and Electrical Engineering from the University of Tasmania and is a Fellow of the Institution of Engineers.



Duane Eric Cramer
Head, Philippine
Development

DUANE ERIC CRAMER is the Head of Philippine Development of ACEN. He has 43 years of experience in the business and project development of large electric generation and other infrastructure projects backed by in-depth technical, management, financing and regulatory and government affairs capabilities. Duane has worked in various capacities with ACEN and affiliates for over 8 years, including responsibility for establishing ACEN's transmission development team prior to assuming his present responsibilities overseeing the development and construction of ACEN's Philippines solar, onshore wind, storage and supporting transmission projects.

Prior to joining ACEN, Duane was Vice President, Development and then Senior Vice President, Development for Sithe Global Power LLC., a US-based independent power developer and portfolio company of the Blackstone Group. While at SitheGlobal, Duane was responsible for development initiatives in Canada, India, Sri Lanka and the Philippines.

Duane holds a bachelor of science degree in Mechanical Engineering from Syracuse University, where he graduated Magna cum Laude in 1981. While studying at SU, Duane served as a research assistant supporting the school's wind energy research and held an internship at and was retained as a consultant by the US Department of Energy's Solar Energy Research Institute (now known as the National Renewable Energy Laboratory).

GOVERNANCE AT ACEN



ACEN's Board of Directors and Leadership Team's collective guidance and vision have been instrumental in propelling the company's remarkable growth and regional success.

At ACEN, we recognize that strong corporate governance is integral to sustaining long-term growth and delivering value to our stakeholders.

As we expand our renewable energy footprint across the Asia Pacific, we continuously improve our governance framework to align with leading practices, address evolving regulatory and market expectations and proactively manage emerging risks.

Governance at ACEN goes beyond compliance—it is embedded in our corporate oversight, strategy setting and risk management processes, ensuring that sustainability and financial discipline remain at the core of our decision-making. Our Corporate Governance System driven by a well-defined organizational

structure, guided and supported by an active board and its committees, forward-thinking management, strong core values effective adequate policies and controls.

By upholding the highest standards of transparency, accountability and ethical leadership, we reinforce investor confidence and drive resilient, high-quality growth.

As the listed energy platform of the Ayala group, we comply with the Code of Corporate Governance for Publicly Listed Companies set by the Securities and Exchange Commission (SEC), supported by the attestation of our Chief Executive Officer (CEO) and Group Chief Audit Executive (CAE) in 2024.

Corporate governance structure



1. Supported by the relevant functional units and Company officers
2. Reports functionally to the CEO; assists the Board and Board Committees on compliance, governance and risk management issues
3. Reports functionally to the Audit Committee
4. Assists the Board and Board Committees in the conduct of meetings; advises the Board of issues relating to relevant laws, all governance issues and industry development and operations of the Company as they arise

GOVERNANCE AT ACEN

Board structure and process key roles and responsibilities

The Board's roles and responsibilities as stated in its Charter include establishing the vision, strategies and policies of the Company, as well as a system to monitor, evaluate and improve management's performance. Also, in exercising its powers and duties, the Board always considers the best interests of the Company, its shareholders and other stakeholders.

The Board consistently reviews and ensures the adequacy of the Company's internal control mechanisms and risk management process for good governance, and the proper implementation of the Code of Conduct and Ethics. The Board reviews and affirms the true and fair representation of the annual financial statements, as it did for the financial statements for fiscal year 2024.

Board composition

The Board is comprised of qualified and dedicated directors with a diverse mix of expertise, experience, skills and backgrounds to guide management in carrying out its responsibilities. The structure, size and composition of the Board are reviewed and monitored by the Corporate Governance and Nomination (CGN) Committee.

There is also an appropriate mix of non-executive, independent, and executive directors from a wide variety of backgrounds.

2024 Board of Directors	Designation	Year appointed (No. of years in the Board)	Expertise
Cezar P. Consing	Non-Executive, Chairman	2021 (4)	Banking and capital markets
Gerardo C. Ablaza, Jr.	Non-Executive, Vice Chairman	2024 (1)	General management, telecommunication, capital markets, M&As
John Eric T. Francia	Executive, President & CEO	2019 (6)	General management, strategy, energy, capital markets, M&As
Jaime Alfonso E. Zobel de Ayala	Non-Executive	2022 (2.5)	Strategy, innovation and business development
Jaime Z. Urquijo	Non-Executive	2024 (1)	Sustainability, risk and business development
Nicole Goh Phaik Khim	Non-Executive	2021 (4)	Finance, infrastructure and capital markets
Dean L. Travers	Non-Executive	2022 (3)	Energy, project development and corporate governance
Jesse O. Ang	Non-Executive, Lead Independent	2023 (2)	Banking, finance, capital markets, infrastructure
Maria Lourdes Heras de Leon	Non-Executive, Independent	2023 (2)	General management, policy, government and public affairs
Garry K. Lester	Non-Executive, Independent	2023 (2)	Finance, banking and capital markets
Melinda L. Ocampo	Non-Executive, Independent	2019 (5.5)	Energy systems and regulatory

- > Each director is elected by the shareholders annually and serves a term of one year.
- > More than 90 percent of the Board (10 out of 11) are non-executive and independent directors.
- > None of the independent directors own more than 2 percent of the Company's outstanding capital stock.
- > The profile of each director can be found in the Board of Directors section of this report on [pages 73 to 75](#).

We ensure independent minority representation in the Board and the exercise by minority shareholders of their rights, including the right to cumulative voting in the election of directors and appraisal right.



President & CEO Eric Francia with Group General Counsel, Group Compliance Officer & Assistant Corporate Secretary Dodjie Lagazo

GOVERNANCE AT ACEN

Chairperson and Vice Chairperson

Cezar P. Consing, the Company's Chairperson, and Gerardo C. Ablaza, Jr., Vice Chairperson, assumed their respective positions on April 24, 2024. The positions of Chairperson of the Board and CEO are held by different persons. This enables the board to maintain independent reviews and quality discussions at meetings.

Role of the Chairperson and Vice Chairperson

The Chairperson leads the Board by promoting active engagement and open discussion among the directors. The Chairperson presides at all meetings of the Board and of the stockholders, exercises the powers given to them in the By-Laws and performs the duties enumerated under the Corporate Governance Code as well as such other responsibilities as the Board may impose upon them. The Chairperson also guides senior management on its strategic actions on the business. In the absence of the Chairperson, the Vice Chairperson succeeds the duties of the Chairperson.

Lead Independent Director

To promote good relationships and functions of the Board, the Company appointed Jesse O. Ang as its Lead Independent Director at its organizational meeting on April 24, 2024.

Role of the Lead Independent Director

When needed, the Lead Independent Director acts as an intermediary between the Chairperson of the Board and the other directors, convenes and leads the periodic meetings of the Non-Executive Directors with the external auditor

and heads of internal audit, compliance and risk management, and contributes to the performance evaluation of the Chairperson of the Board.

Non-Executive and Independent Directors

As of December 31, 2024, more than 90 percent of the board membership is composed of Non-Executive and Independent Directors, of which ten (10) are Non-Executive Directors and of those, four (4) are independent. The Independent Directors do not have any interest or relationship with the Company that may hinder their independence, or which could reasonably be perceived to interfere with the exercise of their independent judgment while carrying out their responsibilities as Directors.

A term limit of nine (9) years has been set by the Company for its Independent Directors (ID) in accordance with the rules laid out by the SEC. As of 2024, none of the Independent Directors have served the Company for more than nine (9) years, reckoning from 2012, in compliance with SEC Memorandum Circular No. 9, series of 2011. Furthermore, none of the directors have worked for ACEN's external auditing firm within the three (3) years immediately preceding the date of their election or appointment.

Role of the Non-Executive and Independent Directors ("NEID")

The role of the NEID is, through an unbiased view of the business, to provide oversight, exercise independent judgment, ensure the continuing soundness, effectiveness and

adequacy of the Company's control environment, and act in the best interest of the Company, the shareholders, and the stakeholders considering transparency, accountability, and fairness in all activities.

Board diversity policy

As mentioned in its Corporate Governance Manual, the Company is committed to having our board comprised of qualified and dedicated directors with a diverse mix of expertise, experience, skills and backgrounds. Diversity includes business experience, age, gender and ethnicity. Nominees shall be selected based on merit. With respect to gender, the Board ensures appropriate representation of women in the board to the greatest extent possible. As of 31 December 2024, the Company has three (3) female directors, holding 27.3 percent of the board seats.

Board performance

The Board is devoted to carry out its duties and responsibilities and commits enough time for their meetings. The presence of at least two-thirds of the number of directors, as fixed in the Articles of Incorporation, constitutes a quorum for the transaction of business. The board held four (4) regular meetings, two (2) special meetings, and one (1) organizational meeting in 2024.

Performance assessment

The Board commits to a formal assessment process to review and evaluate the performance of the board committees, its individual members and the CEO. The purpose of the assessment is

to measure the effectiveness of the Company's governance practices and identify areas for improvement; and to adopt new methodologies towards further strengthening the Company's corporate governance standards.

Once every three (3) years, the annual board performance assessment is conducted under the auspices of an independent consultant.

In 2024, Aon was appointed as the independent consultant to assist in the Board assessment exercise for the year ending 31 December 2023. For the Board's performance in the year 2024, the assessment is being conducted internally.

Each of the directors was requested to complete a self-assessment form which includes board evaluation categories such as: (1) board composition, (2) roles and functions, (3) information management, (4) representation of shareholders and environment, social and governance (ESG) factors, (5) management of the Company's performance, (6) senior executive's performance management and succession planning, (7) director development and management, (8) risk management and internal control, and (9) overall perception.

The results of the self-assessment survey, including the comments of the directors, were compiled by the corporate secretary, and reported during the board meeting immediately following the completion of the survey.

GOVERNANCE AT ACEN

Corporate Secretary

In the discharge of her duties as the Corporate Secretary, Atty. Maria Franchette M. Acosta played a significant role in supporting the Board to fulfill its responsibilities. Among her responsibilities included assisting the Chairperson in preparing the board meeting agenda, maintaining board minutes and records, facilitating director trainings, and updating directors with relevant statutory and regulatory changes. She is a well-regarded expert in the legal profession, as recognized in leading legal journals and publications, and is well-informed on relevant developments in the legal field through years of practicing corporate law, having been a Senior Partner, Co-Managing Partner and Head of the Corporate and Commercial Department of the Villaraza & Angangco Law Firm.

Training of directors

ACEN requires all its directors to attend at least a four (4)-hour annual continuing training program on corporate governance. All new directors must take at the minimum an eight (8)-hour orientation program on the Company strategy, business and structure, vision and mission, governance codes and policies, Articles, By-Laws, Corporate Governance Manual, Board and Committee Charters, SEC-mandated topics on governance and other subjects needed in the performance of their duties and responsibilities. To remain relevant in a global environment with increasing competitiveness, Ayala Corporation has been

facilitating an annual group-wide Corporate Governance and Risk Management Summit since 2014. Counted as an SEC-accredited training in coordination with the Institute of Corporate Directors, the summit serves as a continuing education program for the Board, CEOs and senior management, and at the same time promotes the importance of strengthening our corporate governance structures.

On November 5, 2024, the group held the Integrated Corporate Governance, Risk Management and Sustainability Summit with the theme, “Building Businesses that Enable People to Thrive,” wherein thought leaders and experts shared insights on how businesses can build meaningful value for all, among others.

The summit focused on sustainable and inclusive value creation, driving sustainability performance through board leadership and reporting, latest climate science, climate risk management and social impact.

On August 12, 2022, ACEN facilitated a Net Zero and ESG capability-building workshop for the Company’s senior management team and select board members. This workshop helped establish ACEN’s sustainability principles to be cascaded by ACEN’s leadership to the rest of the organization.

[Read more](#) about how we’re practicing best-in-class corporate governance.

Director compensation

Total director remuneration and any changes thereto are recommended by the Personnel and Compensation Committee to the Board and are approved by the stockholders during the annual stockholders’ meeting to ensure these are consistent with the Company’s culture, strategy, and control environment, and are aligned with the long-term interests of the Company and its stakeholders.

Independent directors’ remuneration

The power to fix directors’ fees was delegated by the shareholders to the Board as provided for in the Amended By-Laws.

On April 25, 2022, in compliance with Section 29 of the Revised Corporation Code, the shareholders approved the proposed remuneration for non-executive and non-independent directors, as endorsed by the CGN Committee, at ₱200,000 per board meeting attended, and ₱100,000 per committee meeting attended, and an annual retainer fee of ₱1,000,000 for each director, ₱1,500,000 for the Chair of the Audit Committee, and ₱2,000,000 for the Chairperson of the Board. Executive directors do not receive attendance fees.

In 2024, the non-executive directors received gross remuneration as follows:

Director	Total net amount (in ₱)
Delfin L. Lazaro ¹	900,000
Cezar P. Consing	4,400,000
Gerardo C. Ablaza, Jr.	2,600,000
Jose Rene Gregory D. Almendras ¹	200,000
Jaime Alfonso E. Zobel de Ayala	2,900,000
Jaime Z. Urquijo	2,800,000
Nicole Goh Phaik Khim	3,600,000
Dean L. Travers	2,600,000
Jesse O. Ang	3,800,000
Maria Lourdes Heras-de Leon	2,900,000
Garry K. Lester	4,800,000
Melinda L. Ocampo	4,800,000

¹Served as director until April 24, 2024.

None of the independent directors received compensation from ACEN for services other than those provided as a director. They are not entitled to stock options and performance bonuses from the Company.

Executive directors do not receive attendance fees.

GOVERNANCE AT ACEN

Board Committees

The Board Committees assist the Board in the discharge of its functions, aid in good governance and are governed by their Charters as duly approved by the Board in terms of their rights and responsibilities.

Executive Committee

The Executive Committee acts on such specific matters within the competence of the Board as may from time to time be delegated to it in accordance with the By-Laws. The Committee is composed of not less than three (3) but not more than five (5) members and designates among the members of the Committee a Chairperson and a Vice Chairperson. The committee deliberated, reviewed and approved the following in 2024:

1. Additional funding for office space fit-out;
2. Additional funding for SanMar Solar Phases 1 and 2
3. Submission to the Energy Regulatory

Director	19 January 2024	7 February 2024	1 March 2024	27 June 2024	27 August 2024	30 August 2024	24 October 2024	26 December 2024
Cezar P. Consing (Chairperson)	✓	✓	✓	✓	✓	✓	✓	✓
Gerardo C. Ablaza, Jr. ¹				✓	✓	✓	✓	✓
John Eric T. Francia	✓	✓	✓	✓	✓	✓	✓	✓
Jesse O. Ang (Independent)	✓	✓	✓	✓	✓	✓	✓	✓
Jaime Z. Urquijo ¹				✓	✓	✓	✓	✓
Delfin L. Lazaro ²	✓	✓	✓					
Jaime Alfonso E. Zobel de Ayala ³	✓	✓	✓					

¹Elected as director on and effective 24 April 2024

²Served as Chairman of the committee until 24 April 2024

³Served as member of the committee until 24 April 2024

Commission (ERC) of the Company's business separation and unbundling plan for 2023;

4. Constitution of: (a) ACEN Operations Services (ACEN OPS), Inc. as the Company's shared services company to provide O&M services to the company's Philippine operating projects, and (b) ACEN Technical Services, Inc. (ACEN TSI) as the Company's shared services company to provide development shared services to the ACEN Group;
5. Termination of power supply agreements with MERALCO;
6. Acceptance of the offer from Asian Energy Impact Trust (AEIT), the company's joint venture partner in Negros Island Solar Power ("IslaSol"), for the Company or a designated subsidiary to acquire AEIT's ownership stake in IslaSol; and
7. Extension of maturity period of the loan facility provided to Greencore Power Solutions 3, Inc.

The Executive Committee had seven (7) meetings in 2024, as follows:

Corporate Governance and Nomination Committee

The Corporate Governance and Nomination (CGN) Committee has three (3) Independent Directors, including the Chairperson. The Committee ensures that good corporate governance principles and practices are complied with by the Company. This includes the adoption of a board process in the nomination, election or replacement of board members and the review of the succession plans for members of the board and senior executives. The board composition is reviewed regularly to allow the board to exercise effective decision-making powers and meet the needs of the Company.

The Committee's accomplishments in 2024 include:

1. Receipt of the nominees for Directors of the Company, evaluation of their qualifications and endorsement of qualified nominees for nomination to the Board for the year 2024;
2. Receipt of nominees for various officers of the Company, evaluation of their qualifications and endorsement of qualified nominees for appointment by the Board throughout the year 2024; and
3. Review of the Integrated Annual Corporate Governance Report for submission to the SEC.

The CGN Committee had four (4) meetings in 2024, during which the Chairperson and members were all present.

The attendance of the members at the meetings of the Committee held in 2024 is as follows:

Director	26 February 2024	5 March 2024	16 May 2024	26 September 2024
Jesse O. Ang (Chairperson)	✓	✓	✓	✓
Melinda L. Ocampo	✓	✓	✓	✓
Garry K. Lester	✓	✓	✓	✓



Jaime Urquijo (right) was appointed as Chairperson of ACEN's Sustainability Committee. Seated beside him are ACEN Director Jaime Alfonso Zobel de Ayala (center) and ACEN Chairperson Cezar Consing (left).

GOVERNANCE AT ACEN

As of December 31, 2024, the Board Committees and their members were as follows:

	Audit Committee	Board Risk Management and Related Party Transactions Committee	Corporate Governance and Nomination Committee	Executive Committee	Personnel and Compensation Committee	Sustainability Committee
Cezar P. Consing (Chairperson)				C	M	
Gerardo C. Ablaza, Jr.				M		
John Eric T. Francia				M		
Jaime Alfonso E. Zobel de Ayala						
Jaime Z. Urquijo				M		C
Nicole Goh Phaik Khim	M	M				
Jesse O. Ang (Independent)			C	M	C	
Maria Lourdes Heras-de Leon (Independent)					M	M
Garry K. Lester (Independent)	C	M	M			
Melinda L. Ocampo (Independent)	M	C	M			M

Legend:

C - Committee Chairperson

M - Committee Member

The attendance of the directors at the meetings of the Board and of stockholders held in 2024 is as follows:

	11 March 2024	24 April 2024	24 April 2024	8 May 2024	26 June 2024	10 July 2024	7 October 2024	25 November 2024	No. of Meetings Present	Percent Present
	Regular	ASM	Org	Regular	Special	Special	Regular	Regular		
Cezar P. Consing (Chairperson)	✓	✓	✓	✓	✓	✓	✓	✓	8	100%
Gerardo C. Ablaza, Jr. ¹			✓	✓	✓	✓	✓	✓	6	100%
John Eric T. Francia	✓	✓	✓	✓	✓	✓	✓	✓	8	100%
Jaime Alfonso E. Zobel de Ayala	✓	✓	✓	✓	✓	✓	✓	✓	8	100%
Jaime Z. Urquijo ¹			✓	✓	✓	✓	✓	✓	6	100%
Nicole Goh Phaik Khim	✓	✓	✓	✓	✓	✓	✓	✓	8	100%
Jesse O. Ang (independent)	✓	✓	✓	✓	✓	✓	✓	✓	8	100%
Maria Lourdes Heras-de Leon (Independent)	✓	✓	✓	✓	✓	✓	✓	✓	8	100%
Garry K. Lester (Independent)	✓	✓	✓	✓	✓	✓	✓	✓	8	100%
Melinda L. Ocampo (Independent)	✓	✓	✓	✓	✓	✓	✓	✓	8	100%
Delfin L. Lazaro ²	✓	✓								
Jose Rene Gregory D. Almendras ²	✓	✓								

Legend:

Org — Organizational meeting of the Board

¹ Elected as director on and effective 24 April 2024

² Term as director expired on 24 April 2024

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Audit Committee

The Audit Committee is composed of three (3) Directors, two (2) of whom are Independent, including the Chairperson. All of its members have extensive background and expertise in accounting, and one member is an expert in the power industry. The Committee assists the Board by overseeing matters relating to the financial statements and financial reporting process, external and internal auditors, internal control and compliance with applicable legal and regulatory requirements.

During the year, the Committee reviewed the Company's parent and consolidated financial statements, and the work performed by both internal and external auditors through reports provided. Based on the assurance provided by the auditors from their reviews, the Committee assessed the Company's systems of internal controls, compliance and governance processes as adequate. Please refer to the annual report of the Committee to the Board on [page 109](#).

The committee had four (4) regular meetings, three (3) special meetings and two (2) executive sessions in 2024, during which the Chairperson and members were all present.

The attendance of the members at the meetings of the committee held in 2024 is as follows:

	16 February 2024	1 March 2024	7 May 2024	21 May 2024	25 June 2024	7 August 2024	4 November 2024
Garry K. Lester (Chairperson)	✓	✓	✓	✓	✓	✓	✓
Nicole Goh Phaik Khim	✓	✓	✓	✓	✓	✓	✓
Melinda L. Ocampo	✓	✓	✓	✓	✓	✓	✓

Board Risk Management and Related Party Transactions Committee

The Board Risk Management and Related Party Transactions (BRMRPT) Committee is a board-level committee with two (2) of its three (3) members, including the Chairperson, being Independent Directors and the remaining member a Non-Executive Director nominated by a significant minority shareholder.

The Committee is responsible for the oversight of the Company's enterprise risk management system and for the review of all material-related party transactions of the Company.

The Committee's accomplishments in 2024 include:

1. Review and approval of the terms of the conversion of the ACEN Group's outstanding loans and receivables into additional equity of ENEX Energy Corp., for endorsement to the Board; and
2. Review and approval of the terms of the Service Agreements between ACEN Operations Services, Inc. (a wholly-owned subsidiary of the Company) and each of North Luzon Renewable Energy Corp., Amihan Renewable Energy Corp., and Natures Renewable Energy Devt. Corporation, subsidiaries of the Company

The Committee had two (2) meetings in 2024, during which the Chairperson and members were all present.

The attendance of the members at the meetings of the Committee held in 2024 is as follows:

	9 March 2024	15 November 2024
Melinda L. Ocampo (Chairperson)	✓	✓
Nicole Goh Phaik Khim	✓	✓
Garry K. Lester	✓	✓

Personnel and Compensation Committee

The Personnel and Compensation Committee has three (3) members, two (2) of whom, including the Committee Chairperson, are Independent Directors, and the remaining member, a Non-Executive Director. The Committee's role is to establish a transparent policy and procedure for the fixing of the remuneration packages of corporate officers and directors. The Committee ascertains that compensation is aligned with the Company's culture, strategy and control environment, aligned with the long-term interests of the Company and stockholders, competitive against the market, and reasonable for the work required and the Company's size and scope.

The Committee had one (1) meeting in 2024, during which the Chairperson and all members were present. The Committee's accomplishments in 2024 include the approval of employees' performance bonuses for the year 2023 and salary adjustments for the year 2024.

The attendance of the members at the meeting of the Committee held in 2024 is as follows:

	29 February 2024
Jesse O. Ang (Chairperson)	✓
Cezar P. Consing	✓
Maria Lourdes Heras-de Leon	✓

Sustainability Committee

As a testament to its commitment to the environment and the communities it serves, ACEN established the Sustainability Committee in October 2021.

The Sustainability Committee has three (3) members, two (2) of whom, including the Chairperson, must be members of the Board and one (1) of whom must be an Independent Director. The Committee's role is to ensure that the Company's sustainability strategy and efforts are aligned with its core business objectives and contribute to sustainable development. The Committee is responsible for monitoring the Company's progress towards meeting the Company's sustainability objectives and determines strategic sustainability objectives and performance indicators as part of the Company's overall corporate strategy.

The Committee's accomplishments in 2024 include the review and approval of the engagement with SGV & Co. as the Company's Sustainability Report Assurance Provider for its 2024 Integrated Report.

GOVERNANCE AT ACEN

The Sustainability Committee held two (2) meetings in 2024. The attendance of the members at the meetings of the Committee held in 2024 is as follows:

	25 July 2024	17 November 2024
Jaime Z.Urquijo (Chairperson)	✓	✓
Maria Lourdes Heras- de Leon	✓	✓
Melinda L. Ocampo	✓	✓

Management roles and responsibilities

Management is primarily responsible for the execution of the Board-approved strategies and monitoring of performance. Management also designs and implements adequate and effective systems of internal controls and risk management processes to ensure achievement of objectives while maintaining compliance with laws, rules and regulations.

To facilitate the flow of strategic and operational information among the internal decision-makers, the Company has created specific management committees for operations management, investments, finance, organizational development and compensation and benefits. These committees are composed of key executives who meet regularly to discuss significant matters relevant to the achievement of targets and the continuous growth of the Company. Initiatives that are reviewed and

endorsed by the Management Committees are discussed with the corresponding Board Committees for approval and endorsement to the Board of Directors for ratification.

Performance assessment and compensation

The performance management system drives the compensation and incentive plans of senior executives and is meant to align employees' individual goals with the organization's goals and strategies. Management compensation is typically broken down into three components: (1) Base compensation; (2) Variable compensation based on annual targets or key result areas (KRAs); and (3) a long-term incentive plan, which is typically vested over a three-year period and is linked to long-term objectives.

The performance of the Company's senior executives, including the CEO, is rated based on their respective KRAs. These KRAs cover various aspects of the business, covering a wide array of performance areas, including Financial, Operations, Development and Pipeline, Organization and Risk Management, and ESG. Executives receive annual bonuses based on company results, business unit or team performance and individual achievements of performance goals/KRAs. Performance ratings are similarly taken into consideration, in determining any salary adjustments.

ACEN's Employee Stock Ownership (ESOWN) program serves as a long-term incentive program for qualified executives and managerial employees. The award range is a percentage of the grantee's annual gross compensation, by

the Personnel and Compensation Committee and the Board. Potential awards are based on employee performance, company performance and share price. Sustainability was incorporated as a key performance indicator within the plan's committed KRA targets. Grants and availment from the ESOWN program were made in 2021 and 2022. While the 2021 and 2022 ESOWN plans remain active, there were no grants and availment from the ESOWN program during 2023 and 2024.

In 2022, the Company introduced a new long-term incentive plan (LTIP) to replace the previous ESOWN scheme. This new LTIP is an equity-based compensation program designed with a three-year performance cycle. Rewards under this plan are granted in the form of Performance Shares, which are awarded to executives and key employees in the year following the completion of the performance cycle. These shares are then subject to a three-year vesting period.

Sustainability is a key performance metric within the LTIP, reflecting the Company's commitment to long-term responsible and sustainable growth. Awardees are nominated by the President and CEO and approved by the Chairperson of the Board. The first performance cycle for LTIP was completed end-2024.

Strategy planning and execution

ACEN utilizes an inclusive and iterative approach in crafting and executing a long-term strategic plan. It ensures that risks are managed appropriately using a risk management process as these plans are finalized. Strategy formulation generally involves establishing the purpose and

scope of the organization's activities, defining its business model, setting long-term goals, considering the risks and opportunities it faces and the environment in which it operates.

Building a climate resilient strategy

ACEN aligns itself with the United Nations Framework Convention on Climate Change and the Paris Agreement on reducing global carbon emissions to limit the global temperature increase to 1.5°C. Consistent with the Ayala group's commitment to the UN Sustainable Development Goals (SDGs), ACEN is additionally focused on protecting the wider environment and creating value for the communities it serves. In Q1 2021, ACEN signed up as a supporter of the Task Force for Climate-related Financial Disclosures (TCFD).

Read more about our TCFD Report, go to [page 69](#).

Risk management

Risk management is core to ACEN's strategy-setting process. Key risks that could affect the achievement of the Company's goals are considered in strategy setting, and mitigation plans for key risk areas are included in the key result areas for the relevant business units. Due to the economic volatility of the past few years and supply chain challenges, ACEN conducts semi-annual planning sessions to review company performance, revisit targets and recalibrate strategies as needed, depending on new and emerging risks and opportunities identified. The risk management process is driven by the group chief risk officer who leads the implementation of the enterprise risk

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management process. ACEN is also represented at the ERM council led by Ayala's risk management unit. ACEN seeks to continuously improve its risk management process by adopting processes and strategies in line with Ayala's best practices.

ACEN is strengthening its approach to risk management through research and by consulting with risk management experts, including on improved disclosures over management of material climate risks. The adoption of the TCFD framework also initiated management discussions on the identification of key climate risks and opportunities affecting ACEN's projects and the organization as a whole.

Learn more about how we identify and manage risk on [page 66](#).

Internal governance mechanism

Accountability and audit

As part of the governance structure of the Company, the external and internal auditors ensure transparency, fairness, and accountability in its transactions and activities. The Audit Committee reviews and approves the reports of the auditors to ensure the integrity of the Company's financial statements, adequacy and effectiveness of the internal controls, risk management, compliance and governance processes.

External Auditors

On April 24, 2024, the stockholders, upon recommendation of the Audit Committee and endorsement by the Board of Directors, approved the re-appointment of Sycip Gorres Velayo and Co. (SGV & Co.) as the independent

external auditor of ACEN. The lead engagement partner of SGV & Co. is Mr. Benjamin N. Villacorte, an SEC-accredited audit partner.

The responsibilities of SGV & Co. include providing an opinion on the conformity of the Company's parent and consolidated financial statements with Philippine Financial Reporting Standards and assessing the quality of the Company's financial reporting process.

The Audit Committee oversees the work of the external auditor and ensures unrestricted access to records, properties, and personnel to enable performance of the audit. SGV & Co.'s overall plan, which includes the objectives, scope and timing of the audit, was reviewed and approved by the Audit Committee during its August 7, 2024 meeting. To ensure that the external auditor maintains the highest level of independence from the Company, both in fact and appearance, the Audit Committee approved all audit, audit-related and permitted non-audit services rendered by the external auditor. The Audit Committee also reviewed the nature and corresponding fees of non-audit services rendered by SGV & Co. and concluded that these were not in conflict with their function as the Company's external auditor.

Pursuant to the requirements of SEC Memorandum Circular No. 18 Series of 2024 for supplemental disclosure in the audited financial statements, the new circular mandates the reporting of fees related to both audit and non-audit services fees rendered by SGV & Co. and its network firms to the Company and its subsidiaries. Further, audit-related fees are now reclassified under "NAS — Other assurance services" from "Audit and audit-related". The

consolidated audit and non-audit services rendered by SGV & Co. and network firms amounted to ₱20.2 million and ₱18.3 million, respectively, exclusive of Value-Added Tax (VAT) and out-of-pocket expenses (OPE). The breakdown of the fees for 2024 and 2023 is shown below:

	2024 in ₱ millions	2023 in ₱ millions
Total audit fees*	11.9	10.4
Non-audit services**	8.3	7.9
Other assurance services	5.5	7.5
Tax services	1.7	0.3
All other services	1.1	0.1
Total audit and non-audit fees	20.2	18.3

*Agreed audit fees

**Billed fees for the year ended December 2024 and 2023

Audit fees include ACEN Corporation and its subsidiaries' agreed fees for the audit of the annual financial statements on which the external auditor/audit firm expresses an opinion for the years ended 2024 and 2023. Non-audit services fees include assurance services that are directly related to the review of quarterly financial statements and integrated reports, review of consolidated comparative financial statements for the issuance of preferred shares, tax compliance advisory services, transfer pricing documentation and study, and other tax activities. These also include all other services relating to hedge accounting and derivative instruments, annual stockholders' meeting validation, agreed-upon procedures on the increase in authorized capital stocks, training, and other services. The audit results were presented to the Audit Committee during its March 6, 2025 meeting. There were no disagreements between the management

and SGV & Co. on any matters of accounting principles or practices, financial statement disclosures or auditing scope or procedures. The Audit Committee also had an executive session with the external auditor in 2024 without the presence of the management team to discuss any issues or concerns.

Internal Auditors

Internal Audit, headed by the Group Chief Audit Executive (CAE), Mae Christine Go, maintains organizational independence by functionally reporting to the Audit Committee and administratively to the Group Compliance Officer. The Audit Committee is responsible for advising the Board of Directors regarding the qualifications and recruitment, appointment and removal of the CAE, and evaluating Internal Audit's performance at least annually.

The audit team is composed of professionals with the following certifications: certified public accountants, registered electrical engineers, certified lead auditor in ISO 9001 and ISO 27001, certified internal auditors, certified information systems auditors, certified internal controls auditor, certified in cybersecurity and with certification in control self-assessment. All the internal auditors are members of The Institute of Internal Auditors-Philippines and adopt the International Professional Practices Framework promulgated by The Institute of Internal Auditors, Inc.

In November 2024, the Audit Committee and Internal Audit Charters were reviewed and presented for approval of the Audit Committee for early adoption of the new Global Internal Audit Standards (GIAS). Per assessment, both Charters are compliant with the GIAS

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with revisions made in relation to terminology alignment, documentation of current practices, and emphasis of standard requirements.

Governed by its Internal Audit Charter, Internal Audit adopts a risk-based approach in developing its annual work plan which is regularly reevaluated to consider emerging and critical risks. The Audit Committee reviews and approves the annual work plan including all revisions to ensure sufficient coverage of the company's system of internal controls, risk management, compliance and governance processes. The Committee likewise ensures that audit resources are appropriate, sufficient and effectively allocated to accomplish the approved plan.

Quarterly, Internal Audit presents to the Audit Committee the results of its reviews as well as the status of management's corrective action plans to address control or compliance issues. The Committee also had regular meetings with the CAE without the presence of management to discuss any issues or concerns.

The internal audit activities conform with the International Standards for the Professional Practice of Internal Auditing and will be continuously evaluated through an independent Quality Assessment Review conducted every five years.

Group Compliance Officer

As ACEN's Group Compliance Officer, Mr. Dodjie D. Lagazo:

- › Ensured proper onboarding of new directors (i.e., orientation on the Company's business, charter, articles of incorporation and by-laws, among others);

- › Monitored, reviewed, evaluated and ensured the compliance by the Company as well as its officers and directors with the relevant laws, the corporate governance code for PLCs rules and regulations, and all governance issuances of regulatory agencies;
- › Ensured the integrity and accuracy of all documentary submissions to regulators, among others;
- › Identified and managed compliance risks;
- › Ensured that the Company adhered to sound corporate governance and best practices;
- › Issued an Integrated Annual Corporate Governance Report that is duly signed under oath by the Chairperson, Chief Executive Officer or President, all Independent Directors, the Group Compliance Officer, and the Corporate Secretary;
- › Conducted a yearly performance assessment of the Board, Board Committees, and individual members of the Board using a formal self-rating system; and performed such other duties and responsibilities as may be provided by the SEC.

Disclosure and transparency

In line with the Company's policies on disclosure and transparency and the disclosure requirements of the SEC and The Philippine Stock Exchange (PSE), all material and market-sensitive information about the Company as well as other relevant information were publicly and timely disclosed to the investing public, stakeholders, and other interested users through media and analysts' briefings or other means. Such information includes key results of operations, execution of contracts, declaration of dividends and investment, among others.

The Board of Directors has a responsibility to the shareholders to ensure the integrity of the Company's consolidated financial statements and non-financial information disclosed in the integrated report. The financial statements comply with the Philippine Financial Reporting Standards, with significant accounting judgments and estimates disclosed. In dealing with RPTs, the Board of Directors, with the assistance of the BRMRPT Committee composed of majority Independent Directors, reviews and approves the material RPTs of the Company in accordance with the RPT policy, ensuring that the transactions are at arm's length, fair and inure to the best interest of the Company and its subsidiaries or affiliates and the shareholders.

Based on the policy, the related party or any of its subsidiaries or affiliates, shall disclose any material RPT to the BRMRPT Committee for review and approval prior to entering the transaction, unless covered under any of the exceptions under the policy. Furthermore, there were no cases of non-compliance with the laws, rules and regulations pertaining to significant or material RPTs in the past three (3) years. A summary of the material RPTs of the Company is presented in the Notes to the Consolidated Financial Statements under Related Party Transactions.

Ownership structure

As of December 31, 2024, 58.2 percent of ACEN's outstanding common shares were held by AC Energy and Infrastructure Corporation (ACEIC).

2024 Disclosures

In 2024, the Company filed, among others, unstructured disclosures involving the following:

Unstructured disclosures

- › Appointment of Directors and Officers
- › Notice and agenda of the 2024 Annual Stockholders' Meeting
- › Results of 2024 Annual Stockholders' Meeting and Organizational Board of Directors' Meeting
- › Acquisition and sale of Company shares by the directors, officers, and 10 percent owners
- › Press releases
- › Notice of analyst and investor briefings
- › Matters taken up at board meetings
- › Signing of subscription agreements with subsidiaries that are special purpose vehicles for development projects used by the ACEN group

Financial and non-financial reports

The board ensures the integrity of the Company's consolidated financial statements and non-financial information as disclosed in the Company's Integrated Report. The financial statements including significant judgments and estimates disclosed thereto comply with the requirements of the Philippine Financial Reporting Standards.

Non-financial performance was prepared using the guiding principles and content elements of the Integrated Reporting framework.

To help stakeholders gain a better understanding of the Company's business and its process of value creation, a thorough discussion on both financial and non-financial performance indicators is provided in this report.

Please refer to [pages 18](#) for the financial and non-financial performance indicators, respectively.

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Changes in shareholdings

Reported trades of directors and officers of ACEN's voting securities in 2024:

	Balance as of 31 December 2023	Balance as of appointment/election	Acquired	Disposed of	Balance as of end of term/resignation	Balance as of 31 December 2024	
Directors							
Delfin L. Lazaro ¹	69,940	N/A	128,568 ²	0	198,508	N/A	1. Term as director of the company expired on 24 April 2024
Jose Rene Gregory D. Almendras ¹	950,451	N/A	887,384 ²	0	1,837,835	N/A	2. Received as property dividends declared by Ayala Corporation
Cezar P. Consing	28	N/A	551,815 ²	0	N/A	551,843	
Gerardo C. Ablaza, Jr. ³	N/A	3,878,513	0	0	N/A	3,878,513	
John Eric T. Francia	113,461,717	N/A	406,185 ²	0	N/A	113,867,902	3. Elected as director of the company on and effective 24 April 2024
Jaime Alfonso E. Zobel de Ayala	107,040	N/A	3,871 ²	0	N/A	110,911	
Jaime Z. Urquijo ³	N/A	173,198	0	0	N/A	173,198	
Nicole Goh Phaik Khim	1	N/A	0	0	N/A	1	4. Appointed as Corporate Secretary of the company on and effective 11 March 2024
Dean L. Travers	1	N/A	0	0	N/A	1	
Jesse O. Ang	1	N/A	0	0	N/A	1	
Garry K. Lester	1	N/A	0	0	N/A	1	
Maria Lourdes Heras-de Leon	1	N/A	0	0	N/A	1	5. Appointed as Assistant Corporate Secretary of the company on and effective 24 April 2024
Melinda L. Ocampo	24,001	N/A	0	0	N/A	24,001	
Officers							
John Philip S. Orbeta	13,380,339	N/A	677,089 ²	0	N/A	14,057,428	
Jose Maria Eduardo P. Zabaleta	5,175,177	N/A	0	0	N/A	5,175,177	6. Resigned as Corporate Secretary of the company on and effective 26 February 2024
Ma. Cecilia T. Cruzabra	280,000	N/A	141,474 ²	0	N/A	421,474	
Patrice R. Clause	33,743,474	N/A	96,824 ²	0	N/A	33,840,298	
Jonathan P. Back	0	N/A	0	0	N/A	0	
Maria Franchette M. Acosta ⁴	N/A	0	0	0	N/A	0	
Dodjie D. Lagazo	8,880,948	N/A	0	0	N/A	8,880,948	
Raissa C. Villanueva ⁵	N/A	389,397	0	0	N/A	389,397	
Alan T. Ascalon	1,657,152	N/A	0	0	N/A	1,675,152	
Kyla Kamille U. Samson	199,800	101,000	0	0	N/A	199,800	
Mae Christine L. Go	0	N/A	2,799 ²	0	N/A	2,799	
Solomon M. Hermosura ⁶	600,848	N/A	614,179 ²	0	1,215,027	N/A	

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Stakeholder relations

As a stronger, bolder and faster energy company, ACEN's ultimate goal is to uplift the lives of its stakeholders and help build a more sustainable future. It aims to uphold the highest possible level of moral benchmarks and fairness in dealing with shareholders, customers, employees, and business partners to strengthen its foundation of long-term beneficial relationships.

Learn more about how we engage with our stakeholders on

Shareholder meeting and voting procedures

Notices of regular or special meetings are posted on PSE EDGE and the Company's website and sent to shareholders at least 28 days before the scheduled date. It details the agenda and sets the date, time, and place for validating proxies, which must be done at least five (5) business days prior to the annual stockholders' meeting. Each outstanding common share of stock entitles the registered holder to one (1) vote.

For transparency and improved shareholder involvement, the Company provides multiple voting options such as appointing a proxy, voting in-person, or through electronic voting *in absentia*. The Company established a secure electronic Voting in Absentia Shareholder System that is accessible to all stockholders, easy to use and allows stockholders to exercise their right if unable to attend the Annual Stockholders' Meeting. Equal effect is given to votes whether cast in person or in absentia. Non-controlling or minority shareholders are given the right to nominate, elect and remove candidates for the Board of Directors.

Shareholder and investor relations

The Company encourages active participation and regular dialogue with institutional and retail investors. Information requirements of the investing public and minority shareholders are fully disclosed to the securities' regulators on time and are accessible both through the Company's website and through PSE EDGE. The Investor Relations team, which directly reports to the Chief Strategy Officer, provides an avenue to receive feedback, complaints and queries from shareholders other than through the Annual Stockholder's Meeting.

Code of Conduct and Ethics

All Directors, officers and employees are required to always act in the best interest of the Company. They are directed to avoid any situation that could interfere or appear to interfere with his or her independent judgement in performing his or her duties. The Code also prohibits employees from using their official position to secure a contract of employment for a related party, soliciting gifts or any property for personal gain from any individual or organization that deals with the Company, engaging in direct or indirect bribery and using Company information for personal gain. No employee may engage in any business or undertaking that is indirectly or directly in competition with or prejudicial to the interests of the Company.

The Code of Conduct and Ethics provides guidance to directors, officers, and employees on the following:

- › Fair Dealing
- › Confidentiality of Information
- › Proper Use of Company Assets and Resources

- › Conflict of Interest
- › Outside Employment
- › Insider Trading
- › Anti-Bribery and Anti-Graft Policy
- › Safety in the Workplace

Directors, officers and employees are required to declare annually that they have complied with the Code of Conduct and any amendments thereto.

[Read more](#) about Code of Conduct and Ethics.

Policy on insider trading

A policy on insider trading has been defined by ACEN to ensure compliance with Corporate Disclosures Manual and prevent the unlawful practice of using to one's own advantage confidential information one has access to.

Reporting of transactions

ACEN has established and implemented guidelines for all directors, officers and employees on when to declare trades. All directors and officers from Managing Directors and above, the Controller, Chief Audit Executive, Group Chief Risk Officer, Treasurer, Group Compliance Officer, Corporate Secretary and Assistant Corporate Secretary must report all acquisitions or disposals, or any changes in their shareholdings in the Company within the period specified in the policy.

Trading blackouts

To ensure compliance with PSE Insider Trading Rules, the Company issues a blackout notice to all concerned whenever a price-sensitive information has been disclosed to the Exchange.

The Policy on insider trading provides that all directors, key officers, employees, consultants and advisers of the Company who may have knowledge of material information that has not been disclosed to the public, including their immediate families, are prohibited from trading in ACEN's shares during the trading blackout period lasting from the time the information is obtained until a minimum of two (2) trading days after the disclosure thereof with the PSE. In addition, they are also required to submit annually a certification of compliance with the prohibition against trading during the blackout periods.

On November 10, 2022, upon the endorsement of the CGN Committee, the Board approved revisions to the Insider Trading Policy in recognition of the volume of transactions entered into by the Company. Reporting obligations were further clarified among the different covered persons, and the short-swing profit rule was also explicitly incorporated in the policy.

Policy on related-party transactions

ACEN recognizes the fiduciary responsibility of its Board of Directors to ensure the fairness, transparency and integrity of the Company's RPTs for the protection of all shareholders' interest. To support the implementation of this duty, the Company has adopted a Related Party Transactions Policy that:

- › Defines related party relationships and transactions;
- › Provides guidance in the review, approval, maintenance of registry, and disclosure of material RPTs to ensure that the terms are

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fair, and inure to the best interest of the Company and all its shareholders;

- › Mandates regular monitoring of the Company's business relationships;
- › Promotes the objectives of the SEC Rules on Material Related Party Transactions for Publicly Listed Companies; and
- › Prohibits, remedies and penalizes material RPTs deemed non-compliant with policy.

The BRMRPT Committee is tasked with overseeing the implementation of this policy.

Policy against sexual harassment

Increasing awareness of the value of respecting the dignity and rights of each employee is a commitment from ACEN. The Company is dedicated to keeping its work environment free from sexual harassment and all forms of sexual intimidation and exploitation. In keeping with this commitment, the Company will not tolerate harassment of its employees and will penalize any such actions with a permanent ban from the Company working environment.

Policy on anti-fraud

ACEN has adopted a zero-tolerance policy towards fraudulent reporting, misappropriation of assets, corruption, bribery in any form, and all unethical practices, and is committed to taking all appropriate measures in complying with relevant laws and standards.

The Policy on Anti-Fraud prohibits directors, officers, and employees, from doing business with malicious intent. It provides guidance to everyone on how to conduct business in a fair, ethical and legal manner. Seeking unwarranted monetary and substantial advantage from any transaction is strictly forbidden. The policy also

applies even if the business was made through another person.

Policy on gift and gratuities

The Company has established guidelines for managing gifts and gratuities to protect the integrity of its employees and its business interest. Any offers given to directors, officers and employees, or their immediate family, with an intent to influence business decisions and recommendations are strictly prohibited and must be disclosed immediately to the appropriate reporting level. Directors, officers and employees are likewise prohibited from accepting gifts or invitations of any form, except token gifts of small value that meet the criteria set by the Company or offering or promising gifts to facilitate business.

Conflict of interest policy

No officer or employee may be involved in any business or undertaking that influences or could influence the ability to exercise objectivity and perform responsibilities in the best interest of the Company. Any potential conflict of interest, actual or apparent, must be brought to the attention of the appropriate levels of authority and all relevant facts are required to be disclosed.

Whistleblower policy

ACEN conducts its business with the highest ethical standards. The Company and its directors, officers and employees strive to uphold a culture of good corporate governance by heeding integrity in all its transactions internally, with its customers, suppliers, contractors, business partners, government, regulators and the public. The whistleblower

policy provides a mechanism and an avenue to report any perceived wrongdoing, malpractice and any irregularities that are contrary to the Company's Core Values and protects whistleblowers against possible retaliation. The policy also provides an established investigation process on reported violation of Company policies, rules and regulations. All reports are treated in confidence and monitored until resolution and closure.

The whistleblower may submit a report through ACEN Speak Up Safely, an independent and confidential whistleblowing platform managed by a third-party service provider, Deloitte.

ACEN Speak Up Safely provides whistleblowers with the option to be completely anonymous or make their identity known. The channel also allows whistleblowers to receive updates on the reported issue through the platform.

ACEN Speak Up Safely was launched and cascaded to employees in December 2024. It is available in the Philippines, Vietnam, Indonesia, India and the United States. Reports received through the platform can be translated into English, Tagalog, Bahasa Indonesia and Vietnamese. It has also been made available on myHR, the Company's integrated platform for human resources services. Said platform has both web and mobile versions, enabling convenient access to the whistleblower platform. Two whistleblower reports were acted upon in 2024.

ACEN Australia has a separate independent whistleblowing service via [acenrenewables.stoplinereport.com](https://www.stoplinereport.com).

Data privacy policy

As ACEN's Data Protection Officer, Atty. Alan T. Alascon helps the Company keep its utmost commitment to safeguard and respect the right to personal data privacy of stakeholders. With the support of the different business units, ACEN's data privacy team regularly reviews the security measures that the Company puts in place to maintain the integrity, confidentiality and availability of the personal data that it collects and processes. The Company also has a data privacy policy in place which aims to protect these data from accidental loss or destruction, unauthorized access, fraudulent misuse and unlawful alteration.

On December 15, 2023, the Board approved, upon the endorsement of the Corporate Governance and Nomination Committee, revisions to the data privacy policy and data privacy manual to align with industry and company practices as well as updates in applicable data privacy laws and regulations. The Office of the Data Protection Officer can be reached through writing or email dataprivacy@acenrenewables.com should there be any inquiries or concerns on data privacy or data subjects' rights.

Website

Information on the company's corporate governance initiatives, this Integrated Report, and all other relevant information, are available on the company's website at www.acenrenewables.com.

As part of our stakeholder engagement, ACEN also maintains social media accounts on

-  www.facebook.com/officialACEN/
-  ph.linkedin.com/company/officialacen
-  www.youtube.com/@OfficialACEN

Corporate awards



DOE 1st Sustainable Energy Awards

- > Winner, Renewable Energy Projects in On-Grid Areas: North Luzon Renewables



HR Asia

- > Winner, Best Companies to Work for in Asia 2024: ACEN



ACGS 2024 Golden Arrow Awards

- > 4 Golden Arrows: ACEN



The Asset Triple A Awards for Sustainable Finance 2024

- > Best Issuer for Sustainable Finance in the Philippines: ACEN's ₱25 billion perpetual preferred shares transaction



2024 Stevie International Business Awards

- > Gold, Brand Experience of the Year, B2B category: ACEN RES' "Leveraging the power of Phyigital (physical and digital) Connections with B2B Audiences



59th Anvil Awards

- > Silver, "Marketing and Brand Communication" category: ACEN RES



Alpha Southeast Asia Awards 2024

- > Most Innovative Deal in Southeast Asia 2024: ACEN's ₱11 billion Sustainability-Linked Loan with ADB & BPI



Legal 500's GC Powerlist Philippines Teams 2024

- > Awarded as one of the Philippines' premier legal teams: ACEN Legal



9TH Investment House Association of the Philippines (IHAP) Awards

- > Best Equity Deal: ACEN's ₱25 billion perpetual preferred shares transaction



Delaware, a global company that delivers advanced ICT solutions

- > Partner of the Decade: ACEN

Philippine plant operations awards



Safety Organization of the Philippines, Inc. (SOPi)

- > **North Luzon Renewables:** Award of Merit for achieving 1,749,948 safe man-hours without Lost Time Accident (LTA) attained from March 1, 2020 to August 31, 2024
- > **NorthWind:** Perfect Safety Record for achieving 752,622 safe man-hours without Lost Time Accident (LTA) attained from February 21, 2020 to August 31, 2024



Safety & Health Association of the Philippine Energy Sector, Inc. (SHAPES)

- > **North Luzon Renewables:** Silver Corporate Safety and Health Excellence Award for attaining Zero (0) Lost Time Accident for four (4) years
- > **NorthWind:** Silver Corporate Safety and Health Excellence Award for attaining Zero (0) Lost Time Accident for four (4) years
- > **Pagudpud Wind:** Corporate Safety and Health Excellence Award for attaining Zero (0) Lost Time Accident for one (1) year
- > **Cagayan North Solar:** Corporate Safety and Health Excellence Award for attaining Zero (0) Lost Time Accident for one (1) year



Philippine Red Cross

- > **North Luzon Renewables:** Scroll of Honor in recognition and deepest appreciation for its continuous participation in providing Red Cross services designed to improve the well-being of humanity



Department of Environment and Natural Resources (DENR) Region I

- > North Luzon Renewables: Environmental Partner



WESM Annual Compliance Awards

- > **Guimaras Wind:** 1st Rank — Wind Resource Type
- > **North Luzon Renewables:** 2nd Rank — Wind Resource Type
- > **NorthWind:** 3rd Rank — Wind Resource Type



Department of Education

- > Most Innovative Deal in Southeast Asia 2024: ACEN's ₱11 billion Sustainability-Linked Loan with ADB & BPI

International plant operations awards



The Asset Triple A Sustainable Infrastructure Awards
 > **Monsoon Wind:** Asia Pacific Deal of the Year



KEMNAKER
Ministry of Manpower
 > **Salak & Darajat Geothermal (Salak):** 2024 Zero Incident Award, PH2HIV-AIDS Platinum Award
 > **Salak & Darajat Geothermal (Darajat):** 2024 Zero Incident Award, PH2HIV-AIDS Platinum Award



Ministry of Energy & Mineral Resources
 > **Salak & Darajat Geothermal (Salak):** Subroto Award: K3 and Geothermal Engineering Performance
 > **Salak & Darajat Geothermal (Darajat):** Aditama rating: K3 and Geothermal Engineering Performance



Ministry of Environment
 > **Salak & Darajat Geothermal (Salak):** PROPER Green Award
 > **Salak & Darajat Geothermal (Darajat):** PROPER Green Award



Garut Head of Regency
 > **Salak & Darajat Geothermal (Darajat):** CSR Award



Sukabumi Head of Regency
 > **Salak & Darajat Geothermal (Salak):** CSR Environmental Award



Governor of West Java Province
 > **Salak & Darajat Geothermal (Salak):** 2024 Zero Incident Award, PH2HIV-AIDS Platinum Award, OHS Committee Platinum Award
 > **Salak & Darajat Geothermal (Darajat):** 2024 Zero Incident Award, PH2HIV-AIDS Platinum Award, OHS Committee Platinum Award

Our reporting

- 96 Materiality
- 97 Sustainability reporting indices
- 100 Sustainability performance indicators
- 107 Independent limited assurance report
- 109 Report of the audit committee
- 110 Corporate information

Aside from building renewables, we also developed 14 kilometers of transmission infrastructure in SanMar Solar to overcome the connectivity roadblock for deploying clean energy to the grid.

We work closely with our stakeholders to determine what is material—using their insights to shape our strategy and focus on the issues that matter most.

Materiality

To determine economic, environmental, social and governance issues that are important to ACEN and its stakeholders, we conducted a series of materiality exercises in collaboration with an external consultant, identifying topics that are important to ACEN both financially and from an external impact perspective.

Our material ESG issues were updated to reflect our engagements with investors, rating institutions and other stakeholder concerns regarding ESG. This was supplemented by research activities on the latest developments around sustainability reporting frameworks and industry-specific sustainability issues. Roadshows were also conducted with our business unit heads, leadership team and the board-level Sustainability Committee to validate our material ESG issues and identify strategic action plans around key ESG issues moving forward.

We conduct the materiality process every 1-2 years to ensure that material ESG topics and our ESG strategy are continuously updated and that these are relevant to our stakeholders, with the last materiality assessment having been conducted in 2023.

ACEN’s material issues

Environment

Protect + Sustain

- 1 **Circular economy**
[pages 32 to 33](#)
- 2 **Energy efficiency and carbon reduction**
[pages 24 to 26, 35, 100 to 101](#)
- 3 **Climate risks and opportunities**
[pages 24 to 27, 69 to 71](#)
- 4 **Biodiversity**
[pages 28 to 31](#)
- 5 **Air pollution**
[pages 24 to 25](#)
- 6 **Waste management**
[pages 32 to 33, 102](#)
- 7 **Environmental policy and certifications**
[pages 23, 32](#)

Social

Unite + Thrive

- 8 **Human rights**
[pages 46, 60, 63](#)
- 9 **Occupational health and safety**
[pages 55 to 57, 106](#)
- 10 **Supply chain sustainability**
[page 63](#)
- 11 **Human capital management**
[pages 46 to 54, 103 to 106](#)
- 12 **Local communities**
[pages 38 to 45](#)
- 13 **Customers**
[page 64](#)

Economic/Governance

Influence + Innovate

- 14 **Energy infrastructure**
[pages 11 to 15](#)
- 15 **Business ethics & good governance**
[pages 79 to 91](#)
- 16 **Sustainable finance**
[page 18](#)
- 17 **Innovation, digitalization and cybersecurity**
[page 68](#)

SUSTAINABILITY REPORTING INDICES

Economic

Framework	Code	Description	Location
Economic performance			
GRI	201-1	Direct economic value generated and distributed	2024 Integrated Report, page 100
Power generation			
SASB	IF-EU-000.D 302-1	Total electricity generated, percentage by major energy source, percentage in regulated markets	2024 Integrated Report, page 18

Environment

Framework	Description	Location
Climate strategy		
GRI	302-1	Energy consumption within the organization 2024 Integrated Report, page 100
TCFD		
Governance: Disclosure A	Describe the board's oversight of climate-related risks and opportunities	2024 Integrated Report, page 69
Governance: Disclosure B	Describe management's role in assessing and managing climate-related risks and opportunities	2024 Integrated Report, page 69
Strategy: Disclosure A	Describe the climate-related risks and opportunities the organization has identified over the short, medium and long-term	2024 Integrated Report, page 70
Strategy: Disclosure B	Describe the impact of climate related risks and opportunities on the organization's businesses, strategy and financial planning	2024 Integrated Report, page 70
Risk Management: Disclosure A	Describe the organization's processes for identifying and assessing climate-related risks	2024 Integrated Report, page 71
Risk Management: Disclosure B	Describe the organizations's processes for managing climate-related risks	2024 Integrated Report, page 71
Risk Management: Disclosure C	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	2024 Integrated Report, page 71
Metrics and Targets: Disclosure C	Describe the targets used by the organization to manage climate-related risks, opportunities and performance against targets	2024 Integrated Report, page 71

SUSTAINABILITY REPORTING INDICES

GHG emissions			
GRI	305-1	Direct (Scope 1) GHG emissions	2024 Integrated Report, page 101
	305-2	Energy indirect (Scope 2) GHG emissions	2024 Integrated Report, page 101
	305-3	Other indirect (Scope 3) GHG emissions, limited to Category 3 Fuel- and Energy-related Activities Not Included in Scope 1 or Scope 2	2024 Integrated Report, page 101
	305-4	GHG emissions intensity	2024 Integrated Report, page 101
TCFD	Metrics and Targets: Disclosure B	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	2024 Integrated Report, pages 24 to 25, 101
SASB	IF-EU-110a.3	Discussion of long-term or short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	2024 Integrated Report, pages 24 to 25
Water management			
GRI	303-3	Water withdrawal	2024 Integrated Report, page 102
	303-5	Water consumption	2024 Integrated Report, page 102
SASB	IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	2024 Integrated Report, page 102
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	2024 Integrated Report, page 102
Waste management			
GRI	306-3	Waste generated	2024 Integrated Report, page 102
	306-5	Waste directed to disposal	2024 Integrated Report, page 102
Biodiversity			
GRI	304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	2024 Integrated Report, pages 28 to 31
	304-3	Habitats protected or restored	2024 Integrated Report, pages 28 to 31

SUSTAINABILITY REPORTING INDICES

Social

Framework	Code	Description	Location
Human capital management			
GRI	2-7	Employees	2024 Integrated Report, page 103
	401-1	New employee hires and employee turnover	2024 Integrated Report, page 104
	404-1	Average hours of training per year per employee	2024 Integrated Report, page 105
	404-2	Programs for upgrading employee skills and transition assistance programs	2024 Integrated Report, pages 46 to 49
	404-3	Percentage of employees receiving regular performance and career development reviews	2024 Integrated Report, pages 52 to 53
Health and safety			
GRI	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2024 Integrated Report, pages 55 to 57
	403-8	Workers covered by an occupational health and safety management system	2024 Integrated Report, page 56
	403-9	Work-related injuries	2024 Integrated Report, pages 57, 106
SASB	IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees”	2024 Integrated Report, pages 57, 106
Community engagement			
GRI	413-1	Operations with local community engagement, impact assessments, and development programs	2024 Integrated Report, pages 38 to 45

Governance

Framework	Code	Description	Location
Anti-corruption and business ethics			
GRI	205-2	Communication and training about anti-corruption policies and procedures	2024 Integrated Report, page 60
Diversity in leadership			
GRI	405-1	Diversity of governance bodies and employees	2024 Integrated Report, page 104

SUSTAINABILITY PERFORMANCE INDICATORS

About our sustainability performance indicators

For disclosures in this report that reference sustainability reporting standards such as the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB), we cover entities within ACEN's operational control, unless indicated otherwise. Reporting using the operational control approach entails that we account for 100% of an entity's data if ACEN or its subsidiaries can implement operating policies over the entity. Aside from qualitative and quantitative disclosures using sustainability reporting standards, we report on areas where ACEN has considerable financial, environmental and social impacts. For example, our programs and impact on local communities include not only ACEN and its subsidiaries but also affiliates over which ACEN does not necessarily have operational control.

Our environmental data has been restated to align to the operational control approach for reporting non-financial data. In previous years, ACEN followed the approach of applying equity share in facilities where it does not have operational control for energy, water and waste data. Starting 2024, we report using the operational control approach for disclosing environmental information, including energy, water, waste and emissions data.

Economic

Economic performance

Methodology

Economic values are based on ACEN's consolidated audited financial statements.

Amount in thousand pesos (in ₱ '000s)	2022	2023	2024
Direct economic value generated	55,470,788	45,391,095	47,384,845
Direct economic value distributed	69,819,161	54,017,490	43,898,741
a. Operating cost (payments to suppliers)	36,882,765	31,916,830	26,933,442
b. Employee wages and benefits	1,185,226	1,765,391	2,425,800
c. Dividends given to stockholders and interest payments to loan providers	30,383,216	17,959,328	12,046,620
d. Taxes given to government	1,264,356	2,263,716	2,304,752
e. Investments to community (CSR, sponsorships donations, contributions)	103,599	112,225	188,127

Procurement practice (in %)

	2022	2023	2024
Procurement budget spent on local suppliers	97	100	99

Environment

Energy

Methodology

Our direct energy consumption include various fuels used for our operating projects. Indirect energy consumption comes from electricity purchased for our offices and operating projects. To calculate for the share of energy consumption from renewable sources, self-generated energy from our renewable plants used for own consumption is divided by the total energy consumption within the organization. The figures for our fuel and electricity consumption are based on utility bills, sales invoices and internal trackers.

Energy consumption within the organization (in kWh)	2022	2023	2024
Fuel	76,171,470	479,514,810	314,560,672
Electricity	14,037,503	10,935,222	70,485,138
> Purchased from the grid	14,037,503	10,935,222	45,825,366
> From own generation	-	-	24,659,772
Total	775,208,973	490,450,031	385,045,809
% Renewable	-	-	5%
% Non-renewable	100%	100%	95%

Energy consumption within the organization	2022	2023	2024
Fuel (in L)	64,301,265	40,566,220	26,684,535
Electricity (in GJ)	50,535	39,367	253,747

SUSTAINABILITY PERFORMANCE INDICATORS

GHG emissions

Methodology

We use the GHG Protocol Corporate Standard in accounting and reporting GHG emissions. Following the operational control approach, facilities under our operational control are included in the scope 1, 2 and 3 reporting, while other sites, such as joint ventures, are included in the scope 3 investments category only. The global warming potential (GWP) values used in our GHG inventory are based on the Intergovernmental Panel on Climate Change's (IPCC) 'Fourth Assessment Report' (AR4).

Our scope 1 emissions come from the combustion of fuels for energy generation and to power our equipment, generator sets and company vehicles. Scope 2 emissions come from electricity purchased by our plants and offices. Lastly, our scope 3 emissions come from upstream and downstream activities outside our operational control. This includes purchased goods and services and capital goods procured during the year for projects under construction, fuel- and energy- related activities, transportation and distribution of goods purchased for the year, management of waste from operating projects and operational emissions from plants that are not under our operational control. We use primary data to calculate emissions for all scopes except purchased goods and services and capital goods, which use spend-based data.

Emissions disclosed in the table reflect the divestment of our only coal-fired power plant, South Luzon Thermal Energy Corp (SLTEC).

GHG intensity is calculated by dividing scope 1 and 2 emissions over our total attributable output for facilities under our operational control.

GHG emissions intensity (in tCO ₂ e)	2022	2023	2024
Scope 1	176,722	109,452	84,282
› Stationary	173,266	109,015	83,589
› Mobile	3,456	437	693
Scope 2			
› Location-based	9,765	7,788	32,239
› Market-based	9,765	7,788	27,969
Scope 3	4,556,958	3,837,880	3,978,047
› Purchased goods and services	34,303	38,254	236,716
› Capital goods	65,061	76,349	107,143
› Fuel- and energy-related activities	3,609,006	3,440,289	3,320,256
› Upstream transportation and distribution	797,661	263,640	245,919
› Waste	140	165	248
› Investments	50,497	18,461	67,766
Total	4,743,156	3,954,398	4,090,299
GHG emissions intensity (in tCO₂e/MWh)	2022	2023	2024
Scope 1 and 2 (market-based)	0.182	0.069	0.044

SUSTAINABILITY PERFORMANCE INDICATORS

Waste

Methodology

We monitor certain types of waste that are material to ACEN's operations. Waste diversion methods include recycling and treatment in accordance with national regulations. Waste that has not be disposed has been stored for treatment or disposal. The figures for our waste generation data are based on internal monitoring logs. On the other hand, waste diversion and disposal data are based on self-monitoring reports submitted to regulatory agencies or hauling receipts.

Waste generation (in kg)	2022	2023	2024
Hazardous waste			
> Used oil (in L)	1,110,236	740,077	398,216
> Electronic waste	5,400	3,814	9,266
> Batteries	477	1,260	3,352
> Busted fluorescent lamps	5	10	105
> Contaminated containers	1,431	672	1,026
> Oil contaminated materials	43,225	47,662	72,596
> Other hazardous wastes*	2,949	1,154	3,806
Non-hazardous waste	35,407	45,935	128,905
Total (excluding used oil)	88,894	100,507	219,056

*Other hazardous wastes include plant-specific wastes such as lead compounds, clinical waste, resinous materials

Waste diversion (in kg)	2024
Hazardous waste	89,602
> Diverted from disposal	59,913
> Directed to disposal	29,690
Non-hazardous waste	129,007
> Diverted from disposal	33,100
> Directed to disposal	95,907
Total	218,610
% Diverted	59%
% Disposed	41%

*Figures on hazardous waste disposal and diversion exclude used oil, which is measured in liters. For used oil, 274,578 liters were diverted from disposal while 54,039 liters were disposed.

Water

Methodology

Water withdrawal includes all water sources that are material to ACEN's operations. The figures for water-related data are based on meter readings and utility bills for third-party water. Water-stressed areas are areas tagged as "High Risk" or "Extremely High Risk" based on WRI's Aqueduct Global Water Tool. We calculate water intensity using total water withdrawal per unit of energy generation. Water intensity is computed by dividing total water withdrawn by total attributable output for facilities under our operational control.

Water consumption (in cubic meters)	2022	2023	2024
Water withdrawal	220,611,875	72,608	78,056
> Surface water	8,216	11,124	14,986
> Groundwater	8,789	8,611	6,250
> Third-party water	50,063	52,873	56,819
> Seawater	220,544,807	-	-
Water discharge	-	18,052	25,721
> Surface water	-	4,633	6,630
> Groundwater	-	1,924	6,749
> Third-party water	-	11,495	12,251
> Seawater	-	-	90
Water withdrawal in water-stressed areas	5,383	5,486	5,044
Water consumption in water-stressed areas	-	4,358	2,848
Water intensity (cubic meter per MWh)	215,643	0.043	0.030

Environmental compliance

Environmental compliance	Unit	2023	2024
Total amount of significant fines paid for non-compliance of environmental laws and regulations	₱	0	0

SUSTAINABILITY PERFORMANCE INDICATORS

Social

Employment

Methodology

Employees included in this headcount are those who have a direct contract with ACEN and are not hired through agencies or contractors. Permanent employees consider those who are on probation and regularized. Temporary employees, which we began reporting in more detail in 2024, include consultants, project-based employees, as well as those with fixed terms indicated in their contracts.

Employee headcount	2022	2023	2024
Permanent employees	713	914	1,056
Temporary employees	26	42	138
Total	739	956	1,194

Employees by gender	2022	2023	2024
Permanent employees			
› Female	278	368	483
› Male	435	546	573
Temporary employees			
› Female	-	-	50
› Male	-	-	88

Employees by age	2022	2023	2024
Permanent employees			
› Under 30 years old	212	238	258
› 30-50 years old	435	599	714
› Over 50 years old	66	77	84
Temporary employees			
› Under 30 years old	-	-	50
› 30-50 years old	-	-	56
› Over 50 years old	-	-	32

Employees by position	2022	2023	2024
Permanent employees			
› Rank-and-file	392	353	388
› Middle management	259	493	570
› Senior management	62	66	98
Temporary employees			
› Rank-and-file	-	-	54
› Middle management	-	-	62
› Senior management	-	-	22

Employees by type	2024
Permanent employees	
› Full-time	1,052
› Part-time	4
Temporary employees	
› Full-time	133
› Part-time	5

SUSTAINABILITY PERFORMANCE INDICATORS

New hires

Methodology

New hires include permanent and temporary employees whose hiring date is on or between January 1, 2024 to December 31, 2024.

	2022	2023	2024
New hires	288	313	376
New hires by gender			
			2024
> Female			182
> Male			194
New hires by age			
			2024
> Under 30 years old			137
> 30-50 years old			206
> Over 50 years old			33
New hires by position			
			2024
> Rank-and-file			141
> Middle management			200
> Senior management			35
Employee turnover¹			
	2022	2023	2024
Voluntary turnover	70	93	116
Involuntary turnover	14	15	15
Retirement	14	8	3
End-of-contract	21	13	10
Turnover rate ²	9.40%	11.40%	11.80%

1. Voluntary turnover, involuntary turnover and retirement comprise of permanent employees, while end-of-contract comprises of temporary employees.
2. Turnover rate is calculated by dividing voluntary turnover with average permanent employee headcount during the year.

Diversity

Methodology

We report on employees by gender to determine gender diversity of our workforce. The percentage of women in leadership positions is the same as the percentage of females in senior management. Permanent and temporary employees were considered in this count.

	2023	2024
Percentage of females per rank		
Senior management	42%	38%
Middle management	46%	49%
Rank-and-file	31%	41%
Total management	45%	47%
Total workforce	40%	45%



As our business continues to grow, we ensure our workforce remains diverse and inclusive.

SUSTAINABILITY PERFORMANCE INDICATORS

Parental leaves

Methodology

Parental leaves include employees who have taken time off from work to perform parental duties and responsibilities. We comply with applicable laws and regulations in providing parental leave benefits for the countries where we operate.

	2024
Employees entitled to the benefit	
> Female	342
> Male	418
> Solo parent	6
Employees who availed the benefit	
> Female	23
> Male	20
> Solo parent	-
Employees who returned to work after parental leave	
> Female	23
> Male	18
> Solo parent	-
Employees who retained 12 months after returning to work	
> Female	13
> Male	6
> Solo parent	-

Training and development

Methodology

Training hours cover the trainings attended by permanent and temporary employees within ACEN. Average training hours are calculated by dividing the total training hours by the total number of employees (permanent and temporary).

Total training hours by gender	2022	2023	2024
> Female	8,443	11,588	12,001
> Male	33,237	20,302	20,164

Total training hours by position	2022	2023	2024
> Rank-and-file	22,399	11,844	12,112
> Middle management	18,574	16,779	18,645
> Senior management	706	3,267	1,408

Average training hours by gender	2022	2023	2024
> Female	30	31	23
> Male	76	37	31

Average training hours by position	2022	2023	2024
> Rank-and-file	57	34	27
> Middle management	72	34	30
> Senior management	11	50	12

Investment (in ₱ millions)	2022	2023	2024
Total amount spent for training and development*	33	14	49

*2023 data only considered investment for core and targeted programs for employees situated in the Philippines



Led by our human resources team, we regularly conduct "Lunch & Learn" sessions about various company-related topics to improve the skillset of our employees.

SUSTAINABILITY PERFORMANCE INDICATORS

Health and safety

Methodology

We report on health and safety data of our employees and contractors. In previous years, numbers were consolidated. In 2024, we began separating the data between our employees and contractors.

Lost time injuries refer to injuries resulting to permanent partial disability that partially limits a person's ability to work or perform daily activities but does not completely prevent them from working. Non-lost time injuries refer to injuries that do not result in lost workdays such as restricted work cases and medical treatment cases. TRCF, Fatality Rate and LTIFR were computed based on a 1,000,000-hour basis. Formula is based on the number of cases, fatalities or injuries multiplied by 1,000,000 and divided by total man-hours.

To comply with our sustainability reporting approach in which we include entities within ACEN's operational control, we disclose health and safety performance for ACEN and its subsidiaries in the first table. The second table covers ACEN, its subsidiaries and affiliates, reflecting the company's entire portfolio.



We are committed to transparency by reporting our 2024 health and safety performance covering employees and contractors.

Health and safety performance (ACEN and subsidiaries)	2024	
	Employees	Contractors
Total recordable cases (injuries)	-	24
> High-consequence work-related injuries	-	-
• Fatalities	-	-
• Permanent total disability	-	-
> Non-high consequence work-related injuries	-	24
• Lost time injuries	-	5
• Non-lost time injuries	-	19
Total recordable cases frequency rate (TRCF)	0%	2.68%
Fatality rate	0%	0%
High consequence work-related injury rate	0%	0%

Health and safety performance (ACEN, subsidiaries and affiliates)	2024	
	Employees	Contractors
Total recordable cases (injuries)	-	26
> High-consequence work-related injuries	-	-
• Fatalities	-	-
• Permanent total disability	-	-
> Non-high consequence work-related injuries	-	26
• Lost time injuries	-	5
• Non-lost time injuries	-	21
Total recordable cases frequency rate (TRCF)	0%	1.85%
Fatality rate	0%	0%
High consequence work-related injury rate	0%	0%

INDEPENDENT LIMITED ASSURANCE REPORT

Scope

We have been engaged by ACEN Corporation (“ACEN” or the “Company”) to perform a ‘limited assurance engagement’, as defined by Philippine Standard on Assurance Engagements 3000 (Revised) [PSAE 3000 (Revised)], Assurance Engagements Other than Audits or Reviews of Historical Financial Information, hereafter referred to as the engagement, to report on selected sustainability information, listed below (the “Subject Matter”), contained in the 2024 ACEN Integrated Report for the year ended December 31, 2024 (the “Report”).

Subject Matter

The Subject Matter includes the following selected environmental, social and governance (ESG) indicators/metrics and report contents which are covered in our limited assurance engagement:

- A. ESG indicators/metrics with reference to the Global Reporting Initiative (GRI)
 - 1. Economic
 - a. Economic Performance 2016
 - i. 201-1 Direct economic value generated and distributed
 - 2. Environmental
 - a. Energy 2016
 - i. 302-1 Energy consumption within the organization
 - b. Water and Effluents 2018
 - i. 303-3 Water withdrawal

- ii. 303-5 Water consumption
- c. Biodiversity 2016
 - i. 304-1 Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas
 - ii. 304-3 Habitats protected or restored
- d. Emissions 2016
 - i. 305-1 Direct (Scope 1) GHG emissions
 - ii. 305-2 Energy indirect (Scope 2) GHG emissions
 - iii. 305-3 Other indirect (Scope 3) GHG emissions, limited to Category 1 Purchased Goods and Services, Category 2 Capital Goods, Category 3 Fuel- and Energy-related Activities Not Included in Scope 1 or Scope 2, Category 4 Upstream Transportation and Distribution, Category 5 Waste Generated in Operations and Category 15 Investments
 - iv. 305-4 GHG emissions intensity
- e. Waste 2020
 - i. 306-3 Waste generated
 - ii. 306-5 Waste directed to disposal
- 3. Social
 - a. General Disclosures 2021
 - i. 2-7 Employees
 - b. Employment 2016
 - i. 401-1 New employee hires and employee turnover

- c. Diversity and Equal Opportunity 2016
 - i. 405-1 Diversity of governance bodies and employees
- d. Occupational Health and Safety 2018
 - i. 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
 - ii. 403-8 Workers covered by an occupational health and safety management system
 - iii. 403-9 Work-related injuries
- e. Training and Education 2016
 - i. 404-1 Average hours of training per year per employee
 - ii. 404-2 Programs for upgrading employee skills and transition assistance programs
 - iii. 404-3 Percentage of employees receiving regular performance and career development reviews
- f. Local Communities 2016
 - i. 413-1 Operations with local community engagement, impact assessments, and development programs
- 4. Governance
 - a. Anti-Corruption 2016
 - i. 205-2 Communication and training about anti-corruption policies and procedures
- B. SASB Electric Utilities & Power Generators Industry Standard 2023
 - 1. IF-EU-000.D Total electricity generated, percentage by major

- energy source, percentage in regulated markets
- 2. IF-EU-110a.3 Discussion of long-term or short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets
- 3. IF-EU-140a.1 (1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress
- 4. IF-EU-140a.3 Description of water management risks and discussion of strategies to mitigate those risks
- 5. IF-EU-320a.1 (1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by ACEN Corporation

In preparing the Subject Matter, ACEN Corporation has applied the criteria for reporting with reference to the Global Reporting Initiative (GRI) Standards and in accordance with the Sustainability Accounting Standards Board (SASB) Standard for Electric Utilities & Power Generators.

ACEN Corporation’s responsibilities

ACEN Corporation’s management is responsible for selecting the Criteria, and for presenting the Subject Matter with reference to that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

SGV’s responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on Engagements 3000 (Revised) [PSAE 3000 (Revised)], Assurance Engagements Other than the evidence we have obtained.

We conducted our engagement in accordance with the Philippine Standard on Assurance Audits or Reviews of Historical Financial Information, and the terms of reference for this engagement as agreed with ACEN Corporation on 18 December 2023. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any

material modifications that need to be made to the Subject Matter in order for it to be with reference to the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the Professional Regulation Commission and have the required competencies and experience to conduct this assurance engagement.

SGV also applies Philippine Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level

of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

1. Making inquiries of management and relevant process owners to:
 - a. Obtain an understanding of the principal business operations;
 - b. Obtain an understanding of key sustainability issues and developments related to the Subject Matter;
 - c. Obtain an understanding of the processes for initiating, recording, processing and reporting of ESG information;
 - d. Identify the data providers and their responsibilities; and

- e. Assess the risks of material misstatement of sustainability data, whether due to error or fraud
2. Checking the mathematical accuracy of calculations performed
3. Performing analytical procedures and obtaining documentation/reports, on a sampling basis, to test computations made by management in relation to the Subject Matter in the Report
4. Testing whether the data and statements had been correctly transcribed from corporate systems and/or supporting evidence into the Report
5. Reviewing the disclosure contents of the Report to check compliance with the Criteria

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter for the year ended December 31, 2024, in order for it to be in accordance to the Criteria.

SYCIP, GORRES, VELAYO & CO

Katrina F. Francisco

Katrina F. Francisco
Partner
CPA Certificate No. 0106371
PTR No. 10465306. January 2, 2025,
Makati City
08 April 2025

REPORT OF THE AUDIT COMMITTEE TO THE BOARD OF DIRECTORS

For the Year Ended 31 December 2024

The Board-approved Audit Committee (“the Committee”) Charter defines the duties and responsibilities of the Committee. In accordance with the Charter, the Committee assists the Board of Directors in fulfilling its oversight responsibilities to the shareholders with respect to the:

- › Integrity of the Company’s financial statements and the financial reporting process;
- › Appointment, remuneration, qualification, independence and performance of the external auditors and the integrity of the audit process as a whole;
- › Effectiveness of the system of internal control;
- › Performance and leadership of the internal audit function; and
- › Company’s compliance with applicable legal and regulatory requirements.

In compliance with the Audit Committee Charter, we confirm that:

- › All the Audit Committee members are non-executive directors with the necessary qualifications, skills, and knowledge to perform their duties. Majority of the members including the Chairman of the Committee are independent directors;
- › We had four (4) regular meetings, three (3) special meetings, and two (2) executive sessions with the external auditors, the internal auditors, and management;

- › We recommended for approval of the Board and endorsement to the shareholders the reappointment of SGV & Co. as the Company’s 2024 external auditors and the related audit fee;
- › We reviewed and approved the quarterly unaudited and the annual audited parent and consolidated financial statements of ACEN Corporation (ACEN) and Subsidiaries, including the Management’s Discussion and Analysis of Financial Condition and Results of Operations and the significant impact of new accounting standards, with management, internal auditors and SGV & Co. These activities were performed in the following context:
 - Management has the primary responsibility for the financial statements and the financial reporting process; and
 - SGV & Co. is responsible for expressing an opinion on the conformity of ACEN’s audited parent and consolidated financial statements with the Philippine Financial Reporting Standards.
- › We approved the overall scope and the respective audit plans of the Company’s internal auditors and SGV & Co. We reviewed the adequacy of resources, the competencies of staff and the effectiveness of the auditors to execute the audit plans ensuring that resources are reasonably allocated to the areas of highest risks. We also discussed the results of their audits, their assessment of the Company’s internal controls, and the overall quality of the financial reporting process including their management letter of comments; We reviewed the reports and updates of the internal and

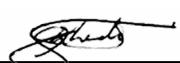
- external auditors ensuring that management is taking appropriate corrective actions in a timely manner, including addressing internal control and compliance issues. Based on the assurance provided by the internal audit department as well as SGV & Co. as a result of their audit activities, the Committee assessed that the Company’s system of internal controls, risk management, compliance, and governance processes are adequate;
- › We approved the 2024 pre-concurrence process and the list of non-audit services which the external auditors may be engaged to ensure independence risk is manageable;
- › We reviewed and approved all audit, audit-related and non-audit services provided by SGV & Co. to ACEN and the related fees. We also assessed the compatibility of the non-audit services with the auditors’ independence to ensure that such services

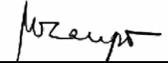
- will not impair their independence,
- › We reviewed and approved the changes in the Audit Committee and Internal Audit Charters to ensure that these are updated and aligned with regulatory requirements and the Global Internal Audit Standards effective January 9, 2025;
- › We evaluated the performance of the Chief Audit Executive and the effectiveness of the internal audit function, including compliance with the International Standards for the Professional Practice of Internal Auditing; and
- › We conducted an annual assessment of our performance, in accordance with Securities and Exchange Commission guidelines, and confirmed that the Committee had satisfactorily performed its responsibilities based on the requirements of its Charter.

Based on the reviews and discussions undertaken, and subject to the limitations on our roles and responsibilities referred to above, the Audit Committee recommends to the Board of Directors that the audited financial statements be included in the Annual Report for the year ended December 31, 2024 for filing with the Securities and Exchange Commission and the Philippine Stock Exchange. We are also recommending the reappointment of SGV & Co. as ACEN Corporation’s external auditors and the related audit fee for 2024 based on their performance and qualifications.

06 March 2025

Signed by


GARRY LESTER
Chairperson


MELINDA OCAMPO
Member


NICOLE GOH PHAIK KHIM
Member

CORPORATE INFORMATION

Stakeholder inquiries

We welcome inquiries from analysts, the financial community, institutional and retail investors, customers, media and the general public.

Please contact:

Investors

investorrelations@acenrenewables.com

Corporate Communications and Sustainability

corpcomm@acenrenewables.com

Governance

corpsec.acen@acenrenewables.com

Data Protection

dataprivacy@acenrenewables.com

Human Resources

careers@acenrenewables.com

Financial statements

Our 2024 Audited Financial Statements and Definitive Information Statement may be accessed from www.acenrenewables.com

Shareholder services and assistance

For inquiries regarding dividend payments, change of address and account status, and lost or damaged stock certificates, please write or call:

Stock Transfer Service, Inc. (STSI)

34/F Rufino Pacific Tower,
6784 Ayala Avenue, Makati City
Tel + 632 8403-2410, 632 8403-2412,
632 8403-3433, 632 5310-3671,
632 5310-1351, 632 5310-1343
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