



BOARD NOMINATIONS AND COMPENSATION COMMITTEE CHARTER

This Charter is hereby adopted by the Board of Directors (the “Board”) of Aboitiz Power Corporation (the “Company”) to outline the core duties and responsibilities of the Board Nominations and Compensation Committee.

A. Purpose

The purpose of the Board Nominations and Compensation Committee (the “Committee”) is to carry out the responsibilities delegated by Board in relation to the following:

1. Adopting a nomination process and procedure for Board membership and senior leadership roles in the Company and its subsidiaries (collectively, the “AboitizPower Group”);
2. Leading the process in identifying qualified nominees for appointment to the Board, and identifying and endorsing suitable candidates for management appointments as outlined in the Talent Management Approvals Policy;
3. Recommendation for succession-planning and leadership needs of the AboitizPower Group;
4. Determine whether members of the Board who sit on the boards of other entities (outside the AboitizPower Group) create any actual or potential conflicts of interest;
5. Setting up a review process of compensation policies across the AboitizPower Group; and
6. Evaluating and assessing the performance of the Board and its members, as well as that of corporate officers and executives as may be provided in the Talent Management Approvals Policy, or for other positions as may be determined by the Board Nominations and Compensation Committee.

B. Composition and Membership

The Committee shall be composed of five (5) regular members, consisting of an Independent Director as the Chairman, three (3) Non-Executive Directors, and one (1) additional Independent Director serving as members. The AP President and CEO shall be a Non-Voting Observer; while the Ex-Officio members are the following:

- Chief Corporate Services Officer;
- Chief Legal, Regulatory, and Compliance Officer; and
- Chief Human Resources Officer.

The members of the Committee may be removed by a majority vote of the directors. Any vacancies in the Committee shall be filled by majority vote of the Board.

The Committee may form and delegate authority to subcommittees as may be appropriate and in accordance with applicable laws or regulations.

C. Duties and Responsibilities

The Committee shall discharge its responsibilities relating to: (a) nominations of candidates for membership in the Board; (b) the nomination of candidates for the management positions outlined in the Talent Management Approvals Policy; and (c) compensation matters as outlined in the Manual on Corporate Governance.

The following are the specific roles and responsibilities of the Board Nominations and Compensation Committee:

1. Nomination and Election of Directors

- a. Establish and maintain a formal and transparent process for nomination and election of directors, including Independent Directors, in accordance with the Corporation's By-Laws, Manual of Corporate Governance, and applicable laws and regulations.
- b. Ensure that all nominees possess the required qualifications and none of the disqualifications under applicable laws, SEC and PSE rules, and internal policies.
- c. Define the general profile of directors needed by the Board, taking into consideration the required competencies, experience, and independent judgment aligned with the Company's strategy.

2. Board Composition and Diversity

- a. Encourage the selection of a diverse and competent Board with a mix of knowledge, skills, experience, and perspectives, with the ability to contribute to sound strategic and policy decisions.
- b. Consider factors such as the nature of the Company's business, the age and experience of nominees, existing directorships or officerships, and potential conflicts of interest.

3. Filling of Board Vacancies

- a. In case of resignation, disqualification, or cessation of directorships (particularly Independent Directors), identify and nominate qualified replacements.

4. Review of Management Appointments

- a. Review and evaluate the qualifications of candidates for the management outlined in the Talent Management Approvals Policy, including key officers of the Company and Presidents of the AboitizPower Group's strategic business units.

- b. Provide guidance on appointments or promotions to other leadership positions, as necessary.
- 5. Succession Planning
 - a. Review and recommend succession plans for members of the Board and management appointments as outlined in the Talent Management Approvals Policy.
- 6. Board and Leadership Assessment
 - a. Assess the effectiveness of the Board's processes in renewing and replacing members, as well as in appointing officers and advisors.
 - b. Develop and update policies related to director and officer appointments, as necessary.
 - c. In consultation with the Board, periodically review the role, responsibilities, and scope of authority of the CEO, ensuring alignment with the Company's strategy, sustainability goals, and good governance principles.
- 7. Nominations Process Review
 - a. Periodically review the effectiveness of the nomination process and recommend improvements in line with the Manual on Corporate Governance.
- 8. Compensation and Rewards
 - a. Establish and maintain a formal and transparent policy for determining the remuneration of directors and officers, consistent with the Company's culture, strategy, and the external business environment.
 - b. Review and recommend to the Board a salary structure for the members of management outlined in the Talent Management Approvals Policy, including proposed adjustments to ensure compensation remains competitive, fair, and performance-based.
 - c. Ensure that compensation packages are adequate to attract, retain, and motivate key leadership talent and potential successors, and aligned with long-term shareholder value.

D. Meetings

1. Frequency of Meetings

The Committee shall formally meet, preferably in-person, at least three (3) times a year or as often as may be required to perform its duties and responsibilities as outlined herein. In addition to regular meetings, special meetings can be called by the Chairman of the Committee or by any two members.

2. Notice of Meetings

The notice of the Committee meetings shall be given four (4) weeks prior to the scheduled meeting. Notices for special meetings may be sent at least two (2) business days before the date of the special meeting. Notices may be sent in writing, through electronic mail, or by telefacsimile, among others.

3. Agenda

The Chairman, in consultation with the other members of the Committee, shall propose a list of items to be addressed by the Committee during the year. The Chairman shall ensure that the agenda for each Committee meeting is circulated to each member of the Committee two (2) weeks prior to the meeting and the presentation materials shall be circulated three calendar (3) days prior to the date of actual meeting in accordance with the existing Board Charter of the Company.

4. Quorum and Voting

A majority of all the members of the Committee present in person or by means of a video-conference, teleconference, or other modes of communication in which all persons participating in the meeting can completely and clearly hear each other shall constitute a quorum. The members participating in the meeting shall have received the agenda and all the materials for the meeting in accordance with the Board Charter of the Company.

The majority vote of the voting Members shall be required for the Committee to approve, authorize, or take any action. The Committee may refer to the full Board for consideration any matter which fails to be approved by a majority vote of all voting Committee Members.

5. Secretary

The incumbent Corporate Secretary of the Company shall act as the secretary of the Committee.

6. Minutes

All Committee meetings must be duly documented and filed, and shall be maintained with the books and records of the Company. The minutes of the Committee meetings must be available for review and approval not more than five (5) business days after the meeting and for signature at the next committee meeting.

7. Per Diems

Each Committee member is entitled to a per diem based on attendance at each committee meeting.

E. Reports of the Board Nominations and Compensation Committee

The Chairman of the Committee shall submit to the Board, either in writing or electronically, a copy of the reports of the Committee meeting five (5) business days prior to the date of actual meeting, in accordance with the existing charter of the Board of Directors of the Company. The Chairman shall provide the Board a summary of the matters discussed during the Committee meetings.

F. Resources of the Board Nominations and Compensation Committee

The Committee may request any Director, Corporate Officer, or employee of the Company, or other persons whose advice and counsel are sought by the Committee, to attend any of its meetings to provide such pertinent information as the Committee may require.

The Committee has the sole authority to appoint, retain and terminate, as it deems necessary or appropriate, any legal advisor or other consultants, including search firms or other professionals to advise and assist the Committee in fulfilling its duties and responsibilities. The Committee shall approve the fees to be paid as well as the terms of the engagement.

G. Assessment of the Performance of the Committee

The Board shall provide the standards for evaluating the performance and effectiveness of the Committee in fulfilling its duties and responsibilities as set out in this Charter and in the Company's Manual on Corporate Governance.

H. Review of the Committee

The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval, together with such amendments as it deems necessary and appropriate in order to comply with the legal needs of the Aboitiz Group and any regulatory developments affecting thereto.