

CORPORATE GOVERNANCE

We continue to advance a governance philosophy that balances disciplined growth with a deeply rooted commitment to ethical leadership. As we scale our renewable energy portfolio across the Asia Pacific, we rely on a governance system designed not only to manage risks and ensure strategic alignment, but also to nurture a culture of integrity, accountability, and purpose-driven decision-making.

Our Board and management teams play an active role in reinforcing these principles—embedding sustainability, transparency, and responsible conduct into everyday operations.

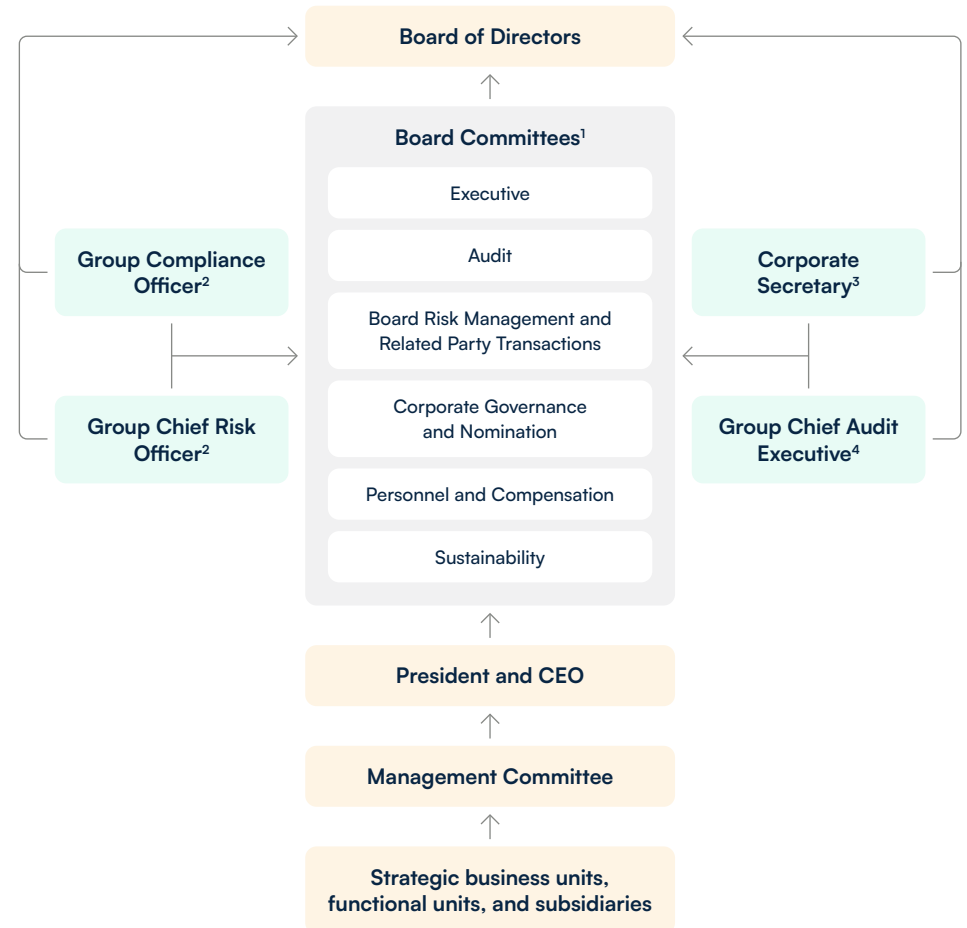
This governance mindset strengthens our organizational resilience, supports value creation for all stakeholders, and ensures that our expansion is guided by both strong oversight and the values that define who we are as a company.

As the listed energy platform of the Ayala group, we comply with the Security and Exchange Commission’s (SEC) Manual on Corporate Governance for Publicly Listed Companies, supported by the 2025 attestation of our Chief Executive Officer (CEO) and Group Chief Audit Executive (CAE).



The ACEN Board of Directors and Leadership team during the 2025 Annual Stockholders' Meeting

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. Assists the Board and Board Committees in the conduct of the meetings; advises the Board of issues relating to relevant laws, all governance issues and industry development and operations of the Company as they arise
4. Reports functionally to the Audit Committee

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 2025.

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.

2025 Board of Directors	Designation	Year appointed (No. of years in the Board)	Expertise
Cezar P. Consing	Non-Executive, Chairman	2021 (5)	Banking and capital markets
Gerardo C. Ablaza, Jr.	Non-Executive, Vice-Chairman	2024 (2)	General management, telecommunications, water distribution, infrastructure
John Eric T. Francia	Executive, President & CEO	2019 (7)	General management, strategy, energy, capital markets, M&As
Jaime Alfonso Antonio E. Zobel de Ayala	Non-Executive	2022 (4)	Strategy, innovation, business development
Jaime Z. Urquijo	Non-Executive	2024 (2)	Sustainability, risk, business development
Nicole Goh Phaik Khim	Non-Executive	2021 (5)	Finance, infrastructure, capital markets
Dean L. Travers	Non-Executive	2022 (4)	Energy, project development, corporate governance
Jesse O. Ang	Non-Executive, Lead Independent	2023 (3)	Banking, finance, capital markets, infrastructure
Maria Lourdes Heras-de Leon	Non-Executive, Independent	2023 (3)	General management, policy, government and public affairs
David John Nicol	Non-Executive, Independent	2025 (1)	Finance, strategy, audit
Christopher Paul Beshouri	Non-Executive, Independent	2025 (1)	Energy, strategy, policy

- > 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 76 to 78](#)

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.

Chairperson and Vice Chairperson

Cezar P. Consing, the Company's Chairman, and Gerardo C. Ablaza, Jr., Vice Chairman, assumed

their respective positions on April 23, 2025. 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 Manual 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 strengthen the independent oversight function of the Board and enhance the effectiveness of its governance process, the Company appointed Jesse O. Ang as its lead Independent Director at its organizational meeting on April 23, 2025.

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, 2025, 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 2025, 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. 7, series of 2026. 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, through an unbiased view of the business, is 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 2025, the Company has two (2) female directors, holding 18 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 eight (8) board meetings in 2025.

The annual calendar of activities for the Board and committees is supported by the Corporate Secretary, who ensures that board meetings are established and approved before the start of the financial year. The Corporate Secretary ensures that materials are available at least five (5) business days in advance of the scheduled meeting, allowing the Board to make informed decisions.

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.

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 executives' 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.

For the year 2025, the board performance assessment will be conducted by an external service provider. ACEN last engaged an external board assessment for the 2023 performance, and, based on that cadence, the next cycle would have been for the 2026 performance.

However, to align with the external board assessment cycle of the other Ayala Group PLCs, the Company will conduct the next external board assessment one (1) year earlier. This approach strengthens group-wide governance alignment, enhances overall cost-efficiency, and positions ACEN ahead of the recommended three-year cycle—supporting stronger governance outcomes and stakeholder confidence.

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 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's 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. In 2025, directors complied with this policy.

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 4, 2025, the group held the Integrated Corporate Governance, Risk Management and Sustainability Summit with the theme, "Purposeful Governance: The Pathway towards Progress and Prosperity for All," wherein thought leaders and experts shared insights on how businesses can build meaningful value for all, among others.

The summit focused on the value of artificial intelligence and technology in improving corporate governance and risk management, trends in ESG, and using ESG as a strategic advantage.

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.

Learn 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.

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.

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. Additionally, executive directors do not receive attendance fees.

The amount equivalent to the retainer's fee and per diem of Messrs. Consing, Zobel de Ayala, and Urquijo was paid to Ayala Corporation. Ayala Corporation is the 100% owner of AC Energy and Infrastructure Corporation, which is the Company's direct parent.

Directors	Retainer Fee	Board Meetings ¹	Committee Meetings	TOTAL
Cezar P. Consing	₱2,000,000.00	₱1,600,000.00	₱1,200,000.00	₱4,800,000.00
Gerardo C. Ablaza, Jr.	₱1,000,000.00	₱1,600,000.00	₱800,000.00	₱3,400,000.00
Jaime Alfonso Antonio E. Zobel de Ayala	₱1,000,000.00	₱1,600,000.00	-	₱2,600,000.00
Jaime Z. Urquijo	₱1,000,000.00	₱1,600,000.00	₱1,000,000.00	₱3,600,000.00
Nicole Goh Phaik Khim	₱1,000,000.00	₱1,600,000.00	₱1,400,000.00	₱4,000,000.00
Dean L. Travers	₱1,000,000.00	₱1,600,000.00	-	₱2,600,000.00
Jesse O. Ang	₱1,000,000.00	₱1,600,000.00	₱2,000,000.00	₱4,600,000.00
Maria Lourdes Heras - de Leon	₱1,000,000.00	₱1,600,000.00	₱1,000,000.00	₱3,600,000.00
Christopher Paul Beshouri	₱1,000,000.00	₱1,400,000.00	₱700,000.00	₱3,100,000.00
David John Nicol	₱1,500,000.00	₱1,400,000.00	₱1,300,000.00	₱4,200,000.00

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 Executive Committee deliberated, reviewed, and approved the following in 2025:

1. Amendment to ACEN's Environmental, Social and Governance (ESG) Policy;
2. Additional funding for YMP Telecom Power, Inc.;
3. Sale of ACEN's shares in CIP II Power Corporation (CIP), One Subic Power Generation Corporation (OSPGC) and Bulacan Power Generation Corporation (BPGC) to AC Energy and Infrastructure Corporation;
4. Loan Agreement between ACEN and Negros Island Solar Power, Inc. ("ISLASOL") for up to P50 million;
5. Payment extension for the loan provided by ACEN to Greencore Power Solutions 3 ("GPS3").

The attendance of the members at the meetings of the committee held in 2025 is as follows:

Executive Committee	No. of Meetings Attended/Held	Attendance Percentage
Cezar P. Consing	6/6	100%
Gerardo C. Ablaza, Jr.	6/6	100%
John Eric T. Francia	6/6	100%
Jaime Z. Urquijo	6/6	100%
Jesse O. Ang	6/6	100%

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 2025 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 2025;

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 2025;
3. Revisions to the Whistleblower Policy; and
4. Review of the Integrated Annual Corporate Governance Report for submission to the SEC;
5. Review of 2024 Board and Board Committees Evaluation.

The CGN Committee had three (3) meetings in 2025, during which the Chairperson and members were all present.

The attendance of the members at the meetings of the committee held in 2025 is as follows:

Corporate Governance and Nomination Committee	No. of Meetings Attended/Held	Attendance Percentage
Maria Lourdes Heras-de Leon	3/3	100%
David John Nicol ¹	2/2	100%
Christopher Paul Beshouri ¹	2/2	100%
Melinda L. Ocampo ²	1/1	100%
Garry K. Lester ²	1/1	100%

1. Appointed as member of the Committee on 23 April 2025
2. Served as member of the Committee until 23 April 2025



ACEN holds its Annual Stockholders' Meeting every April where shareholders are provided a venue to raise questions and to learn about the company's performance.

As of December 31, 2025, 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
1 Cezar P. Consing				C	M	
2 Gerardo C. Ablaza, Jr.				M		
3 John Eric T. Francia				M		
4 Jaime Alfonso E. Zobel de Ayala						
5 Jaime Z. Urquijo				M		C
6 Nicole Goh Phaik Khim	M	M				
7 Dean L. Travers						
8 Jesse O. Ang	M			M	C	
9 Maria Lourdes Heras-de Leon			C		M	M
10 Christopher Paul Beshouri		C	M			M
11 David John Nicol	C	M	M			

Legend:

C - Committee Chairperson

M - Committee Member

The Board held eight (8) board meetings for the year 2025. The attendance of the directors at the meetings of the Board held in 2025 is as follows:



Chairman Cezar Consing leads the Board's Executive Committee

Directors	No. of Meetings Attended/Held	Attendance Percentage
Cezar P. Consing	8/8	100%
Gerardo C. Ablaza, Jr.	8/8	100%
John Eric T. Francia	8/8	100%
Jaime Alfonso Antonio E. Zobel de Ayala	8/8	100%
Jaime Z. Urquijo	8/8	100%
Nicole Goh Phaik Khim ¹	7/8	87%
Dean L. Travers	8/8	100%
Jesse O. Ang	8/8	100%
Maria Lourdes Heras - de Leon	8/8	100%
Christopher Paul Beshouri ²	7/7	100%
David John Nicol ²	7/7	100%
Melinda L. Ocampo ³	1/1	100%
Garry K. Lester ³	1/1	100%

1. Nicole Goh Phaik Khim was on maternity leave during the reporting period and, as such, was unable to attend one board meeting.
2. Elected as director on and effective 23 April 2025
3. Served as director until 23 April 2025

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. 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 the discharge of their duties and responsibilities on [page 118](#).

The committee had seven (7) regular meetings, one (1) special meeting and four (4) executive sessions in 2025, during which the Chairperson and members were all present.

The attendance of the members at the meetings of the committee held in 2025 is as follows:

Audit Committee	No. of Meetings Attended/Held	Attendance Percentage
David John Nicol ¹	7/7	100%
Jesse Ang ²	7/7	100%
Nicole Goh Phaik Khim	8/8	100%
Melinda L. Ocampo ³	1/1	100%
Garry K. Lester ³	1/1	100%

1. Appointed as Chairperson of the Committee on 23 April 2025
2. Appointed as member of the Committee on 23 April 2025
3. Served as member of the Committee until 23 April 2025

Board 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 2025 include:

1. Review and approval of the terms of the shareholder advance between ACEN Corporation and Negros Island Solar Power Inc (IslaSol);
2. Review and approval of the terms of the guarantee fee arrangement between ACEN Corporation and Ingrid Power Holdings, Inc;
3. Review and approval of the terms for the assignment of Option to Lease Agreement from Ingrid 3 Power Corp. to ENEX Energy Corp;
4. Review and approval of the terms of the guarantee for the advances to Amihan Renewable Energy Corp;
5. Review and approval of the terms of the Diesel SPVs sale by ACEN Corporation to AC Energy and Infrastructure Corporation;
6. Review and approval of the terms of the engagement of BPI Capital Corporation as Sole Global Coordinator, Joint Lead Underwriter, and Joint Bookrunner for ACEN's stock rights offering;
7. Review and approval of the terms of the Health & Safety Management System Framework;
8. Review and approval of the terms of the Power Supply Agreement between ACEN Corporation and Amihan Renewable Energy Corp; and
9. Review and endorsement regarding the remedies of Ingrid Power Holdings, Inc. in the ERC's published ASPA rate.

The committee had five (5) meetings in 2025, during which the Chairperson and members were all present.

The attendance of the members at the meetings of the committee held in 2025 is as follows

Board Risk Management and Related Party Transactions Committee	No. of Meetings Attended/Held	Attendance Percentage
Christopher Paul Beshouri ¹	2/2	100%
David John Nicol ¹	2/2	100%
Nicole Goh Phaik Khim	5/5	100%
Melinda L. Ocampo ²	3/3	100%
Garry K. Lester ²	3/3	100%

1. Appointed as member of the Committee on 23 April 2025
2. Served as member of the Committee until 23 April 2025

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, the Company's size and scope.



ACEN Board of Directors with Corporate Secretary Franchette Acosta and Assistant Corporate Secretary Dodjie Lagazo

The committee had one (1) meeting in 2025, during which the Chairperson and all members were present.

The committee's accomplishments in 2025 include the approval of employees' performance bonuses for the year 2024 and salary adjustments for the year 2025.

The attendance of the members at the meeting of the committee held in 2025 is as follows:

	No. of Meetings Attended/Held	Attendance Percentage
Jesse O. Ang	1/1	100%
Maria Lourdes Heras-de Leon	1/1	100%
Cezar P. Consing	1/1	100%

Sustainability Committee

As a testament to its commitment to the environment and the communities it serves, ACEN established the Sustainability Committee in November 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 2025 include the review and approval of the 2024 Integrated Report and the review and approval of the engagement with DNV as the Company's Sustainability Report Assurance Provider for its 2025 Integrated Report.

The Sustainability Committee held two (2) meetings in 2025.

The attendance of the members at the meetings of the committee held in 2025 is as follows:

Sustainability Committee	No. of Meetings Attended/Held	Attendance Percentage
Jaime Z. Urquijo	2/2	100%
Maria Lourdes Heras-de Leon	2/2	100%
Christopher Paul Beshouri ¹	1/1	100%
Melinda L. Ocampo ²	1/1	100%

1. Appointed as member of the Committee ended on 23 April 2025
2. Served as member of the Committee until 23 April 2025

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, Risk Management, and ESG.

Executives receive annual bonuses based on company results, business unit or team performance and individual achievements of performance goals and KRAs. Performance ratings are similarly taken into consideration in determining any salary adjustments.

In 2022, the Company introduced a new long-term incentive plan (LTIP) to replace the previous Employee Stock Ownership (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. Employees who are awarded Performance Shares are nominated by the President and CEO and approved by the Chairman of the Board.

Strategy planning and execution

ACEN uses 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). To learn more about our climate risk report, go to [pages 73 to 74](#).

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 chief risk officer who leads the implementation of the enterprise risk 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 IFRS S1 and S2 standards also enabled 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 [pages 70 to 72](#).

Internal governance mechanisms

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 23, 2025, 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 Ms. Veronica R. Pore, 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 meeting on August 4, 2025. 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 and permitted non-audit services (NAS) 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 18-2024 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-related".



Vice Chairman Gerardo Ablaza Jr. with Board Director Jaime Alfonso Zobel de Ayala

The consolidated audit and non-audit services rendered by SGV & Co. and network firms for 2025 and 2024 amounted to ₱21.8 million and ₱20.2 million, respectively, exclusive of value-added-tax (VAT) and out-of-pocket expenses (OPE).

In ₱ millions	2024	2025
Total audit fees¹	11.9	13.3
Non-audit services²		
› Other assurance services	5.5	7.4
› Tax services	1.7	0.3
› All other services	1.1	0.7
Total non-audit services fees	8.3	8.4
Total audit and non-audit fees	20.2	21.8

1. Agreed audit fees

2. Billed fees for the year ended December 2024 and 2025

Audit fees include ACEN Corporation and its subsidiaries' agreed fees for the audit of the annual financial statements on which the external auditor or audit firm expresses an opinion for the years ended 2025 and 2024. Non-audit services fees include assurance services that are directly related to the review of quarterly financial statements and integrated reports, review of prospectus, and issuance of comfort letters, transfer pricing documentation and study, tax compliance advisory and other tax activities. These also include services relating to annual stockholders' meeting validation.

The audit results were presented to the Audit Committee during its February 25, 2026 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 2025 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 and in sustainability reporting. 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.

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.

Internal audit activities conform with the Global Internal Audit Standards and will be continuously evaluated through the Quality Assurance Improvement Program (QAIP) that is an annual internal self-assessment and 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 Manual 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;
- › Ensured accurate and timely disclosures of material transactions of the Company;
- › 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 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 and PSE.



President and CEO Eric Francia with Group Compliance Officer Dodjie Lagazo

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, 2025, 58.60 percent of ACEN's outstanding common shares were held by AC Energy and Infrastructure Corporation (ACEIC).

2025 Disclosures

In 2025, the Company filed, among others, disclosures involving the following:

1. Appointment of the Chairman and Vice-Chairman of the Board and members of the Board Committees and Key Officers
2. Election of Lead Independent Director
3. Updating of Attorneys-in-Fact for Operational, Regulatory, Commercial and Banking Transactions
4. Appointment of an external auditor and fixing of its remuneration
5. Health and Safety Management System Framework for the ACEN Group.
6. Declaration of cash dividends
7. 2025 Key Results Areas Performance
8. Issuance of letters of support in favor of various ACEN subsidiaries
9. Postponement of the proposed Stock Rights Offering
10. 2026 Key Results Performance

11. Schedule of 2026 dividend declaration and payment dates for the Company's preferred shares
12. The Company's 2026 Business Plan and Budget
13. Schedule, mode of conduct, and agenda of the 2026 stockholders meeting.
14. Approval of the amended ESG Policy
15. Capital allocation and disbursement of funds to subsidiaries for investments and capital expenditures for various projects
16. Implementation of strategic business initiatives through the execution of relevant agreements.
17. Press Releases

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 13 and 99](#) for the financial and non-financial performance indicators, respectively.

Stakeholder relations

As one of the fastest-growing energy companies in Asia Pacific, ACEN's 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 [pages 68 to 69](#).

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.

Changes in shareholdings

Reported trades of directors and officers of ACEN's securities in 2025:

	Balance as of 31 December 2024	Balance as of appointment / election	Acquired	Disposed of	Balance as of end of term / resignation	Balance as of 31 December 2025
Directors						
Cezar P. Consing	551,843	N/A	0	0	N/A	551,843
Gerardo C. Ablaza, Jr.	3,878,513	N/A	0	0	N/A	3,878,513
John Eric T. Francia	113,867,902	N/A	43,572,926	0	N/A	157,440,828
Jaime Alfonso Antonio E. Zobel de Ayala	110,911	N/A	0	0	N/A	110,911
Jaime Z. Urquijo	173,198	N/A	0	0	N/A	173,198
Nicole Goh Phaik Khim	1	N/A	0	0	N/A	1
Dean L. Travers	1	N/A	0	0	N/A	1
Jesse O. Ang	1	N/A	0	0	N/A	1
David John Nicol	0	261,000	0	0	N/A	261,000
Christopher Paul Beshouri	0	1	0	0	N/A	1
Garry K. Lester	1	N/A	0	0	1	N/A
Maria Lourdes Heras-de Leon	1	N/A	0	0	N/A	1
Melinda L. Ocampo	24,001	N/A	0	0	24,001	N/A
Officers						
John Philip S. Orbeta	14,057,428	N/A	32,623,803	0	N/A	46,681,231
Jose Maria Eduardo P. Zabaleta	5,175,177	N/A	24,750,162	0	N/A	29,925,339
Ma. Cecilia T. Cruzabra	421,474	N/A	2,927,887	0	N/A	3,349,361
Patrice R. Clausee	33,840,298	N/A	27,368,155	0	N/A	61,208,453
Jonathan P. Back	0	N/A	29,403,127	0	N/A	29,403,127
Maria Franchette M. Acosta	0	N/A	0	0	N/A	0
Dodjie D. Lagazo	8,880,948	N/A	13,638,804	0	N/A	22,519,752
Alan T. Ascalon	1,657,152	N/A	1,632,240	0	N/A	3,289,392
Kyla Kamille U. Samson	199,800	N/A	487,981	0	N/A	687,781
Mae Christine L. Go	2,799	N/A	0	0	N/A	2,799

For the past two years, 2024 and 2025, the Company engaged Convene, an external service provider, to facilitate voting in absentia and participation to annual meetings by remote communication.

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 their independent judgement in performing their 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 policy
- › 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.

Learn 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, Chief Risk Officer, Treasurer, 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 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.



Material information for investors are regularly disclosed to the Philippine Stock Exchange (PSE).

Policy against sexual harassment

ACEN gives value to respecting the dignity and rights of each employee. 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 supported 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.

Data privacy policy

As ACEN's Data Protection Officer, Mr. Alan T. Ascalon helps the Company keep its 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, is available on the company's website at <https://www.acenrenewables.com/>

As part of our stakeholder engagement, ACEN also maintains social media accounts on

 [facebook.com/officialACEN](https://www.facebook.com/officialACEN)

 [linkedin.com/company/officialacen](https://www.linkedin.com/company/officialacen)

 [instagram.com/beyondacen](https://www.instagram.com/beyondacen)

 [tiktok.com/@beyondacen](https://www.tiktok.com/@beyondacen)

 [youtube.com/@OfficialACEN](https://www.youtube.com/@OfficialACEN)