

Sustainability Committee

Purpose

AC Energy Corporation (the “Corporation”) aligns itself with the principles of sustainable development and subscribes to the Brundtland Report’s definition of sustainable development as development that ‘meets the needs of the present without compromising the ability of future generations to meet their own needs’. The Corporation’s sustainability strategy and efforts serve as its contribution to sustainable development, guided by its Environmental and Social Policy¹.

The Board of Directors (“Board”) of AC Energy Corporation hereby adopts this Charter of the Sustainability Committee (the “Committee”) for the purpose of overseeing the development and implementation of the Corporation’s sustainability strategy aligned with the Corporation’s core business objectives.

Section 1. Membership

1.1 Composition

The Committee shall be composed of at least three (3) Directors, in which at least one (1) Director shall be classified as independent. The Board may from time to time increase the membership of the Committee and appoint additional members therein.

1.2 Term of Office

The Board appoints the members of the Committee at the annual organizational meeting of the Board and each member shall serve upon his or her election until the next organizational meeting of the Board unless removed or replaced by, and in the sole discretion of, the Board.

¹<https://www.acenrenewables.com/sustainability/environment-social-policy/>

1.3 *Vacancy*

Any vacancy in the Committee caused by the death, resignation, or disqualification of a member, or by any other cause, may be filled by the Board. The member elected to fill the vacancy shall hold office for the remainder of the term, or until his or her successor shall have been duly elected and have qualified.

Section 2. Powers, Duties, and Responsibilities of the Committee

The Committee shall have the following powers, duties, and responsibilities:

- 2.1 Conduct periodic review (at least once a year) of the Corporation's Environmental, Social, and Climate-related commitments and propose the amendments and updates thereof to the Board.
- 2.2 Ensure the Corporation's full alignment with the Ayala Group of Companies' commitment to sustainable development.
- 2.3 Monitor the Corporation's performance in sustainability indices across relevant financial markets.
- 2.4 Review strategic objectives and performance indicators to be monitored by the Corporation on sustainability.
- 2.5 Assess the Corporation's exposure to sustainability-related issues and risks that could impact the Corporation's reputation and corporate strategy.
- 2.6 Review partnerships and relationships with stakeholders in view of the Corporation's commitment to Sustainable Development.
- 2.7 Report to the Board on the climate action plan to achieve net zero by 2050, as well as monitor and review the company's progress.

Section 3. Resolutions and Actions

3.1 *Meetings*

The Committee shall meet in person or by teleconference semi-annually at a time and place determined by its Chairman, with further meetings to occur when deemed necessary or desirable by the Committee or its Chairman. Actions of the Committee may also be taken by written consent (in physical, electronic, or digital format) by majority of the members when deemed necessary or desirable by the Committee or its Chairman.

3.2 *Minutes*

Minutes of the Committee meeting will be recorded and maintained by the Corporate Secretary and presented to the Committee at the next Committee meeting for approval. The Corporate Secretary or his/her designate shall act as secretary for the meetings. Attendance of members at Committee Meetings shall be disclosed in the Corporation's Annual Report.

3.3 *Quorum*

A quorum of 2/3 shall be necessary for the holding of a committee meeting as well as the transaction of business.

3.4 *Reports to the Board*

The Chairman of the Committee or his/her designated representative shall report to the Board all actions of the Committee at the meeting of the Board following such actions.

Section 4. Miscellaneous

4.1 Trainings and Technical Assistance

The Committee shall receive formal training on the latest developments of Corporate Sustainability, Sustainable Development, and Environmental, Social, and Governance (ESG) trends. The Committee may invite such members of management and other persons to its meetings and may secure independent expert advice as it may deem desirable or appropriate.

4.2 Reports to the Board

The Chairman of the Committee or his designated representative shall report to the Board all actions of the Committee at the meeting of the Board following such actions.

4.3 Annual Review

This Charter shall be reviewed by the Committee annually. Any proposed changes shall be approved by the Board.

4.4 Effectivity

This Charter, as amended, shall take effect when approved by the Board.