

# COVER SHEET

0	6	9	-	0	3	9	2	7	4
---	---	---	---	---	---	---	---	---	---

S.E.C. Registration Number									
----------------------------	--	--	--	--	--	--	--	--	--

[illegible]

(Company's Full Name)

3	5	T	H		F	L	O	O	R		A	Y	A	L	A		T	R	I	A	N	G	L	E					
G	A	R	D	E	N	S		T	O	W	E	R		2		P	A	S	E	O		D	E		R	O	X	A	S
C	O	R			M	A	K	A	T	I		A	V	E		M	A	K	A	T	I		C	I	T	Y			

(Business Address: No. Street City/Town/Province)											
---	--	--	--	--	--	--	--	--	--	--	--

A	L	A	N		A	S	C	A	L	O	N				
---	---	---	---	--	---	---	---	---	---	---	---	--	--	--	--

Contact Person				

7	7	3	0	6	3	0	0		
---	---	---	---	---	---	---	---	--	--

Company Telephone Number

1	2
---	---

Month

3	1
---	---

Day	Temperature (°C)	Humidity (%)	Wind Speed (km/h)	Cloud Cover (%)	Soil Moisture (%)	Plant Growth (cm)	Observations
1	25	65	12	30	40	0	Initial setup, all sensors functional.
2	28	70	15	40	45	2	First rain event, 5mm.
3	30	75	10	50	50	5	Cloudy day, no rain.
4	32	80	8	60	55	8	Heavy rain, 15mm.
5	35	85	5	70	60	10	Clear sky, high humidity.
6	38	90	3	80	65	12	Very hot, no wind.
7	35	88	7	75	70	15	Moderate rain, 10mm.
8	30	80	10	60	75	18	Clearing up, some clouds.
9	28	75	12	50	80	20	Light rain, 2mm.
10	25	70	15	40	85	22	Clear sky, cool down.

Calendar Year

[illegible]

FORM TYPE

--	--

Month

--	--

Day	Time	Activity
1	8:00 AM	Arrival at the site
1	9:00 AM	Site inspection and safety briefing
1	10:00 AM	Equipment setup and calibration
1	11:00 AM	Initial data collection
1	12:00 PM	Lunch break
1	1:00 PM	Continued data collection
1	2:00 PM	Equipment maintenance and calibration
1	3:00 PM	Final data collection
1	4:00 PM	Site cleanup and departure
2	8:00 AM	Arrival at the site
2	9:00 AM	Site inspection and safety briefing
2	10:00 AM	Equipment setup and calibration
2	11:00 AM	Initial data collection
2	12:00 PM	Lunch break
2	1:00 PM	Continued data collection
2	2:00 PM	Equipment maintenance and calibration
2	3:00 PM	Final data collection
2	4:00 PM	Site cleanup and departure

Annual Meeting

--	--	--	--	--	--

Secondary License Type, If Applicable

C	F	D
---	---	---

[illegible]

\_\_\_\_\_

Amended Articles Number/Section

\_\_\_\_\_

Total No. of Stockholders

### Total Amount of Borrowings

	Total / Average

Domestic

of Borrowings

Foreign

To be accomplished by SEC Personnel concerned

--	--	--	--	--	--	--	--

File Number

---

LCU

LCU

--	--	--	--	--	--	--	--

Document I. D.

---

Cashier

## STAMPS

## STAMPS

Remarks = Pls. Use black ink for scanning purposes



**SEC FORM – I-ACGR**

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

1. For the fiscal year ended **31 December 2022**
2. SEC Identification Number **39274**
3. BIR Tax Identification No. **000-506-020-000**
4. Exact name of issuer as specified in its charter **ACEN CORPORATION**
5. **Makati City, Philippines**  
Province, Country or other jurisdiction  
of incorporation or organization
6.  (SEC Use Only)  
Industry Classification Code:
7. **35th Floor, Ayala Triangle Gardens Tower 2,**  
**Paseo de Roxas corner Makati Avenue, Makati City**  
Address of principal office
- 1226**  
Postal Code
8. **(632) 7730 6300**  
Issuer's telephone number, including area code
9. **AC Energy Corporation**  
Former name, former address, and former fiscal year, if changed since last report.

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

### **Below are the links to the documents referred to in this report:**

- a. **2022 Integrated Report:** <https://www.acenrenewables.com/acen-2022-ir/>
- b. **2022 Definitive Information Statement (“DIS”) with Annexes:** <https://www.acenrenewables.com/wp-content/uploads/2022/03/ACEN-2022-DIS.pdf>
- c. **2023 DIS with Annexes:** <https://www.acenrenewables.com/disclosures/2023-dis/>
- d. **Corporate Governance (“CG”) Manual:** <https://www.acenrenewables.com/disclosures/manual-on-corporate-governance/>
- e. **Board of Directors Charter:** <https://www.acenrenewables.com/wp-content/uploads/2021/05/ACEN-Board-Charter-2020-06-11-final.cleaned.pdf>  
**Charter of the Personnel and Compensation Committee:** <https://www.acenrenewables.com/disclosures/personnel-and-compensation-committee/>
- f. **Charter of the Corporate Governance and Nomination Committee:** <https://www.acenrenewables.com/wp-content/uploads/2021/04/ACEN-Charter-of-the-CGNC-final.pdf>
- g. **Material Related Party Transactions Policy (the “RPT Policy”):** <https://www.acenrenewables.com/disclosures/policy-on-related-party-transactions/>
- h. **Conflict of Interest Policy:** <https://www.acenrenewables.com/disclosures/code-of-conduct/>
- i. **Internal Audit Charter:** <https://www.acenrenewables.com/disclosures/internal-audit-charter/>
- j. **Charter of the Audit Committee:** <https://www.acenrenewables.com/disclosures/audit-committee/>
- k. **Charter of the Executive Committee:** <https://www.acenrenewables.com/wp-content/uploads/2021/04/ACEN-Executive-Committee-Charter-2020-Approved.pdf>
- l. **Charter of the Board Risk and Related Party Transactions Committee:** <https://www.acenrenewables.com/wp-content/uploads/2021/04/ACEN-BRRPT-Charter-Final.pdf>
- m. **Charter of the Sustainability Committee:** <https://www.acenrenewables.com/wp-content/uploads/2022/06/ACEN-Sustainability-Committee-Charter.pdf>
- n. **Code of Conduct:** <https://www.acenrenewables.com/disclosures/code-of-conduct/>
- o. **Articles of Incorporation:** <https://www.acenrenewables.com/wp-content/uploads/2022/07/ACEN-CORPORATION-Amended-AOI-20-July-2022.pdf>
- p. **By laws:** <https://www.acenrenewables.com/wp-content/uploads/2022/07/ACEN-CORPORATION-Amended-By-Laws-20-July-2022.pdf>
- q. **Whistleblower Policy:** <https://www.acenrenewables.com/disclosures/whistleblower-policy/>
- r. **Procurement Guidelines:** <https://www.acenrenewables.com/disclosures/procurement-guidelines/>
- s. **Succession Policy:** <https://www.acenrenewables.com/disclosures/succession-policy/>
- t. **Enterprise Risk Management (“ERM”) Policy:** <https://www.acenrenewables.com/disclosures/erm-policy/>
- u. **Learning and Development (“L&D”) Policy:** <https://www.acenrenewables.com/disclosures/learning-and-development-policy/>
- v. **SEC 17-A Annual Report:** [SEC 17A Annual Report 2022 - ACEN \(acenrenewables.com\)](https://www.acenrenewables.com/sec-17a-annual-report-2022/)

	COMPLIANT / NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>The Board's Governance Responsibilities</b>			
<b>Principle 1:</b> The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
<b>Recommendation 1.1</b>			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	Provide information or link/reference to a document containing information on the following:	
2. Board has an appropriate mix of competence and expertise.	Compliant	1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors	
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant	<p><b>a. The ACEN Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the energy sector.</b>  Ref: pg 50 to 53 &gt; ACEN 2022 Integrated Report &gt; Board and leadership team</p> <p><b>b. Designation, years appointed and expertise of the Board of Directors</b>  Ref: pg 1 to 5 &gt; ACEN 2023 DIS &gt; Directors and Key Officers Annex "A"</p> <p>Ref: pg 50 to 53 &gt; ACEN 2022 Integrated Report &gt; Board and leadership team</p> <p><b>c. Relevant Trainings of Directors</b>  Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Training of Directors</p>	

		<p>2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance</p> <p><b>a. Qualification standards for directors to facilitate the selection of potential nominees in the Board.</b>  <i>Ref: pg 2 to 4 &gt; ACEN CG Manual &gt; Qualifications and Disqualifications</i></p> <p><b>b. Process and criteria for nominations to the Board</b>  <i>Ref: pg 10 &gt; ACEN 2023 DIS &gt; Board of Directors</i></p>	
<b>Recommendation 1.2</b>			
1. Board is composed of a majority of non-executive directors	Compliant	<p>Identify or provide link/reference to a document identifying the directors and the type of their directorships</p> <p><i>Ref: pg 11 &gt; ACEN 2023 DIS &gt; Board of Directors &gt; Nominees</i></p> <p><i>Ref: pg 1 to 5 &gt; ACEN 2023 DIS &gt; Directors and Key Officers Annex "A"</i></p> <p><b>ACEN's Board is composed of a majority of Non-Executive Directors.</b>  <i>Ref: pg 56 &gt; ACEN 2022 Integrated Report &gt; Board Composition</i></p>	
<b>Recommendation 1.3</b>			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on	

		<p>training of directors.</p> <p><b>2. ACEN provides in its Board Charter and CG Manual a policy on training of directors</b>  <i>Ref: pg 13 &gt; ACEN Charter of the Board of Directors &gt; Section 13. Orientation and Continuing Education Programs for Directors</i></p> <p><i>Ref: pg 7 &gt; ACEN CG Manual &gt; Training</i></p> <p><b>3. Relevant Trainings of Directors</b>  <i>Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Training of Directors</i></p>	
2. Company has an orientation program for first time directors.	Compliant	Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.	
3. Company has relevant annual continuing training for all directors.	Compliant	<p><b>1. Relevant Trainings of Directors</b>  <i>Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Training of Directors</i></p> <p><b>2. Continuing Training for Directors</b>  <i>On 18 October 2022, the Directors attended the 4-hour Ayala Group-Wide Corporate Governance and Risk Management Summit with the theme, "Mindset Shifts Through a Sustainable Future" wherein thought leaders and experts shared insights on the mindset shifts necessary for the board and Company leaders of the group. Focus was</i></p>	

		<p><i>specifically on climate governance, steward leadership, social inequity, and emerging corporate reporting standards. The Summit is an SEC-accredited training held in coordination with the Institute of Corporate Directors.</i></p> <p>Ref:  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ebcae477fdac48fa9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ebcae477fdac48fa9e4dc6f6c9b65995</a></p> <p><b>3. Orientation for New Directors</b>  <i>In 2022, the orientation for the new directors were held in 26-28 April 2022 (for Mr. Dean L. Travers), 7-8 November 2022 (for Mr. Jaime Alfonso Antonio E. Zobel de Ayala), and 7 November 2022 for Mr. Delfin L. Lazaro.</i></p>	
--	--	--	--

**Recommendation 1.4**

1. Board has a policy on board diversity.	Compliant	<p>Provide information on or link/reference to a document containing information on the company's board diversity policy. Indicate gender composition of the board.</p> <p><b>Board Diversity</b> <i>Ref: pg 2 &gt; ACEN CG Manual &gt; Diversity</i></p> <p><i>Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Board Diversity Policy</i></p> <p><b>For the year 2022, and as of 21 April 2023 ("Report Date"), there were five (5) female Directors on the Board: Ms. Nicole Goh Phaik Khim, Sherisa P. Nuesa, Melinda L. Ocampo, Ma. Aurora D. Geotina-Garcia, and Consuelo D. Garcia. Mdmes. Nuesa, Ocampo, Geotina-Garcia, and Garcia were indendent directors of the Company.</b></p>	
---	-----------	--	--

**Optional: Recommendation 1.4**

1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	Compliant	<p>Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity.</p> <p>Provide link or reference to a progress report in achieving its objectives.</p> <p><b>Board Diversity</b> <i>Ref: pg 2 &gt; ACEN CG Manual &gt; Diversity</i></p> <p><i>Ref: pg 76 &gt; 2022 ACEN Integrated Report &gt;</i></p>	
--	-----------	---	--



		<p><i>Board Diversity Policy</i></p> <p><b><i>For the year 2022, and as of Report Date, there were five (5) female Directors on the Board: Ms. Nicole Goh Phaik Khim, Sherisa P. Nuesa, Melinda L. Ocampo, Ma. Aurora D. Geotina-Garcia, and Consuelo D. Garcia.</i></b></p>	
<b>Recommendation 1.5</b>			
1. Board is assisted by a Corporate Secretary.	Compliant	<p>Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions.</p> <p><b><i>The Corporate Secretary, Atty. Solomon M. Hermosura, is not the Chief Compliance Officer and is not a member of the Board.</i></b></p> <p><i>Ref: pg 54 &gt; ACEN 2022 Integrated Report &gt; Management Team &gt; Corporate Secretary</i></p> <p><i>Ref: pg 63 &gt; ACEN 2022 Integrated Report &gt; Compliance Officer</i></p> <p><i>Ref: pg 53 &gt; ACEN 2022 Integrated Report &gt; Board and leadership team</i></p> <p><i>Ref: pg 6 &gt; ACEN 2023 DIS &gt; Annex "A"</i></p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		
3. Corporate Secretary is not a member of the Board of Directors.	Compliant		

<p>4. Corporate Secretary attends training/s on corporate governance.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</p> <p><b><i>The directors and members of senior management, including the Corporate Secretary, attend at least a four-hour annual continuing training program on corporate governance.</i></b>  Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Training of Directors</p> <p><b><i>On 18 October 2022, the Directors and officers, including the Corporate Secretary, attended the 4-hour Ayala Group-Wide Corporate Governance and Risk Management Summit with the theme, “Mindset Shifts Through a Sustainable Future” wherein thought leaders and experts shared insights on the mindset shifts necessary for the board and Company leaders of the group. Focus was specifically on climate governance, steward leadership, social inequity, and emerging corporate reporting standards. The Summit is an SEC-accredited training held in coordination with the Institute of Corporate Directors.</i></b>  Ref:  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ebcae477fdac48fa9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ebcae477fdac48fa9e4dc6f6c9b65995</a></p>	
---	------------------	---	--

**Optional: Recommendation 1.5**

1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	Provide proof that corporate secretary distributed board meeting materials at least five (5) business days before scheduled meeting  <b><i>Board materials are distributed to the Board of Directors at least five (5) business days prior to the meeting.</i></b> <i>Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Board Performance</i>	
---	-----------	---	--

**Recommendation 1.6**

1. Board is assisted by a Compliance Officer.	Compliant	Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.  <b><i>The Compliance Officer is Maria Corazon G. Dizon, who has a rank higher than Senior Vice President and is not a member of the Board.</i></b> <i>Ref: pg 63 &gt; ACEN 2022 Integrated Report &gt; Compliance Officer</i>  <b><i>Duties and responsibilities of the Compliance Officer</i></b> <i>Ref: pg 14 to 15 &gt; ACEN CG Manual &gt; Compliance Officer</i>	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		
3. Compliance Officer is not a member of the board.	Compliant		

<p>4. Compliance Officer attends training/s on corporate governance.</p>	<p>Compliant</p>	<p>Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</p> <p><b><i>The directors and members of senior management, including the Compliance Officer, attend at least a four-hour annual continuing training program on corporate governance.</i></b></p> <p><i>Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Training of Directors</i></p> <p><b><i>On 18 October 2022, the Directors and officers, including the Corporate Secretary, attended the 4-hour Ayala Group-Wide Corporate Governance and Risk Management Summit with the theme, "Mindset Shifts Through a Sustainable Future," wherein thought leaders and experts shared insights on the mindset shifts necessary for the Board and Company leaders of the group. Focus was specifically on climate governance, steward leadership, social inequity, and emerging corporate reporting standards. The Summit is an SEC-accredited training held in coordination with the Institute of Corporate Directors.</i></b></p> <p><i>Ref:</i>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ebcae477fdac48fa9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ebcae477fdac48fa9e4dc6f6c9b65995</a></p>	
--	------------------	--	--

**Principle 2:** The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

**Recommendation 2.1**

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	<p>Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)</p> <p><b><i>Relevant Resolutions Approved by the Board of Directors from 25 April 2022 until 23 April 2023</i></b> <i>Ref: ACEN 2023 DIS, Annex "C"</i></p> <p><b><i>Reports of the Board Committees</i></b> <i>Ref: pg 58 to 61, ACEN 2022 Integrated Report</i></p>	
--	-----------	---	--

## Recommendation 2.2

1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	<p>Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting).</p> <p>Indicate frequency of review of business objective and strategy</p> <p><b><i>The Board oversees the development, review and approval of the Company's business objectives and strategy.</i></b></p> <p><i>Ref: pg 8 &gt; ACEN CG Manual &gt; Roles and Responsibilities &gt; The Board, item 10</i></p>	
---	-----------	--	--

<p>2. Board oversees and monitors the implementation of the company's business objectives and strategy.</p>	<p>Compliant</p>	<p><b><i>All new directors are required to take a minimum eight-hour orientation program on the Company's strategy, among others.</i></b>  Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Training of Directors</p> <p><b><i>The Board held nine (9) meetings in 2022.</i></b>  Ref: pg 57 &gt; ACEN 2022 Integrated Report</p> <p>Ref: pg 9 &gt; ACEN 2023 Information Statement</p> <p><b><i>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.</i></b>  Ref: pg 61 &gt; ACEN 2022 Integrated Report &gt; Strategy Planning and Execution</p> <p><b><i>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.</i></b>  Ref: pg 62 &gt; ACEN 2022 Integrated Report &gt; Risk Management</p> <p><b><i>The Company regularly conducts materiality assessments in order to identify the Company's material issues with regards to its business strategy and</i></b></p>	
---	------------------	---	--

**sustainability, among others.**

Ref: pg 71 > ACEN 2022 Integrated Report > Materiality

**The Company's Board of Directors, through its Executive Committee, has approved the corporate vision and strategy targeting 20 gigawatts of attributable renewable energy capacity by 2030.**

Ref:

[https://edge.pse.com.ph/openDiscViewer.do?edge\\_no=3ced8383c6b12b093470cea4b051ca8f](https://edge.pse.com.ph/openDiscViewer.do?edge_no=3ced8383c6b12b093470cea4b051ca8f)

**ACEN gathers feedback and insights from stakeholder engagements and take these into consideration in reviewing processes and working on improvements in its strategy, among others.**

Ref: pg 47 (Reputation Risks), 71 (Materiality process), and 66 (Social media accounts) > ACEN 2022 Integrated Report

Ref: pg 71 > ACEN 2022 Integrated Report > Materiality process

**ACEN ensures that evolving stakeholder interests, including the growing emphasis on sustainability, are fundamental considerations in the Company's strategy setting, among others.**

Ref: pg 55 > ACEN 2022 Integrated Report > Corporate governance

**The resilience of ACEN's strategy under the**



***face of heightening risks of climate change is continually discussed and taken into account in the refinement of the organization's goals and strategies.***

*Ref: pg 62 > ACEN 2022 Integrated Report > Building a climate resilient strategy*

***Embedded in the Company's business model, outlook, and strategy is building towards a low carbon portfolio and achieving Net Zero emissions by 2050.***

*Ref: pg 46 > ACEN 2022 Integrated Report > Strategy > Climate risks and opportunities*

## Supplement to Recommendation 2.2

<p>1. Board has a clearly defined and updated vision, mission and core values.</p>	<p>Compliant</p>	<p>Indicate or provide link/reference to a document containing the company's vision, mission and core values. Indicate frequency of review of the vision, mission and core values.</p> <p><b>ACEN's Vision and Mission</b>  Ref: ACEN website &gt; About Us  <a href="https://www.acenrenewables.com/about-us/">https://www.acenrenewables.com/about-us/</a></p> <p><b>ACEN's core values are integrity, long-term vision, empowering leadership, and commitment to national development.</b>  Ref: pg 41 &gt; ACEN 2022 Integrated Report &gt; Governance: Integrating sustainability</p> <p><b>The Board consistently reviews the Vision and Mission.</b>  Ref: pg 55 &gt; ACEN 2022 Integrated Report &gt; Board structure and process key roles and responsibilities</p> <p>Ref: pg 45 &gt; ACEN 2022 Integrated Report &gt; Board oversight on climate governance</p> <p>Ref: pg 40 &gt; ACEN 2022 Integrated Report &gt; Governance: Integrating sustainability</p>	
<p>2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.</p>	<p>Compliant</p>	<p>Provide information on or link/reference to a document containing information on the strategy execution process.</p> <p><b>The Board provides sound written policies and strategic guidelines on key</b></p>	

		<p><b><i>capital expenditures, and periodically evaluates and monitors implementation of such strategies.</i></b></p> <p><i>Ref: pg 7 &gt; ACEN CG Manual &gt; Roles and Responsibilities &gt; The Board, items 2 and 5.</i></p>	
--	--	--	--

Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p><b><i>The Chairman of the Board is Delfin L. Lazaro.</i></b></p> <p><i>Ref: pg 50 &gt; ACEN 2022 Integrated Report &gt; Board and leadership team</i></p>	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	<p><b><i>The Board ensures and adopts an effective succession planning program for directors and key officers.</i></b></p> <p><i>Ref: pg 8 &gt; ACEN CG Manual &gt; Roles and Responsibilities &gt; The Board, item 15.</i></p> <p><i>Ref: ACEN Succession Policy</i></p> <p><b><i>80-year age limit for directors</i></b></p> <p><i>Ref: pg 2 &gt; ACEN CG Manual &gt; Retirement Age</i></p>	

#### Recommendation 2.5

1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	<p>Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.</p> <p><i>The Personnel and Compensation Committee of the Board aligns the remuneration of key officers and board members with the Company's culture, strategy, and control environment . The Committee also ensures that the same is competitive against the market, reasonable for the work required, the</i></p>	
---	-----------	--	--

<p>2. Board adopts a policy specifying the relationship between remuneration and performance.</p>	<p>Compliant</p>	<p><b><i>Company's size, and scope.</i></b>  <i>Ref: pg 61 &gt; ACEN 2022 Integrated Report &gt; Personnel and Compensation Committee</i></p> <p><i>Ref: pg 12 &gt; ACEN CG Manual &gt; Personnel and Compensation Committee</i></p> <p><i>Ref: pg 1 &gt; ACEN Charter of the Personnel and Compensation Committee&gt; Section 2.1</i></p> <p><i>Ref: pg 1 &gt; ACEN Charter of the Personnel and Compensation Committee&gt; Section 2.6</i></p>	
---	------------------	--	--

3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p><b><i>No Director is involved in deciding his or her own remuneration.</i></b></p> <p><i>Ref: pg 13 &gt; ACEN CG Manual &gt; Remuneration</i></p>	
<b>Optional: Recommendation 2.5</b>			
1. Board approves the remuneration of senior executives.	Compliant	<p>Provide proof of board approval</p> <p><b><i>The Board of Directors through the Personnel and Compensation Committee established a formal and transparent procedure for developing and for fixing the remuneration packages of corporate officers and directors.</i></b></p> <p><i>Ref: pg 1 &gt; ACEN Charter of the Personnel and Compensation Committee&gt; Section 2.1</i></p> <p><i>Ref: Pg 12 &gt; ACEN CG Manual, Section 1.5</i></p>	

<p>2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.</p>	<p>Compliant</p>	<p>Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company.</p> <p><b><i>The Personnel and Compensation Committee of the Board aligns the remuneration of key officers and board members with the long-term interests of the Company.</i></b>  Ref: pg 12 &gt; ACEN CG Manual &gt; Personnel and Compensation Committee</p> <p>Ref: pg 1 &gt; ACEN Charter of the Personnel and Compensation Committee&gt; Section 2.1</p> <p><b><i>ACEN adopts a policy specifying the relationship between remuneration and performance.</i></b>  Ref: pg 61 &gt; ACEN 2022 Integrated Report &gt; Performance assessment and compensation</p> <p>Ref: pg 1 &gt; ACEN Charter of the Personnel and Compensation Committee&gt; Section 2.6</p> <p><b><i>At the senior executive levels, the value of the compensation is largely driven by two (2) main considerations: (1) the size of and scope of the role, and (2) the intrinsic value of the individual as measured by his/her competencies,</i></b></p>	
--	------------------	--	--



*experience, and proven organizational or functional leadership.*

*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. Executives receive annual bonuses based on Company results, business unit or team performance and individual achievements of performance goals/KRAs.*

*Ref: pg 61 > ACEN 2022 Integrated Report > Performance assessment and compensation*

*Salary increments, benefits and rewards are commensurate to the overall Company and individual performance, determined through the mid-year and annual performance and talent review process.*

*Ref:*

*<https://www.acenrenewables.com/sustainability/esg/social/our-people/>*

*Included in the compensation elements of the Company is long-term incentive compensation. The Company has instituted a performance-based incentive program delivered as either performance shares, stock ownership (ESOWN) plans or long-term cash incentives. Senior executives (i.e., those with a rank of Assistant Vice President and up) are considered for award*

		<i>eligibility in a given grant.</i>	
--	--	--------------------------------------	--

## Recommendation 2.6

1. Board has a formal and transparent board nomination and election policy.	Compliant	Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how it encourages nominations from shareholders.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	<p><b>1. The Board has a formal and transparent nomination and election policy.</b>  Ref: pg 23 to 24 &gt; ACEN CG Manual, Voting Rights</p> <p><b>2. The Board, through the Corporate Governance and Nomination Committee, determines the nomination and election process as disclosed in the Company's CG Manual.</b>  Ref: pg 23 &gt; ACEN CG Manual, Voting Rights</p>	
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant	Provide proof if minority shareholders have a right to nominate candidates to the board.	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant	<p><b>1. Minority stockholders have the right to nominate directors in accordance with the Corporation Code.</b>  Ref: pg 23 &gt; ACEN CG Manual, Voting Rights</p>	

		<p><b>2. The Board nomination and election policy includes how the Company accepts nominations from minority shareholders.</b>  Ref: pg 23 &gt; ACEN CG Manual, Voting Rights</p> <p><b>3. Nominations from minority shareholders is discussed in the CG Manual under Shareholders Rights – Voting Rights</b>  Ref: pg 23 &gt; ACEN CG Manual, Voting Rights</p> <p><b>4. Stockholders were apprised of the 1 April 2022 deadline for the nomination of directors.</b>  Ref: pg 1 &gt; Notice of Annual Stockholders' Meeting  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5661a02d8e751adb3470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5661a02d8e751adb3470cea4b051ca8f</a></p> <p><b>5. During the 2022 annual stockholders' meeting, except for Ms. Nicole Goh Phaik Khim and Mr. Dean L. Travers, who were nominated by Arran Investment Pte Ltd., all other nominees were formally nominated by a minority stockholder of the Company who is not related to any of the nominees.</b>  Ref: pg 10 &gt; ACEN 2022 DIS</p> <p>Provide information if there was an assessment of the effectiveness of the</p>	
--	--	--	--

		<p>Board's processes in the nomination, election or replacement of a director.</p> <p><b><i>1. The Board, through the Corporate Governance and Nomination Committee, assesses the effectiveness of the Board's processes in the nomination, election or replacement of a director.</i></b></p> <p><i>Ref: pg 2 &gt; Charter of the Corporate Governance and Nomination Committee &gt; Item 9</i></p> <p><b><i>2. The Corporate Governance and Nomination Committee determines the shortlisting of candidates</i></b></p> <p><i>Ref: pg 23 &gt; ACEN CG Manual, Voting Rights</i></p> <p><i>Ref: pg 3 &gt; Charter of the Corporate Governance and Nomination Committee &gt; Item 3</i></p> <p><b><i>3. The Board has a process for identifying the quality of directors that is aligned with the strategic direction of the Company.</i></b></p> <p><i>Ref: pg 1 to 7 &gt; ACEN CG Manual &gt; Part One: Governance Structure</i></p>	
--	--	---	--

### Optional: Recommendation to 2.6

1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.	Compliant	<p>Identify the professional search firm used or other external sources of candidates</p> <p><i>Ref: pg 3 &gt; ACEN Corporate Governance and Nomination Committee Charter, Section 3. Process and Criteria for Nominations to the Board, item 2</i></p> <p><b>Company senior leadership consults with members of the Institute of Corporate Directors (ICD) for recommendations for candidates to the board of directors.</b></p> <p><b>In 2022, Korn Ferry, a global organizational consulting firm, was used for the search process of a nominee to the Board. Korn Ferry recommended Dean L. Travers.</b></p>	
--	-----------	--	--

### Recommendation 2.7

1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	Provide information on or reference to a document containing the company's policy on related party transactions, including policy on review and approval of significant RPTs	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	<b>The Board has an overall responsibility in ensuring that there is a group-wide policy system in governing RPTs and other unusual or infrequently occurring transactions through the Related-Party Transactions Review Committee.</b>	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	<i>Ref: pg 9 &gt; ACEN CG Manual &gt; Roles and Responsibilities, The Board, item 23</i>	

		<p><i>Ref: pg 22 &gt; ACEN CG Manual &gt; Part III. Related Party Transactions (RPT)</i></p> <p><b><i>ACEN's RPT Policy includes appropriate review and approval of material RPTs which guarantee fairness and transparency of the transactions.</i></b></p> <p><i>Ref: pg 3 to 4 &gt; ACEN RPT Policy &gt; Part E. Identification, Review and Approval of the Related Party Transactions</i></p> <p><b><i>ACEN's RPT Policy encompasses all entities within the group, taking into account their size, structure, risk profile, and complexity of operations.</i></b></p> <p><i>Ref: pg 1 to 3 &gt; ACEN RPT Policy &gt; Part B. Definition of Terms</i></p> <p>Identify transactions that were approved pursuant to the policy.</p> <p><b><i>In 2022, the RPT Review Committee reviewed, discussed, approved, and endorsed nine (9) transactions.</i></b></p> <p><i>Ref: pg 60 &gt; ACEN 2022 Integrated Report &gt; Corporate Governance &gt; Board Risk Management and Related Party Transactions Committee</i></p>	
--	--	---	--

## Supplement to Recommendations 2.7

<p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>	<p>Compliant</p>	<p>Provide information on a materiality threshold for RPT disclosure and approval, if any.</p> <p>Provide information on RPT categories</p> <p><b><i>The RPT Policy clearly defines pre-approved RPTs which are in the nature of normal transactions in the ordinary course of business and RPT transactions that require the review of the committee for endorsement to the Board for approval. The Policy has established thresholds of Php50 Million or 5% of the Company's total consolidated assets, whichever is lower (Company Materiality Threshold) and 10% of the Company's total consolidated assets, either individually or in aggregate over a 12-month period (SEC Materiality Threshold). Ref: pg 1 to 2 &gt; ACEN RPT Policy &gt; Part B. Definition of Terms</i></b></p> <p><i>pg 5 to 6 &gt; ACEN RPT Policy &gt; Part I. RPTs Delegated to Management</i></p>	
<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p>	<p>Compliant</p>	<p>Provide information on voting system, if any.</p> <p><b><i>All Material RPTs shall be reviewed by the Board Risk Management and RPT Committee and approved by at least two-thirds (2/3) vote of the Board of Directors, with at least a majority of the independent directors voting to approve</i></b></p>	



		<p><b><i>the same. In case that the majority of the independent directors' vote is not secured, the Material RPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock.</i></b></p> <p><i>Ref: pg 4 &gt; ACEN RPT Policy, Part E. Identification, Review and Approval of the Related Party Transactions</i></p>	
<b>Recommendation 2.8</b>			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	Compliant	<p>Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management.</p> <p><b><i>The Board is primarily responsible for approving the selection of the President, CEO, COO, and other senior officers. Other senior officers include the heads of other control functions (Chief Finance Officer, Chief Administrative Officer, Chief Development Officer, Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive)</i></b></p> <p><i>Ref: pg 8 &gt; ACEN CG Manual &gt; Roles and Responsibilities, item 14.</i></p> <p>Identify the Management team appointed</p> <p><b><i>For 2022, appointed members of the Management Team as approved by the Board is contained in the disclosure of the results of the Organizational Meeting of the Board on 25 April 2022.</i></b></p> <p><a href="https://edge.pse.com.ph/openDiscView">https://edge.pse.com.ph/openDiscView</a></p>	

		<a href="https://r.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f">r.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f</a>	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p>Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management.</p> <p>Provide information on the assessment process and indicate frequency of assessment of performance.</p> <p><b><i>The Board conducts an annual performance assessment of the Board, its members, the Chairman, and the Committees. The performance assessment is conducted by an independent third-party consultant every three (3) years.</i></b>  Ref: pg 13 &gt; ACEN CG Manual, Performance Assessment</p> <p><b><i>The CEO, Compliance Officer, Chief Audit Executive, and Chief Risk Officer all report directly to the Board.</i></b>  Ref: pg 55 &gt; 2022 Integrated Report &gt; Corporate Governance &gt; Corporate governance structure</p>	

## Recommendation 2.9

1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	Compliant	Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant	<p><b><i>The Board establishes Professional Development Program, effective performance management framework to align Management's performance with the standards and criteria set by the Board and Senior Management, formulate and adopt a policy for the Board's and key officers' compensation programs aligned with work required and performance against business plans</i></b>  <i>Ref: pg 8 &gt; ACEN CG Manual, Roles and Responsibilities, item 15</i></p> <p><b><i>ACEN has a performance-based rewards and recognition system to ensure that the Company and individual performance is consistent with ACEN's commitment to its Board and stakeholders.</i></b>  <i>Ref: pg 32 &gt; ACEN 2022 Integrated Report, Compensation and benefits</i></p> <p><i>Ref: pg 61 &gt; ACEN 2022 Integrated Report, Performance assessment and compensation</i></p> <p><b><i>The performance management system drives the compensation and incentive plans of senior executives and is meant to align employees' individual goals with</i></b></p>	

		<p><b><i>the organization's goals and strategies. 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.</i></b></p> <p><i>Ref: pg 61 &gt; ACEN 2022 Integrated Report &gt; Performance assessment and compensation</i></p> <p><b><i>Salary increments, benefits and rewards are commensurate to the overall Company and individual performance, determined through the mid-year and annual performance and talent review process. Ref: <a href="https://www.acenrenewables.com/sustainability/esg/social/our-people/">https://www.acenrenewables.com/sustainability/esg/social/our-people/</a></i></b></p>	
--	--	---	--

## Recommendation 2.10

1. Board oversees that an appropriate internal control system is in place.	Compliant	Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	<p><b><i>The Board maintains an internal control system</i></b>  <i>Ref: pg 9 &gt; ACEN CG Manual, Roles and Responsibilities, item 28.5</i></p> <p><b><i>ACEN has a Conflict of Interest Policy which covers all employees and is available on the Company website.</i></b>  <i>Ref: pg 4 to 5 &gt; ACEN Code of Conduct, Part V. Conflict of Interest</i></p>	
3. Board approves the Internal Audit Charter.	Compliant	<p>Provide reference or link to the company's Internal Audit Charter</p> <p><i>Ref: ACEN Internal Audit Charter,</i>  <a href="https://www.acenrenewables.com/disclosures/internal-audit-charter/">https://www.acenrenewables.com/disclosures/internal-audit-charter/</a></p>	

**Recommendation 2.11**

1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	<p>Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework.</p> <p>Provide proof of effectiveness of risk management strategies, if any.</p> <p><b><i>The Board oversees that ACEN has in place a sound ERM framework.</i></b> Ref: pg 9 &gt; ACEN CG Manual, Roles and Responsibilities, item 22.</p> <p>Ref: ERM Policy</p> <p><b><i>The Board is also responsible for setting the risk appetite of the Company; thus, guiding the rest of the organization on how risks are identified, assessed, evaluated, and addressed.</i></b> Ref: Risk Appetite Statement &gt; <a href="https://www.acenrenewables.com/wp-content/uploads/2023/04/Risk-Appetite-Statement-and-Risk-Ownership-Structure.pdf">https://www.acenrenewables.com/wp-content/uploads/2023/04/Risk-Appetite-Statement-and-Risk-Ownership-Structure.pdf</a></p>	
2. The risk management framework guides the board in identifying units/business lines and enterprise- level risk exposures, as well as the effectiveness of risk management strategies.	Compliant	<p><b><i>ACEN's ERM framework guides the Board in identifying risk exposures, as well as the effectiveness of risk management strategies.</i></b> Ref: pg 44 &gt; ACEN 2022 Integrated Report &gt; ACEN's enterprise risk management framework</p>	

		<p>Ref: pg 62 &gt; ACEN 2022 Integrated Report &gt; Risk management</p> <p><b>The Company has committed to incorporate ERM processes into its core business and practices, to overcome potential threats and identify viable opportunities to meet its business goals and objectives.</b></p> <p>Ref: Enterprise Risk Management Policy Statement &gt;  <a href="https://www.acenrenewables.com/wp-content/uploads/2020/04/ACEN-Enterprise-Risk-Management-Policy-Statement_2022.pdf">https://www.acenrenewables.com/wp-content/uploads/2020/04/ACEN-Enterprise-Risk-Management-Policy-Statement_2022.pdf</a></p> <p>Ref: ERM Policy</p>	
<b>Recommendation 2.12</b>			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	Provide link to the company's website where the Board Charter is disclosed.	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	<p><b>The Board has a charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role and serves as a guide to the directors in the performance of their functions. It is publicly available on ACEN's website.</b></p> <p>Ref: ACEN Board of Directors Charter,  <a href="https://www.acenrenewables.com/wp-content/uploads/2021/05/ACEN-Board-">https://www.acenrenewables.com/wp-content/uploads/2021/05/ACEN-Board-</a></p>	
3. Board Charter is publicly available and posted on the company's website.	Compliant		

		<a href="#">Charter-2020-06-11-final.cleaned.pdf</a>	
<b>Additional Recommendation to Principle 2</b>			
1. Board has a clear insider trading policy.	Compliant	<p>Provide information on or link/reference to a document showing company's insider trading policy.</p> <p><b><i>The Board has a clear insider trading policy which also covers key officers of ACEN.</i></b></p> <p><i>Ref: pg 7 to 8 &gt; ACEN Code of Conduct &gt; Part VII. Insider Trading Policy</i></p>	

<b>Optional: Principle 2</b>			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	Compliant	<p>Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.</p> <p><b><i>None of the directors in his or her personal capacity has been contracted by ACEN for services other than those provided as a director. ACEN has no other arrangement regarding the remuneration of its directors and officers aside from the compensation as stated in the CG Manual and the Charter of the Board of Directors.</i></b></p> <p><i>Ref: pg 57 to 58 &gt; ACEN 2022 Integrated Report &gt; Corporate Governance &gt; Director Compensation &gt; Directors' remuneration</i></p> <p><i>Ref: pg 12 to 13 &gt; ACEN Board Charter &gt;</i></p>	



		<i>Section 12. Compensation of the Board</i>	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	<p>Indicate the types of decision requiring board of directors' approval and where there are disclosed.</p> <p><b><i>ACEN discloses the list of items that require Board approval under its powers, duties, and responsibilities.</i></b></p> <p><i>Ref: pg 7 to 10 &gt; ACEN CG Manual &gt; Roles and Responsibilities</i></p> <p><i>Ref: pg 6 to 9 &gt; ACEN Board of Directors Charter, Section 7, Responsibilities of the Board, Item 1. Duties, Powers and Attributes of the Board</i></p>	

**Principle 3:** Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

#### Recommendation 3.1

1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	<p>Provide information or link/reference to a document containing information on all the board committees established by the company.</p> <p><b><i>The ACEN Board established Board Committees to support it in the performance of its functions and in accordance with the By-Laws of the Company and to aid in good governance.</i></b>  <i>Ref: pg 12 to 13 &gt; ACEN CG Manual &gt; Board Committees</i></p>	
---	-----------	--	--

#### Recommendation 3.2

1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	<p>Provide information or link/reference to a document containing information on the Audit Committee, including its functions.</p> <p>Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.</p> <p><b><i>The ACEN Board established the Audit Committee to assist fulfill its responsibility for oversight of the Company's corporate governance processes with duties as stated in its charter and the CG Manual.</i></b>  <i>Ref: pg 12 &gt; ACEN CG Manual &gt; Board Committees &gt; Section 1.1. Audit</i></p>	
--	-----------	--	--

		<p><i>Committee</i></p> <p><b><i>Among the Audit Committee's responsibilities is recommending to the Board the external auditor and the audit fees that will be endorsed to the stockholders for selection and appointment.</i></b></p> <p><i>Ref: pg 6 &gt; ACEN Audit Committee Charter &gt; Section 5. Oversight on External Audit, item 5.1</i></p>	
<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	Compliant	<p>Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.</p> <p><b><i>For the year 2022, and as of Report Date, ACEN's Audit Committee was composed of Ma. Aurora D. Geotina-Garcia (Chairperson) and Consuelo D. Garcia (both independent directors), and Nicole Goh Phaik Khim, a non-executive director.</i></b></p> <p><i>Ref: Results of 2021 Organizational Meeting of Board of Directors, <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=6af13b47c2ae7a815d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=6af13b47c2ae7a815d542af6f1e997b9</a></i></p> <p><i>Ref: Results of 2022 Organizational Meeting of Board of Directors, <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f</a></i></p>	

		Ref: pg 60 > ACEN 2022 Integrated Report > Audit Committee	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	<p>Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee.</p> <p><b>All the members of ACEN's Audit Committee have the background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</b></p> <p>Ref: pg 60, 52, and 52 &gt; ACEN 2022 Integrated Report</p> <p>Ref: ACEN 2023 DIS, Annex "A"</p>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	<p>Provide information or link/reference to a document containing information on the Chairman of the Audit Committee</p> <p><b>The Chairperson of the Audit Committee, Ms. Ma. Aurora D. Geotina-Garcia, is not the Chairperson of the Board or of any other committee.</b></p> <p>Ref: pg 59 &gt; ACEN 2022 Integrated Report &gt; Corporate Governance &gt; Board and Board Committee membership stockholders, Board, Board Committee meetings, and Directors' attendance for the year ended December 31, 2022</p>	

#### Supplement to Recommendation 3.2

SEC Form – I-ACGR \* Updated 21Dec2017

1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p>Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor.</p> <p><b><i>ACEN's Audit Committee approved all non-audit services conducted by the external auditor.</i></b></p> <p><i>Ref: pg 81 &gt; ACEN 2022 Integrated Report &gt; Report of the Audit Committee to the Board of Directors for the Year Ended 31 December 2022</i></p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	<p>Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.</p> <p><b><i>The Audit Committee conducts regular meetings and dialogues with SGV &amp; Co., without anyone from management present. The Committee also reviewed and approved all audit, audit-related, and permitted non-audit services provided by SGV &amp; Co. to the Company and the related fees for such services. The Company also assessed the compatibility of non-audit services with the auditor's roles and responsibilities to ensure that such services will not impair its independence.</i></b></p> <p><i>Ref: pg 81 &gt; ACEN 2022 Integrated Report &gt; Report of the Audit Committee to the Board of Directors for the Year Ended 31 December 2022</i></p>	

### Optional: Recommendation 3.2

1. Audit Committee meet at least four times during the year.	Compliant	<p>Indicate the number of Audit Committee meetings during the year and provide proof</p> <p><b><i>In 2022, ACEN's Audit Committee held four (4) regular meetings and one (1) executive session with the external auditors and the internal auditors.</i></b></p> <p><i>Ref: pg 81 &gt; ACEN 2022 Integrated Report &gt; Report of the Audit Committee to the Board of Directors for the Year Ended 31 December 2022</i></p>	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	<p>Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.</p> <p><b><i>ACEN's Audit Committee approves the appointment and removal of the internal auditor.</i></b></p> <p><i>Ref: pg 4, ACEN Charter of the Audit Committee, Section 4. Oversight Management and Internal Audit, item 4.2</i></p> <p><b><i>ACEN's Audit Committee recommended for approval of the Board and endorsement to the shareholders the reappointment of SGV &amp; Co. as the Company's 2022 external auditor and the related audit fee.</i></b></p> <p><i>Ref: pg 81 &gt; ACEN 2022 Integrated Report &gt; Report of the Audit Committee to the Board of Directors for the Year Ended 31 December 2022</i></p>	

<b>Recommendation 3.3</b>			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	<p>Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions</p> <p>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the</p>	

		<p>company's strategic direction, if applicable.</p> <p><b><i>ACEN's Board established a Corporate Governance and Nomination Committee.</i></b>  <i>Ref: pg 12 &gt; ACEN CG Manual &gt; Board Committees &gt; Section 1.2 Corporate Governance and Nomination Committee</i></p> <p><b><i>For the year 2022, the Committee reviewed the nominees for Director, evaluated their qualifications, and endorsed qualified nominees for nomination to the Board for the year 2022.</i></b></p> <p><b><i>The Board composition is reviewed regularly to allow the Board to exercise effective decision-making powers and meet the needs of the Company.</i></b>  <i>Ref: pg 58 &gt; ACEN 2022 Integrated Report &gt; Corporate Governance and Nomination Committee</i></p>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	<p>Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.</p> <p><b><i>For the year 2022, and as of Report Date, ACEN's Corporate Governance and Nomination Committee was composed of Consuelo D. Garcia (Chair), Melinda L. Ocampo, and Sherisa P. Nuesa, all independent directors. Their</i></b></p>	



		<p><b>qualifications are available in the Company's 2022 Integrated Report, as well as in the 2022 DIS (Annex "A").</b></p> <p>Ref: Results of 2021 Organizational Meeting of Board of Directors  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=6af13b47c2ae7a815d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=6af13b47c2ae7a815d542af6f1e997b9</a></p> <p>Ref: Results of 2022 Organizational Meeting of Board of Directors,  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f</a></p> <p>Ref: pg 58 &gt; ACEN 2022 Integrated Report</p>	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<p>Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.</p> <p><b>For the year 2022, and as of Report Date, the Chairperson of ACEN's Corporate Governance and Nomination Committee was Consuelo D. Garcia, an independent director.</b></p> <p>Ref: pg 58 &gt; ACEN 2022 Integrated Report &gt; Our Board of Directors</p>	
<b>Optional: Recommendation 3.3.</b>			
1. Corporate Governance Committee meet at least twice during the year.	Compliant	Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.	

		<p><b><i>The Corporate Governance and Nomination Committee held nine (9) meetings in 2022.</i></b></p> <p><i>Ref: pg 58 &gt; ACEN 2022 Integrated Report &gt; Corporate Governance and Nomination Committee</i></p>	
--	--	---	--

#### Recommendation 3.4

1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	<p>Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions</p> <p><b><i>ACEN's Board established a Board Risk Management and Related Party Transactions Committee.</i></b> <i>Ref: pg 12 &gt; ACEN CG Manual, Board Committees, Section 1.3 Board Risk Management and Related Party Transactions Committee</i></p>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	<p>Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship</p> <p><b><i>For the year 2022, and as of Report Date, ACEN's Board Risk Management and Related Party Transactions Committee was composed of Sherisa P. Nuesa (Chair), Melinda L. Ocampo, both independent directors, and Nicole Goh Phaik Khim. Their qualifications are available in the Company's 2022 Integrated Report, as well as in the 2022 DIS (Annex "A").</i></b></p> <p><i>Ref: Results of 2021 Organizational Meeting of Board of Directors, <a href="https://edge.pse.com.ph/openDiscView">https://edge.pse.com.ph/openDiscView</a></i></p>	

		<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=6af13b47c2ae7a815d542af6f1e997b9">r.do?edge_no=6af13b47c2ae7a815d542af6f1e997b9</a>  <i>Ref: Results of 2022 Organizational Meeting of Board of Directors, <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f</a></i>  <i>Ref: pg 60 &gt; ACEN 2022 Integrated Report</i>	
3. The Chairman of the BROCC is not the Chairman of the Board or of any other committee.	Compliant	<p>Provide information or link/reference to a document containing information on the Chairman of the BROCC</p> <p><b><i>For the year 2022, and as of Report Date, the Chairperson of ACEN's Board Risk Management and Related Party Transactions Committee was Sherisa P. Nuesa, who was an Independent Director and did not chair the Board or any other committee.</i></b></p> <p><i>Ref: pg 59 &gt; ACEN Integrated Report &gt; Board and Board Committee membership stockholders, Board, Board Committee meetings, and Directors' attendance for the year ended December 31, 2022</i></p>	

4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p>Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.</p> <p><b><i>At least one (1) member of ACEN's BROC has relevant thorough knowledge and experience on risk and risk management. Ref: pg 51 and 53 &gt; ACEN 2022 Integrated Report &gt; Board and leadership team</i></b></p>	
<b>Recommendation 3.5</b>			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	<p>Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.</p> <p><b><i>ACEN's Board established a Board Risk Management and Related Party Transactions Committee. Ref: pg 12 &gt; ACEN CG Manual, Board Committees, Section 1.3 Board Risk Management and Related Party Transactions Committee</i></b></p>	The Committee serves a dual function, as the Risk Oversight Committee and as a Related Party Transactions Committee, which functions are clearly delineated in the Committee's Charter
2. RPT Committee is composed of at least three non- executive directors, two of whom should be independent, including the Chairman.	Compliant	<p>Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.</p> <p><b><i>For the year 2022, and as of Report Date, ACEN's Board Risk Management and Related Party Transactions Committee was composed of Sherisa P. Nuesa</i></b></p>	

		<p><b>(Chair), Melinda L. Ocampo, both independent directors, and Nicole Goh Phaik Khim.</b></p> <p>Ref: Results of 2021 Organizational Meeting of Board of Directors, <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=6af13b47c2ae7a815d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=6af13b47c2ae7a815d542af6f1e997b9</a></p> <p>Ref: Results of 2022 Organizational Meeting of Board of Directors, <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f</a></p> <p>Ref: pg 60 &gt; ACEN 2022 Integrated Report</p>	
<b>Recommendation 3.6</b>			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	<p><b>All of ACEN's established committees at the Board level have a charter. All the charters provide standards for evaluating the performance of the committees and are fully disclosed in the ACEN website.</b></p> <p>Ref: ACEN Website &gt; Corporate Governance &gt; Board Committee Charters <a href="https://www.acenrenewables.com/corporate-governance/">https://www.acenrenewables.com/corporate-governance/</a></p> <p>ACEN Board Charter</p>	

		<p><i>ACEN Executive Committee Charter</i></p> <p><i>ACEN Audit Committee Charter</i></p> <p><i>ACEN Personnel and Compensation Committee Charter</i></p> <p><i>ACEN Corporate Governance and Nomination Committee Charter</i></p> <p><i>ACEN Board Risk Management and Related Party Transactions Committee Charter</i></p> <p><i>ACEN Sustainability Committee Charter</i></p>	
3. Committee Charters were fully disclosed on the company's website.	Compliant	<p>Provide link to company's website where the Committee Charters are disclosed.</p> <p><b><i>The charters of the committees are fully disclosed on the Company's website. See above response for Recommendation 3.6, items 1-2; the individual links are included in the summary of links on page 2 of this Report.</i></b></p>	

**Principle 4:** To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

**Recommendation 4.1**

<p>1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings.</p> <p>Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.</p> <p><b><i>ACEN's Board of Directors attend and actively participate in all meetings, in person or through tele/videoconferencing conducted in accordance with the Company's by-laws and rules and regulations of the SEC.</i></b></p> <p><i>Ref: pg 59 &gt; ACEN 2022 Integrated Report &gt; Corporate Governance &gt; Board and Board Committee membership, stockholders, Board, Board Committee meetings, and Directors' attendance for the year ended December 31, 2022</i></p> <p><i>Ref: pg 11 &gt; ACEN CG Manual &gt; Conduct of Meetings</i></p>	
--	------------------	---	--



2. The directors review meeting materials for all Board and Committee meetings.	Compliant	<p><b><i>Board materials are distributed to ACEN's Board of Directors at least five (5) business days before the scheduled meeting to give the directors ample time to review the meeting materials prior to the meeting date.</i></b></p> <p><i>Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Board Performance</i></p>	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	<p>Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors</p> <p><b><i>The Board of Directors acts judiciously before deciding on any matter by evaluating the issues, asking relevant questions and seeking clarifications as appropriate.</i></b></p> <p><i>Ref: pg 10 to 11 &gt; ACEN CG Manual &gt; Roles and Responsibilities &gt; Each Director</i></p>	

#### Recommendation 4.2

1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	<p>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</p> <p>Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies</p> <p><b><i>ACEN has a policy on multiple board seats indicating that no independent director shall hold no more than five (5) board seats in any group of PLCs and executive directors shall hold no more than two (2) board seats in listed companies outside the ACEN group.</i></b></p> <p><i>Ref: pg 2 &gt; ACEN CG Manual, Directorship Limits</i></p>	
--	-----------	--	--

#### Recommendation 4.3

1. The directors notify the company's board before accepting a directorship in another company.	Compliant	<p>Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.</p> <p><b><i>Pursuant to the ACEN CG Manual, all directors are required to notify the Board before accepting a directorship in another company.</i></b></p> <p><i>Ref: pg 11 &gt; ACEN CG Manual &gt; Roles and Responsibilities &gt; Each Director, item 11</i></p>	
---	-----------	---	--

#### Optional: Principle 4

1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant	<p><b><i>Mr. John Eric T. Francia is the only executive director. He did not serve in more than two (2) boards of listed companies outside of the group</i></b></p> <p><i>Ref: pg 56 &gt; ACEN 2022 Integrated Report &gt; Board composition</i></p> <p><i>Ref: ACEN 2023 DIS, Annex "A"</i></p>	
2. Company schedules board of directors' meetings before the start of the financial year.	Compliant	<p><b><i>ACEN schedules the Board of Directors' meetings before the start of the financial year.</i></b></p> <p><i>Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Corporate Governance &gt; Board performance</i></p>	
3. Board of directors meet at least six times during the year.	Compliant	<p>Indicate the number of board meetings during the year and provide proof</p> <p><b><i>The Board held nine (9) meetings in 2022: four (4) regular, four (4) special, and one (1) organizational.</i></b></p> <p><i>Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Board performance</i></p> <p><i>Ref: ACEN 2023 DIS, Annex "C"</i></p> <p><i>Ref: pg 59 &gt; 2022 Integrated Report &gt; Board and Board Committee membership stockholders, Board, Board Committee meetings, and Directors' attendance</i></p>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Compliant	Indicate the required minimum quorum for board decisions	

		<b><i>Two-thirds (2/3) of the number of ACEN directors as fixed in the Articles of Incorporation shall constitute a quorum.</i></b> <i>Ref: pg 11 &gt; ACEN CG Manual, Conduct of Meetings</i>	
--	--	---	--

**Principle 5:** The board should endeavor to exercise an objective and independent judgment on all corporate affairs

**Recommendation 5.1**

1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Compliant	<p>Provide information or link/reference to a document containing information on the number of independent directors in the board</p> <p><b><i>For the year 2022, and as of Report Date, respectively, the Board had four (4) independent directors, constituting more than one- third (1/3) of its composition.</i></b></p> <p><i>Ref: Results of the 2022 Annual Stockholders' Meeting, 25 April 2022</i></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=3e898ba53992ef383470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=3e898ba53992ef383470cea4b051ca8f</a></p>	
--	-----------	--	--

Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	<p>Provide information or link/reference to a document containing information on the qualifications of the independent directors.</p> <p><b><i>ACEN's independent directors possess all the qualifications and none of the disqualifications to hold the position.</i></b>  <i>Ref: pg 52 to 53 &gt; ACEN 2022 Integrated Report, Board and leadership team</i></p> <p><i>Ref: 2022 DIS, Annex A &gt; Certification of Independent Directors</i></p>	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	<p>Provide link/reference to a document containing information that directors are not constrained to vote independently.</p> <p><b><i>The Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.</i></b></p> <p><b><i>ACEN has a governance policy on conflict of interest to ensure that the personal interest of directors and officers should never prevail over the interest of the Company, so that they may not directly or indirectly derive any personal profit or advantage by reason of their position in the Company and must promote the common interest of all shareholders and the Company without regard to their</i></b></p>	

		<b><i>own personal and selfish interests.</i></b> <i>Ref: pg 4 &gt; ACEN Code of Conduct &gt; Conflict of Interest</i>	
<b>Recommendation 5.3</b>			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	Provide information or link/reference to a document showing the years IDs have served as such.  <b><i>An independent director, after serving nine (9) years, shall be perpetually barred from being elected as such in the Company, without prejudice to being elected as independent director in other companies outside of the business conglomerate, where applicable, under the same conditions provided for in the rules and regulations of the SEC.</i></b> <i>Ref: pg 6 &gt; ACEN CG Manual &gt; Term Limit</i>  <i>Ref: ACEN 2022 DIS &gt; Annex "A"</i>  <i>Ref: ACEN 2023 DIS &gt; Annex "A"</i>	

2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	<p>Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director</p> <p><b><i>Please see response to previous item.</i></b></p>	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	<p>Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.</p> <p><b><i>ACEN's CG Manual only allows independent directors to serve a maximum term of nine (9) years. In the event that an independent director shall be retained beyond this, ACEN's Board will have to provide meritorious justification and seek shareholders' approval during the ASM.</i></b></p> <p><b><i>None of ACEN's independent directors have been retained beyond the foregoing nine (9)-year limit.</i></b></p> <p><b><i>Please see response to Recommendation 5.3, item 1.</i></b></p>	



**Recommendation 5.4**

1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	Identify the company's Chairman of the Board and Chief Executive Officer  <b><i>ACEN's Chairman of the Board is Delfin L. Lazaro and its Chief Executive Officer is John Eric T. Francia.</i></b>	
---	-----------	---	--

2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	<p>Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer.</p> <p>Identify the relationship of Chairman and CEO.</p> <p><b><i>ACEN's Chairman of the Board and CEO have clearly defined responsibilities.</i></b> <i>Ref: pg 4 &gt; ACEN CG Manual, Chairman of the Board</i></p> <p><i>Ref: pg 15 to 16 &gt; ACEN CG Manual, Chief Executive Officer (CEO)</i></p> <p><i>Ref: pg 16 &gt; ACEN CG Manual, The President</i></p> <p><i>Ref: pg 56 &gt; ACEN 2022 Integrated Report &gt; Role of the Chairman and Vice-Chairman</i></p>	
---	-----------	--	--

**Recommendation 5.5**

1. If the Chairman of the Board is not an	Compliant	Provide information or link/reference to a	
---	-----------	--	--

independent director, the board designates a lead director among the independent directors.		<p>document containing information on a lead independent director and his roles and responsibilities, if any.</p> <p>Indicate if Chairman is independent.</p> <p><b><i>On 25 April 2022, Ms. Sherisa P. Nuesa was appointed as lead independent director. She held the position until 24 April 2022.</i></b></p> <p><b><i>The Chairman is not an independent director.</i></b></p> <p><b><i>Roles and responsibilities of the Lead Independent Director</i></b>  Ref: pg 7 &gt; ACEN CG Manual &gt; Lead Independent Director</p>	
<b>Recommendation 5.6</b>			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	<p>Provide proof of abstention, if this was the case</p> <p><b><i>There have been no cases of directors with material interest in a transaction affecting the Company and ACEN's directors and key management personnel are required to abstain and/or inhibit themselves from participating in discussions on a particular agenda item where they are conflicted.</i></b></p> <p><b><i>ACEN has a governance policy on conflict of interest to ensure that the personal interest of directors and officers should never prevail over the interest of the</i></b></p>	

		<p><b><i>Company, so that they may not directly or indirectly derive any personal profit or advantage by reason of their position in the Company and must promote the common interest of all shareholders and the Company without regard to their own personal and selfish interests.</i></b></p> <p><i>Ref: pg 4 &gt; ACEN Code of Conduct, Part V. Conflict of Interest</i></p>	
--	--	---	--

#### Recommendation 5.7

1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Compliant	<p>Provide proof and details of said meeting, if any.</p> <p>Provide information on the frequency and attendees of meetings.</p>	
2. The meetings are chaired by the lead independent director.	Compliant	<p><b><i>The Audit Committee, composed of non-executive directors (Mdmes. Goetina-Garcia, Garcia, and Goh), met with the internal auditors and external auditors of the Company in executive session on 29 November 2022.</i></b></p> <p><i>On 4 November 2022, the following non-executive directors of the Company, namely Mdmes. Nuesa, Geotina-Garcia, Goh, and Ocampo, held a joint committee meeting with members of the Compliance and Internal Audit teams. The joint meeting was chaired by the lead independent director, Ms. Nuesa.</i></p> <p><i>On 7 March 2023, the Non-Executive directors held another meeting with the</i></p>	

		<i>members of the Compliance and Internal Audit teams, chaired by the lead independent director, Ms. Nuesa.</i>	
<b>Optional: Principle 5</b>			
1. None of the directors is a former CEO of the company in the past 2 years.	Compliant	<p>Provide name/s of company CEO for the past 2 years</p> <p><b><i>John Eric T. Francia has been the Company's CEO since 28 May 2019.</i></b></p> <p><b><i>Prior to that, the Company's CEO was Francisco L. Viray. Dr. Viray is no longer a director of the Company.</i></b></p>	

<b>Principle 6:</b> The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
<b>Recommendation 6.1</b>			
1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	<p>Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees</p> <p><b><i>The ACEN Board, the Chairman, the CEO, individual members, and each committee undergoes an annual self-assessment of its performance.</i></b></p> <p><i>Ref: pg 13 &gt; ACEN CG Manual, Performance Assessment</i></p> <p><b><i>In 2020, AON was appointed as the independent consultant to assist in the board assessment exercise. The results of the self-assessment survey were reported during the Board meeting immediately</i></b></p>	
2. The Chairman conducts a self-assessment of his performance.	Compliant		
3. The individual members conduct a self-assessment of their performance.	Compliant		
4. Each committee conducts a self-assessment of its performance.	Compliant		

		<p><b>following the completion of the survey.</b>  Ref: pg 57 &gt; ACEN Integrated Report &gt; Performance Assessment  <a href="https://www.acenrenewables.com/wp-content/uploads/2022/03/2020-ACEN-Board-Committee-and-Individual-Effectiveness-Evaluation-Report.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/03/2020-ACEN-Board-Committee-and-Individual-Effectiveness-Evaluation-Report.pdf</a></p> <p><u>For the years 2021 and 2022, the Board performance assessment was conducted internally.</u></p>	
5. Every three years, the assessments are supported by an external facilitator.	Compliant	<b><i>Please see response to previous item.</i></b>	
<b>Recommendation 6.2</b>			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees,	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	<p>including a feedback mechanism from shareholders</p> <p><b><i>ACEN's Board has a performance appraisal system that determines the performance of the Board, individual directors and committees. One of the tools used is the self-assessment exercise.</i></b></p> <p><b><i>ACEN's Board allows for a feedback mechanism from shareholders during the Q&amp;A session of the Annual Stockholders' Meeting.</i></b>  Ref: pg 11 to 12 &gt; Minutes of the 2022</p>	

		<p><i>Annual Stockholders' Meeting, Item 13, Other Matters</i>  <a href="https://www.acenrenewables.com/disclosures/2022-asm-minutes/">https://www.acenrenewables.com/disclosures/2022-asm-minutes/</a></p> <p><b><i>ACEN has a Contact Us section and published the emails of the respective contact persons on the website for shareholders and the public.</i></b></p> <p>Ref:  <a href="https://www.acenrenewables.com/">https://www.acenrenewables.com/</a></p>	
--	--	--	--

**Principle 7:** Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

**Recommendation 7.1**

1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	Provide information on or link/reference to the company's Code of Business Conduct and Ethics.  <b><i>ACEN's Board has a Code of Conduct</i></b> <i>Ref: ACEN Code of Conduct</i>	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees.  <b><i>The Code is properly disseminated to the Board, senior management and employees, through the Company's on-boarding process and through annual trainings, Company briefings and townhall meetings.</i></b> <i>Ref: pg 65 &gt; ACEN 2022 Integrated Report &gt; Code of conduct and ethics</i>  <i>Ref: pg 41 &gt; ACEN 2022 Integrated Report &gt; Human rights and anti-corruption</i>  <i>Ref: pg 55 &gt; ACEN 2022 Integrated Report &gt; Board structure and process key roles and responsibilities</i>	
3. The Code is disclosed and made available to the public through the company website.	Compliant	Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.  <b><i>ACEN's Code of Conduct is available to</i></b>	

		<p><b>the public through the company website.</b></p> <p>Ref:  <a href="https://www.acenrenewables.com/wp-content/uploads/2020/11/ACEN-Code-of-Conduct-Final.pdf">https://www.acenrenewables.com/wp-content/uploads/2020/11/ACEN-Code-of-Conduct-Final.pdf</a> </p>	
<b>Supplement to Recommendation 7.1</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	<p>Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery</p> <p><b>ACEN has an Anti-Corruption Program with policies on Gift and Gratuities and Anti-Fraud.</b></p> <p>Ref: pg 7 to 8 &gt; ACEN Code of Conduct and Ethics &gt; Part VIII. Anti-Bribery and Anti-Corruption Policy</p>	
<b>Recommendation 7.2</b>			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	<p>Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.</p> <p><b>ACEN has an established process on reported violations of Company policies, rules, and regulations.</b></p> <p>Ref: ACEN Whistleblower Policy</p> <p><b>All directors, officers, and employees of ACEN are expected to observe and comply</b></p>	



		<p><b>with the Code of Conduct.</b></p> <p><b><i>The Head of Human Resources is specifically tasked to implement and monitor compliance with the Code.</i></b>  Ref: pg 9&gt; ACEN Code of Conduct &gt; Part II. Implementation and Monitoring</p> <p><b><i>Internal and external auditors ensure that management takes appropriate corrective actions in a timely manner, including addressing internal control and compliance issues, and reports this to the Audit Committee.</i></b></p> <p>Ref: pg 81 &gt; ACEN 2022 Integrated Report &gt; Report of the Audit Committee to the Board of Directors for the year ended 31 December 2022</p>	
--	--	--	--

## Disclosure and Transparency

**Principle 8:** The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

### Recommendation 8.1

1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	<p>Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders</p> <p><b><i>Management, through the Investor Relations Division, shall be responsible for public and timely disclosure of all material information about the Company.</i></b>  Ref: pg 23 &gt; ACEN CG Manual &gt; Part</p>	
--	-----------	--	--

		IV. Stakeholder Engagement	
<b>Supplement to Recommendations 8.1</b>			
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	Compliant	<p>Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively.</p> <p><b><i>ACEN publicly discloses its consolidated financial statements within ninety (90) - days from the end of the fiscal year while interim quarterly reports are submitted within forty-five (45) days from the end of the reporting period.</i></b></p> <p>Ref: ACEN Audited Financial Statements as of year ended December 31, 2021 &gt; PSE Edge Website &gt; ACEN &gt; Company Disclosures  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d18271114c4c0ff73470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d18271114c4c0ff73470cea4b051ca8f</a></p> <p>Ref: ACEN SEC 17Q Q1 2022 &gt; PSE Edge Website &gt; ACEN &gt; Company Disclosures &gt; Quarterly Report  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=a812b9ee2b42ca563470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=a812b9ee2b42ca563470cea4b051ca8f</a></p> <p>Ref: ACEN SEC 17Q Q2 2022 &gt; PSE Edge Website &gt; ACEN &gt; Company Disclosures &gt; Quarterly Report  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=349efc7cf547b91b3470cea4b">https://edge.pse.com.ph/openDiscViewer.do?edge_no=349efc7cf547b91b3470cea4b</a></p>	

		<p><a href="#"><u>051ca8f</u></a></p> <p>Ref: ACEN SEC 17Q Q3 2022 &gt; PSE Edge Website &gt; ACEN &gt; Company Disclosures &gt; Quarterly Report  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=e2362fba06d34e7d3470cea4b051ca8f"><u>https://edge.pse.com.ph/openDiscViewer.do?edge_no=e2362fba06d34e7d3470cea4b051ca8f</u></a></p> <p>Ref: ACEN Audited Financial Statements as of year ended December 31, 2022 &gt; PSE Edge Website &gt; ACEN &gt; Company Disclosures  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=9194cca16c587f0f9e4dc6f6c9b65995"><u>https://edge.pse.com.ph/openDiscViewer.do?edge_no=9194cca16c587f0f9e4dc6f6c9b65995</u></a></p> <p><b>ACEN disclosed its Consolidated Balance Sheet and Income Statement as early as 9 March 2022.</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ddf2800faeccbd523470cea4b051ca8f"><u>https://edge.pse.com.ph/openDiscViewer.do?edge_no=ddf2800faeccbd523470cea4b051ca8f</u></a> (see Annexes)</p>	
--	--	--	--

<p>2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>	<p>Compliant</p>	<p>Provide link or reference to the company's annual report where the following are disclosed:</p> <ol style="list-style-type: none"> <li>1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders;</li> <li>2. cross-holdings among company affiliates; and</li> <li>3. any imbalances between the controlling shareholders' voting power and overall equity position in the company.</li> </ol> <p><b><i>ACEN discloses the shareholdings of controlling shareholders.</i></b>  Ref: pg pg 123 to 124 &gt; ACEN 2022 Annual Report (SEC Form 17-A)  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=9194cca16c587f0f9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=9194cca16c587f0f9e4dc6f6c9b65995</a></p> <p><b><i>ACEN upholds and protects the rights of minority shareholders.</i></b>  Ref: pg 20 to 24 &gt; ACEN CG Manual &gt; Part Three: Promotion of Shareholders' Rights and Engagement of Stakeholders</p> <p><b><i>There are no imbalances between the controlling shareholders' voting power and overall equity position in the Company.</i></b></p>	
--	------------------	---	--

Recommendation 8.2			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share.	
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	<p>Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.</p> <p><b><i>All ACEN directors and officers are required to disclose/report to the Company any dealings in the Company's shares within three (3) business days from transaction date.</i></b></p> <p><i>Ref: pg 23 &gt; ACEN CG Manual &gt; Part III. Disclosure and Transparency</i></p> <p><b><i>Actual dealings of directors involving ACEN's shares in 2022 are disclosed on page 64 of the 2022 Integrated Report.</i></b></p>	
Supplement to Recommendation 8.2			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	Compliant	<p>Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders.</p> <p>Provide link or reference to the company's Conglomerate Map.</p> <p><i>Ref: Attachment III, &gt; ACEN 2022 Annual Report (SEC Form17-A)</i>  <a href="https://edge.pse.com.ph/openDiscViewer">https://edge.pse.com.ph/openDiscViewer</a>.</p>	

		<p><a href="https://www.acenrenewables.com/corporate-governance/disclosures/do?edge_no=9194cca16c587f0f9e4dc6f6c9b65995">do?edge_no=9194cca16c587f0f9e4dc6f6c9b65995</a></p> <p><b>ACEN discloses the trading of the Company's shares by directors, officers and controlling shareholders.</b></p> <p>Ref:  <a href="https://www.acenrenewables.com/corporate-governance/disclosures/">https://www.acenrenewables.com/corporate-governance/disclosures/</a></p> <p><b>ACEN discloses the shareholdings of its directors, management, and top 100 shareholders.</b></p> <p>Ref: ACEN Top 100 Shareholders as of December 31, 2022 &gt; ACEN Website &gt; Disclosures  <a href="https://www.acenrenewables.com/wp-content/uploads/2023/01/ACEN-Top-100-as-of-December-31-2022.cleaned.pdf">https://www.acenrenewables.com/wp-content/uploads/2023/01/ACEN-Top-100-as-of-December-31-2022.cleaned.pdf</a></p> <p>Ref: ACEN Public Ownership Report as of December 31, 2022 &gt; ACEN Website &gt; Disclosures  <a href="https://www.acenrenewables.com/wp-content/uploads/2023/01/Public-Ownership-Report-as-of-31-Dec-2022.pdf">https://www.acenrenewables.com/wp-content/uploads/2023/01/Public-Ownership-Report-as-of-31-Dec-2022.pdf</a></p> <p><b>Actual dealings of directors involving ACEN's shares are disclosed on page 64 of the 2022 Integrated Report.</b></p>	
--	--	--	--

### Recommendation 8.3

<p>1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>Compliant</p>	<p>Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p> <p><b><i>ACEN fully discloses the profiles of its directors.</i></b>  <i>Ref: pg 50 to 53 &gt; ACEN 2022 Integrated Report &gt; Board and leadership team</i></p> <p><i>Ref: pg 64 &gt; ACEN 2022 Integrated Report &gt; Changes in Shareholdings</i></p> <p><i>Ref: pg 1 to 4 &gt; 2023 DIS &gt; Annex "A"</i></p>	
<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>Compliant</p>	<p>Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p> <p><b><i>ACEN fully discloses the profiles of its key executives.</i></b>  <i>Ref: pg 54 &gt; ACEN 2022 Integrated Report &gt; Management team</i></p> <p><i>Ref: pg 5 to 8 &gt; ACEN 2023 DIS &gt; Annex "A"</i></p>	

### Recommendation 8.4

1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	<p>Disclose or provide link/reference to the company policy and practice for setting board remuneration</p> <p><b><i>ACEN provides a clear disclosure on Board remuneration.</i></b></p> <p><i>Ref: By laws &gt; Article IV, Section 4. Compensation</i></p> <p><i>Ref: pg 13 &gt; ACEN CG Manual &gt; Remuneration</i></p> <p><i>Ref: pg 57 to 58 &gt; ACEN 2022 Integrated Report</i>  <i>&gt; Director Compensation</i></p>	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	<p>Disclose or provide link/reference to the company policy and practice for determining executive remuneration</p> <p><b><i>ACEN has policies and procedures in place for setting executive remuneration.</i></b></p> <p><i>Ref: pg 12 &gt; ACEN CG Manual &gt; Personnel and Compensation Committee</i></p>	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Compliant	<p>Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.</p> <p><b><i>Board of Directors 2022 Gross Remuneration</i></b></p> <p><i>&gt; Ref: pg 58 &gt; ACEN 2022 Integrated Report &gt; Director Compensation</i></p>	



***ACEN discloses in its Definitive Information Statement the remuneration of its top five (5) most highly compensated executives, including the CEO.***

*Ref: pg 20 to 21 > 2023 ACEN DIS > Item 6. Compensation of Director and Executive Officers*

***ACEN also discloses the amount of fees and per diems received by its directors (including independent directors) for Board and Committee meetings attended in 2022, as well as estimated retainer fees and per diems to be received by all directors in the succeeding year.***

*Ref: pg 20 to 21 > 2023 ACEN DIS > Item 6. Compensation of Director and Executive Officers*

***At the senior executive levels, the value of the compensation is largely driven by two (2) main considerations: (1) the size of and scope of the role, and (2) the intrinsic value of the individual as measured by his/her competencies, experience, and proven organizational or functional leadership.***

***Included in the compensation elements of the Company is long-term incentive compensation. The Company has instituted a performance-based incentive program delivered as either performance shares, stock ownership (ESOWN) plans***

		<i>or long-term cash incentives. Senior executives (i.e., those with a rank of Assistant Vice President and up) are considered for award eligibility in a given grant.</i>	
<b>Recommendation 8.5</b>			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	<p>Disclose or provide reference/link to company's RPT policies</p> <p>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</p> <p><b>ACEN discloses its RPT Policy on its website.</b>  Ref:  <a href="https://www.acenrenewables.com/disclosures/policy-on-related-party-transactions/">https://www.acenrenewables.com/disclosures/policy-on-related-party-transactions/</a></p> <p><b>During the regular meeting of the Board of Directors on 8 March 2022, in relation to the proposed additional omnibus credit lines with ING Bank, Philippine National Bank, and Sun Life, Ms. Consuelo D. Garcia disclosed that she was then a senior consultant for ING Bank and an independent director and trustee of ING Foundation Philippines, Inc. Ms. Garcia duly recused herself from the deliberations and approval of the transaction.</b>  Ref: pg 15 &gt; ACEN 2023 DIS &gt; Certain Relationships and Related Transactions</p>	

<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p>Compliant</p>	<p>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</p> <ol style="list-style-type: none"> <li>1. name of the related counterparty;</li> <li>2. relationship with the party;</li> <li>3. transaction date;</li> <li>4. type/nature of transaction;</li> <li>5. amount or contract price;</li> <li>6. terms of the transaction;</li> <li>7. rationale for entering into the transaction;</li> <li>8. the required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and</li> <li>9. other terms and conditions</li> </ol> <p><b><i>ACEN discloses the material and significant RPTs reviewed and approved during the year.</i></b>  <i>Ref: pg 15 to 19 &gt; ACEN 2023 Definitive Information Statement</i></p> <p><i>Ref: pg 60 &gt; ACEN 2022 Integrated Report &gt; Board Risk Management and Related Party Transaction Committee</i></p> <p><b><i>All SEC Defined and Company Recognized Material RPTs (as defined under the Company's RPT Policy) are reviewed by the Board Risk Management and Related Party Transactions Committee and approved by the Board before its commencement.</i></b></p>	
---	------------------	--	--

		<p><i>Pursuant to SEC Memorandum Circular No. 10, series of 2019, the Company submits advisement reports for SEC Defined Material RPTs.</i></p> <p><i>Enclosed as Annex "A" hereof is a summary of the SEC Defined Material RPT entered into by the Company in 2022, as well as a copy of the advisement report submitted.</i></p>	
<b>Supplement to Recommendation 8.5</b>			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<p>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</p> <p><i>ACEN requires its directors to disclose personal or pecuniary interest on any enterprise with which the Company has an existing or intended transaction.</i>  <i>Ref: pg 5 &gt; ACEN Code of Conduct &gt; Part IV. Conflict of Interest, Item 3</i></p> <p><i>Prior to entering into a Material RPT, directors are required to fully and timely disclose to the Board Risk Management and RPT Committee any and all material facts related to the Material RPT as well as any direct or indirect financial interest in any matter that may affect or is affecting the Company. The director and the committee shall also make this disclosure at the board meeting where the Material RPT will be presented for approval and before the completion or</i></p>	

		<p><b>execution of the Material RPT.</b>  Ref: pg 4 &gt; ACEN RPT Policy &gt; Part F.  Disclosure Requirement of Material RPTs</p> <p><b>ACEN has a governance policy on conflict of interest to ensure that the personal interest of directors and officers should never prevail over the interest of the Company, so that they may not directly or indirectly derive any personal profit or advantage by reason of their position in the Company and must promote the common interest of all shareholders and the Company without regard to their own personal and selfish interests.</b></p> <p><b>During the regular meeting of the Board of Directors on 8 March 2022, in relation to the proposed additional omnibus credit lines with ING Bank, Philippine National Bank, and Sun Life, Ms. Consuelo D. Garcia disclosed that she was then a senior consultant for ING Bank and an independent director and trustee of ING Foundation Philippines, Inc. Ms. Garcia duly recused herself from the deliberations and approval of the transaction.</b>  Ref: pg 15 &gt; ACEN 2023 DIS &gt; Certain Relationships and Related Transactions</p>	
--	--	---	--

**Optional : Recommendation 8.5**

1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	<p>Provide link or reference where this is disclosed, if any</p> <p><b><i>ACEN ensures that all RPTs are conducted on an arms' length basis, at normal prices, and will inure to the best interest of the Company.</i></b></p> <p>Ref: pg 1 &gt; ACEN RPT Policy &gt; Part A. Introduction</p> <p><a href="https://www.acenrenewables.com/disclosures/policy-on-related-party-transactions/">https://www.acenrenewables.com/disclosures/policy-on-related-party-transactions/</a></p>	
--	-----------	---	--

**Recommendation 8.6**

1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	<p>Provide link or reference where this is disclosed</p> <p><b><i>ACEN Disclosures</i></b></p> <p>Ref: ACEN Website &gt; Disclosures</p> <p>Ref:</p> <p><a href="https://www.acenrenewables.com/corporate-governance/disclosures/">https://www.acenrenewables.com/corporate-governance/disclosures/</a></p>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	<p>Identify independent party appointed to evaluate the fairness of the transaction price</p> <p>Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.</p> <p><b><i>The Board of Directors may appoint an independent party to evaluate the fairness of the terms of the transaction.</i></b></p> <p>Ref: pg 5 &gt; ACEN RPT Policy &gt; Part H.</p>	

		<i>Guidelines in Ensuring Arm's Length Terms</i>	
--	--	--	--

Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	Provide link or reference where these are disclosed.  <b>All material transactions/information are disclosed on the IR website.</b> Ref: ACEN Website > Disclosures Ref: <a href="https://www.acenrenewables.com/corporate-governance/disclosures/">https://www.acenrenewables.com/corporate-governance/disclosures/</a>	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Provide link to the company's website where the Manual on Corporate Governance is posted.	
2. Company's MCG is submitted to the SEC and PSE.	Compliant	<b>ACEN's corporate governance policies, programs and procedures are contained in its CG Manual. It is submitted to the SEC and PSE and is posted on the website.</b>  Ref: <a href="https://www.acenrenewables.com/disclosures/manual-on-corporate-governance/">https://www.acenrenewables.com/disclosures/manual-on-corporate-governance/</a>	
3. Company's MCG is posted on its company website.	Compliant		
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	Provide proof of submission.  <b>On 30 May 2022, ACEN submitted its revised CG Manual to the PSE through the EDGE System and by email to the SEC:</b>  Ref: <a href="https://edge.pse.com.ph/downloadHtml.do?file_id=1103343">https://edge.pse.com.ph/downloadHtml.do?file_id=1103343</a>	



--	--	--	--

Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:	Compliant	Provide link or reference to the company's Annual Report containing the said information.	
a. Corporate Objectives	Compliant	<b>ACEN 2022 Integrated Report</b> <b>Ref:</b> <a href="https://www.acenrenewables.com/acen-2022-ir/">https://www.acenrenewables.com/acen-2022-ir/</a>  <b>Corporate Objectives</b> <b>Ref: pg 14 to 15, 31, 39, 57 to 59</b>  <b>Financial and non-financial performance indicators</b> <b>Ref: pg 6 to 7</b>  <b>Biographical Details</b> <b>Ref: pg 50 to 53</b>	
b. Financial performance indicators	Compliant		
c. Non-financial performance indicators	Compliant		
d. Dividend Policy	Compliant		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		
f. Attendance details of each director in all directors' meetings held during the year	Compliant		

g. Total remuneration of each member of the board of directors	Compliant	<p><b>Attendance of each director</b> Ref: pg 59</p> <p><b>Remuneration</b> Ref: pg 57 to 58</p> <p><b>Dividend Policy</b> The Group closely monitors its debt covenants and maintains a capital expenditure program and dividend declaration policy that keep the compliance of these covenants into consideration. Ref: <b>SEC 17-A Annual Report pg 314 (pg 146 of the Independent Auditor's Report)</b></p> <p><a href="#">SEC 17A Annual Report 2022 - ACEN (acenrenewables.com)</a></p>	
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	<p>Provide link or reference to where this is contained in the Annual Report</p> <p><b>Statement confirming the Company's full compliance with the Code of Corporate Governance</b> Ref: pg 55 &gt; ACEN 2022 Integrated Report &gt; Corporate Governance</p>	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant	<p>Provide link or reference to where this is contained in the Annual Report</p> <p><b>Board of Directors Statement</b> Ref: pg 81 &gt; ACEN 2022 Integrated Report &gt; Report of the Audit Committee to the Board of Directors for the year ended 31 December 2022</p>	

4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Compliant	<b>Board of Directors Statement</b> Ref: pg 81 > ACEN 2022 Integrated Report > Report of the Audit Committee to the Board of Directors for the year ended 31 December 2022	
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	Provide link or reference to where these are contained in the Annual Report  <b>Materiality</b> Ref: pg 71 to 77 > ACEN 2022 Integrated Report > Materiality	
<b>Principle 9:</b> The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
<b>Recommendation 9.1</b>			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor.  <b>The Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal and fees of the external auditor.</b> Ref: pg 6 > ACEN Audit Committee Charter, Section 5. Oversight on External Audit	

<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	<p>Compliant</p>	<p>Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.</p> <p><b><i>The Board, through the Audit Committee, recommends to the stockholders a duly accredited external auditor who shall undertake an independent audit and shall provide an objective assurance on the preparation of ACEN's financial statements.</i></b></p> <p><i>Ref: pg 81 &gt; ACEN 2022 Integrated Report &gt; Report of the Audit Committee to the Board of Directors for the year ended 31 December 2022</i></p> <p><b><i>During the Company's 2022 annual stockholders meeting, stockholders owning 86.39% of the total outstanding shares voted in favor of the appointment of the external auditor, SyCip Gorres Velayo &amp; Co.</i></b></p> <p><i>Ref: pg 4 &gt; 2022 Annual Stockholders' Meeting Voting Results</i></p> <p><a href="https://www.acenrenewables.com/wp-content/uploads/2022/04/220425-ACEN-ASM-Voting-Tabulation-of-Resolutions-signed-1.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/04/220425-ACEN-ASM-Voting-Tabulation-of-Resolutions-signed-1.pdf</a></p>	
<p>3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.</p>	<p>Compliant</p>	<p>Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.</p>	

		<i>Since its incorporation, ACEN has not removed nor changed its external auditor.</i>	
<b>Supplement to Recommendation 9.1</b>			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	<b><i>The Partner-in-charge is rotated every five (5) years or earlier.</i></b> <i>Ref: pg 19 &gt; ACEN CG Manual &gt; Part II. External Audit</i>	
<b>Recommendation 9.2</b>			
1. Audit Committee Charter includes the Audit Committee's responsibility on: <ul style="list-style-type: none"> <li>i. assessing the integrity and independence of external auditors;</li> <li>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</li> <li>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</li> </ul>	Compliant	Provide link/reference to the company's Audit Committee Charter  <b><i>ACEN's Audit Committee Charter</i></b> <i>Ref:</i> <i><a href="https://www.acenrenewables.com/disclosures/audit-committee/">https://www.acenrenewables.com/disclosures/audit-committee/</a></i>	
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant	Provide link/reference to the company's Audit Committee Charter  <b><i>Please refer to response provided in Recommendation 9.2, item 1.</i></b>	

**Supplement to Recommendations 9.2**

1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	Provide link/reference to the company's Audit Committee Charter  <b><i>Please refer to response provided in Recommendation 9.2, item 1.</i></b>	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	Provide link/reference to the company's Audit Committee Charter  <b><i>Please refer to response provided in Recommendation 9.2, item 1.</i></b>	

**Recommendation 9.3**

1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	Disclose the nature of non-audit services performed by the external auditor, if any.  <b><i>ACEN discloses the nature of non-audit services performed by the external auditor in the Annual Report.</i></b> <i>Ref: pg 63 &gt; ACEN 2022 Integrated Report &gt; External Auditors</i>	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant	Provide link or reference to guidelines or policies on non-audit services  <b><i>Guidelines on Non-Audit Services</i></b> <i>Ref: pg 6 &gt; Charter of the Audit Committee &gt; Section 5. Oversight on External Audit, item 5.8</i>	

**Supplement to Recommendation 9.3**

1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	Provide information on audit and non-audit fees paid.	
---	-----------	---	--

		<p><b>ACEN discloses the nature of non-audit services performed by the external auditor in the Annual Report and fees paid for non-audit services do not outweigh the audit services.</b></p> <p>Ref: pg 62 &gt; ACEN 2022 Integrated Report &gt; External Auditors</p>	
--	--	---	--

Additional Recommendation to Principle 9			
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	<p>Provide information on company's external auditor, such as:</p> <ol style="list-style-type: none"> <li>1. Name of the audit engagement partner;</li> <li>2. Accreditation number;</li> <li>3. Date Accredited;</li> <li>4. Expiry date of accreditation; and</li> <li>5. Name, address, contact number of the audit firm.</li> </ol> <p><b>Audit Engagement Partner:</b> Benjamin N. Villacorte <b>SEC Accreditation number:</b> No. 111562-SEC (Group A) <b>Date Accredited:</b> 2021 <b>Expiry:</b> 2025 <b>Name, address, contact number of audit firm:</b> SyCip Gorres Velayo &amp; Co. 6760 Ayala Avenue 1226 Makati City Philippines Tel (632) 8-891-0307 Website <a href="https://www.ey.com/ph/en/home">https://www.ey.com/ph/en/home</a></p>	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the	Compliant	<p>Provide information on the following:</p> <ol style="list-style-type: none"> <li>1. Date it was subjected to</li> </ol>	

SEC's Office of the General Accountant (OGA).		<p>SOAR inspection, if subjected;</p> <p>2. Name of the Audit firm; and</p> <p>3. Members of the engagement team inspected by the SEC.</p> <p><b><i>SGV &amp; Co. agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program. The inspection was done from 1 to 12 August 2022. The names of the members of the engagement team were provided to the SEC during the SOAR inspection.</i></b></p>	
---	--	--	--

**Principle 10:** The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

**Recommendation 10.1**

1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Compliant	<p>Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.</p> <p><b><i>The Management shall make proper disclosure of the Company's management of the material economic, environmental, social and governance aspects of its businesses and activities using the GRI Standards by the Global Reporting Initiative.</i></b></p> <p><i>Ref: pg 10 &gt; ACEN CG Manual &gt; Roles and Responsibilities, The Board, item 33</i></p> <p><i>Ref: pg 71 to 77 &gt; ACEN 2022 Integrated Report &gt; Materiality</i></p>	
---	-----------	---	--



2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	<p>Provide link to Sustainability Report, if any. Disclose the standards used.</p> <p><b><i>SASB Materiality Map GRI Standards by the Global Reporting Initiative.</i></b></p> <p><b><i>ACEN 2022 Integrated Report</i></b>  <i>Ref: pg 71 to 77 &gt; ACEN 2022 Integrated Report &gt; Materiality</i></p>	
<p><b>Principle 11:</b> The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.</p>			
<p><b>Recommendation 11.1</b></p>			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	<p>Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.).  Provide links, if any.</p> <p><b><i>Through its Investors Relations Team, ACEN holds media and analyst briefings to ensure timely and accurate dissemination of public, material and relevant information to its shareholders</i></b>  <i>Ref: pg 65 &gt; ACEN 2022 Integrated Report &gt; Stakeholder Relations &gt; Shareholder and Investor Relations</i></p>	

Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:	Compliant	Provide link to company website <b>ACEN Website</b> <a href="https://www.acenrenewables.com/">https://www.acenrenewables.com/</a>	
a. Financial statements/reports (latest quarterly)	Compliant	<b>Financial Statements</b> <a href="https://www.acenrenewables.com/corporate-governance/disclosures/">https://www.acenrenewables.com/corporate-governance/disclosures/</a>	
b. Materials provided in briefings to analysts and media	Compliant	Corporate Governance > Disclosures > Annual and Quarterly Reports	
c. Downloadable annual report	Compliant		
d. Notice of ASM and/or SSM	Compliant	<b>Analysts' and Investors' Briefings</b> <a href="https://www.acenrenewables.com/investors/?section=#reports">https://www.acenrenewables.com/investors/?section=#reports</a>	
e. Minutes of ASM and/or SSM	Compliant	<b>Latest (Full Year 2022) Analyst and Investors' Briefing</b> <a href="https://www.acenrenewables.com/wp-content/uploads/2023/03/ACEN-Full-Year-2022-Analyst-and-Investor-Briefing.pdf">https://www.acenrenewables.com/wp-content/uploads/2023/03/ACEN-Full-Year-2022-Analyst-and-Investor-Briefing.pdf</a>	
f. Company's Articles of Incorporation and By- Laws	Compliant	<b>Downloadable Annual Report</b> <a href="https://www.acenrenewables.com/acen-2022-ir/">https://www.acenrenewables.com/acen-2022-ir/</a>  <b>Notice of 2022 ASM (as amended)</b> <a href="https://www.acenrenewables.com/wp-content/uploads/2022/03/SEC-17C-Amend-1Notice-of-Annual-or-Special-Stockholders-Meeting.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/03/SEC-17C-Amend-1Notice-of-Annual-or-Special-Stockholders-Meeting.pdf</a>  <b>Notice of 2023 ASM</b> <a href="https://www.acenrenewables.com/wp-content/uploads/2023/03/Notice-of-">https://www.acenrenewables.com/wp-content/uploads/2023/03/Notice-of-</a>	

		<a href="#">ASM-2023.pdf</a>  <b>Minutes of 2022 ASM</b> <a href="https://www.acenrenewables.com/wp-content/uploads/2022/04/DRAFT-ACEN-2022-ASM-Minutes-for-approval-at-the-2023-ASM.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/04/DRAFT-ACEN-2022-ASM-Minutes-for-approval-at-the-2023-ASM.pdf</a>  <b>Articles of Incorporation and By-laws</b> <a href="https://www.acenrenewables.com/wp-content/uploads/2022/07/ACEN-CORPORATION-Amended-AOI-20-July-2022.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/07/ACEN-CORPORATION-Amended-AOI-20-July-2022.pdf</a>  <a href="https://www.acenrenewables.com/wp-content/uploads/2022/07/ACEN-CORPORATION-Amended-By-Laws-20-July-2022.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/07/ACEN-CORPORATION-Amended-By-Laws-20-July-2022.pdf</a>	
<b>Additional Recommendation to Principle 11</b>			
1. Company complies with SEC-prescribed website template.	Compliant	<b>ACEN Website</b> <a href="https://www.acenrenewables.com/">https://www.acenrenewables.com/</a>	
<b>Internal Control System and Risk Management Framework</b>			
<b>Principle 12:</b> To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
<b>Recommendation 12.1</b>			

<p>1. Company has an adequate and effective internal control system in the conduct of its business.</p>	<p>Compliant</p>	<p>List quality service programs for the internal audit functions. Indicate frequency of review of the internal control system</p> <p><b><i>On an annual basis, ACEN management, together with Internal Audit, reviews the internal control frameworks implemented by management.</i></b> Ref: pg 4 &gt; Charter of the Audit Committee &gt; Section 3. Oversight on Risk Management and Internal Controls</p> <p><b><i>The Company's Internal Audit team is composed of professionals, certified as follows: certified public accountants, certified internal auditors, and certified lead auditors in ISO 9001, ISO 45001, ISO 14000, and ISO 27001. 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.</i></b> Ref: pg 62 &gt; ACEN 2022 Integrated Report &gt; Internal governance mechanisms &gt; Accountability and audit</p> <p><b><i>The Company's Internal Audit team reports the results and implementation status of the quality assurance and improvement program (QAIP) and the independent external assessment conducted at least once in every five</i></b></p>	
---	------------------	--	--

		<p><b>years.</b>  <i>Ref: pg 7 &gt; Internal Audit Charter</i></p>	
<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>Compliant</p>	<p>Identify international framework used for Enterprise Risk Management</p> <p>Provide information or reference to a document containing information on:</p> <ol style="list-style-type: none"> <li>1. Company's risk management procedures and processes</li> <li>2. Key risks the company is currently facing</li> <li>3. How the company manages the key risks</li> </ol> <p>Indicate frequency of review of the enterprise risk management framework.</p> <p><i>Ref: ERM Policy</i></p> <p><b><i>ACEN has an adequate and effective risk management framework. The Board consistently reviews and ensures the adequacy of the Company's internal control mechanisms and risk management process.</i></b></p> <p><i>Ref: pg 55 &gt; ACEN 2022 Integrated Report &gt; Board structure and process key</i></p>	

		<p><i>roles and responsibilities</i></p> <p><b><i>The Board Risk Management and Related Party Transactions Committee exercises oversight over the Company's enterprise risk management system.</i></b></p> <p><i>Ref: pg 60 &gt; ACEN 2022 Integrated Report &gt; Board Risk Management and Related Party Transactions Committee</i></p> <p><i>Ref: pg 1 &gt; Charter of the Board Risk Management and Related Party Transactions Committee &gt; Section 3. Authority, Roles and Responsibilities of the Committee</i></p>	
<b>Supplement to Recommendations 12.1</b>			
<p>1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>	Compliant	<p>Provide information on or link/ reference to a document containing the company's compliance program covering compliance with laws and relevant regulations.</p> <p>Indicate frequency of review.</p> <p><b><i>ACEN has a formal compliance system in place, reviewed annually by the Board.</i></b></p> <p><i>Ref: pg 57 &gt; ACEN 2022 Integrated Report &gt; Training of Directors</i></p>	

**Optional: Recommendation 12.1**

1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.	Compliant	<b><i>The Information Technology ("IT") department has policies and procedures in place to address IT issues including disruption, cyber-security and disaster recovery.</i></b>	
		<b><i>The IT department (1) has put in place hardware and software infrastructure to improve IT security, (2) conducts IT security awareness training for employees, (3) subjects IT systems to periodic vulnerability testing, and reviews by IT security consultants, and (4) maintains an offsite backup data center.</i></b>	
		<b><i>The Company's Internal Audit group provides oversight on IT issues. IT security and disruption issues are reported to senior management and critical issues and incidents, if any, will be reported to the Audit Committee and, as warranted, to the Board.</i></b>	
		Ref: pg 21 > ACEN CG Manual > Internal Audit and Risk Management > Internal Audit, item 10.	
		<b><i>ACEN Information Security Policy Statement</i></b> <a href="https://acenrenewables.com/information-security-policy-statement">Information Security Policy Statement - ACEN (acenrenewables.com)</a>	

**Recommendation 12.2**

1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.  <b>Internal audit is in-house with specific responsibilities on Independent Audit.</b> Ref: pg 62 > ACEN 2022 Integrated Report > Internal Auditors	
--	-----------	--	--

**Recommendation 12.3**

1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.  <b>On 21 January 2022, the Board of Directors appointed Mr. Arnel A. Racelis as the Company's OIC Chief Audit Executive effective 1 February 2022. Mr. Racelis served as OIC Chief Audit Executive until Mr. Michael E. Limbo's appointment as Chief Audit Executive on 10 November 2022.</b>  Ref: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=6af13b47c2ae7a815d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=6af13b47c2ae7a815d542af6f1e997b9</a>  <b>Profile of Mr. Limbo</b> Ref: pg 8 > ACEN 2023 DIS > Directors and Key Officers - Annex "A"  <b>The Chief Audit Executive's functions are</b>	
--	-----------	--	--



		<p><b><i>set out in the Company's CG Manual and Internal Audit Charter.</i></b></p> <p><b><i>Mr. Limbo has resigned as Chief Audit Executive of the Company effective 30 March 2023. The Company is currently conducting a search process for Mr. Limbo's replacement, the election of whom will be announced in due course.</i></b></p>	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third-party service provider.	Compliant	<p><i>Ref: pg 62 &gt; ACEN 2022 Integrated Report &gt; Internal Auditors</i></p>	
3. In case of a fully outsourced internal audit activity a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Compliant	<p>Identify qualified independent executive or senior management personnel, if applicable.</p> <p><b><i>ACEN's internal audit function is done 100% internally. However, in the event that the audit function should be outsourced, ACEN has qualified senior management personnel who can oversee the activity.</i></b></p>	

#### Recommendation 12.4

<p>1. Company has a separate risk management function to identify, assess and monitor key risk exposures.</p>	<p>Compliant</p>	<p>Provide information on company's risk management function.</p> <p><b><i>ACEN has a separate risk management function.</i></b>  <i>Ref: pg 61 &gt; ACEN 2022 Integrated Report &gt; Management roles and responsibilities</i></p> <p><i>Ref: pg 18 to 19 &gt; ACEN CG Manual &gt; Internal Audit and Risk Management</i></p> <p><b><i>For a detailed discussion of the Company's risk management framework and top risks, please see pages 44-48 of the 2022 Integrated Report.</i></b></p>	
---	------------------	---	--

**Supplement to Recommendation 12.4**

<p>1. Company seeks external technical support in risk management when such competence is not available internally.</p>	<p>Compliant</p>	<p>Identify source of external technical support, if any.</p> <p><b><i>ACEN seeks external technical support in risk management from various consultants and third parties.</i></b></p> <p><b><i>For 2022, ACEN completed an online materiality assessment process with its internal and external stakeholder groups, considering the requirements of the &lt;IR&gt; Framework's Guiding Principles. ACEN's 2022 Integrated Report also mentions the process of validation of material matters by ACEN's leadership team along with the Sustainability Committee, to identify the areas of strategic focus.</i></b></p> <p><i>Ref: pg 79 &gt; ACEN 2022 Integrated Report &gt; Materiality</i></p> <p><b><i>In addition, together with The Climate Service, ACEN has identified and assessed transition risks around changing legal and regulatory liabilities, reputational risks, new technologies, and marks, in line with its commitment to comply with the recommendations of the Task Force on Climate-related Financial Disclosures.</i></b></p> <p><i>Ref: pg 46 &gt; ACEN 2022 Integrated Report &gt; Climate-related transition risks</i></p>	
---	------------------	---	--

## Recommendation 12.5

<p>1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).</p>	<p>Compliant</p>	<p>Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.</p> <p><b>Mr. John Philip S. Orbeta is the Company's Chief Risk Officer.</b></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=93c5bcf4a800ebd73470cea4b051ca8f</a></p> <p><b>Profile of Mr. Orbeta</b></p> <p>Ref: pg 6 &gt; ACEN 2023 DIS &gt; Directors and Key Officers - Annex "A"</p>	
<p>2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.</p>	<p>Compliant</p>	<p><b>The CRO has adequate authority, stature, resources, and support to fulfill her responsibilities.</b></p> <p><b>Profile of Mr. Orbeta</b></p> <p>Ref: pg 6 &gt; ACEN 2023 DIS &gt; Directors and Key Officers - Annex "A"</p> <p>Ref: pg 48 &gt; ACEN 2022 Integrated Report &gt; Risk Management</p>	

## Additional Recommendation to Principle 12

1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	<p><b>ACEN CEO, CFO and CAE attestation</b> Ref: Annex B</p> <p>Ref: pg 55 &gt; ACEN 2022 Integrated Report &gt; Corporate Governance</p> <p>Ref: <a href="https://www.acenrenewables.com/disclosures/2022-attestation-of-internal-audit-control-and-compliance-system/">https://www.acenrenewables.com/disclosures/2022-attestation-of-internal-audit-control-and-compliance-system/</a></p>	
--	-----------	---	--

### Cultivating a Synergic Relationship with Shareholders

**Principle 13:** The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

### Recommendation 13.1

1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	<p>Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.</p> <p><b>Shareholders' rights are disclosed in the CG Manual.</b> Ref: pg 20 to 22 &gt; ACEN CG Manual &gt; Part Three. Promotion of Shareholders' Rights and Engagement of Stakeholders</p>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	<p>Provide link to company's website</p> <p><b>Shareholders' rights are disclosed on the Company Website.</b> Ref: <a href="https://www.acenrenewables.com/disclosures/manual-on-corporate-governance/">https://www.acenrenewables.com/disclosures/manual-on-corporate-governance/</a></p>	

### Supplement to Recommendation 13.1

1. Company's common share has one vote for one share.	Compliant	<b><i>Each share of ACEN entitles the person, in whose name the share is registered in the books of the Company, to one vote.</i></b> Ref: ACEN By laws > Article II Section 7	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	Provide information on all classes of shares, including their voting rights if any.  <b><i>ACEN only has one class of shares. Each common share of ACEN entitles the person, in whose name the share is registered in the books of the Company, to one vote.</i></b> Ref: ACEN Articles of Incorporation > Seventh Article  Ref: pg 20 to 21 > ACEN CG Manual, Voting Rights	
3. Board has an effective, secure, and efficient voting system.	Compliant	Provide link to voting procedure. Indicate if voting is by poll or show of hands.  <b><i>The Board has an effective, secure, and efficient voting system.</i></b> Ref: pg 65 > ACEN 2022 Integrated Report > Shareholder meeting and voting procedures  Ref: pg 33 to 34, ACEN 2022 DIS, Item 19. Voting Procedures	
4. Board has an effective shareholder voting mechanism such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling	Compliant	Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any.	

shareholders.		<p><b><i>ACEN's Board ensures the protection of minority shareholders.</i></b></p> <p><b><i>Votes for election of directors are cumulated.</i></b>  Ref: pg 21 &gt; ACEN CG Manual &gt; Voting Rights</p>	
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	<p>Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)</p> <p><b><i>The minority shareholders shall have the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.</i></b>  Ref: By laws &gt; Article II, Section 3. Special Meetings</p> <p>Ref: Notice of 2022 ASM (as amended)  <a href="https://www.acenrenewables.com/wp-content/uploads/2022/03/SEC-17C-Amend-1Notice-of-Annual-or-Special-Stockholders-Meeting.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/03/SEC-17C-Amend-1Notice-of-Annual-or-Special-Stockholders-Meeting.pdf</a></p> <p><b><i>For the 2022 ASM, stockholders owning at least 5% of the total outstanding capital stock of the Company as of record date were advised of the 18 April 2022 deadline to submit proposals on items for inclusion in the agenda.</i></b></p> <p>Ref: Notice of 2022 ASM (as amended)</p>	

		<a href="https://www.acenrenewables.com/wp-content/uploads/2022/03/SEC-17C-Amend-1Notice-of-Annual-or-Special-Stockholders-Meeting.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/03/SEC-17C-Amend-1Notice-of-Annual-or-Special-Stockholders-Meeting.pdf</a>  <b>The Company did not receive any such proposals from minority stockholders.</b> Ref: Minutes of 2022 ASM <a href="https://www.acenrenewables.com/wp-content/uploads/2022/04/DRAFT-ACEN-2022-ASM-Minutes-for-approval-at-the-2023-ASM.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/04/DRAFT-ACEN-2022-ASM-Minutes-for-approval-at-the-2023-ASM.pdf</a>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	Provide information or link/reference to the policies on treatment of minority shareholders  <b>ACEN's Board clearly articulates and enforces policies with respect to treatment of minority shareholders.</b> Ref: pg 20 to 22 > ACEN CG Manual Part Three. Promotion of Shareholders' Rights and Engagement of Stakeholders	
7. Company has a transparent and specific dividend policy.	Compliant	Provide information on or link/reference to the company's dividend Policy.  <b>In 2020, the Board of Directors approved the Company's dividend policy to declare and pay dividends on an annual basis using a payout ratio of 25% to 50% of the previous year's net income, excluding significant non-recurring gains or losses, to be effective on 1 January 2021</b> Ref:	



		<p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=43a599bd3a60a5510de8473ceb6d6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=43a599bd3a60a5510de8473ceb6d6407</a></p> <p>Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip-dividends, indicate if the company paid the dividends within 60 days from declaration</p> <p><b><i>On 8 March 2022, the Board of Directors of the Company approved the declaration of cash dividends of Php 0.06 per share on the then 38,315,838,177 issued and outstanding shares of the Company, to be paid on 19 April 2022 to the stockholders of record as of 5 April 2022.</i></b></p> <p><i>Ref: pg 63 &gt; ACEN 2022 Integrated Report &gt; 2022 disclosures &gt; Unstructured disclosures</i></p> <p><i>Ref:</i>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=75e69aaa0dc4192e3470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=75e69aaa0dc4192e3470cea4b051ca8f</a> </p>	
<b>Optional: Recommendation 13.1</b>			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	<p>Identify the independent party that counted/validated the votes at the ASM, if any.</p> <p><b><i>SGV &amp; Co. was appointed as the independent party to validate the votes.</i></b></p>	

		Ref: pg 62 > ACEN 2022 Integrated Report > Corporate Governance, External auditors	
<b>Recommendation 13.2</b>			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Compliant	<p>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out.</p> <p>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</p> <p>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS)</p> <p><b><i>ACEN submitted a Notice of Annual Shareholders' Meeting to shareholders on 21 January 2022, ninety-one (91) days before the Annual Stockholders' Meeting on 25 April 2022. Said notice was approved for posting on PSE Edge on 24 January 2022.</i></b></p> <p>Ref: 2022 Notice of Annual Stockholders' Meeting  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=0818ebebc95043023470ce_a4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=0818ebebc95043023470ce_a4b051ca8f</a></p> <p><b><i>The Notice was amended on 8 March 2022, forty-eight (48) days before the meeting, to reflect the amended agenda of the meeting.</i></b></p> <p>Ref: Amended 2022 Notice of Annual Stockholders' Meeting</p>	

		<p>[First Amendment]  <a href="https://edge.pse.com.ph/openDiscView.r.do?edge_no=652e1158ef19a9e33470cea4b051ca8f">https://edge.pse.com.ph/openDiscView.r.do?edge_no=652e1158ef19a9e33470cea4b051ca8f</a></p> <p><b>The Notice was further amended on 28 March 2022, twenty-eight (28) days before the meeting, to: (1) attach the signed notice of meeting, and (2) indicate the web address for joining the virtual meeting.</b></p> <p>Ref: Amended 2022 Notice of Annual Stockholders' Meeting</p> <p>[Second Amendment]  <a href="https://edge.pse.com.ph/openDiscView.r.do?edge_no=5661a02d8e751adb3470cea4b051ca8f">https://edge.pse.com.ph/openDiscView.r.do?edge_no=5661a02d8e751adb3470cea4b051ca8f</a></p> <p><b>Stockholders' approval was sought for the payment to the directors of the Company of (1) annual retainer fees, and (2) per diem allowance for attendance at board, committee, and non-executive directors' meetings.</b></p> <p>Ref: 2022 DIS, Notice with Explanation of Agenda Items  <a href="https://www.acenrenewables.com/wp-content/uploads/2022/03/ACEN-2022-DIS.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/03/ACEN-2022-DIS.pdf</a></p>	
<b>Supplemental to Recommendation 13.2</b>			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	Provide link or reference to the company's notice of Annual Shareholders' Meeting	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	<p><b>Link to the Notice of ASM</b></p> <p>Ref: Amended 2022 Notice of Annual Stockholders' Meeting</p> <p>[Second Amendment]  <a href="https://edge.pse.com.ph/openDiscView.r.do?edge_no=652e1158ef19a9e33470cea4b051ca8f">https://edge.pse.com.ph/openDiscView.r.do?edge_no=652e1158ef19a9e33470cea4b051ca8f</a></p>	
b. Auditors seeking appointment/re-appointment	Compliant	<a href="https://edge.pse.com.ph/openDiscView.r.do?edge_no=652e1158ef19a9e33470cea4b051ca8f">https://edge.pse.com.ph/openDiscView.r.do?edge_no=652e1158ef19a9e33470cea4b051ca8f</a>	

c. Proxy documents	Compliant	<a href="https://www.acenrenewables.com/wp-content/uploads/2022/03/ACEN-2022-DIS.pdf">r.do?edge_no=5661a02d8e751adb3470cea4b051ca8f</a>  <b>Link to 2022 DIS (with Annexes)</b> <a href="https://www.acenrenewables.com/wp-content/uploads/2022/03/ACEN-2022-DIS.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/03/ACEN-2022-DIS.pdf</a>	
<b>Optional: Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	Provide link or reference to the rationale for the agenda items  <b>ACEN provides the explanation for the agenda items for the ASM.</b> Ref: Amended 2022 Notice of Annual Stockholders' Meeting [Second Amendment] <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5661a02d8e751adb3470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5661a02d8e751adb3470cea4b051ca8f</a>	
<b>Recommendation 13.3</b>			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM.  <b>The results were submitted for posting on PSE Edge on the day of the ASM. PSE approved the results for posting on the next working day.</b>  Ref: 2022 Results of the Annual Stockholders Meeting <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=3e898ba53992ef383470cea">https://edge.pse.com.ph/openDiscViewer.do?edge_no=3e898ba53992ef383470cea</a>	

		<a href="#">4b051ca8f</a>	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Compliant	<p>Provide link to minutes of meeting in the company website.</p> <p>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes.</p> <p>Indicate also if the voting on resolutions was by poll.</p> <p>Include whether there was opportunity to ask question and the answers given, if any</p> <p><b>Minutes of the 2022 ASM was posted on the ACEN website within five (5) business days from the date of the ASM, 25 April 2022</b></p> <p>Ref:  <a href="https://www.acenrenewables.com/wp-content/uploads/2022/04/DRAFT-ACEN-2022-ASM-Minutes-for-approval-at-the-2023-ASM.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/04/DRAFT-ACEN-2022-ASM-Minutes-for-approval-at-the-2023-ASM.pdf</a> </p>	

#### Supplement to Recommendation 13.3

1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	<p>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting</p> <p><b>The Partner-in-charge, Benjamin Villacorte, and other relevant individuals were present during the 2022 ASM.</b></p>	
---	-----------	--	--

#### Recommendation 13.4

1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	<p>Provide details of the alternative dispute resolution made available to resolve intra- corporate disputes</p> <p><b><i>The Company adopts the rules and procedures set forth under the Alternative Dispute Resolution Act of 2014, as an alternative means to settle disputes with a view towards preventing excessive litigation.</i></b></p> <p><i>Ref: pg 20 &gt; ACEN CG Manual &gt; Part Three. Promotion of Shareholders' Rights and Engagement of Stakeholders &gt; item II. Alternative Dispute Resolution Mechanism</i></p>	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	<p>Provide link/reference to where it is found in the Manual on Corporate Governance</p> <p><b><i>ACEN has an alternative dispute mechanism in place to resolve intra-corporate disputes in an amicable and effective manner that is included in its CG Manual.</i></b></p> <p><i>Ref: pg 20 &gt; ACEN CG Manual &gt; Part Three. Promotion of Shareholders' Rights and Engagement of Stakeholders &gt; item II. Alternative Dispute Resolution Mechanism</i></p>	
<b>Recommendation 13.5</b>			

1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	<p>Disclose the contact details of the officer/office responsible for investor relations, such as:</p> <ol style="list-style-type: none"> <li>1. Name of the person</li> <li>2. Telephone number</li> <li>3. Fax number</li> <li>4. E-mail address</li> </ol> <p><b>Name: Joyce Dominique J. Cotaoco</b>  <b>Tel: +(632) 7-730-6300</b>  <b>Email:</b>  <a href="mailto:investorrelations@acenrenewables.com">investorrelations@acenrenewables.com</a></p>	
2. IRO is present at every shareholder's meeting.	Compliant	<p>Indicate if the IRO was present during the ASM.</p> <p><b><i>The IRO is present at every ASM, including the 2022 ASM meeting held on 25 April 2022.</i></b></p>	
<b>Supplemental Recommendations to Principle 13</b>			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	<p>Provide information on how anti-takeover measures or similar devices were avoided by the board, if any.</p> <p><b><i>ACEN's Board of Directors avoids anti-takeover measures or similar devices that may entrench ineffective management of the existing controlling shareholder group. An example is the observance of one (1)-year term for its directors. Stockholders are given the opportunity to nominate new candidates for directorship during the ASM. Materials provided to stockholders expressly state that ACEN does not solicit proxies.</i></b></p>	

		Ref: pg 9 > ACEN 2023 DIS > Item 5 Directors and Executive Officers	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Not Compliant	<p>Indicate the company's public float.</p> <p><b>ACEN's public float is 20.03% as of 31 December 2022.</b></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=55e21da0c77b13059e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=55e21da0c77b13059e4dc6f6c9b65995</a></p>	<p>ACEN's issuance of shares to (a) the UPC Australia Group by way of private placement, (b) the UPC Philippines Group by way of private placement, and (c) various employees of ACEN through the Employee Stock Ownership Plan (the "<b>Subject Shares</b>"), raised ACEN's public float to 18.70% as of 21 April 2022.</p> <p>In 2022, ACEIC sold 1,861,000,000 ACEN shares to Ayala Corporation ("<b>AC</b>"). Thereafter, the Board of Directors of AC approved the declaration of these ACEN shares as property dividends to AC stockholders (the "<b>AC Property Dividends</b>").</p> <p>As of 31 December 2022, ACEN's public float is at 20.03%, in compliance with the PSE's requirement for all companies included in the PSE indices to raise their public float level to 20% by December 2022.</p> <p>Currently, the PSE requires publicly-traded companies to have a minimum public ownership level of 10%, with which ACEN is already more than compliant at 20.03% (as of 31 December 2022).</p> <p>Ref: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=55e21da0c77b13059e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=55e21da0c77b13059e4dc6f6c9b65995</a></p>

#### Optional: Principle 13



1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	<p>Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM</p> <p><b><i>ACEN's CEO, CFO and IRO regularly engage shareholders and analysts through quarterly briefings, one-on-one meetings, conferences and roadshows, conference calls and electronic mail. In addition, contact details of the IRO are readily available on the IR website and the 2020 Integrated Report.</i></b></p> <p><i>Ref: pg 63 to 64 &gt; ACEN 2022 Integrated Report &gt; Disclosure and Transparency</i></p>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	<p>Disclose the process and procedure for secure electronic voting in absentia, if any.</p> <p><b><i>Stockholders who are unable to go to the venue of the ASM may vote electronically in absentia on matters in the agenda upon registration and validation online.</i></b></p> <p><i>Ref: pg 65 &gt; ACEN 2022 Integrated Report &gt; Shareholder Meeting and Voting Procedures</i></p> <p><i>Ref: ACEN 2022 DIS, Annex "F", Instructions for Electronic Voting InAbsentia</i></p>	

#### Duties to Stakeholders

**Principle 14:** The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.

#### Recommendation 14.1

1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	<p>Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.</p> <p><b><i>ACEN's stakeholder engagement practices</i></b>  <i>Ref: pg 42 to 43 &gt; ACEN 2022 Integrated Report &gt; Engaging stakeholders</i></p>	
<b>Recommendation 14.2</b>			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	<p>Identify policies and programs for the protection and fair treatment of company's stakeholders</p> <p><b><i>The Board has clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders. ACEN's stakeholder engagement practices</i></b>  <i>Ref: pg 42 to 43 &gt; ACEN 2022 Integrated Report &gt; Engaging stakeholders</i></p> <p><i>Ref: pg 23 &gt; ACEN CG Manual &gt; Stakeholder Engagement</i></p>	
<b>Recommendation 14.3</b>			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	<p>Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights.</p> <p>Provide information on whistleblowing policy, practices and procedures for</p>	

		<p>stakeholders</p> <p><b><i>The Whistleblower may send or communicate a report through the following:</i></b></p> <p><i>Ref: pg 2 &gt; ACEN Whistleblower Policy &gt; Part VII. Reporting Channels</i></p> <p><b>Company website:</b> messages directed to the Whistleblower Officer, Head of Legal &amp; Regulatory Department</p> <p><b>Email</b>  <b>Internal:</b>  <a href="mailto:whistleblower@acenrenewables.com">whistleblower@acenrenewables.com</a>  <b>External:</b> <a href="mailto:whistleblower@ayala.com.ph">whistleblower@ayala.com.ph</a>  <b>Mail:</b> Office of the Compliance Officer  35<sup>th</sup> Floor Ayala Triangle Gardens Tower  2, Paseo de Roxas corner Makati Avenue,  Makati City 1226 Philippines  Mobile/Telephone Number: 7-730 –6300  loc. 6373</p> <p><b><i>Whistleblower Policy:</i></b>  <a href="https://www.acenrenewables.com/disclosures/whistleblower-policy/">https://www.acenrenewables.com/disclosures/whistleblower-policy/</a></p>	
Supplement to Recommendation 14.3			

<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	<p>Compliant</p>	<p>Provide information on the alternative dispute resolution system established by the company.</p> <p><b><i>ACEN has an alternative dispute mechanism in place to resolve intra-corporate disputes in an amicable and effective manner.</i></b></p> <p><i>Ref: pg 22 to 23 &gt; ACEN CG Manual &gt; Part Three. Promotion of Shareholders' Rights and Engagement of Stakeholders &gt; item II. Alternative Dispute Resolution Mechanism</i></p>	
---	------------------	--	--

#### Additional Recommendations to Principle 14

<p>1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.</p>	<p>Compliant</p>	<p>Disclose any requests for exemption by the company and the reason for the request.</p> <p><b><i>No such requests were made by ACEN.</i></b></p>	
<p>2. Company respects intellectual property rights.</p>	<p>Compliant</p>	<p>Provide specific instances, if any.</p> <p><b><i>ACEN applies for, obtains, registers, leases, licenses or otherwise acquires to hold, use, own, operate, sell, assign and dispose of any trademark, tradename, trade secrets, formulas, patents, inventions, copyrights and processes used in connection with or secured under letters, patents, copyrights, domestic or foreign.</i></b></p> <p><i>Ref: pg 2 &gt; ACEN Articles of Incorporation &gt; Secondary Purpose &gt; Item g</i></p> <p><b><i>ACEN maintains all its registered intellectual property rights through the submission of declarations of actual use before the Intellectual Property Office.</i></b></p> <p><b><i>ACEN respects the intellectual property rights of other entities it deals with. For example, ACEN's management agreements with third parties contain provisions defining terms of ownership and usage of the relevant marks, customer data and system. The joint venture agreements of ACEN with</i></b></p>	

		<i>partners also contain standard clauses on respecting the intellectual property rights of each partner.</i>	
<b>Optional: Principle 14</b>			
1. Company discloses its policies and practices that address customers' welfare	Compliant	<p>Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.</p> <p><b>Social Engagement</b>  Ref: ACEN 2022 Integrated Report &gt; Engaging Stakeholders &gt; Customers (pg 42), Community (pg 43)</p>	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	<p>Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.</p> <p><b>Procurement Guidelines</b>  <a href="https://www.acenrenewables.com/disclosures/procurement-guidelines/">https://www.acenrenewables.com/disclosures/procurement-guidelines/</a></p> <p><b>Contractors are required to undergo a prequalification process aligned with ACEN's safety rules, policies and workplace procedures.</b>  Ref: pg 33 &gt; ACEN 2022 Integrated Report &gt; Health and safety</p>	
<b>Principle 15:</b> A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
<b>Recommendation 15.1</b>			

1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	<p>Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.</p> <p><b>Stakeholder Engagement (Employees)</b>  Ref: pg 43 &gt; ACEN 2022 Integrated Report &gt; Employees</p> <p>Ref: pg 61 &gt; ACEN 2022 Integrated Report &gt; Performance assessment and compensation</p>	
<b>Supplement to Recommendation 15.1</b>			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	<p>Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</p> <p><b>ACEN's Employee Stock Ownership (ESOWN) program serves as a long-term incentive program for qualified executives and managerial employees.</b>  Ref: pg 61 &gt; ACEN 2022 Integrated Report &gt; Performance assessment and compensation</p> <p><b>Stakeholder Engagement (Employees)</b>  Ref: pg 43 &gt; ACEN 2022 Integrated Report &gt; Employees</p>	

<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p>Compliant</p>	<p>Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any.</p> <p><b><i>ACEN's new headquarters in Tower 2 Ayala Triangle Gardens was designed with health and safety, among others, in mind, through innovative solutions aimed to boost its employees quality of life, save on energy, cut waste, and more.</i></b>  Ref: pg 31 &gt; ACEN 2022 Integrated Report &gt; Workplace of the future</p> <p><b><i>The Company places health and safety of its workforce at the forefront of its business agenda.</i></b></p> <p><b><i>The Company implements a Health, Safety, Security &amp; Environment ("HSSE") Policy for its operating plants and its management processes. To ensure consistency across operations, the Company has set in place a Safety Performance Monitoring and Reporting Standard that enables plants to establish KPIs for continuous monitoring and improvement.</i></b>  Ref: pg 22 &gt; ACEN 2022 Integrated Report &gt; ACEN sustainability roadmap &gt; Our Progress Highlights &gt; Embedding Sustainability</p> <p><b><i>In 2022, ACEN rolled out activities and</i></b></p>	
--	------------------	---	--



		<p><i>procedures in line with the HSSE Policy to strengthen the Company's safety performance. Improved data collection guidelines and clear requirements to set Key Result Areas (KRAs) on HSSE have been established for ACEN. Furthermore, ACEN's performance parameters on safety include contractors, who are required to undergo a prequalification process aligned with ACEN's safety rules, policies and workplace procedures. Recognizing the importance to equip workers with skills and knowledge to perform their duties safely and effectively, ACEN conducts safety trainings on a monthly basis across its different operating sites.</i></p> <p><i>Additionally, a risk management process to identify, assess and prioritize health and safety risks is implemented at the plant operations level to minimize the probability or impact of potential incidents.</i></p> <p><i>Ref: pg 33 &gt; ACEN 2022 Integrated Report &gt; Health and safety</i></p> <p><i>Adhering with top international working standards, nine of ACEN's operating plants in the Philippines are certified under ISO 45001:2018 (Occupational health and Safety).</i></p> <p><i>Ref: pg 33 &gt; ACEN 2022 Integrated Report &gt; Health and safety certification</i></p> <p><i>Information on the Company's occupational health and safety ("OHS")</i></p>	
--	--	--	--

		<p><i>performance for the years 2020 to 2022 may be found on page 77 of the 2022 Integrated Report. The Company's 2022 OHS performance covers the staff, contractors, and third party / service providers.</i></p>	
<p>3. Company has policies and practices on training and development of its employees.</p>	Compliant	<p>Disclose and provide information on policies and practices on training and development of employees. Include information on any training conducted or attended.</p> <p><b><i>ACEN has bolstered its training efforts by launching a comprehensive set of learning and development programs covering a wide range of core, governance, and targeted learning materials.</i></b>  <i>Ref: pg 31 &gt; ACEN 2022 Integrated Report &gt; Growth and development</i></p> <p><b><i>Learning &amp; Development Policy</i></b>  <i>Ref:</i>  <a href="https://www.acenrenewables.com/disclosures/learning-and-development-policy/">https://www.acenrenewables.com/disclosures/learning-and-development-policy/</a></p> <p><b><i>The Company's Energy Transition Mechanism ("ETM") follows principles from the Council for Inclusive Capitalism's Just Energy Transition Framework, and includes workforce evolution, which involves continuous plant hiring from the local community, training and reskilling, and rotations to ACEN's renewable energy facilities.</i></b>  <i>Ref: pg 16 &gt; ACEN 2022 Integrated Report &gt;</i></p>	

		<p><i>Workforce evolution</i></p> <p><b><i>The Company invested a total of 41,680 training hours for its employees in 2022. The Company-wide average training hours is 44 hours.</i></b></p> <p><i>Ref: pg 77 &gt; ACEN 2022 Integrated Report &gt; Human capital performance indices &gt; Total training hours</i></p> <p><b><i>ACEN conducts safety trainings on a monthly basis across its different operating sites.</i></b></p> <p><i>Ref: pg 33 &gt; ACEN 2022 Integrated Report &gt; Health and safety</i></p> <p><b><i>The Company also conducts annual trainings on anti-bribery, corruption, and cybersecurity, covering all employees of ACEN, whether regular or part-time.</i></b></p> <p><i>Ref. pg 41 &gt; 2022 ACEN Integrated Report &gt; Human rights and anti-corruption</i></p>	
<b>Recommendation 15.2</b>			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	<p>Identify or provide link/reference to the company's policies, programs and practices on anti-corruption</p> <p><b><i>ACEN's anti-corruption programs and procedures</i></b></p> <p><i>Ref: pg 7 to 8 &gt; ACEN Code of Conduct and Ethics &gt; Part VIII. Anti-Bribery and Anti-Corruption Policy</i></p>	

<p>2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.</p>	<p>Compliant</p>	<p>Identify how the board disseminated the policy and program to employees across the organization</p> <p><i>The anti-corruption policies of the Company are discussed with the employees as part of the on-boarding program of new employees and in every level-based program as a refresher for tenured employees. In addition, each employee is mandated to submit a disclosure of possible conflicts of interest on an annual basis. The anti-corruption programs and procedures are likewise available on the ACEN website.</i></p> <p><i>Ref: pg 7 to 8 &gt; ACEN Code of Conduct and Ethics &gt; Part VIII. Anti-Bribery and Anti-Corruption Policy</i></p> <p><i>The Company also conducts annual trainings on anti-bribery, corruption, and cybersecurity, covering all employees of ACEN, whether regular or part-time.</i></p> <p><i>Ref. pg 41 &gt; 2022 ACEN Integrated Report &gt; Human rights and anti-corruption</i></p>	
<b>Supplement to Recommendation 15.2</b>			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p>Compliant</p>	<p>Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices. Include any finding of violations of the company policy.</p> <p><b>Code of Conduct</b></p> <p><i>Ref: pg 7 to 8 &gt; ACEN Code of Conduct</i></p>	

		<p><i>and Ethics &gt; Part VIII. Anti-Bribery and Anti-Corruption Policy</i></p> <p><b><i>In 2022, the Company had no reported incidents of corruption.</i></b></p> <p><i>Ref: pg 41 &gt; ACEN 2022 Integrated Report &gt; Human rights and anti-corruption</i></p>	
--	--	---	--

### Recommendation 15.3

1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation

Compliant

Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.

Indicate if the framework includes procedures to protect the employees from retaliation.

Provide contact details to report any illegal or unethical behavior.

**Whistleblower Policy:**

Ref:

<https://www.acenrenewables.com/disclosures/whistleblower-policy/>

Ref: ACEN Website > Corporate Governance > Whistleblower  
<https://www.acenrenewables.com/corporate-governance/>

[whistleblower@acenergy.com.ph](mailto:whistleblower@acenergy.com.ph)

***The Whistleblower shall be protected from any form of retaliation, reprisals, harassment or disciplinary action or victimization in connection with any report made in good faith. Any harassment or retaliatory action shall be subject to disciplinary or legal action pursuant to relevant Company policies and procedures, and any applicable laws.***

Ref: pg 1 to 2 > ACEN Whistleblower Policy  
> Part IV. Protection from Retaliation

		<p><b><i>The Whistleblower employee may also send or communicate a report through the following:</i></b>  <i>Ref: pg 2 &gt; ACEN Whistleblower Policy &gt; Part VII. Reporting Channels</i></p> <p><b>Company website:</b> messages directed to the Whistleblower Officer, Head of Legal &amp; Regulatory Department</p> <p><b>Face-to-face meetings:</b> with any member of the Whistleblower Committee composed of Human Resources and Corporate Services, Internal Audit Division, Legal &amp; Regulatory Department, and Enterprise Risk Management</p> <p><b>Email</b>  <b>Internal:</b>  <a href="mailto:whistleblower@acenrenewables.com">whistleblower@acenrenewables.com</a>  <b>External:</b> <a href="mailto:whistleblower@ayala.com.ph">whistleblower@ayala.com.ph</a>  <b>Mail:</b> Office of the Compliance Officer  35<sup>th</sup> Floor Ayala Triangle Gardens Tower  2, Paseo de Roxas corner Makati Avenue,  Makati City 1226 Philippines  Mobile/Telephone Number: 7-730 – 6300  loc. 6373</p>	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant	<b><i>Please see response to previous item.</i></b>	

3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<p>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</p> <p><b><i>All reports are treated in confidence and discussed with the Audit Committee who monitors the resolution and closure of all reports.</i></b></p> <p><i>Ref: pg 66, ACEN 2022 Integrated Report, Whistleblower Policy</i></p>	
--	-----------	---	--

<p><b>Principle 16:</b> The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.</p> <p><b>Recommendation 16.1</b></p>			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	<p>Provide information or reference to a document containing information on the company's community involvement and environment-related programs.</p> <p><b><i>Sustainability in ACEN CORPORATION</i></b></p> <p><i>Ref:</i>  <a href="https://www.acenrenewables.com/sustainability/esg/">https://www.acenrenewables.com/sustainability/esg/</a></p> <p><b><i>Environmental and Social Policy Statement</i></b></p> <p><i>Ref:</i> <a href="https://acenrenewables.com/wp-content/uploads/2022/01/ACEN-ES-Policy-Statement.pdf">https://acenrenewables.com/wp-content/uploads/2022/01/ACEN-ES-Policy-Statement.pdf</a></p> <p><i>Ref: pg 7 &gt; ACEN 2022 Integrated Report &gt; Sustainability highlights</i></p>	



***The Company is moving forward with its commitment to achieve Net Zero greenhouse gas emissions by 2050, which fully supports its ongoing growth and decarbonization strategy.***

***The Company recently completed its Net Zero roadmap, which includes near-term emission reduction targets aligned with the GDG protocol and the latest climate-science, and also includes long-term targets consistent with the deep decarbonization of the power sector.***

***Ref: pg 10 to 11 > ACEN 2022 Integrated Report > Our road to Net Zero***

***ACEN is the first energy company in Southeast Asia to announce a Net Zero roadmap that includes near-term scope 1, 2, and 3 greenhouse gas emissions reduction targets, aligned with a 1.5°C pathway for the power sector.***

***In November 2022, the Company completed the full divestment of the South Luzon Thermal Energy Corporation coal plant using the ETM framework, the first market-based implementation in the world. The coal plant's early retirement and transition to a clean technology will help avoid or reduce up to 50 million metric tons of carbon emissions.***

***Ref: pg 24 > ACEN 2022 Integrated Report > Energy Transition Mechanism***

#### Optional: Principle 16

1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	<p>Identify or provide link/reference to policies, programs, and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.</p> <p><b><i>Sustainability in ACEN CORPORATION</i></b></p> <p>Ref: <a href="https://www.acenrenewables.com/sustainability/esg/">https://www.acenrenewables.com/sustainability/esg/</a></p> <p>Ref: pg 7 &gt; ACEN 2022 Integrated Report &gt; Sustainability Highlights</p> <p><b><i>ACEN laid the foundation for an ESG-focused ecosystem within its renewable energy plants – one that is anchored on circularity to “eliminate, circulate and regenerate.”</i></b></p> <p>Ref: pg 25 &gt; ACEN 2022 Integrated Report &gt; Circularity in our construction sites</p> <p><b><i>The Company was the first renewable energy company in the Philippines to implement an integrated circular approach within its developments, engaging with multiple stakeholders across various phases of its value chain – from the plant’s development stage to its commercial operations.</i></b></p> <p>Ref: pg 25 &gt; ACEN 2022 Integrated</p>	
---	-----------	--	--

		<p>Report &gt; Sustainability from the value chain</p> <p><b>ACEN HSSE Policy Statement</b>  <a href="https://www.acenrenewables.com/wp-content/uploads/2022/06/ACEN-Health-Safety-Security-and-Environment-Policy.pdf">https://www.acenrenewables.com/wp-content/uploads/2022/06/ACEN-Health-Safety-Security-and-Environment-Policy.pdf</a></p>	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	<p>Identify or provide link/reference to policies, programs, and practices to interact positively with the communities in which it operates.</p> <p><b><i>In 2022, the Company invested over Php 123 million in its host communities in the Philippines and its core markets abroad. Its community initiatives, through various social development programs, have benefitted 37,000 individuals, 9,100 families, 175 communities, 160 local government organizations, over 30 livelihood groups, 330 schools, and over 50 local organizations and indigenous peoples (IP) tribes living near ACEN's project sites.</i></b></p> <p><i>Ref: pg 34 &gt; ACEN 2022 Integrated Report &gt; Social investments</i></p> <p><b><i>For more information on the Company's community programs, please refer to pages 34 to 38 of the 2022 Integrated Report.</i></b></p> <p><b><i>ACEN is committed to protecting communities, including indigenous</i></b></p>	

		<p><b><i>populations and vulnerable populations, that are affected by its operations.</i></b></p> <p>Ref: <a href="https://acenrenewables.com/wp-content/uploads/2022/01/ACEN-ES-Policy-Statement.pdf">https://acenrenewables.com/wp-content/uploads/2022/01/ACEN-ES-Policy-Statement.pdf</a></p>	
--	--	---	--

SIGNATURES

  
**DELFIN L. LAZARO**

Chairman of the Board

  
**JOHN ERIC T. FRANCIA**

President and Chief Executive Officer

  
**MARIA CORAZON G. DIZON**

Chief Finance Officer and Compliance Officer

  
**SOLOMON M. HERMOSURA**

Corporate Secretary

  
**SHERISA P. NUESA<sup>1</sup>**

Lead Independent Director

**MA. AURORA D. GEOTINA-GARCIA<sup>2</sup>**

Independent Director

**CONSUELO D. GARCIA<sup>3</sup>**

Independent Director

  
**MELINDA L. OCAMPO**

Independent Director

---

<sup>1</sup> Until 24 April 2023

<sup>2</sup> Until 24 April 2023

<sup>3</sup> Until 24 April 2023

SUBSCRIBED AND SWORN to before me this MAY 24 2023 day of \_\_\_\_\_ 2023, affiant(s) exhibiting to me their identification cards, as follows:

NAME/ ID No.	DATE OF ISSUE	PLACE OF ISSUE
Delfin L. Lazaro – Passport No. P7392634B	13 August 2021	DFA Manila
John Eric T. Francia -- Passport No. P3923362B	21 November 2019	DFA Manila
Maria Corazon G. Dizon -- Passport No. P6253635A	2 March 2018	DFA NCR East
Solomon M. Hermosura -- Passport No. P3081434B	14 October 2019	DFA NCR East
Sherisa P. Nuesa – Passport No. P8595622A	4 September 2018	DFA NCR South
Melinda L. Ocampo – Drivers License N20-78000518	11 December 2018	LTO

WITNESS MY HAND AND SEAL on the day and at the place first above written.

Doc. No. 198;  
Page No. 41;  
Book No. I;  
Series of 2023.

Notarial DST pursuant to  
Sec. 188 of the Tax Code  
affixed on Notary Public's copy.



**LAWRENCE ANDREW F. QUINA**  
Notary Public for Makati City  
Appointment No. M-376 (2023-2024)  
Attorney's Roll No. 77899  
PTR No. 8999650; 1-13-2022; Makati City  
IBP No. 221043; 1-16-2022;  
35th Floor Ayala Triangle Gardens Tower 2  
Makati Avenue corner Paseo de Roxas  
Makati City

## SIGNATURES

---

**DELFIN L. LAZARO**

Chairman of the Board

---

**SHERISA P. NUESA<sup>1</sup>**

Lead Independent Director

---

**JOHN ERIC T. FRANCIA**

President and Chief Executive Officer

---

**MA. AURORA D. GEOTINA-GARCIA<sup>2</sup>**

Independent Director

---

**MARIA CORAZON G. DIZON**

Chief Finance Officer and Compliance Officer

---

**CONSUELO D. GARCIA<sup>3</sup>**

Independent Director

---

**SOLOMON M. HERMOSURA**

Corporate Secretary

---

**MELINDA L. OCAMPO**

Independent Director

---

<sup>1</sup> Until 24 April 2023

<sup>2</sup> Until 24 April 2023

<sup>3</sup> Until 24 April 2023

## SIGNATURES

---

**DELFIN L. LAZARO**

Chairman of the Board

---

**SHERISA P. NUESA<sup>1</sup>**

Lead Independent Director

---

**JOHN ERIC T. FRANCIA**

President and Chief Executive Officer

---

**MA. AURORA D. GEOTINA-GARCIA<sup>2</sup>**


Independent Director

---

**MARIA CORAZON G. DIZON**

Chief Finance Officer and Compliance Officer

---

  
**CONSUELO D. GARCIA<sup>3</sup>**

Independent Director

---

**SOLOMON M. HERMOSURA**

Corporate Secretary

---

**MELINDA L. OCAMPO**

Independent Director

---

<sup>1</sup> Until 24 April 2023

<sup>2</sup> Until 24 April 2023

<sup>3</sup> Until 24 April 2023



**ANNEX A**  
**Summary of SEC-Defined Material RPTs**

	<b>Type/Nature of Transaction</b>	<b>Execution Date of Transaction</b>	<b>Date of SEC's Receipt of Advisement Report</b>
1	Administration and Management Agreement with South Luzon Thermal Energy Corporation	14 April 2022	18 April 2022

**ADVISEMENT REPORT ON  
MATERIAL RELATED PARTY TRANSACTIONS**

Reporting PLC: AC ENERGY CORPORATION

SEC Identification Number: 069-039274

Name of Related Party: South Luzon Thermal Energy Corporation Execution Date of Transaction: 11 April 2022

Relationship between the Parties including financial/non-financial interest: The Related Party is a subsidiary of the Reporting PLC.

Type/Nature of Transaction and Description of Assets Involved	Terms and Conditions	Rationale for Entering into the Transaction	Total Assets <sup>1</sup> of Reporting PLC	Amount/Contract Price	Percentage of the Contract Price to the Total Assets of the Reporting PLC	Carrying Amount of Collateral, if any	Approving Authority <sup>2</sup>
Administration and Management Agreement	<p><b>Scope of Services:</b> Administration, control, and management of the Related Party's 2x135 MW coal-fired power plant (the "Power Plant").</p> <p><b>Period:</b> from 11 April 2022 until 25 December 2040</p> <p><b>Fees and Cost Recoveries:</b> Capacity Fees and Cost</p>	ACEN to administer, control, and manage the entire capacity of the Power Plant in exchange for Fees.	Php 171,161,387,000.00	Estimated average of Php 8.7 billion annually, or up to Php 166 billion over the life of the contract	Up to 96.98%	N/A	<p>100% or 11 of 11 directors present, namely:</p> <ol style="list-style-type: none"> <li>1. Fernando M. Zobel de Ayala</li> <li>2. Jaime Augusto M. Zobel de Ayala</li> <li>3. John Eric T. Francia</li> <li>4. Jose Rene Gregory D. Almendras</li> <li>5. Cezar P. Consing</li> </ol>

<sup>1</sup> Total assets shall pertain to consolidated assets if the reporting PLC is a parent company.

<sup>2</sup> The information shall include the names of directors present, names of directors who approved the Material Related Party Transaction and the corresponding voting percentage obtained.

	Recoveries consisting of operating expenses, total fuel costs, and total actual WESM/IEMOP trading amounts, transmission, and other WESM charges						6. John Philip S. Orbeta 7. Nicole Goh Phaik Khim 8. Sherisa P. Nuesa (independent director) 9. Melinda P. Ocampo (independent director) 10. Consuelo D. Garcia (independent director) 11. Ma. Aurora Geotina-Garcia (independent director)
--	--	--	--	--	--	--	--

# SIGNATURES


Pursuant to the requirements of the Commission, the company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

## AC ENERGY CORPORATION

 .....

ALAN T. ASCALON, Assistant Corporate Secretary<sup>3</sup>

## SOUTH LUZON THERMAL ENERGY CORPORATION

 .....

MIGUEL ANGELO J. FERNANDEZ, President & COO / Authorized Representative

<sup>3</sup> Proof of authority must be attached to the Advisement Report.

REPUBLIC OF THE PHILIPPINES)  
MAKATI CITY ) S.S.

### SECRETARY'S CERTIFICATE

I, **DODJIE D. LAGAZO**, of legal age, Filipino, and with office at 4th Floor, 6750 Office Tower, Ayala Avenue, Makati City, after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the Assistant Corporate Secretary of **AC ENERGY CORPORATION** (the "Corporation"), a corporation duly organized and existing under the laws of the Republic of the Philippines with principal address at 4<sup>th</sup> Floor, 6750 Officer Building, Ayala Avenue Makati City.
2. On 4 August 2021, the Board of Directors of the Corporation appointed the following, among others, as Attorneys-in-Fact of the Corporation.  
  
Maria Corazon G. Dizon  
Dodjie D. Lagazo  
Gabino Ramon G. Mejia  
Ronald F. Cuadro  
Christian Gerard P. Castillo  
Alan T. Ascalon  
Hannielynn F. Tucay  
Joyce Dominique J. Cotaoco
3. Any one (1) of the foregoing Attorneys-in-Fact is authorized to sign Advisement Reports, and any other necessary documents on behalf of the Corporation, for purposes of compliance with Memorandum Circular No. 10, series of 2019 issued by the Securities and Exchange Commission.


IN WITNESS WHEREOF, I have signed this Secretary's Certificate on DEC 09 2021 in Makati City.

  
**DODJIE D. LAGAZO**  
Assistant Corporate Secretary

**SUBSCRIBED AND SWORN** to before me this DEC 09 2021 Affiant exhibiting to me his Driver's License No. N01-01-267424 issued on Issued 27 December 2018 at Land Transportation Office (LTO).

Doc. No. 116 ;  
Page No. 25 ;  
Book No. VII ;  
Series of 2021.



  
**ATTY. MARK DEAN D.R. ITARALDE**  
Notary Public - Makati City  
Appt. No. M-163 until December 31, 2021  
Roll of Attorneys No. 71073  
IBP OR No. 144650; January 7, 2021  
PTR No. MKT-8534431; 01/05/2021; Makati City  
MCLE Compliance No. V1-0028680; valid until 04/14/ 2022  
7727 E. Jacinto cor. Medina St.  
Barangay Pio Del Pilar, Makati City

REPUBLIC OF THE PHILIPPINES)  
MAKATI CITY

) S.S.

### SECRETARY'S CERTIFICATE

I, **RAISSA C. VILLANUEVA**, of legal age, Filipino, and with office at 35<sup>th</sup> Floor, Ayala Triangle Gardens Tower 2, Paseo de Roxas corner Ayala Avenue, Makati City, after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the Assistant Corporate Secretary of **SOUTH LUZON THERMAL ENERGY CORPORATION** (the "Corporation"), a corporation duly organized and existing under the laws of the Republic of the Philippines with principal address at Barangay Puting Bato West, Calaca, Batangas.
2. On 19 August 2021, the Board of Directors of the Corporation appointed the following, among others, as Attorneys-in-Fact of the Corporation.

Maria Corazon G. Dizon  
Dodjie D. Lagazo  
Gabino Ramon G. Mejia  
Miguel Angelo J. Fernandez  
Esther Marie A. Bantog

3. Any one (1) of the foregoing Attorneys-in-Fact is authorized to sign Advisement Reports, and any other necessary documents on behalf of the Corporation, for purposes of compliance with Memorandum Circular No. 10, series of 2019 issued by the Securities and Exchange Commission.


IN WITNESS WHEREOF, I have signed this Secretary's Certificate on APR 13 2022 in Makati City.

  
**RAISSA C. VILLANUEVA**  
Assistant Corporate Secretary

**SUBSCRIBED AND SWORN TO** before me this APR 13 2022 in Makati City, affiant exhibiting to me as competent evidence of identity her Passport No. P4976190B issued on 28 February 2020 bearing her photograph and signature.

Doc. No. 105 ;  
Page No. 22 ;  
Book No. 1X ;  
Series of 2022.



  
**ATTY. MARK DEAN D.R. ITARALDE**  
Notary Public Makati City  
Appt. No. M-163 extended until June 30, 2022  
Roll of Attorneys No. 71073  
IBP OR No. 183298; January 3, 2022  
PTR No. MKT-8853599; January 3, 2022; Makati City  
MCLE Compliance No. VI-0028680; valid until April 14, 2022  
7727 E. Jacinto cor. Medina St.  
Barangay Pio Del Pilar, Makati City

**ANNEX B**  
**2022 Attestation of Internal Audit, Control and Compliance Systems**




## 2022 Attestation of Internal Audit, Control and Compliance Systems

ACEN CORPORATION's corporate governance system takes into consideration the organizational structure as a whole; led by an effective board and board committees; supported by empowered and accountable management and management committees; and guided by strong core values across all levels with sound policies and effective controls.

- The Board of Directors is responsible in providing governance and overseeing the implementation of adequate internal control mechanisms and risk management process;
- Management has the primary responsibility to design and implement adequate and effective system of internal controls and risk management processes to ensure compliance with laws, rules, and regulations;
- Management is responsible to develop a system to monitor and manage risks;
- SGV & Co., the Corporation's external auditor, is responsible for assessing and expressing an opinion on the conformity of the audited financial statements with Philippine Financial Reporting Standards and the overall quality of the financial reporting process;
- Internal Audit adopts a risk-based audit approach in developing an annual work plan and conducts reviews to assess the adequacy of the Corporation's internal controls; and
- The Chief Audit Executive reports functionally to the Audit Committee to ensure independence and objectivity allowing Internal Audit to fulfill its responsibilities.
- Internal audit activities conform with the International Standards for Professional Practice of Internal Auditing and will be continuously evaluated through an independent Quality Assessment Review conducted every five years

*Based on the above and through reliance on the reports provided by the Corporation's internal auditors and its external auditors for the year 2022, we attest that ACEN CORPORATION's system of internal controls, risk management, compliance, and governance processes are designed adequately and continue to operate effectively.*

27 February 2023

  
**John Eric T. Francia**  
President & Chief Executive  
Officer

  
**Maria Corazon G. Dizon**  
Chief Finance Officer &  
Treasurer; Compliance  
Officer

  
**Michael E. Limbo**  
Chief Audit Executive