

September 1, 2020

SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City, 1307

ATTENTION : **DIR. VICENTE GRACIANO P. FELIZMENIO JR.**
Markets and Securities Regulation Department

via PSE EDGE

PHILIPPINE STOCK EXCHANGE, INC.
PSE Tower, 28th Street cor. 5th Avenue,
Bonifacio Global City, Taguig City

ATTENTION : **MS. JANET A. ENCARNACION**
Head, Disclosures Department

via electronic mail

PHILIPPINE DEALING & EXCHANGE CORP.
Market Regulatory Services Group
29th Floor BDO Equitable Tower,
8751 Paseo de Roxas, Makati City 1226

ATTENTION : **ATTY MARIE ROSE M. MAGALLEN-LIRIO**
Head - Issuer Compliance and Disclosures Department
OIC Head – Issuer Compliance and Disclosures Department

Gentlemen:

In compliance with the SEC Memorandum Circular No. 15, Series of 2017, we submit herewith Aboitiz Power Corporation's Integrated Annual Corporate Governance Report for the year 2019.

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

ABOITIZ POWER CORPORATION

By:


MANUEL ALBERTO R. COLAYCO ^{CNC}
Corporate Secretary

COVER SHEET

C 1 9 9 8 0 0 1 3 4

S.E.C. Registration Number

A B O I T I Z P O W E R C O R P O R A T I O N

(Company's Full Name)

3 2 N D S T R E E T , B O N I F A C I O G L O B A L

C I T Y , T A G U I G C I T Y , M E T R O M A N I L A

P H I L I P P I N E S

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

MANUEL ALBERTO R. COLAYCO

Contact Person

02-8 886-2338

Company Telephone Number

1 2 3 1

Month Day

Fiscal Year

I A C G R

FORM TYPE

4th Monday of April

0 4 2 7

Month Day

Annual Meeting

N/A

Secondary License Type, if Applicable

SEC

Dept. Requiring this Doc

N/A

Amended Articles Number/Section

Total No. of Stockholders

x

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = Pls. use black ink for scanning purposes



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

GENERAL INSTRUCTIONS

A. Use of Form I-ACGR

This SEC Form shall be used as a tool to disclose Publicly-Listed Companies’ compliance/non-compliance with the recommendations provided under the Code of Corporate Governance for Publicly-Listed Companies, which follows the “comply or explain” approach, and for harmonizing the corporate governance reportorial requirements of the SEC and the Philippine Stock Exchange (PSE).

B. Preparation of Report

These general instructions are not to be filed with the report. The report shall contain the numbers and captions of all items.

The I-ACGR has four columns, arranged as follows:

RECOMMENDED CG PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>Contains CG Practices/ Policies, labelled as follows:</p> <ul style="list-style-type: none"> (1) “Recommendations” – derived from the CG Code for PLCs; (2) “Supplement to Recommendation” – derived from the PSE CG Guidelines for Listed Companies; (3) “Additional Recommendations” – CG Practices not found in the CG Code for PLCs and PSE CG Guidelines but are expected already of PLCs; and (4) “Optional Recommendation” – practices taken from the ASEAN Corporate Governance Scorecard <p>*Items under (1) – (3) must be answered/disclosed by the PLCs following the “comply or explain” approach. Answering of items under (4) are left to the discretion of PLCs.</p>	<p>The company shall indicate compliance or non-compliance with the recommended practice.</p>	<p>The company shall provide additional information to support their compliance with the recommended CG practice</p>	<p>The PLCs shall provide the explanations for any non-compliance, pursuant to the “comply or explain” approach.</p> <p>Please note that the explanation given should describe the non-compliance and include how the overall Principle being recommended is still being achieved by the company.</p> <p>**“Not Applicable” or “None” shall not be considered as sufficient explanation</p>

C. Signature and Filing of the Report

- a. Three (3) copies of a fully accomplished I-ACGR shall be filed with the Main Office of the Commission **on or before May 30 of the following year for every year that the company remains listed in the PSE;**
- b. At least one (1) complete copy of the I-ACGR shall be duly notarized and shall bear **original and manual** signatures
- c. The I-ACGR shall be signed under oath by: (1) Chairman of the Board; (2) Chief Executive Officer or President; (3) All Independent Directors; (4) Compliance Officer; and (5) Corporate Secretary.
- d. The I-ACGR shall cover all relevant information from January to December of the given year.
- e. All reports shall comply with the full disclosure requirements of the Securities Regulation Code.



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **2019**
2. SEC Identification Number **CEO12456** 3. BIR Tax Identification No. **200-652-460-V**
4. Exact name of issuer as specified in its charter **ABOITIZ POWER CORPORATION**
5. **Philippines** Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only) Industry Classification Code:
7. **32nd Street, Bonifacio Global City, Taguig City, Metro Manila, Philippines** **1634**
Address of principal office Postal Code
8. **(02) 886-2800**
Issuer's telephone number, including area code
9. **NA**
Former name, former address, and former fiscal year, if changed since last report.

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT
OF ABOITIZ POWER CORPORATION**

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: 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.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	<p>The Company's Directors are nominated and elected based on their academic qualifications, professional experience, expertise and relevant trainings to the industry or sector where the Company's businesses operate. They are a mix of legal and finance professionals, engineer, former or current CEO/COOs, auditors, and accountants, many of them with management experience in the private and government sectors, as well as in multilateral agencies.</p> <p>As a result, the Company's Board of Directors is composed of Directors with collective working knowledge, experience and expertise in the industries that is relevant to the Company and its subsidiaries.</p> <p>Individual and collective qualifications of the Board of Directors (including the Independent Directors) as well as the duties and responsibilities of the Board and Board Committees, including the benchmarks for their individual and collective performance evaluation are enumerated in the Company's Revised Manual of Corporate Governance (the "Manual").</p>	
2. Board has an appropriate mix of competence and expertise.	Compliant	Links/references are as follows:	

<p>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.</p> <p><i>Provide information or link/reference to a document containing information on the following:</i></p> <ol style="list-style-type: none"> 1. <i>Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors</i> 2. <i>Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance</i> 	<p>Compliant</p>	<p>i. Amended By Laws (2018), p. 2 Article II (The Board of Directors) available at: https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>ii. Amended Manual on Corporate Governance, pp. 5 - 16,, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>See write-up of the Directors’ profiles in the Company’s Reports:</p> <p>i. Definitive Information Statement (20-IS) pp.11-17 , Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, pp.194-196 Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>			
Recommendation 1.2					
<p>1. Board is composed of a majority of non-executive directors.</p> <p><i>Identify or provide link/reference to a document identifying the directors and the type of their directorships</i></p>	<p>Compliant</p>	<p>The Company’s Board of Directors is composed of nine directors, majority of whom are Non-Executive Directors. Three are independent, two are Non-Executive Directors, or are not engaged in the day to day functions of the Company, and the remaining four are Executive Directors. The following are the members of the AP Board as of December 31, 2019:</p> <table border="1" data-bbox="981 1246 1579 1342" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; padding: 5px;">Non-Executive Director</td> <td style="padding: 5px;">Mr. Mikel A. Aboitiz (Chairman)</td> </tr> </table>	Non-Executive Director	Mr. Mikel A. Aboitiz (Chairman)	
Non-Executive Director	Mr. Mikel A. Aboitiz (Chairman)				

		<table border="1"> <tr> <td>Non-Executive Director</td> <td>Mr. Enrique M. Aboitiz (Vice Chairman)</td> </tr> <tr> <td>Executive Director</td> <td>Mr. Erramon I. Aboitiz (President and Chief Executive Officer)</td> </tr> <tr> <td>Executive Director</td> <td>Mr. Jaime Jose Y. Aboitiz (EVP – Chief Operating Officer)</td> </tr> <tr> <td>Executive Director</td> <td>Mr. Emmanuel V. Rubio (President and Chief Executive Officer)</td> </tr> <tr> <td>Executive Director</td> <td>Danel C. Aboitiz (SVP – Regulatory Affairs and External Relations)</td> </tr> <tr> <td>Lead Independent Director</td> <td>Mr. Romeo L. Bernardo</td> </tr> <tr> <td>Independent Director</td> <td>Mr. Carlos C. Ejercito</td> </tr> <tr> <td>Independent Director</td> <td>Eric Ramon O. Recto</td> </tr> </table> <p>Links/references are as follows:</p> <p>i. Amended By Laws (2018), p. 2 Article II (The Board of Directors) at: https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>ii. Amended Manual on Corporate Governance, p. 5 to 16; available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>See write-up of the Directors’ profiles in the Company’s Reports:</p> <p>i. Definitive Information Statement (20-IS) pp.11-17 Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-</p>	Non-Executive Director	Mr. Enrique M. Aboitiz (Vice Chairman)	Executive Director	Mr. Erramon I. Aboitiz (President and Chief Executive Officer)	Executive Director	Mr. Jaime Jose Y. Aboitiz (EVP – Chief Operating Officer)	Executive Director	Mr. Emmanuel V. Rubio (President and Chief Executive Officer)	Executive Director	Danel C. Aboitiz (SVP – Regulatory Affairs and External Relations)	Lead Independent Director	Mr. Romeo L. Bernardo	Independent Director	Mr. Carlos C. Ejercito	Independent Director	Eric Ramon O. Recto	
Non-Executive Director	Mr. Enrique M. Aboitiz (Vice Chairman)																		
Executive Director	Mr. Erramon I. Aboitiz (President and Chief Executive Officer)																		
Executive Director	Mr. Jaime Jose Y. Aboitiz (EVP – Chief Operating Officer)																		
Executive Director	Mr. Emmanuel V. Rubio (President and Chief Executive Officer)																		
Executive Director	Danel C. Aboitiz (SVP – Regulatory Affairs and External Relations)																		
Lead Independent Director	Mr. Romeo L. Bernardo																		
Independent Director	Mr. Carlos C. Ejercito																		
Independent Director	Eric Ramon O. Recto																		

		<p>Statement.pdf</p> <p>ii. 2019 Annual Report (SEC Form 17-A), pp. 86-90, Item 9. Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iii. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 208, Corporate Structure, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	The Company's Policy on Training of Directors as provided in its Manual is composed of: (I) onboarding for new Directors, and (ii) mandatory continuous training and development program.	
2. Company has an orientation program for first time directors.	Compliant	To ensure that every director is apprised of their duties and responsibilities as members of the Board and Board Committees.	
<p>3. Company has relevant annual continuing training for all directors.</p> <p><i>Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</i></p> <p><i>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.</i></p>	Compliant	<p>The Company's corporate governance policies and programs, and the Company's overall operations, and the Company's Manual mandates that first time Directors are given a comprehensive onboarding orientation prior to attending their first board meeting.</p> <p>In addition, the Company's Manual also mandates every director and corporate officer to undergo a continuous training and development program to deepen their understanding of the industries where the Company operates.</p> <p>For 2019, Directors and Corporate Officer of the Aboitiz Group attended an in-house corporate governance seminar focused on building digitization,</p>	

		<p>risk management, and sustainability. The seminar was held at the Company's principal place of business on September 9, 2020, from 1:30PM to 6:30PM (5 hours). Topics discussed were: (1) Winning in a World of Digital Dragons; (2) ESG and Sustainability: Trends, Issues and Complexity in the ASEAN; and (3) Data Privacy in a Changing World. This seminar was duly accredited by the SEC in compliance with SEC Memorandum Circular No. 19, Series of 2016.</p> <p>Links/references are as follows:</p> <p>ii. Amended Manual on Corporate Governance, p. 47-48: On-boarding and Training Process, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Board Charter, p.3-4: Board Leadership and the Role of Chairman available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p> <p>iv. Company Website, Annual Corporate Governance Seminar available at: https://aboitizpower.com/corporate-governance/governance-reports-and-scorecards/#annual-corporate-governance-seminar</p> <p>v. 2019 Disclosure on the Company's Compliance to the Annual Corporate Governance Seminar, available at: https://aboitizpower.com/wp-content/uploads/AP-Completion-Report-SEC-Received.pdf</p>	
Recommendation 1.4			
<p>1. Board has a policy on board diversity.</p> <p><i>Provide information on or link/reference to a</i></p>	Compliant	<p>Through the Company's Manual, the Board of Directors has adopted a policy of appointing a diverse set of Directors based on the individual's professional</p>	

<p><i>document containing information on the company's board diversity policy.</i></p> <p><i>Indicate gender composition of the board.</i></p>		<p>and personal backgrounds (namely: age, ethnicity, culture, skills, competence, gender and knowledge) in order to ensure: (i) that no Director or small group of Directors can dominate the decision-making process, (ii) that the members of the Board are a diverse mix of highly competent Directors and Officer with in-depth knowledge and experience in the core industries of the Company or corporate management, financial expertise, audit and governance experiences, and (iii) the independent-mindedness, ethical behavior, and value contribution of each director.</p> <p>Currently, the Board of Directors is composed of professionals with expertise in power, finance, law, banking, economics, and risk management, among others, with ages ranging from 38 to 75 years old.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 5-6; 18-19, Composition of the Board and Selection of the members of the board of Directors and Officer, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Charter, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p> <p>iii. Board Corporate Governance Committee Charter, p.1, Purpose and Membership available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Corporate-Governance-Committee-Charter .pdf</p> <p>iv. Company Website at: https://aboitizpower.com/corporate-</p>	
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		governance/governance-team/	
Optional: Recommendation 1.4			
<p>1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.</p> <p><i>Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity.</i></p> <p><i>Provide link or reference to a progress report in achieving its objectives.</i></p>	Compliant	<p>The Company's Manual mandates that membership of the Board may be a combination of Executive and Non-Executive Directors (which include Independent Directors) with diverse professional and personal backgrounds in order that no Director or small group of Directors can dominate the decision-making process and that the Board can benefit from the professional expertise of each Director. Measurable standards included in the Company's Manual include diversity in age, ethnicity, culture, skills, competence, gender and knowledge.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 5-6; 18-19, Composition of the Board and Selection of the members of the board of Directors and Officer, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Charter, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p> <p>iii. Board Corporate Governance Committee Charter, p.1, Purpose and Membership available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Corporate-Governance-Committee-Charter .pdf</p> <p>iv. Company Website at: https://aboitizpower.com/corporate-governance/policies-and-protocols/</p>	
Recommendation 1.5			

<p>1. Board is assisted by a Corporate Secretary.</p>	<p>Compliant</p>	<p>The Board of Directors is assisted by a Corporate Secretary, Manuel Alberto R. Colayco, who is not the Compliance Officer and not a member of the Board of Directors. While the Company's Compliance Officer is Mr. Joseph Trillana T. Gonzales.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 44 - 46, The Corporate Secretary, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
<p>2. Corporate Secretary is a separate individual from the Compliance Officer.</p>	<p>Compliant</p>	<p>ii. Definitive Information Statement(20-IS), p. 24: Officers for 2019 to 2020 available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
<p>3. Corporate Secretary is not a member of the Board of Directors.</p> <p><i>Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions.</i></p>	<p>Compliant</p>	<p>iii. Company Website, Profile of the Corporate Secretary available at: https://aboitizpower.com/corporate-governance/governance-team/#corporate-secretary</p> <p>iv. Company Website, Profile of the Compliance Officer available at: https://aboitizpower.com/corporate-governance/governance-team/#compliance-officer</p>	
<p>4. Corporate Secretary attends training/s on corporate governance.</p> <p><i>Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</i></p>	<p>Compliant</p>	<p>The Company's Corporate Secretary, Manuel Alberto R. Colayco attended the five-hour Aboitiz Group in-house Annual Corporate Governance Seminar last September 9, 2019 on (1) Winning in a World of Digital Dragons; (2) ESG and Sustainability: Trends, Issues and Complexity in the ASEAN; and (3) Data Privacy in a Changing World. This seminar was duly accredited by the SEC in compliance with SEC Memorandum Circular No. 19, Series of 2016. He also</p>	

		<p>attended the Shareholders Disputes and Settlement Forum (October 15, 2019) organized by the Aboitiz Equity Ventures Inc. legal department.</p> <p>Mr. Colayco was also a panelist during the 6th SEC-PSE Corporate Governance Forum - “Sustainable Businesses: Taking the Lead in Achieving Sustainable Development Goals” held on October 25, 2019 at the PICC Complex, Pasay City.</p> <p>Links/references are as follows:</p> <p>i. Disclosure on AP Compliance Report for the Annual Mandatory Corporate Governance Seminar, available at: https://aboitizpower.com/wp-content/uploads/AP-Completion-Report-SEC-Received.pdf</p> <p>ii. Securities and Exchange Commission (SEC) Notices, available at: https://www.sec.gov.ph/notices-archive/6th-sec-pse-corporate-governance-forum-programme/</p>	
Optional: Recommendation 1.5			
<p>1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.</p> <p><i>Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting</i></p>	<p>Compliant</p>	<p>To ensure active participation and meaningful contribution in each meeting, the Board of Directors has adopted a policy of requiring all the materials for the Board Meeting to be uploaded at the Diligent BoardBooks at least five business days before the board meeting. The Diligent BoardBooks is a secure portal where the Corporate Secretary uploads the materials for the board meeting for easy access by the Board of Directors in their iPads, smartphones, or computers, wherever they might be.</p> <p>References:</p> <p>i. AbotizPower Board Charter, p. 7, Board Meetings, available at: https://aboitizpower.com/wp-</p>	

		content/uploads/AboitizPower-Board-Charter .pdf ii. See sample e-mail to the Board of Directors notifying them that the materials for the 2019 Regular Board Meeting have been uploaded to the Boardbooks. (Annex "A")	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	The Board of Directors is assisted by the Compliance Officer, Joseph Trillana T. Gonzales, who is not a member of the board of Directors, and is one of the most Senior Officer in the Company with a rank of First Vice President. He has adequate stature and authority in the Company to fulfill his obligation as its Compliance Officer. Links/references are as follows: i. Amended Manual on Corporate Governance , pp. 4-5, The Compliance Officer, available at: https://abotizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf ii. Definitive Information (20-IS) , pp.22-23, Officers for 2019 to 2020, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf iii. 2019 Annual Report (SEC Form 17-A) , pp. 86-91 Item 9. Directors and Executive Officers of the Issuer, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf iv. Company Website , Profile of the Compliance Officer available at: https://abotizpower.com/corporate-governance/governance-team/#compliance-officer	
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. <i>Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.</i>	Compliant		

<p>4. Compliance Officer attends training/s on corporate governance.</p> <p><i>Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</i></p>	<p>Compliant</p>	<p>The Company's Compliance Officer, Joseph Trillana T. Gonzales, attended the five-hour Aboitiz Group in-house corporate governance seminar. Particular topics include: (as (1) Winning in a World of Digital Dragons; (2) ESG and Sustainability: Trends, Issues and Complexity in the ASEAN; and (3) Data Privacy in a Changing World. This seminar was duly accredited by the SEC in compliance with SEC Memorandum Circular No. 19, Series of 2016. He also attended the following seminars: (i) Session on the Revised Corporation Code (April 8, 2019), (ii) 2019 Aboitiz Power Legal and Compliance Summit (June 13-14, 2019), (iii) and the Shareholders Disputes and Settlement Forum (October 15, 2019) organized by the Aboitiz Equity Ventures Inc. legal department.</p> <p>i. Disclosure on AP Compliance Report for the Annual Mandatory Corporate Governance Seminar, available at: https://aboitizpower.com/wp-content/uploads/AP-Completion-Report-SEC-Received.pdf</p>	
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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

<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p> <p><i>Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)</i></p>	<p>Compliant</p>	<p>The Company's Manual mandates the Company's Directors to act judiciously and devote time and attention necessary to properly discharge their duties and responsibilities. With this mandate, the Directors are expected to act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company.</p> <p>To ensure that the Board of Directors act on a fully informed basis, with due diligence, and in the best interest of the Company; (i) the Board receives regular</p>	
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		<p>reports from Management and Heads of Strategic Business Units (SBUS) on the operations of the Company and its Subsidiaries, (ii) any matter requiring the Board's attention is promptly elevated to the members of the Board, and deliberated upon in the Board meetings, and (iii) materials for the board meetings are distributed to the Board of Directors at least five days before the board meeting through the Diligent Boardbooks.</p> <p>In addition, the Board of Directors ensure that key financial decisions related to investment/capital expenditure considered by various businesses in which the Company has direct equity undergo appropriate processes and approval.</p> <p>Moreover, as an exercise of fairness and good faith, the decisions by the Board of Directors on appointment of Officer and material transactions, among others, including possible conflict of interest are immediately disclosed to the public.</p> <p>Lastly, in order to provide a better understanding of the Company's operations in different industries where it operates, the members of the Board of Directors conduct regular site visits to the different plants and facilities of the Aboitiz Group.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 21, Item 13. Adequate and Timely Information, available at: https://abotizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. AP Board Charter, pp. 3-4, Item 7, Board Leadership and the Role of the Chairman, available at:</p>	
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		https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter_.pdf	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	As part of its duties and function mandated by the Company's Manual, the Board must ensure that (i) the strategic business direction of the various businesses of the Company is soundly established and consistent or in line with the Group's goals and strategies, (ii) establish programs that can maintain its long-term viability, practicability, and strength in accordance with the objectives of the Company, and (ii) periodically evaluate and monitor the implementation of existing policies and strategies, including business plans operating budget, and overall performance of the management team based on clear performance metrics.	
2. Board oversees and monitors the implementation of the company's business objectives and strategy. <i>Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting)</i> <i>Indicate frequency of review of business objectives and strategy</i>	Compliant	In support of this function, the Board conducts an Annual Board Retreat and Strategy Refresh to discuss both the strategic roadmap and policies of the Company, and a review of the Company's vision and mission. In 2019, the Company's had their yearly Board retreat/strategy workshop last November 19, 2019 at NAC Tower, Bonifacio Global City, Taguig City. Links/references are as follows: i. AP Board Charter , page 2, Section 3.0: Duties and Responsibilities of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter_.pdf ii. Amended Manual on Corporate Governance , pp. 6-10, Duties and Functions of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	

		<p>iii. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 168: Commitment to and Review of Corporate Vision and Mission, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
Supplement to Recommendation 2.2			
<p>1. Board has a clearly defined and updated vision, mission and core values.</p> <p><i>Indicate or provide link/reference to a document containing the company's vision, mission and core values.</i></p> <p><i>Indicate frequency of review of the vision, mission and core values.</i></p>	<p>Compliant</p>	<p>The Company's mission and vision is stated in its Purpose Statement: <i>"Guided by our core values, we the Aboitiz Group, drive change for a better world by advancing business and communities and creating long term value for our stakeholders."</i></p> <p>This purpose statement has been deliberated and approved by the Board of Directors in 2017, and embodied in the Company's Amended Manual on Corporate Governance. The Board also abides by the Company's core values – Integrity, Teamwork, Innovation and Responsibility.</p> <p>Meanwhile, the Company's mission, <i>"A Better Future"</i> fuels its mission to provide reliable and ample power supply needed by the country; to ensure that supply of electricity is provided at a reasonable and competitive price, and with the least adverse effect on the environment and communities.</p> <p>Links/references are as follows:</p> <p>i. AP Board Charter, page 2, Section 3.0: Duties and Responsibilities of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p> <p>ii. Amended Manual on Corporate Governance, pp. 6-10, Duties and Functions of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-</p>	

		<p>2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Company Website, About us, available at: https://aboitizpower.com/about-us/a-better-future/</p> <p>iv. Definitive Information Statement, p.128, Corporate Governance – Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>v. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 168: Commitment to and Review of Corporate Vision and Mission, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</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><i>Provide information on or link/reference to a document containing information on the strategy execution process.</i></p>	<p>Compliant</p>	<p>In 2019, the Board of Directors is supported in the performance of its functions by the five board committees – Corporate Governance Committee, Board Audit Committee, Risk and Reputation Management Committee, Related Party Transactions Committee, and the Executive Committee. Each committee oversees or implements an important aspect of the Company’s strategy and governance framework. In turn, each committee is assisted by Senior Officers and highly qualified professionals to ensure that the Company’s business objectives and strategies are cascaded, implemented, and properly monitored within their specific spheres of functions.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, pp.19-21, Chairmen’s Message, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	

		<p>ii. Amended Manual on Corporate Governance, pp. 6-10, Duties and Functions of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Definitive Information Statement, p. 128, Corporate Governance – Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AEV-Annual-Report-2019-Final.pdf</p>	
Recommendation 2.3			
<p>1. Board is headed by a competent and qualified Chairperson.</p> <p><i>Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications</i></p>	<p>Compliant</p>	<p>The Company’s Chairman, Mr. Mikel A. Aboitiz, is highly competent, qualified, and hardworking. He is knowledgeable about the Company’s core businesses. He is deeply committed to Company’s vision, mission, and brand purpose, and firmly believes that good corporate governance makes good business practice</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 6, The Chairman and the Chief Executive Officer, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, pp. 19-21, Chairmen’s Message, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>iii. Definitive Information Statement (20-IS), p.12: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-</p>	

		Statement.pdf iv. Company Website , Profiles of the Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-Profiles-Directors-and-Officers-for-2019.pdf	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	The Board of Directors, with the assistance of the Corporate Governance Committee, approved a succession policy in place for Directors, Corporate Officer and Senior Management. The Company retirement age for corporate offices is 60 years old, unless the Board of Directors, for meritorious and exceptional reasons, decides to extend the years of service of the officer.	
2. Board adopts a policy on the retirement for directors and key officers. <i>Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation</i>	Compliant	The Company develops leaders from within and conducts a regular succession planning review twice a year – March and September. To-date, the successors for key positions have been identified and their corresponding development plans are being implemented and regularly reviewed as well. Links/references are as follows: i. Amended Manual on Corporate Governance , p. 24, The Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf ii. Board Corporate Governance Committee Charter , p.2: Responsibilities of the Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Corporate-Governance-Committee-Charter .pdf	
Recommendation 2.5			

<p>1. Board aligns the remuneration of key officers and board members with long-term interests of the company.</p>	<p>Compliant</p>	<p>The Company rewards its Directors and Corporate Officers based on ability to execute their respective duties and responsibilities. It is the Company's philosophy to reward based on individual performance. Performance is evaluated and compensation is reviewed on an annual basis.</p>	
<p>2. Board adopts a policy specifying the relationship between remuneration and performance.</p>	<p>Compliant</p>	<p>The Company ensures that it pays its Directors and Corporate Officer competitively by comparing rates with other Philippine-based companies through regular market salary surveys.</p>	
<p>3. Directors do not participate in discussions or deliberations involving his/her own remuneration.</p> <p><i>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.</i></p>	<p>Compliant</p>	<p>The Company, through its Board Corporate Governance Committee, established a formal and transparent procedure of compensation and executive remuneration policies. Changes in Board compensation, if any, should come at the suggestion of the Board Corporate Governance Committee, based on the results of the market salary surveys and upon the recommendation of the Human Resources Officer (HRO). While the Corporate Governance Committee recommends the remuneration levels of the Directors, these recommendations are presented to the full board for discussion, and eventually to the shareholders for the final approval.</p> <p>The HRO also presents to the Board Corporate Governance Committee, on an annual basis, the recommendations for compensation levels for all team members, including Corporate Officers and senior management.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 29 - 30, The Board Corporate Governance Committee - Compensation and Policy on Executive Remuneration, available at: https://aboitizpower.com/wp-</p>	

		<p>content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Corporate Governance Committee Charter, p.2: Responsibilities of the Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Corporate-Governance-Committee-Charter_.pdf</p> <p>iii. 2019 Annual Report (SEC Form 17-A), pp.97-99: Item 10. Compensation of Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iv. Definitive Information Statement (20-IS), pp.27-28: Item 6. Compensation of Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
Optional: Recommendation 2.5			
<p>1. Board approves the remuneration of senior executives.</p> <p><i>Provide proof of board approval</i></p>	Compliant	<p>The Board, through the Board Corporate Governance Committee, ensures that it pays its Corporate Officers and executives competitively by comparing rates with other Philippine-based companies through a market salary survey. The HRO, who is an ex-officio member, presents to the Committee presents on an annual basis the recommendations for compensation levels for all team members, including Corporate Officers and senior executives.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 29 - 30, The Board Corporate Governance Committee - Compensation and Policy on Executive Remuneration,</p>	

		<p>available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Corporate Governance Committee Charter, p.2: Responsibilities of the Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Corporate-Governance-Committee-Charter .pdf</p> <p>iii. 2019 Annual Report (SEC Form 17-A pp.97-99: Item 10. Compensation of Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</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><i>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.</i></p>	<p>Compliant</p>	<p>The Company rewards its individual Directors and Corporate Officers based on ability to execute his duties and responsibilities, coupled with his team’s performance of their identified goals. Performance is evaluated and compensation is reviewed on an annual basis.</p> <p>The performance cycle starts with goal setting which happens at the start of the year. The team members and team leaders sign off on these goals which becomes the basis for the performance reviews. All team members and team leaders undergo regular performance reviews. This is scheduled every July and January (for performance from January – June and July- December respectively).</p> <p>The final performance rating from their respective team leaders are the basis for both the bonus and merit increases.</p> <p>Links/references are as follows:</p>	

		<p>i. Amended Manual on Corporate Governance, pp. 29 - 30, The Board Corporate Governance Committee - Compensation and Policy on Executive Remuneration, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Corporate Governance Committee Charter, p.2: Responsibilities of the Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Corporate-Governance-Committee-Charter .pdf</p> <p>iii. 2019 Annual Report (SEC Form 17-A), pp.97-99: Item 10. Compensation of Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iv. Definitive Information Statement (20-IS), pp.27-28: Item 6. Compensation of Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	The Company's Board of Directors has a formal and transparent board nomination and election policy, which is disclosed in the Company's Manual, Amended By Laws, Guidelines in the Nomination and Election of Independent Directors, and is explained by the Company's Corporate Secretary at every annual stockholders meeting.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	All shareholders have the right to nominate individually the members of the Board. Nominations for the position of a director are received by the Corporate Secretary in accordance with the	
3. Board nomination and election policy includes how the company accepted	Compliant		

nominations from minority shareholders.		Company's By-Laws and the Guidelines for the Nomination and Election of Independent Directors.	
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant	The members of the Company's Board of Directors, as a rule, are selected and elected to serve the organization according to the procedures set forth in the Company's By-Laws, and with particular focus on Director's and corporate officer's ability to perform the duties and responsibilities as specified in the Manual, which includes effective governance alignment with the Group's strategic and corporate planning activities.	
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	After proper screening, the Corporate Governance Committee approves a shortlist of candidates that are qualified to be nominated and elected as Directors and Independent Directors of the Company.	
<p>6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.</p> <p><i>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.</i></p> <p><i>Provide proof if minority shareholders have a right to nominate candidates to the board</i></p> <p><i>Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.</i></p>	Compliant	<p>The overall procedure is in compliance with the Amended Implementing Rules and Regulations of the Securities Regulation Code.</p> <p>The Company's policies on the nomination and election of Directors are disclosed and can be accessed in the Company's website.</p> <p>Links/references are as follows:</p> <p>i. Amended By Laws (2018), page 2 Article II (The Board of Directors), available at: https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>ii. Amended Manual on Corporate Governance, p. 28: Nomination of Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-</p>	

		<p>2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Guidelines for the Nomination and Election of Independent Directors, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Guidelines-for-the-Nomination-and-Election-of-Independent-Directors_.pdf</p> <p>iv. Board Corporate Governance Committee Charter, page 2: Item D. Responsibilities of Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Corporate-Governance-Committee-Charter_.pdf</p> <p>v. Definitive Information Statement (20-IS), pp.7, 17-18: Voting Securities and Principal Holders Thereof; Nomination for Independent Directors and Procedure for Nomination available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>vi. 2019 Annual Report (SEC Form 17-A), pp. 90-91 Nominations for Independent Directors, Procedure for Nomination and Other Nominees for Election as Members of the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>	
Optional: Recommendation to 2.6			
<p>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.</p>	<p>Compliant</p>	<p>Beginning 2019, the Manual allows the use of the services of professional search firms to identify potential candidates for Directors in the Company.</p> <p>The Company seeks the recommendations from its current Directors, with particular emphasis on the recommendations of its Independent Directors, and</p>	

<p><i>Identify the professional search firm used or other external sources of candidates</i></p>		<p>the professional organizations to which they belong. Based on the recommendations gathered, the Corporate Governance Committee evaluates the qualifications of the proposed candidates, and prepares a shortlist based on the list of qualifications and disqualifications for Directors. Preference is given to candidates who have expertise in the businesses the Company operates.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 18 to 19; 28: Selection of the Members of the Board of Directors and Officers and Nomination of Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Guidelines for the Nomination and Election of Independent Directors, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Guidelines-for-the-Nomination-and-Election-of-Independent-Directors_.pdf</p> <p>iii. Board Corporate Governance Committee Charter, page 2: Item D. Responsibilities of Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Corporate-Governance-Committee-Charter_.pdf</p> <p>iv. Definitive Information Statement (20-IS) pp.7,17-18: Voting Securities and Principal Holders Thereof; Nomination for Independent Directors and Procedure for Nomination available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-</p>	
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		Statement.pdf v. 2019 Annual Report (SEC Form 17-A) , pp. 90-91: Nominations for Independent Directors , Procedure for Nomination and Other Nominees for Election as Members of the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf	
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	The Board of Directors has the duty to ensure that there is a group-wide policy and system governing related parties and RPTs, particularly those which pass a certain threshold of materiality. In 2017 the Board of Directors approved the Company’s RPT Policy, and created the RPT Committee to ensure that all RPTs are (i) at arm’s length in accordance with transfer pricing (ii) fair, or are based on market practices, and (iii) inure to the best interests of the Company and its shareholders. The RPT Policy also establishes a particular level of reporting and approval process for RPTs that pass a certain threshold of materiality.	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant		
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations. <i>Provide information on or reference to a document containing the company’s policy on related party transaction, including policy on review and approval of significant RPTs</i> <i>Identify transactions that were approved pursuant to the policy.</i>	Compliant	In 2019, the Company’s RPT Policy was amended in compliance with the SEC Memorandum Circular No. 10 series of 2019. The new rule focuses and regulates only material RPTs or RPTs amounting to ten percent (10%) or higher of a company’s total assets. The new rule also specified an approval process for material RPTs and mandates publicly listed companies to notify the SEC of their RPTs that breach the threshold. The Company’s current revised RPT Policy continues to ensure that all RPTs are conducted at arms-length and at market prices, underwent the appropriate approval process, and material RPTs are reported within the period prescribed by the SEC. The RPT Committee, composed of all Independent	

		<p>Directors, deliberate on material and significant RPTs across the Group, taking into account the size, structure, risk profile and complexity of the Company's operations.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 44, Board Related Party Transactions (RPT) Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Related Party Transaction Policy, available at: https://aboitizpower.com/wp-content/uploads/AP-Related-Party-Transaction-Policy-FINAL-SEC-received.pdf</p> <p>iii. Board Related Party Transactions Committee Charter, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-RPT-Committee-Charter-finalREV.pdf</p> <p>iv. Definitive Information Statement (20-IS), p.130, Board Committees, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>v. 2019 Annual Report (SEC Form 17-A), pp.25-26; 102-103: Transactions With and/or Dependence on Related Parties and Certain Relationships and Related Transactions, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>	
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and	Compliant	In 2019, the Company's RPT Policy was amended in compliance with the SEC Memorandum Circular No.	

<p>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><i>Provide information on a materiality threshold for RPT disclosure and approval, if any.</i></p> <p><i>Provide information on RPT categories</i></p>		<p>10 series of 2019. The new rule focuses and regulates only material RPTs or RPTs amounting to ten percent (10%) or higher of a company's total assets. The new rule also specified an approval process for material RPTs and mandates publicly listed companies to notify the SEC of their RPTs that breach the threshold.</p> <p>Any RPT involving Directors or Corporate Officers, regardless of amount, require the review and approval by the Board of Directors.</p> <p>The Company is considering further revisions to its current RPT Policy in order to align it with best corporate governance practices, including having lower thresholds with specific review and approval processes.</p> <p>The CFO also ensures that all Significant and Material RPTs are reported in the quarterly and annual reports of the Company to the SEC, the Philippine Stock Exchange (PSE) and other regulatory bodies, and in the Company's Financial Statements in compliance with relevant accounting standards.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 44, Board Related Party Transactions (RPT) Committee , available at: https://abotizpower.com/wp-content/uploads/AbotizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Related Party Transaction Policy, available at: https://abotizpower.com/wp-content/uploads/AP-Related-Party-Transaction-Policy-FINAL-SEC-received.pdf</p> <p>iii. Board Related Party Transactions Committee</p>	
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<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><i>Provide information on voting system, if any.</i></p>	<p>Non-Compliant</p>		<p>The Company has adopted the statutory shareholder voter protection requirements under the Revised Corporation Code and the SEC and PSE rules. These require either supermajority vote or majority of minority vote on certain transactions. In addition, all shareholders of the Company are entitled to the exact same voting rights.</p> <p>In addition, the Board has created the RPT Committee comprised solely of its three Independent Directors. The Company’s RPT Policy also sets out clear guidelines as to the manner in which related-party transactions are presented to the RPT Committee and the transactions that require action on the part of the RPT Committee. Finally, the Company also presents all Board and Company actions (including all related-party transactions) for ratification at each annual shareholders meeting.</p>

			<p>In 2019, the Company has adopted the Revised RPT Policy in compliance with SEC Memorandum Circular No. 10 series of 2019. The new rule outlined the required reporting and approval process for material RPTs or RPTs amounting to ten percent (10%) or higher of a company's total assets, which includes the ratification by the stockholders representing 2/3 of the Company's outstanding capital stock if the majority vote of the Independent Directors were not secured.</p> <p>The Company believes that these measures, combined, provide sufficient protection to the interests of minority shareholders insofar as related-party transactions are concerned.</p> <p>Links/References are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 44: Board Related Party Transactions (RPT) Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Related Party Transactions Policy, available at: https://aboitizpower.com/wp-content/uploads/AP-Related-Party-Transaction-Policy-FINAL-SEC-received.pdf</p> <p>iii. Related Party Transactions Committee</p>
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			<p>Charter, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-RPT-Committee-Charter-finalREV.pdf</p> <p>The Rights of Shareholders are found and disclosed in the following documents:</p> <p>iv. Amended Manual on Corporate Governance, pp. 49-51, Shareholders' Benefit, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>v. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 181: Rights of Shareholders, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>
Recommendation 2.8			
<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> <p><i>Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management.</i></p> <p><i>Identify the Management team appointed.</i></p>	Compliant	<p>The Corporate Governance Committee assist the Board in the selection, performance evaluation, and senior leadership succession planning throughout the Group. The Committee evaluates the balance of skills, knowledge and experience required for the CEO and other senior leadership roles, and on this basis, identify candidates who may be suitable as potential successors to those roles, and their state of readiness to assume those responsibilities, if necessary.</p> <p>The Board of Directors appoints the Company's CEO, CRO, CCO, CFO and other senior officers at every organizational meeting following the annual stockholders meeting.</p>	

		<p>On April 22, 2019, during the Organizational Board Meeting, the Board elected/appointed the following:</p> <ul style="list-style-type: none"> • Erramon I. Aboitiz - President & Chief Executive Officer • Annacel A. Natividad - Chief Risk Officer • Joseph Trillana T. Gonzales - Compliance Officer • Saturnino E. Nicanor, Jr. - Internal Audit Head <p>Links/references are as follows:</p> <p>i. 2019 Results of the Organizational Meeting, https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-04.22.19-Results-of-Organizational-Meeting-2.pdf</p> <p>ii. Amended Manual on Corporate Governance, p. 18 to 19, Selection of the Members of the Board of Directors and Officers , available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Board Charter, p.2, Duties and Responsibilities of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p>	
<p>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).</p> <p><i>Provide information on or reference to a</i></p>	<p>Compliant</p>	<p>The Manual mandates the Board to assess annually the performance of the Board as a governing unit, the various Board Committees, the individual Directors and Committee Members, and the Corporate Officers (including the CEO, the Chief Risk and Reputation Officer, the Chief Compliance Officer, and the Internal Audit Head).</p> <p>Links/references are as follows:</p>	

<p><i>document containing the Board’s policy and responsibility for assessing the performance of management.</i></p> <p><i>Provide information on the assessment process and indicate frequency of assessment of performance.</i></p>		<p>i. Amended Manual on Corporate Governance, p. 18 to 19, Selection of the Members of the Board of Directors and Officers , available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Charter, p.2, Duties and Responsibilities of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p> <p>iii. Board Assessment Forms, available at: https://aboitizpower.com/corporate-governance/policies-and-protocols/#board-performance-assessment</p>	
Recommendation 2.9			
<p>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.</p>	Compliant	<p>The Board of Directors is responsible in ensuring that management’s and team members’ performance are within the standards set by the Board.</p> <p>The Company has a well-developed scorecard to which different business groups, business units, departments and individual’s annual plans are developed and aligned to. These plans, which are all aligned to support the Company’s mission, are presented to management every September and to the Board every November. These signed-off plans are then regularly reviewed on all levels.</p>	
<p>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.</p> <p><i>Provide information on or link/reference to a document containing the Board’s performance management framework for management and personnel.</i></p>	Compliant	<p>Individual performance is regularly reviewed twice a year. Performance incentives are given at a team and individual levels: (i) the team performance incentive is based on the committed plans of both the team and the organization (financial and agreed group initiatives), while (ii) the individual merit increase is based on the final performance score of the individual’s aligned goals.</p>	

		<p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 18-19, Selection of the Members of the Board of Directors and Officers , available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Charter, p.2, Duties and Responsibilities of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p> <p>iii. Company Website: Board Assessment Forms available at:, https://aboitizpower.com/corporate-governance/policies-and-protocols/#board-performance-assessment</p> <p>iv. Definitive Information Statement (20-IS) p. 128, Board Performance, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>v. Related Party Transactions Policy, available at: https://aboitizpower.com/wp-content/uploads/AP-Related-Party-Transaction-Policy-FINAL-SEC-received.pdf</p> <p>vi. Conflict of Interest Solutions Policy, available at: https://aboitizpower.com/wp-content/uploads/2015/07/Board-Policy-Conflict-of-Interest-Situations.pdf</p>	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	The Board Audit Committee represents the Board in discharging its oversight function to ensure the adequacy, effectiveness and efficiency of the	

		Company's internal control system, governance processes and risk management processes, and reviewing the performance of the Company's internal audit function.	
<p>2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.</p> <p><i>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</i></p>		<p>Under the Company's Revised Manual on Corporate Governance, an effective system of internal control, must include, among others a mechanism for monitoring and managing potential conflict of interest among Directors, management, team members and shareholders.</p> <p>The Company's Code of Ethics and Business Conduct clearly outline the company's policies on the conflicts of interest situations. The Board also approved a Conflict of Interest Policy and a Related Party Transaction Policy to ensure that material RPTs involving management, Directors, officers, and shareholders within a certain threshold undergo the proper review and approvals.</p> <p>Links/references are as follows:</p> <p>i. Board Charter, p.2, Duties and Responsibilities of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter_.pdf</p> <p>ii. Board Audit Committee Charter, pp 8-9, Internal Control and Audit available at: https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p> <p>iii. Amended Manual on Corporate Governance, pp. 31-32, Board Audit Committee - Purpose , available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdfvi</p>	

		<p>iv. Code of Ethics and Business Conduct, available at: https://s3-ap-southeast-1.amazonaws.com/aboitizsite-mediafiles/wp-content/uploads/2019/04/16094013/AEV-Code-of-Ethics-and-Business-Conductunc.pdf</p> <p>v. Definitive Information Statement (20-IS) p. 128: Corporate Governance - Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
<p>3. Board approves the Internal Audit Charter.</p> <p><i>Provide reference or link to the company's Internal Audit Charter</i></p>	Compliant	<p>The Board of Directors approved the Board Audit Committee Charter and the Manual on Corporate Governance (which includes guidelines on Internal Audit) in 2012 and 2017, respectively.</p> <p>See the Company's Internal Audit Charter available at: https://aboitizpower.com/wp-content/uploads/Updated-AP-Internal-Audit-Charter-Board-Audit-Committee-Signed.pdf</p>	
Recommendation 2.11			
<p>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.</p> <p><i>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.</i></p>	Compliant	<p>The Board of Directors, through the Board Risk and Reputation Management Committee, ensures that a sound Enterprise Risk Management (ERM) framework is in place to effectively identify, monitor, and manage key business risks. The committee assists the Board in defining the Company's risk appetite and overseeing the risk profile and performance against the defined risk appetite. The committee is also responsible for overseeing the identification, measurement, monitoring and controlling the Company's principal business risks. The Group's risk profile and risk management strategies are annually reviewed and assessed every November.</p>	
<p>2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures,</p>	Compliant	<p>Links/references are as follows:</p>	

<p>as well as the effectiveness of risk management strategies.</p> <p>Provide proof of effectiveness of risk management strategies, if any.</p>		<p>i. Amended Manual on Corporate Governance, pp. 31-32; 40 to 44, Board Audit Committee - Purpose and Board Risk & Reputation Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Charter, p.2, Duties and Responsibilities of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p> <p>iii. Board Audit Committee Charter, p. 8-9, Internal Control and Audit available at: https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p> <p>iv. Board Risk & Reputation Committee Charter available at: https://aboitizpower.com/wp-content/uploads/AP-Board-Risk-and-Reputation-Management-Committee-Charter-11.21.17.pdf</p> <p>v. Definitive Information Statement (20-IS) p. 128, Corporate Governance - Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>vi. Aboitiz 2019 Integrated Annual and Sustainability Report, pp. 147, Risk Management, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
Recommendation 2.12			
<p>1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in</p>	<p>Compliant</p>	<p>The Company has a Board Charter that articulates the duties of the Board, the processes and protocols that must be followed in the conduct of the board</p>	

<p>carrying out its fiduciary role.</p> <p><i>Provide link to the company's website where the Board Charter is disclosed.</i></p>		<p>meetings and the performance of their duties and responsibilities.</p> <p>A copy of the Board Charter is publicly available at the Company's website at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p>	
<p>2. Board Charter serves as a guide to the directors in the performance of their functions.</p>	Compliant		
<p>3. Board Charter is publicly available and posted on the company's website.</p>	Compliant		
Additional Recommendation to Principle 2			
<p>1. Board has a clear insider trading policy.</p> <p><i>Provide information on or link/reference to a document showing company's insider trading policy.</i></p>	Compliant	<p>The Company's General Trading Policy prohibits every member of the Company's organization, from any misuse of insider information. All team members of the Company are mandated to exercise prudence in handling material non-public information in the course of their work and in relation to the trading or dealing with AEV securities. The Company strictly enforces its trading blackout and insider trading policy to curtail opportunistic dealings in the Company's shares. Any violations are required to be reported to the Board Corporate Governance Committee.</p> <p>Links/references are as follows:</p> <p>i. General Trading Policy, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-General-Trading-Policy .pdf</p> <p>ii. Code of Ethics and Business Conduct, page 3: Item 9. Commitment to the Group: Advance and Protect</p>	

		<p>the Company's Interest, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p> <p>iii. Amended Manual on Corporate Governance, page 22: Item 15. Policy on Trading of Company Securities, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iv. Company's Website – Governance Practices (Insider Trading Prohibition), available at: https://aboitizpower.com/corporate-governance/governance-practices/#disclosure-and-transparency</p>	
Optional: Principle 2			
<p>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.</p> <p><i>Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.</i></p>	Compliant	<p>The Company's Code of Ethics considers receiving a personal loan or guarantee of an obligation other than those enjoyed as Company benefit as a conflict of Interest situation, and therefore, must be avoided.</p> <p>See the Company's Code of Ethics and Business Conduct, page 5: E. Conflicts of Interest, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p>	
<p>2. Company discloses the types of decision requiring board of directors' approval.</p> <p><i>Indicate the types of decision requiring board of directors' approval and where there are disclosed.</i></p>	Compliant	<p>The Company's By-Laws, Manual on Corporate Governance, Board Charters, and various committee charters identify actions requiring the Board's approval.</p> <p>The resolutions approved by the Board of Directors in every board meeting are reported in the Company's Definitive Information Statement. The Company's Compliance Team is also very diligent in ensuring that all material transactions approved by the Board of Directors are disclosed within the periods required</p>	

		<p>and in compliance with the Securities Regulation Code (SRC), PSE Disclosure Rules, and other applicable rules.</p> <p>Links/references are as follows:</p> <p>i. List of 2019 Disclosures, uploaded in the Company website at: https://aboitizpower.com/investor-relations/disclosures/</p> <p>ii. Definitive Information Statement (20-IS), pp. 33-34: Item 16. Matters Not Required to be Submitted available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. 2019 Annual Report (SEC Form 17-A), on Reports on SEC Form 17-C (Part V – Exhibits and Schedules) pp.103-105, Item 14. at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iv. Board Charter - https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p> <p>v. Amended Manual on Corporate Governance, pp. 48-49: Reportorial or Disclosure System of the Company’s Corporate Policies, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
<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.</p>			
<p>Recommendation 3.1</p>			
<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles</p>	<p>Compliant</p>	<p>The Company’s Board Committees consist of the following: Board Audit Committee, Board Risk and Reputation Management Committee, Board Corporate</p>	

<p>and responsibilities.</p> <p><i>Provide information or link/reference to a document containing information on all the board committees established by the company.</i></p>		<p>Governance Committee, Board Related Party Transactions Committee, and the Board Executive Committee which was constituted on May 21, 2018.</p> <p>The composition, functions, and powers of the Board Committees are found in the Company's Manual and the various committee charters duly approved by the Company's Board of Directors. The current composition, including the charters of the various committees, are available in the Company's website.</p> <p>Links/references are as follows:</p> <p>i. Results of the Organizational Meeting, available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-05.21.18-Results-of-Organizational-Meeting-AMENDED.pdf</p> <p>ii. Company Website: Board & Committee Charters available for download at: https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iii. Amended Manual on Corporate Governance, pp. 24-40, Board Committees, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iv. Definitive Information Statement (20-IS), pp. 129-130: Board Committees, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>v. Company Website: Governance Practices (Board Committees), available at: https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p>	
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		governance/governance-practices/#aboitizpower-governance-framework	
Recommendation 3.2			
<p>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.</p> <p><i>Provide information or link/reference to a document containing information on the Audit Committee, including its functions.</i></p> <p><i>Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.</i></p>	Compliant	<p>The Company's Board Audit Committee assists the Board in fulfilling its tasks of: (a) Ensuring the integrity of the Company's financial reporting processes, including ensuring the integrity of financial reports and other financial information provided by the Company to the public, governmental and/or regulatory bodies; (b) Ensuring the adequacy, effectiveness and efficiency of the Company's internal control system, governance processes and risk management processes and reviewing the performance on the Company's internal audit function; (c) Reviewing the annual independent audit of the Company's financial statements and the external auditors' qualifications and independence; (d) Ensuring compliance with applicable laws and regulations which may represent material financial exposure to the Company; and (e) Providing an avenue of communication among the Company</p> <p>The Audit Committee has the responsibility to select, evaluate, review of the performance, scope of work and fees of the external auditor, and where appropriate, recommend the re-appointment or replacement of the current external auditor.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 31-40, Board Audit Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Audit Committee Charter available for download at:</p>	

		<p>https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iii. Company Website: Governance Practices (Board Committees), available at: https://aboitizpower.com/corporate-governance/governance-practices/#aboitizpower-governance-framework</p> <p>iv. Definitive Information Statement (20-IS), pp.129-130: Board Committees available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</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> <p><i>Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.</i></p>	<p>Compliant</p>	<p>The Board Audit Committee is composed of the following members, as of December 31, 2019:</p> <table border="1" data-bbox="981 691 1565 930"> <tr> <td>Carlos C. Ejercito</td> <td>Committee Chairman, Independent Director</td> </tr> <tr> <td>Romeo L. Bernardo</td> <td>Lead Independent Director</td> </tr> <tr> <td>Eric Ramon O. Recto</td> <td>Independent Director</td> </tr> <tr> <td>Mikel A. Aboitiz</td> <td>Non-Executive Director</td> </tr> <tr> <td>Enrique M. Aboitiz</td> <td>Non-Executive Director</td> </tr> </table> <p>The Chairman of the Board Audit Committee is Mr. Carlos C. Ejercito who is an Independent Director.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 31-40, Board Audit Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Company Website: Board Audit Committee and Charter available for download at:</p>	Carlos C. Ejercito	Committee Chairman, Independent Director	Romeo L. Bernardo	Lead Independent Director	Eric Ramon O. Recto	Independent Director	Mikel A. Aboitiz	Non-Executive Director	Enrique M. Aboitiz	Non-Executive Director	
Carlos C. Ejercito	Committee Chairman, Independent Director												
Romeo L. Bernardo	Lead Independent Director												
Eric Ramon O. Recto	Independent Director												
Mikel A. Aboitiz	Non-Executive Director												
Enrique M. Aboitiz	Non-Executive Director												

		<p>https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iii. Aboitiz 2019 Integrated Annual and Sustainability Report, pp.231-233, The Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>iii. Definitive Information Statement (20-IS), pp.129-130: Board Committees, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p> <p><i>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.</i></p>	<p>Compliant</p>	<p>The members of the Board Audit Committee are well experienced in the areas of accounting, audit and finance. Their full profiles are available in the Definitive Information Statement and in the Company's website.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement (20-IS), pp.11-17 , Item 5.: Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. Company Website: Board Audit Committee and Charter available for download at: https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iii. Company Website: Profile of the Board of Directors available at: https://aboitizpower.com/corporate-governance/governance-team/#board-of-directors</p>	

		<p>iv. Amended Manual on Corporate Governance - Board Audit Committee, p. 31, Item 2 Composition, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
<p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.</p> <p><i>Provide information or link/reference to a document containing information on the Chairman of the Audit Committee</i></p>	<p>Compliant</p>	<p>Mr. Carlos C. Ejercito, the Chairman of the Board Audit Committee, is an Independent Director, and is not the Chairman of the Board of Directors, or any other board committee.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement (20-IS), p.146: The Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. Company Website: Profile of the Board of Directors available at: https://aboitizpower.com/wp-content/uploads/AP-Profiles-Directors-and-Officers-for-2019.pdf</p>	
Supplement to Recommendation 3.2			
<p>1. Audit Committee approves all non-audit services conducted by the external auditor.</p> <p><i>Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor.</i></p>	<p>Compliant</p>	<p>The Board Audit Committee elects, monitors and reviews the independence, performance and effectiveness, scope of work, fees and remuneration of the Company's external auditors. In addition, the Audit Committee reviews periodically the non-audit fees paid to the external auditor visa-vis its total annual income and the Company's total consultancy expenses.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information (20-IS), p. 126: Information on Independent Accountant and Other Related Matters, available at: https://aboitizpower.com/wp-</p>	

		<p>content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. 2019 Annual Report (SEC Form 17-A), pp.84-85 : External Audit Fees and Services, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iii. Board Audit Committee Charter available at: https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p>	
<p>2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.</p> <p><i>Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.</i></p>	<p>Compliant</p>	<p>The Board Audit Committee which is composed of Independent Directors, Non-Executive Directors regularly conduct dialogues with the External Auditors without anyone from management attending the meeting. The External Auditors directly report the results of their review to the Board Audit Committee as documented by both the agenda and minutes of quarterly Board Audit Committee meetings.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, pp.231-233, The Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. Definitive Information Statement (20-IS), p. 146: The Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Board Audit Committee Charter available at: https://aboitizpower.com/wp-</p>	

		content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf	
Optional: Recommendation 3.2			
<p>1. Audit Committee meet at least four times during the year.</p> <p><i>Indicate the number of Audit Committee meetings during the year and provide proof</i></p>	Compliant	<p>The Board Audit Committee Charter provided for the committee to hold at least four regular meetings a year, with the authority to convene special meetings, when deemed required. It also holds an annual joint meeting with the Board Risk and Reputation Committee. In 2019, five meetings were held: February 26, April 30, July 23, October 29 and November 19, 2019.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, pp .231-233, The Board Audit Committee Report to the Board of Directors, available at: https://abotizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. Definitive Information Statement (20-IS), pp.146: The Board Audit Committee Report to the Board of Directors, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Board Audit Committee Charter, p.2: Frequency of Meetings, available at: https://abotizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p> <p>iv. Amended Manual on Corporate Governance, pp. 31-40, Board Audit Committee, available at: https://abotizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
2. Audit Committee approves the	Compliant	The Internal Audit Head directly reports to the Board	

<p>appointment and removal of the internal auditor.</p> <p><i>Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.</i></p>		<p>Audit Committee. The Board Audit Committee evaluates, assesses and recommends the re-appointment or replacement of internal auditor to the Board of Directors.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, pp.231-233, The Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. Definitive Information Statement (20-IS), pp.146-147: The Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Board Audit Committee Charter, available at https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p> <p>iv. Amended Manual on Corporate Governance, pp. 31-40, Board Audit Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
Recommendation 3.3			
<p>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</p>	<p>Compliant</p>	<p>In 2014, the Board established the Board Corporate Governance Committee, which took over the functions of the Board Nominations and Compensation Committee.</p> <p>The Corporate Governance Committee is tasked to</p>	

<p>Remuneration Committee.</p> <p><i>Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions</i></p> <p><i>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.</i></p>		<p>develop and recommend to the Board a set of corporate governance principles, including independence standards, governance guidelines applicable to the selection, contribution and conduct of Board members, ensuring that appropriate senior leadership succession planning is in place throughout the Group. The Committee ensures that the Directors nominated and elected have the necessary skill set to steer the Company in the right direction.</p> <p>Links/references are as follows:</p> <p>i. Board Corporate Governance Committee Charter, available at https://aboitizpower.com/wpcontent/uploads/AboitizPower-Board-CorporateGovernance-Committee-Charter .pdf</p> <p>ii. Definitive Information (20-IS), pp.129-130 , Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Company Website, available at: https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iv. Amended Manual on Corporate Governance, p. 24, Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>v. Company's Website – Governance Practices (Board Committees), available at: https://aboitizpower.com/corporate-governance/governance-practices/#aboitizpower-</p>	
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<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p> <p><i>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.</i></p>	<p>Compliant</p>	<p>governance-framework</p> <p>The Corporate Governance Committee is composed of the following members, as of December 31, 2019:</p> <table border="1" data-bbox="981 268 1565 759"> <tr> <td>Romeo L. Bernardo</td> <td>Committee Chairman – Lead Independent Director</td> </tr> <tr> <td>Carlos C. Ejercito</td> <td>Independent Director</td> </tr> <tr> <td>Eric Ramon O. Recto</td> <td>Independent Director</td> </tr> <tr> <td>Erramon I. Aboitiz</td> <td>Non-Executive Director</td> </tr> <tr> <td>Mikel A. Aboitiz</td> <td>Non-Executive Director</td> </tr> <tr> <td>Susan V. Valdez</td> <td>Ex-Officio – Chief Human Resources Officer</td> </tr> <tr> <td>Joseph Trillana T. Gonzales</td> <td>Ex-Officio - Compliance Officer</td> </tr> </table> <p>Links/references are as follows:</p> <p>i. Board Corporate Governance Committee Charter available at: https://aboitizpower.com/wpcontent/uploads/AboitizPower-Board-CorporateGovernance-Committee-Charter .pdf</p> <p>ii. Definitive Information (20-IS), pp.129-130 , Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Company Website, https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p>	Romeo L. Bernardo	Committee Chairman – Lead Independent Director	Carlos C. Ejercito	Independent Director	Eric Ramon O. Recto	Independent Director	Erramon I. Aboitiz	Non-Executive Director	Mikel A. Aboitiz	Non-Executive Director	Susan V. Valdez	Ex-Officio – Chief Human Resources Officer	Joseph Trillana T. Gonzales	Ex-Officio - Compliance Officer	
Romeo L. Bernardo	Committee Chairman – Lead Independent Director																
Carlos C. Ejercito	Independent Director																
Eric Ramon O. Recto	Independent Director																
Erramon I. Aboitiz	Non-Executive Director																
Mikel A. Aboitiz	Non-Executive Director																
Susan V. Valdez	Ex-Officio – Chief Human Resources Officer																
Joseph Trillana T. Gonzales	Ex-Officio - Compliance Officer																

		<p>iv. Amended Manual on Corporate Governance, p. 24, Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
<p>3. Chairman of the Corporate Governance Committee is an independent director.</p> <p><i>Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.</i></p>	<p>Compliant</p>	<p>Mr. Romeo L. Bernardo, the Lead Independent Director was appointed as the Chairman of the Board Corporate Governance Committee since December 11, 2018 and re-appointed on April 22, 2019.</p> <p>Links/references are as follows:</p> <p>i. Company Disclosure on the appointment of Mr. Romeo L. Bernardo, available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-04.22.19-Results-of-Organizational-Meeting-2.pdf</p> <p>ii. Board Corporate Governance Committee Charter available at: https://aboitizpower.com/wpcontent/uploads/AboitizPower-Board-CorporateGovernance-Committee-Charter .pdf</p> <p>iii. Definitive Information Statement (20-IS), pp.129-130, Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iv. Company Website, https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p> <p>v. Amended Manual on Corporate Governance, p. 24, Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-</p>	

Optional: Recommendation 3.3.

<p>1. Corporate Governance Committee meet at least twice during the year.</p> <p><i>Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.</i></p>	<p>Compliant</p>	<p>In 2019, the Board Corporate Governance Committee Members met two times: February 18, and November 19, 2019.</p> <p>Links/references are as follows:</p> <p>i. Board Corporate Governance Committee Charter, pp. 2-3, Meetings of the Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Corporate-Governance-Committee-Charter .pdf</p> <p>ii. Company Website: Attendance at Board & Committee Meetings, available at: https://aboitizpower.com/corporate-governance/governance-practices/attendance-at-board-and-board-committee-meetings/</p> <p>iii. Definitive Information Statement (20-IS), p.129, Board’s Participation, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
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Recommendation 3.4

<p>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.</p> <p><i>Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC),</i></p>	<p>Compliant</p>	<p>The Board Risk and Reputation Management Committee is responsible for overseeing the Company’s Enterprise Risk Management system to identify, measure, monitor, and manage the Company’s principal business and reputation risks.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 40-44, Board Risk and Reputation Committee, available at: https://aboitizpower.com/wp-</p>	
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<p><i>including its functions</i></p>		<p>content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Risk and Reputation Committee Charter, available at: https://aboitizpower.com/wp-content/uploads/AP-Board-Risk-and-Reputation-Management-Committee-Charter-11.21.17.pdf</p> <p>iii. Company Website, available at: https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iv. Definitive Information Statement (20-IS), pp.129-130, Board Committees, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>																	
<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p> <p><i>Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship</i></p>	<p>Non-Compliant</p>		<p>The members of the Risk and Reputation Management Committee is composed of the following, as of December 31, 2019:</p> <table border="1" data-bbox="1599 823 2069 1391"> <tr> <td>Enrique M. Aboitiz</td> <td>Committee Chairman, Non-Executive Director</td> </tr> <tr> <td>Romeo L. Bernardo</td> <td>Lead Independent Director</td> </tr> <tr> <td>Carlos C. Ejercito</td> <td>Independent Director</td> </tr> <tr> <td>Eric Ramon O Recto</td> <td>Independent Director</td> </tr> <tr> <td>Jaime Jose Y. Aboitiz</td> <td>Executive Director</td> </tr> <tr> <td>Emmanuel V. Rubio</td> <td>Executive Director</td> </tr> <tr> <td>Marnie F. Manalac</td> <td>Ex-Officio Officer</td> </tr> <tr> <td>Liza Luv T. Montelibano</td> <td>Ex-Officio – Chief Financial Officer</td> </tr> </table>	Enrique M. Aboitiz	Committee Chairman, Non-Executive Director	Romeo L. Bernardo	Lead Independent Director	Carlos C. Ejercito	Independent Director	Eric Ramon O Recto	Independent Director	Jaime Jose Y. Aboitiz	Executive Director	Emmanuel V. Rubio	Executive Director	Marnie F. Manalac	Ex-Officio Officer	Liza Luv T. Montelibano	Ex-Officio – Chief Financial Officer
Enrique M. Aboitiz	Committee Chairman, Non-Executive Director																		
Romeo L. Bernardo	Lead Independent Director																		
Carlos C. Ejercito	Independent Director																		
Eric Ramon O Recto	Independent Director																		
Jaime Jose Y. Aboitiz	Executive Director																		
Emmanuel V. Rubio	Executive Director																		
Marnie F. Manalac	Ex-Officio Officer																		
Liza Luv T. Montelibano	Ex-Officio – Chief Financial Officer																		

			<p>The Chairman of the Company’s Risk and Reputation Management Committee is a Non-Executive Director. The Company believes that including the Non-Executive Directors and an executive director to the Committee, allows it to have a more holistic view of the Company’s risk profile, as well as of the risks facing the businesses in which it operates. The composition of the Committee also enables it to take into consideration the perspective of senior management as it oversees the identification, measurement, monitoring and controlling of the Company’s principal business risks. After his retirement on December 31, 2019, Mr. Erramon I. Aboitiz became a Non-Executive Director, leaving only on Executive Director member, Mr. Emmanuel V. Rubio, who is the Company’s President and Chief Executive Officer.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 40-44, Board Risk and Reputation Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Risk and Reputation Committee Charter, available at: https://aboitizpower.com/wp-content/uploads/AP-Board-Risk-and-Reputation-Management-Committee-Charter-11.21.17.pdf</p>
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			iii. Company Website , available at: https://aboitizpower.com/corporate-governance/governance-team/#board-committees
<p>3. The Chairman of the BROCC is not the Chairman of the Board or of any other committee.</p> <p><i>Provide information or link/reference to a document containing information on the Chairman of the BROCC</i></p>	Compliant	<p>Mr. Enrique M. Aboitiz is the Chairman of the BROCC and he is not the Chairman of the Board or a Chairman of any other committee.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 40-44, Board Risk and Reputation Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Risk and Reputation Committee Charter, available at: https://aboitizpower.com/wp-content/uploads/AP-Board-Risk-and-Reputation-Management-Committee-Charter-11.21.17.pdf</p> <p>iii. Company Website, available at: https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p>	
<p>4. At least one member of the BROCC has relevant thorough knowledge and experience on risk and risk management.</p> <p><i>Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROCC.</i></p>	Compliant	<p>All the members of the Board Risk and Reputation Management Committee has relevant experience on risk & risk management. In addition, risk management has always been part of the topics of the Aboitiz Group's in-house corporate governance seminar attended by Directors and Corporate Officers of the Aboitiz Group.</p> <p>For 2019, particular topics of the Aboitiz Group's in-house corporate governance seminar include: 1) Winning in a World of Digital Dragons; (2) ESG and Sustainability: Trends, (3) Issues and Complexity in the ASEAN; and (4) Data Privacy in a Changing World. This</p>	

		<p>seminar was duly accredited by the SEC in compliance with SEC Memorandum Circular No. 19, Series of 2016.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 40-44, Board Risk and Reputation Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Risk and Reputation Committee Charter, available at: https://aboitizpower.com/wp-content/uploads/AP-Board-Risk-and-Reputation-Management-Committee-Charter-11.21.17.pdf</p> <p>iii. Company Website, available at: https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iv. Definitive Information Statement (20-IS), pp.12-18 , item 5, Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>v. Annual Corporate Governance Seminar, available at: https://aboitizpower.com/corporate-governance/governance-practices/#annual-corporate-governance-seminar</p>	
Recommendation 3.5			
<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	<p>Compliant</p>	<p>The Company has an existing Board Related Party Transactions Committee tasked to monitor and review all material related party transactions of the Company.</p>	

<p><i>Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.</i></p>		<p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 44, Board Related Party Transactions Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Related Party Transactions Committee Charter, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-RPT-Committee-Charter-finalREV.pdf</p> <p>iii. Company Website, Board Committees available at: https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iv. Definitive Information Statement (20-IS), p. 129-130, Board Committees, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>							
<p>2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.</p> <p><i>Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.</i></p>	<p>Compliant</p>	<p>The Board Related Party Transactions Committee is composed of three Independent Directors, including the Chairman of the Committee. The members of the RPT Committee as of December 31, 2019 are:</p> <table border="1" data-bbox="981 1018 1554 1187"> <tr> <td>Eric Ramon O. Recto</td> <td>Committee Chairman - Independent Director</td> </tr> <tr> <td>Carlos C. Ejercito</td> <td>Independent Director</td> </tr> <tr> <td>Romeo L. Bernardo</td> <td>Lead Independent Director</td> </tr> </table> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 44, Board Related Party Transactions Committee, available at: https://aboitizpower.com/wp-</p>	Eric Ramon O. Recto	Committee Chairman - Independent Director	Carlos C. Ejercito	Independent Director	Romeo L. Bernardo	Lead Independent Director	
Eric Ramon O. Recto	Committee Chairman - Independent Director								
Carlos C. Ejercito	Independent Director								
Romeo L. Bernardo	Lead Independent Director								

		<p>content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Related Party Transactions Charter, available at: https://abotizpower.com/wp-content/uploads/AboitizPower-Board-RPT-Committee-Charter-finalREV.pdf</p> <p>iii. Company Website, available at: https://abotizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iv. Definitive Information Statement (20-IS), p. 129-130, Board Committees, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
Recommendation 3.6			
<p>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.</p> <p><i>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.</i></p>	Compliant	<p>The Company has five Committee Charters for each of its Committees duly approved by the Board, namely: Board Corporate Governance Committee, Board Audit Committee, Board Risk & Reputation Committee, Board Related Party Transaction Committee and the Board Executive Committee which was approved by the Board of Directors on May 21, 2018. The Company's Committee Charters were made available in the Company's website.</p> <p>The full list of committee members are made available at: https://abotizpower.com/corporate-governance/governance-team/#board-committees</p> <p>Links/references are as follows:</p>	
<p>2. Committee Charters provide standards for evaluating the performance of the Committees.</p>	Compliant	<p>i. Board Corporate Governance Committee Charter https://abotizpower.com/wp-content/uploads/AboitizPower-Board-Corporate-</p>	

		Governance-Committee-Charter .pdf	
<p>3. Committee Charters were fully disclosed on the company's website.</p> <p><i>Provide link to company's website where the Committee Charters are disclosed.</i></p>	Compliant	<p>ii. Board Audit Committee Charter - https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p> <p>iii. Board Risk & Reputation Committee Charter - https://aboitizpower.com/wp-content/uploads/APBoard-Risk-and-Reputation-ManagementCommittee-Charter-11.21.17.pdf</p> <p>iv. Board Related Party Transaction Committee Charter, available at: https://aboitizpower.com/wpcontent/uploads/AboitizPower-Board-RPTCommittee-Charter-finalREV.pdf</p> <p>v. Board Executive Committee Charter - https://aboitizpower.com/wp-content/uploads/ABOITIZPOWER-EXECUTIVE-COMMITTEE-CHARTER.pdf</p> <p>vi. Company Website, Board Assessment Forms, https://aboitizpower.com/corporate-governance/policies-and-protocols/#board-performance-assessment</p> <p>vi. Company Website: Governance Practices (Board Committees), available at: https://aboitizpower.com/corporate-governance/governance-practices/aboitizpower-governance-framework/</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			
1. The Directors attend and actively participate in all meetings of the Board,	Compliant	The Company's Manual mandates each director to devote time and attention necessary to properly	

<p>Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.</p> <p><i>Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings.</i></p> <p><i>Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.</i></p>		<p>discharge his duties and responsibilities.</p> <p>To this end, Directors attend and actively participate in Board and Committee meetings whether the meeting is via tele or video conference, or the Directors are physically present during the meeting. The Company provides different secured online platforms to ensure attendance and active participation for all Directors.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 10-14 Duties and Responsibilities of a Director, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, p.176: 2019 Attendance at Board and Board Committee Meetings, p available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>iii. 2019 ASM Minutes, available at: https://aboitizpower.com/wp-content/uploads/AP-Minutes-2019-04.22.19-Annual-Stockholders-Meeting.pdf</p> <p>iv. Definitive Information Statement (20-IS) page 128: Board's Participation, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
<p>2. The directors review meeting materials for all Board and Committee meetings.</p>	<p>Compliant</p>	<p>The Company's Manual mandates each director to devote time and attention necessary to properly discharge his duties and responsibilities.</p>	

		<p>Directors attend and actively participate in Board and Committee meetings, review meeting materials and ask questions or seek explanation. Materials for the board meeting are uploaded to the Diligent Boardbooks at least five days before the meeting.</p> <p>See response in Recommendation 1.5.</p> <p>Links/references are as follows:</p> <p>i. Board Charter, p. 7, Board Meetings, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter_.pdf</p> <p>ii. Amended Manual on Corporate Governance, pp 10-14. Duties and Responsibilities of a Director available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. See sample e-mail to the Board of Directors notifying them that the materials for the 2019 Regular Board Meeting have been uploaded to the Boardbooks. (Annex "A")</p>	
<p>3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p> <p><i>Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors</i></p>	<p>Compliant</p>	<p>The Company's Directors are expected to be constantly aware of and knowledgeable with the Company's operations to enable him to meaningfully contribute to the Board's work. He is likewise expected to attend and actively participate in Board and Committee meetings, review meeting materials and, if called for, ask questions or seek explanation.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 10-14 Duties and Responsibilities of a Director, available at: https://aboitizpower.com/wp-</p>	

		<p>content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Charter, p. 3: Duties and Responsibilities of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p>	
Recommendation 4.2			
<p>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.</p> <p><i>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</i></p> <p><i>Provide information or reference to a document containing information on the directorships of the company’s directors in both listed and non-listed companies</i></p>	<p>Compliant</p>	<p>The Company’s Manual limits the directorships of its members, taking into account the ability of the Directors to diligently and effectively perform their duties and responsibilities and the nature and kind of corporations they may be Directors of, regardless of the number of directorships they may be holding.</p> <p>Moreover, the Company’s Manual mandates the CEO and other Executive Directors to submit themselves to a low active limit on membership in other corporate boards. The same low limit shall apply to Independent, Non-Executive Directors who serve as full-time executives in other corporations. In any case, the capacity of Directors to serve with diligence shall not be compromised.</p> <p>In 2019, the Non-Executive Directors of the Company did not serve in more than five boards of listed companies outside the Aboitiz Group.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 19-20, Guidelines in the Number of Directorships, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Definitive Information Statement (20-IS), pp.12-18: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-</p>	

		<p>SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Definitive Information Statement (20-IS), pp. 138-141, Certification of Independent Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iv. Company Website, Profiles of the Directors, available at: https://aboitizpower.com/corporate-governance/governance-reports-and-scorecards/#board-of-directors</p>	
Recommendation 4.3			
<p>1. The directors notify the company's board before accepting a directorship in another company.</p> <p><i>Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.</i></p>	Compliant	<p>The Company's Manual, particularly on the Guidelines on the Number of Directorships, requires every Board member to disclose his directorships in other companies and notify the Board prior to his acceptance of any directorship outside the Aboitiz Group during his/her term.</p> <p>Links/references are as follows:</p> <p>Amended Manual on Corporate Governance, pp. 19-20, Guidelines in the Number of Directorships, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
Optional: Principle 4			
<p>1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.</p>	Compliant	<p>Executive Directors of the Company do not serve in more than two boards of listed companies outside the Aboitiz Group. The profiles of the Directors indicate all their directorship positions within and outside the Group are found in the Definitive Information Statement.</p> <p>Links/references are as follows:</p>	

		<p>i. Definitive Information Statement (20-IS), pp.12-18: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. Amended Manual on Corporate Governance, pp. 19-20, Guidelines in the Number of Directorships, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
<p>2. Company schedules board of directors' meetings before the start of the financial year.</p>	Compliant	<p>The schedule of board meetings for the succeeding year is prepared before the end of the year, presented during the last board meeting for the year, and once confirmed, disseminated to the Board of Directors via email, calendar invites, and through Diligent BoardBooks.</p> <p>See:</p> <p>Amended Manual on Corporate Governance, pp. 19-20, Guidelines in the Number of Directorships, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
<p>3. Board of directors meet at least six times during the year.</p> <p><i>Indicate the number of board meetings during the year and provide proof</i></p>	Compliant	<p>In 2019, the board of Directors met for six times four regular board meetings; one special board meetings; and one organizational after the annual stockholders' meeting.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 6-10, Duties and Functions of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	

		<p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, Attendance at Board and Board Committee Meetings, p.176, available at: https://abotizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>iii. Definitive Information Statement) p. 129: Board’s Participation available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iv. Company Website: Attendance at Board & Board Committee Meetings, available at: https://abotizpower.com/corporate-governance/governance-practices/attendance-at-board-and-board-committee-meetings/</p>	
<p>4. Company requires as minimum quorum of at least 2/3 for board decisions.</p> <p><i>Indicate the required minimum quorum for board decisions</i></p>	<p>Compliant</p>	<p>In accordance with Section 4 Article 1 of the Company’s By-laws, a majority of the members of the Board shall constitute a quorum and majority vote of the Directors is required to approve board decisions unless a higher voting percentage is required by law.</p> <p>However, as a matter of practice, decisions of the Company’s Board are always made with the consensus or vote all of the Company’s Independent Directors and such number of other Directors that result in at least a 2/3 or a unanimous vote of all Directors.</p> <p>Links/references are as follows:</p> <p>i. Amended By Laws (2018) , p.1: Section 4: Quorum, available at: https://abotizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>ii. Board Charter – p. 7 Board Meetings</p>	

		<p>https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter_.pdf</p> <p>iii. Amended Manual on Corporate Governance, p. 21, Board Meetings and Quorum Requirement, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
<p>Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs</p>			
<p>Recommendation 5.1</p>			
<p>1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.</p> <p><i>Provide information or link/reference to a document containing information on the number of independent directors in the board</i></p>	<p>Compliant</p>	<p>The Company has three Independent Directors, namely: Romeo L. Bernardo, Carlos C. Ejercito, and Eric Ramon O. Recto.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, p.168: Board Composition, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. Definitive Information Statement (20-IS), pp.12-18: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Amended Manual on Corporate Governance, pp. 14-16, Qualifications of Members of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iv. Company Website, Board of Directors, available at: https://aboitizpower.com/corporate-governance/governance-reports-and-</p>	

		scorecards/#board-of-directors	
Recommendation 5.2			
<p>1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p> <p><i>Provide information or link/reference to a document containing information on the qualifications of the independent directors.</i></p>	Compliant	<p>An Independent Director, as a general rule, possess a general understanding of the business of the Company. He should possess, as much as practicable, the qualifications and stature that would enable him to effectively and objectively participate in the deliberations of the Board.</p> <p>Pursuant to this, the Governance and Compliance Team maintains and applies a checklist of all the qualifications required by the Company’s Manual of Corporate Governance, Amended By Laws, Securities Regulation Code, and applicable laws. All the three Independent Directors have met the requirements.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information (20-IS), pp.12-18: Item 5. Directors and Executive Officers and pp.138-141, Certification of Independent Directors available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. Amended Manual on Corporate Governance, pp. 14-16, Qualifications of Members of the Board, available at: https://abotizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
Supplement to Recommendation 5.2			
<p>1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors’ ability to vote independently.</p>	Compliant	<p>The Company has no shareholder agreements, bylaws provisions, or other arrangements that constrain the Directors’ ability to vote independently.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp.</p>	

<p><i>Provide link/reference to a document containing information that directors are not constrained to vote independently.</i></p>		<p>10-14, Duties and Responsibilities of a Director, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Amended By-Laws (2018), p. 3, Article II Section 6: Powers of the Board, available at: https://aboitizpower.com/wpcontent/uploads/2015/05/Company-By-Laws.pdf</p>	
Recommendation 5.3			
<p>1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).</p> <p><i>Provide information or link/reference to a document showing the years IDs have served as such.</i></p>	<p>Compliant</p>	<p>The Company complies with the requirements of SEC Memorandum Circular No. 4, Series of 2017 prescribing term limits for Independent Directors. As a rule, Independent Directors may serve for a maximum of nine consecutive years, starting from 2012.</p> <p>As of December 31, 2019, no Independent Director has served for more than nine years (reckoned from 2012).</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 18-19, Selection of the Members of the Board of Directors and Officers, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Amended By Laws (2018), p. 3: Article II Section 2. Independent Directors, available at: https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>iii. Definitive Information Statement, pp.12-18: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-</p>	

		SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf	
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p> <p><i>Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director</i></p>	<p>Compliant</p>	<p>The Company does not believe it should establish term limits, except for Independent Directors where the Company complies with the requirements of SEC Memorandum Circular No. 4, Series of 2017 prescribing term limits for Independent Directors. As a rule, Independent Directors may serve for a maximum of nine consecutive years, starting from 2012.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 18-19, Selection of the Members of the Board of Directors and Officers, available at: https://abotizpower.com/wp-content/uploads/AbotizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Amended By Laws (2018), p. 3: Article II Section 2. Independent Directors, available at: https://abotizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>iii. Definitive Information Statement (20-IS), pp.12-18: Item 5. Directors and Executive Officers available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
<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.</p>	<p>Compliant</p>	<p>None of the Company's Independent Directors has exceed the nine-year term, however, if the Company wants to retain an Independent Director who has served for nine consecutive years, the Board shall provide meritorious justifications and advise the shareholders of such justifications during the Annual Shareholders' Meeting.</p>	

<p><i>Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.</i></p>		<p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 18-19, Selection of the Members of the Board of Directors and Officers, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Amended By Laws (2018), p. 3: Article II Section 2. Independent Directors, available at: https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>iii. Definitive Information (20-IS) pp.12-18: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
Recommendation 5.4			
<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p> <p><i>Identify the company's Chairman of the Board and Chief Executive Officer</i></p>	Compliant	<p>In 2019, Mr. Mikel A. Aboitiz is the Company's Chairman of the Board of Directors, while Mr. Erramon I. Aboitiz is the Company's Chief Executive Officer.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement (20-IS), pp.12-18: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. Amended Manual on Corporate Governance, p. 6, The Chairman and Chief Executive Officer (CEO), available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-</p>	

		<p>2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Amended By Laws (2018), p. 5: Article III Section 3 (Chairman) and Section 5 (Chief Executive Officer), available at: https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>iv. Company Website, Board of Directors available at: https://aboitizpower.com/corporate-governance/governance-reports-and-scorecards/#board-of-directors</p>	
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p> <p><i>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.</i></p> <p><i>Identify the relationship of Chairman and CEO.</i></p>	Compliant	<p>The Company's Amended By Laws and Manual clearly and separately define the duties and responsibilities of the Company's Chairman of the Board of Directors and CEO.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 6, The Chairman and Chief Executive Officer (CEO), available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Amended By-Laws (2018), p. 2, The Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/2015/05/Company-By-Laws.pdf</p>	
Recommendation 5.5			
<p>1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.</p> <p><i>Provide information or link/reference to a document containing information on a lead</i></p>	Compliant	<p>Mr. Mikel A. Aboitiz, the Chairman of the Board, is not a Non-Executive Director. The company appointed Mr. Romeo L. Bernardo as the Company's Lead Independent Director.</p> <p>Links/references are as follows:</p> <p>i. Results of the 2019 Organizational Meeting,</p>	

<p><i>independent director and his roles and responsibilities, if any.</i></p> <p><i>Indicate if Chairman is independent.</i></p>		<p>available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-04.22.19-Results-of-Organizational-Meeting-2.pdf</p> <p>ii. Amended Manual on Corporate Governance, p. 6, The Chairman and Chief Executive Officer (CEO), available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Definitive Information Statement (20-IS) pp.12-18: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
Recommendation 5.6			
<p>1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.</p> <p><i>Provide proof of abstention, if this was the case</i></p>	<p>Compliant</p>	<p>In a situation of a conflict of interest, the conflicted board member is required to promptly notify the Board, through the Company’s Corporate Secretary, of any actual or potential conflict of interest as soon as they become aware of it. The conflicted board member shall not participate in discussions on transactions in which he/she is a conflicted party and shall also abstain from voting on such issues.</p> <p>There was no transaction in 2019 where a director has a material interest in the transaction and abstained from taking part in the deliberations.</p> <p>In addition, the Office of the Chief Financial Officer maintains a conflict of interest register where all declared potential and actual conflict of interest are recorded. To this end, Directors and officers are required to submit and update an RPT Certification wherein they disclose potential conflict of interest situations.</p> <p>Links/references are as follows:</p>	

		<p>i. Policy on Conflict of Interest available at: https://aboitizpower.com/wp-content/uploads/2015/07/Board-Policy-Conflict-of-Interest-Situations.pdf</p> <p>ii. Policy on Related-Party Transactions, available at: https://aboitizpower.com/wp-content/uploads/AP-Related-Party-Transaction-Policy-FINAL-SEC-received.pdf</p>	
Recommendation 5.7			
<p>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.</p>	Compliant	<p>The Board Audit Committee annually holds a private session with the Internal Auditor, the external auditors, management and Corporate Officers such as the CEO, the Chief Operating Officer, the CFO, the Chief Legal Officer, the Compliance Officer, and the Chief Risk Management Officer. These meetings will provide an opportunity to discuss audit, management and Committee performance. All Non-Executive Directors shall attend the executive session. In 2019, this private session was held on November 19, 2019.</p>	
<p>2. The meetings are chaired by the lead independent director.</p> <p><i>Provide proof and details of said meeting, if any.</i></p> <p><i>Provide information on the frequency and attendees of meetings.</i></p>	Compliant	<p>For internal audit, the chairman of the Board Audit Committee engages with the AP Internal Audit Head in quarterly meetings aside from the scheduled board audit committee meetings.</p> <p>The Chairman of the Audit Committee, Mr. Carlos C. Ejercito is an Independent Director. He is an expert on tax and audit issues, and can competently lead the Committee on the performance of its functions.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp. 32-33: Board Audit Committee on Executive Sessions, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-</p>	

		<p>2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Audit Committee Charter, page 4: Private Sessions, available at: https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p> <p>iii. Definitive Information (20-IS), pp.146-149: Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
Optional: Principle 5			
<p>1. None of the directors is a former CEO of the company in the past 2 years.</p> <p><i>Provide name/s of company CEO for the past 2 years</i></p>	<p>Compliant</p>	<p>None of the Directors were former CEOs of the Company in the past two years. The Company's CEO is Mr. Erramon I. Aboitiz who is also a Company President. Under the Revised Corporation Code, Mr. Aboitiz as the Company President must be a director of the Company.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement (20-IS), pp. 12-18: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. Amended Manual on Corporate Governance, p. 6, The Chairman and Chief Executive Officer (CEO), available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Company Website, President and Chief Executive Officer, available at: https://aboitizpower.com/corporate-governance/governance-team/#presidentandceo</p>	

Principle 6: 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.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole. <i>Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees</i>	Compliant	In accordance with its Manual, the Company conducts an annual assessment of the performance of the Board as a body, of the Chairman, of each of the individual Directors, the Committees, and Corporate Officers such as the Chief Executive Officer, Chief Reputation and Risk Management Officer, Compliance Officer, and Internal Audit Head.	
2. The Chairman conducts a self-assessment of his performance.	Compliant	The Chairman of the Board ensures that the performance of the Board is evaluated at least once a year and discussed/followed up on. The Chairman likewise conducts a self-assessment of his performance. In the event the Chairman of the Board is not independent, the Lead Independent Director shall contribute to the performance evaluation of the Chairman.	
3. The individual members conduct a self-assessment of their performance.	Compliant		
4. Each committee conducts a self-assessment of its performance.	Compliant	The self-assessment forms to be answered by the Directors are available in the Company’s website at: Board Assessment Forms: https://aboitizpower.com/corporate-governance/policies-and-protocols/#board-performance-assessment Links/references are as follows: Amended Manual on Corporate Governance , p.23, Policy on Performance Assessment of the Board, Board Committees and Senior Management, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-	

<p>5. Every three years, the assessments are supported by an external facilitator.</p> <p>Identify the external facilitator and provide proof of use of an external facilitator.</p>	<p>Compliant</p>	<p>2018-Revision-signed-by-EIA-JT.pdf</p> <p>For 2019, this recommendation is not yet required. The Company intends to adopt this recommendation.</p> <p>Links/references are as follows:</p> <p>Amended Manual on Corporate Governance, p.23, Policy on Performance Assessment of the Board, Board Committees and Senior Management, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
Recommendation 6.2			
<p>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.</p> <p><i>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, including a feedback mechanism from shareholders</i></p>	<p>Compliant</p>	<p>Every year, the members of the Board answer a Self-Assessment Questionnaire that is composed of varying statements based on: (i) the Company's compliance with applicable, and best corporate governance practices and principles (ii) the individual Director's participation, engagement, and contribution to the Board and Board Committees; and (iii) an evaluation of the performance by the Board of its duties and responsibilities as provided in this Manual, Charter Documents, and governing policies.</p> <p>The Chairman of the Board ensures that the self-assessment is done at least once a year and the results are discussed by the Board Corporate Governance Committee.</p> <p>Lastly, the Shareholder Relations Officer submits to the Board Secretariat: (a) all comments and feedback received from individual shareholders gathered from the Company's ASM, and (b) all comments and feedback received via the shareholder's portal in the Company's website. The Corporate Secretary then reports such comments and feedback to the Board Corporate Governance Committee.</p>	

		<p>See response in Recommendations 6.1.1 to 6.1.4.</p> <p>Links/references are as follows:</p> <ul style="list-style-type: none"> i. Company Website: Board Assessment Form, available at: https://aboitizpower.com/corporate-governance/policies-and-protocols/#board-performance-assessment ii. Amended Manual on Corporate Governance, p.23, Policy on Performance Assessment of the Board, Board Committees and Senior Management, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf iii. Company Website, Contact Us, available at: https://aboitizpower.com/contact-us/ 	
<p>2. The system allows for a feedback mechanism from the shareholders.</p>	<p>Compliant</p>	<p>The Company has made available to its shareholders various communication channels to collect their feedback: (i) the Company’s website contains the names of all Directors and a “contact us” portion, where shareholders can reach out to the Directors, (ii) a specific portal for whistleblowing is also provided, with the report going directly to the inboxes of the intended person, and (iii) during the 2019 ASM, representatives from the Company’s Investor Relations Office and Shareholder Relations Office were present to receive comments, feedbacks, and suggestions from shareholders.</p> <p>Links/references are as follows:</p> <ul style="list-style-type: none"> i. Company Website, Contact Us, available at: https://aboitizpower.com/contact-us/shareholders-online-request/ 	

		ii. Whistleblowing Hotline - https://aboitizpower.com/contact-us/whistleblowing/	
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			
<p>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.</p> <p><i>Provide information on or link/reference to the company's Code of Business Conduct and Ethics.</i></p>	Compliant	<p>The Company adopted the Code of Ethics and Business Conduct (the Code) in 2002, which was later on amended in 2017. The Code sets out how the Executive Management, team leaders, and team members can achieve and maintain ethical standards in the Company's day to day operations and summarize the Company's fundamental policies and directives.</p> <p>All Directors, officers, and employees have an individual responsibility to ensure that business practices adhere to the rules of the Code.</p> <p>Links/references are as follows:</p> <p>i. Code of Ethics and Business Conduct, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p> <p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 180, Key Company Policies, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
<p>2. The Code is properly disseminated to the Board, senior management and employees.</p> <p><i>Provide information on or discuss how the company disseminated the Code to its Board,</i></p>	Compliant	<p>In March 2017, the Board of Directors approved the amendments to the Company's Code as endorsed by the Board Corporate Governance Committee. The Company's Governance and Compliance Team made an initial cascade of the Code to all the team leaders of the Company and thereafter to the other</p>	

<p><i>senior management and employees.</i></p>		<p>subsidiaries of the Company. The Company’s HR team also made several roll-outs of the Code to the employees and officers of the different business units through e-learning platforms and orientation to new hires. The results of the cascade are presented to the Board Corporate Governance Committee.</p> <p>The Company’s Code is part of the Aboitiz Academy Core Programs made available to every team member as a mandatory course to be taken on an annual basis. An e-learning course on the Code was developed and launched to promote self-paced and self-driven learning. After taking the course, team members are required to renew their personal commitment to the Code.</p> <p>Links/references are as follows:</p> <p>i. Code of Ethics and Business Conduct, available at: https://abotizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p> <p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 180, Key Company Policies, available at: https://abotizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
<p>3. The Code is disclosed and made available to the public through the company website.</p> <p><i>Provide a link to the company’s website where the Code of Business Conduct and Ethics is posted/ disclosed.</i></p>	<p>Compliant</p>	<p>The copy of the Code is publicly disclosed and made available through the Company’s website at: Code of Ethics and Business Conduct, available at: https://abotizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p>	

Supplement to Recommendation 7.1			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.</p> <p><i>Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery</i></p>	Compliant	<p>The Company has an existing anti-corruption policy and fully implemented through the Code.</p> <p>Links/references are as follows:</p> <p>i. Code of Ethics - Page 3: C. Bribery and Corruption, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p> <p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 180, Key Company Policies, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>iii. Company Website, available at: https://aboitizpower.com/corporate-governance/policies-and-protocols/</p>	
Recommendation 7.2			
<p>1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.</p>	Compliant	<p>The Company's Code provide that all Directors, Corporate Officers, team leaders and team members are expected to read and follow the Code, and are required to review and review their commitment to the obligations and responsibilities outlined in the same.</p>	
<p>2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.</p> <p><i>Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.</i></p> <p><i>Indicate who are required to comply with the</i></p>	Compliant	<p>The Company's HR Team is responsible for disseminating the contents of the Code to existing and new Directors, Corporate Officers, and employees through the new hires' orientation, onboarding sessions, and other trainings, and by making the Code and other policies available in the Company portal for easy access.</p> <p>The Company's Code was part of the Aboitiz Academy Core Program as a mandatory course to be taken by</p>	

<p><i>Code of Business Conduct and Ethics and any findings on non-compliance.</i></p>		<p>all team members on an annual basis. An e-learning course on the Code was developed and launched to promote self-paced and self-driven learning. After taking the course, team members are required to renew their personal commitment to the Code.</p> <p>Any violation of the Code may be reported through the whistleblowing hotline available in the Company's website and internal portal, Aboitiz Workplace.</p> <p>Links/references are as follows:</p> <p>i. Whistleblowing Policy available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Whistleblowing-Policy .pdf</p> <p>ii. Whistleblowing Hotline, available at: https://aboitizpower.com/contact-us/whistleblowing/</p> <p>iii. Code of Ethics and Business Conduct, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p> <p>iv. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 180, Key Company Policies, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
<p>Disclosure and Transparency</p>			
<p>Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.</p>			
<p>Recommendation 8.1</p>			
<p>1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and</p>	<p>Compliant</p>	<p>The Board of Directors approved the Company's Disclosure Policy to ensure the principles of accuracy, accessibility, timeliness, completeness, and regularity in the Company's disclosures.</p>	

<p>timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.</p> <p><i>Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders</i></p>		<p>While the Company's disclosure policy seeks to maintain a reasonable balance between the transparency of the Company and the protection of its commercial interests, it aims to provide information to shareholders and interested parties to assist them in making sound investment decisions.</p> <p>Links/references are as follows:</p> <p>i. Information Disclosure Policy, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Information-Disclosure-Policy.07.27.12-v2.pdf</p> <p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 181, Transparency, Communication, and Sustainability Reporting, , available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>iii. Definitive Information (20-IS), available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iv. Amended Manual on Corporate Governance, p.48, VII. Reportorial or Disclosure System of The Company's Corporate Governance Policies, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
Supplement to Recommendations 8.1			
<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and</p>	<p>Non-Compliant</p>		<p>The Company's 2019 Audited Financial Statements were included in the Preliminary Information Statement for the</p>

<p>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.</p> <p><i>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.</i></p>			<p>2020 ASM which was disclosed, distributed and uploaded to the Company’s website on March 19, 2020 or 78 days from the end of the reporting period.</p> <p>However, the Company’s Interim financial reports (SEC Form 17-Q) for the second quarter of 2019 was filed within 46 days from the end of the reporting period.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement (20-IS), available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. 2019 Annual Report (SEC Form 17-A), available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iii. AP SEC Form 17-Q (First Quarterly Report 2019), available at: https://aboitizpower.com/wp-content/uploads/03.31.19-AP-SEC-FORM-17-Q-re-First-Quarter-Report-Full-Report.pdf</p> <p>iv. AP SEC Form 17-Q (Second Quarterly Report 2019), available at: https://aboitizpower.com/wp-content/uploads/06.30.19-AP-SEC-FORM-17-Q-re-Second-Quarter-Report-Full-Report.pdf</p> <p>v. AP SEC Form 17-Q (Third Quarterly</p>
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			<p>Report 2019), available at: https://aboitizpower.com/wp-content/uploads/09.30.19-AP-SEC-FORM-17-Q-re-Third-Quarter-Report-Full-Report.pdf</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><i>Provide link or reference to the company’s annual report where the following are disclosed:</i></p> <ol style="list-style-type: none"> 1. <i>principal risks to minority shareholders associated with the identity of the company’s controlling shareholders;</i> 2. <i>cross-holdings among company affiliates; and</i> 3. <i>any imbalances between the controlling shareholders’ voting power and overall equity position in the company.</i> 	<p>Compliant</p>	<p>The Company provides sufficient disclosures regarding the ownership interest of its controlling shareholders such as the Top 100 Shareholders report and Public Ownership Report. The Group’s conglomerate map detailing the cross-holdings among company subsidiaries and affiliates is also part of the Company’s Annual Report and Information Statement and available in the Company’s website.</p> <p>Transactions among related parties are also disclosed through the Annual Report and Information Statement.</p> <p>Lastly, the Company’s Amended By-Laws and Manual mandate that all shareholders, regardless of the amount of their shareholdings, are given the right to participate in company decision-making, pursuant to the one-share one-vote policy of the Company.</p> <p>Links/references are as follows:</p> <ol style="list-style-type: none"> i. Definitive Information Statement (20-IS), pp.9-11, Security Ownership of Certain Record and Beneficial Ownership and Management, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf ii. 2019 Annual Report (SEC Form 17-A), pp.9-11, Security Ownership of Certain Record and Beneficial Ownership and Management, available at: <a 186="" 708="" 853"="" 936="" href="https://aboitizpower.com/wp-content/uploads/AP- </td> <td data-bbox=">	

		SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf iii. Company's Conglomerate Map , available at: https://aboitizpower.com/about-us/conglomerate-map/	
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	The Company has an existing policy requiring the Board of Directors and officers to report to the Office of the Corporate Secretary any transaction related to the purchase and disposal of Company shares within one business day from the date of the transaction.	
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. <i>Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share.</i> <i>Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.</i>	Compliant	The Company's Definitive Information Statement and Public Ownership Report regularly filed by the Company likewise show the direct and indirect ownership of the Company's shareholders, which include its Board, the Management Team, and employees. Regular disclosures to the PSE, PDEx and SEC are made in the event of any dealings in Company shares. Links/references are as follows: i. Company Disclosures , SEC Form 23-Bs, available at: https://aboitizpower.com/investor-relations/disclosures/ ii. Definitive Information Statement (20-IS) , pp.9-11: Security Ownership of Certain Record and Beneficial Ownership and Management, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf iii. General Trading Policy , page 3: Item F. Reportorial Requirements of the Directors and Corporate Officers, available at: https://aboitizpower.com/wpcontent/uploads/Aboitiz	

		<p>Power-General-TradingPolicy .pdf</p> <p>iv. Policy on Information Disclosure, available at: https://aboitizpower.com/wpcontent/uploads/AboitizPower-InformationDisclosure-Policy.07.27.12-v2.pdf</p> <p>v. 2019 Annual Report (SEC Form 17-A), pp.100-102, Security Ownership of Certain Record and Beneficial Ownership and Management, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>	
Supplement to Recommendation 8.2			
<p>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).</p> <p><i>Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders.</i></p> <p><i>Provide link or reference to the company's Conglomerate Map.</i></p>	Compliant	<p>The Company complies with the requirements of the Securities Regulation Code to disclose the trading of the Company's share done by its Directors and Corporate Officers within five trading days from the close of the transaction.</p> <p>The Company's Governance and Compliance Team monitors the share ownership of Directors, executives, officers, and management team through the regular SEC disclosures of beneficial ownership (SEC Form 23-B), and further monitor compliance through the implementation of the Company's Insider Trading Policy and Trading Black-out dates.</p> <p>The Company periodically submits to the PSE a public ownership report detailing the extent of ownership of controlling shareholders, including the shareholdings of their subsidiaries and affiliates, and that of the Directors and Corporate Officers. It submits to the PSE and PDEX a list of its top 100 shareholders every quarter. The Company also discloses its top 20 shareholders, including shareholders of record and beneficial owners owning more than five percent of the Company's outstanding capital stock, and</p>	

		<p>shareholdings of its Directors and Officers in the Company's Information Statement, and sends this out to shareholders annually.</p> <p>In 2019, the Company did not make any additional purchases of its own shares from the market. Transactions of the Company's Directors and Corporate Officers are available at:</p> <p>i. Company Disclosures, SEC Form 23-Bs, available at: https://aboitizpower.com/investor-relations/disclosures/</p> <p>ii. Report on Top 100 Shareholders, available at:</p> <ul style="list-style-type: none"> • March 31, 2019: https://aboitizpower.com/wp-content/uploads/AP-Top-100-Stockholders-03.31.19.pdf • June 30, 2019: https://aboitizpower.com/wp-content/uploads/AP-Top-100-Stockholders-06.30.19.pdf • September 30, 2019: https://aboitizpower.com/wp-content/uploads/AP-Top-100-Stockholders-06.30.19.pdf • December 31, 2019: https://aboitizpower.com/wp-content/uploads/AP-Top-100-Stockholders-12.31.19-REVISED.pdf <p>iii. Public Ownership Reports, available at:</p> <ul style="list-style-type: none"> • March 31, 2019: https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-03.31.19.pdf 	
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		<ul style="list-style-type: none"> • June 30, 2019: https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-06.30.19.pdf • September 30, 2019: https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-09.30.19.pdf • December 31, 2019: https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-12.31.19.pdf <p>iv. Company Website: Conglomerate Map, available at: https://aboitizpower.com/about-us/conglomerate-map/</p> <p>v. Definitive Information (20-IS), pp.9-11, Security Ownership of Certain Record and Beneficial Ownership and Management, and p.133, Conglomerate Map, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>vi. Company Website: Governance Practices (Disclosure and Transparency), available at: https://aboitizpower.com/corporate-governance/governance-practices/#disclosure-and-transparency</p>	
Recommendation 8.3			
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	Compliant	The Company discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and directorships within and outside the Aboitiz Group, and assess any potential conflicts of interest.	

<p>affect their judgment.</p> <p><i>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.</i></p>		<p>Links/references are as follows:</p> <p>i. Disclosure on the Profiles of the Nominees to the Board for the 2019-2020 ASM, available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-02.18.19-Nominees-to-the-Board-of-Directors-for-2019-2020.pdf</p> <p>ii. Definitive Information Statement (20-IS), pp.12-18: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Company Website: Governance Team: Board Of Directors, available at: https://aboitizpower.com/corporate-governance/governance-team/</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><i>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.</i></p>	<p>Compliant</p>	<p>The Company discloses all relevant and material information on key executives to evaluate their experience, qualifications, and directorships within and outside the Aboitiz Group, and assess any potential conflicts of interest.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement (20-IS), pp.12-18: Item 5. Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. Company Website: Governance Team, available at: https://aboitizpower.com/corporate-governance/governance-team/</p>	

Recommendation 8.4			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.</p> <p><i>Disclose or provide link/reference to the company policy and practice for setting board remuneration</i></p>	Compliant	<p>The Company's policy on compensation for its Directors and key executives can be found in the Company's Manual.</p> <p>Individual remuneration of Directors and the process of determining the same are disclosed and outlined in the Company's Annual Report, Definitive Information Statement, and the Company's website.</p> <p>Links/references are as follows</p> <p>i. Amended Manual on Corporate Governance, p.30-31, Policy on Executive Remuneration, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Definitive Information Statement (20-IS), p.27-28, Item 6. Compensation of Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. 2019 Annual Report (SEC Form 17-A), pp.97-99, Item 10. Executive Compensation, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iv. Company Website: Governance Practices (Remuneration Policy), available at: https://aboitizpower.com/corporate-governance/governance-practices/#remuneration-policy</p>	
<p>2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the</p>	Compliant	<p>The Company rewards its individual executive Directors and Corporate Officers based on the individual's ability to execute his duties and</p>	

<p>level and mix of the same.</p> <p><i>Disclose or provide link/reference to the company policy and practice for determining executive remuneration</i></p>		<p>responsibilities, coupled with his team’s performance of their identified goals. Performance is evaluated and compensation is reviewed on an annual basis.</p> <p>The Company’s policy on compensation for its key executives and Corporate Officers can be found in the Company’s Manual and the Company’s website.</p> <p>The compensation of the Company’s President and Chief Executive Officer is disclosed together with the compensation of the top four highest paid officers of the Company.</p> <p>Links/references are as follows</p> <p>i. Amended Manual on Corporate Governance, pp.30-31, Policy on Executive Remuneration, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Definitive Information Statement (20-IS), pp.27-28: Item 6. Compensation of Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Company Website: Governance Practices (Remuneration Policy), available at: https://aboitizpower.com/corporate-governance/governance-practices/#remuneration-policy</p>	
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p> <p><i>Provide breakdown of director remuneration</i></p>	<p>Compliant</p>	<p>The individual remuneration package (monthly allowance and per diems) of each director is disclosed in the Company’s Annual Report and Information Statements.</p> <p>The Directors receive a monthly allowance equivalent</p>	

and executive compensation, particularly the remuneration of the CEO.

to ₱120,000 for the Directors and ₱180,000 for the Chairman of the Board. They also receive per diem for every board and board committee meetings they attend, as follows:

Type of Meeting	Director/ Member	Chairman of the Board/ Committee
Board	₱150,000	₱ 200,000
Committee	₱ 100,000	₱ 130,000

In 2019, the Company disclosed the individual remuneration of the Company's Directors in compliance with the Revised Corporation Code.

Name of Director	Total Compensation Received by Director
MIKEL A. ABOITIZ Chairman of the Board of the Board	₱4,520,000.00
ENRIQUE M. ABOITIZ Vice Chairman of the Board of the Board	₱2,950,000.00
ERRAMON I. ABOITIZ* President and Chief Executive Officer	₱2,620,000.00
LUIS MIGUEL O. ABOITIZ* Director/ Executive Vice President – Chief Strategy Officer	₱2,330,000.00
JAIME JOSE Y. ABOITIZ* Director/ EVP and Chief Operating Officer – Power Distribution Group	₱2,710,000.00
DANEL C. ABOITIZ* Director	₱1,830,000.00

		<table border="1"> <tr> <td>ROMEO L. BERNARDO Lead Independent Director</td> <td>₱4,100,000.00</td> </tr> <tr> <td>CARLOS C. EJERCITO Independent Director</td> <td>₱4,140,000.00</td> </tr> <tr> <td>ERIC RAMON O. RECTO Independent Director</td> <td>₱3,820,000.00</td> </tr> </table>	ROMEO L. BERNARDO Lead Independent Director	₱4,100,000.00	CARLOS C. EJERCITO Independent Director	₱4,140,000.00	ERIC RAMON O. RECTO Independent Director	₱3,820,000.00	<p><i>* A portion of the director's compensation was paid to their nominating company.</i></p> <p>The compensation of the Company's President and Chief Executive Officer is disclosed together with the compensation of the top four highest paid officers of the Company.</p> <p>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, pp.30-31, Policy on Executive Remuneration, available at: https://abotizpower.com/wp-content/uploads/AbotizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Definitive Information Statement (20-IS), pp.28-29: Item 6. Compensation of Directors and Executive Officers available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Company Website: Governance Practices (Remuneration Policy), available at: https://abotizpower.com/corporate-governance/governance-practices/#remuneration-policy</p>	
ROMEO L. BERNARDO Lead Independent Director	₱4,100,000.00									
CARLOS C. EJERCITO Independent Director	₱4,140,000.00									
ERIC RAMON O. RECTO Independent Director	₱3,820,000.00									
Recommendation 8.5										
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring	Compliant	In addition to the RPT-related provisions found in the Company's Manual, the Company has an existing Related Party Transactions Policy to set out proper								

<p>transactions in their Manual on Corporate Governance.</p> <p><i>Disclose or provide reference/link to company's RPT policies</i></p> <p><i>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</i></p>		<p>review, approval, and reporting of transactions which may be entered into between or among the Company or any of its subsidiaries, affiliates, Directors and officers.</p> <p>Both the Manual and the Revised RPT Policy are disclosed and are publicly available at the Company's website.</p> <p>For 2019, there are no transactions discussed and approved by the Board where a director has a conflict of interest. In addition, material information and transactions are timely and publicly disclosed in compliance with the Company's Disclosure Policy.</p> <p>Links/references are as follows</p> <p>i. Related Policy Transactions Policy, available at: https://aboitizpower.com/wp-content/uploads/AP-Related-Party-Transaction-Policy-FINAL-SEC-received.pdf</p> <p>ii. Board Related Party Transactions Committee Charter, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-RPT-Committee-Charter-finalREV.pdf</p> <p>iii. Amended Manual on Corporate Governance, p.44, Board Related Party Transactions Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iv. Company Website: Disclosures, available at: https://aboitizpower.com/investor-relations/disclosures/</p>	
<p>2. Company discloses material or significant RPTs reviewed and approved during the</p>	<p>Compliant</p>	<p>The Company's Revised RPT Policy requires a summary of Material RPTs to be disclosed in the</p>	

<p>year.</p> <p><i>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</i></p> <ol style="list-style-type: none"> 1. <i>name of the related counterparty;</i> 2. <i>relationship with the party;</i> 3. <i>transaction date;</i> 4. <i>type/nature of transaction;</i> 5. <i>amount or contract price;</i> 6. <i>terms of the transaction;</i> 7. <i>rationale for entering into the transaction;</i> 8. <i>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</i> 9. <i>other terms and conditions</i> 		<p>Company's Integrated Annual Corporate Governance Report (I-ACGR). In addition, the Company is required to submit an Advisement Report signed by the Corporate Secretary or any authorized representative within three calendar days from the execution date of any Material RPT.</p> <p>All of the Company's RPTs are disclosed in the Audited Financial Statements in accordance with Philippine Accounting Standard (PAS) 24. In addition, a brief discussion of the Company's related transactions are discussed in the Annual Report and Definitive Information Statement.</p> <p>For 2019, the no RPT has breached the materiality threshold.</p> <p>i. Definitive Information Statement (20-IS), pp. 27, 71-72: Item 5. Certain Relationships and Related Transactions ,Transactions with and/or Dependence on Related Parties;; available at: https://aboitizpower.com/wp-content/uploads/AP-Related-Party-Transaction-Policy-FINAL-SEC-received.pdf</p> <p>ii. 2019 Annual Report (SEC Form 17-A), pp.25-26: item viii. Transactions with and/or Dependence on Related Parties available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iii. Related Party Transactions Policy, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Related-Party-Transaction-Policy-final.pdf</p>	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any	Compliant	The Company's RPT Policy mandates that if an actual or potential conflict of interest arises on the part of a	

<p>other conflict of interests.</p> <p><i>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</i></p>		<p>Director, he is mandated to fully and immediately disclose the same and should not participate in the decision-making process and shall abstain from voting on the approval of the transaction.</p> <p>The Office of the CFO maintains a conflict of interest register where all declared potential and actual conflict of interest are recorded. To this end, Directors and Officer are required to submit an RPT Certification wherein they disclose potential conflict of interest situations.</p> <p>For 2019, there are no transactions discussed and approved by the Board where a director has a conflict of interest.</p> <p>Links/references are as follows:</p> <p>i. Board Policy on Conflict of Interest Situations, available at: https://aboitizpower.com/wpcontent/uploads/2015/07/Board-Policy-Conflict-ofInterest-Situations.pdf</p> <p>ii. Related Party Transaction Policy, pp 7-8: Reporting of Related Party Transactions, available at: https://aboitizpower.com/wp-content/uploads/AP-Related-Party-Transaction-Policy-FINAL-SEC-received.pdf</p>	
Optional : Recommendation 8.5			
<p>1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.</p> <p><i>Provide link or reference where this is disclosed, if any</i></p>	<p>Compliant</p>	<p>The Company discloses its policy covering the review and approval of material/significant RPTs to ensure that (i) they are at arm's length and in accordance with transfer pricing rules; (ii) the terms are fair and at par with market practices; and (iii) they will inure to the best interests of the Company and its shareholders.</p> <p>The CFO ensures that all significant and material RPTs</p>	

		<p>are reported to the RPT Committee to ensure full and timely disclosures in the quarterly and annual reports of the Company and in the Company's Financial Statements in compliance with relevant accounting standards.</p> <p>All of the Company's RPTs are disclosed in the Audited Financial Statements in accordance with Philippine Accounting Standard (PAS) 24. In addition, a brief discussion of the Company's related transactions are discussed in the Annual Report and Definitive Information Statement.</p> <p>Links/references are as follows</p> <p>i. Related Party Transaction Policy, page 3: Guidelines in Ensuring Arm's-Length Terms of a Related Party Transaction, available at: https://aboitizpower.com/wp-content/uploads/AP-Related-Party-Transaction-Policy-FINAL-SEC-received.pdf</p> <p>ii. Definitive Information (20-IS), pp.26,71-72: Item 5. Certain Relationships and Related Transactions, Transactions with and/or Dependence on Related Parties available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Board Related Party Transactions Committee Charter, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-RPT-Committee-Charter-finalREV.pdf</p> <p>iv. Amended Manual on Corporate Governance, p.44, Board Related Party Transactions Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-</p>	
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		2018-Revision-signed-by-EIA-JT.pdf
Recommendation 8.6		
<p>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.</p> <p><i>Provide link or reference where this is disclosed</i></p>	Compliant	<p>The Company's Manual mandates that all material information shall be publicly and timely disclosed. Such information shall include earnings results, acquisition or disposal of assets, Board changes, related party transactions, shareholdings of Directors and changes to ownership.</p> <p>The Company's disclosures are found in the Company's website and in the PSE EDGE website, available at:</p> <p>i. Company Website: Company Disclosures, available at: https://aboitizpower.com/investor-relations/disclosures/</p> <p>ii. Aboitiz Power PSE EDGE Website, available at: http://edge.pse.com.ph/companyDisclosures/form.do?cmpr_id=609</p> <p>Other Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p.48, VII. Reportorial or Disclosure System Of The Company's Corporate Governance Policies, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Definitive Information (20-IS), pp.71-72, item viii. Transactions with and/or Dependence on Related Parties available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. 2019 Annual Report (SEC Form 17-A), pp.25-26; 102: item viii. Transactions with and/or Dependence</p>

		on Related Parties, pp., Item 14. Exhibits and Reports on SEC Form 17-C, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf	
<p>2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p> <p><i>Identify independent party appointed to evaluate the fairness of the transaction price</i></p> <p><i>Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.</i></p>	Compliant	<p>The Company's Manual gives the Board the power to appoint an independent party to evaluate the fairness of the transaction price for the acquisition or disposal of assets.</p> <p>In 2019, the Company appointed Standard Chartered Bank as its Financial Advisor when it acquired equity interest in AA Thermal, Inc.</p> <p>Links/references are as follows:</p> <p>i. Company disclosure on the Completion of the Acquisition of AA Therma Inc. available at: https://abotizpower.com/wp-content/uploads/AP-17C-Disclosure-05.02.19-Completion-of-AA-Thermal-Inc.-Acquisition-with-PR-for-website.pdf</p> <p>ii. Company disclosure on the Acquisition of Mekong Wind, available at: https://abotizpower.com/wp-content/uploads/AP-17C-Disclosure-08.23.19-Mekong-Wind-Acquisition-with-PR.pdf</p> <p>iii. Amended Manual on Corporate Governance, p.48, VII. Reportorial or Disclosure System Of The Company's Corporate Governance Policies, available at: https://abotizpower.com/wp-content/uploads/AbotizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
Supplement to Recommendation 8.6			
<p>1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on</p>	Compliant	<p>There are no shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that impacts the ownership, control and management of the Company.</p>	

<p>the control, ownership, and strategic direction of the company.</p> <p><i>Provide link or reference where these are disclosed.</i></p>		<p>The Company's ownership structure is disclosed in the Company's website at:</p> <p>i. Company Website: Conglomerate Map, available at: https://aboitizpower.com/about-us/conglomerate-map/</p> <p>ii. Public Ownership Reports</p> <ul style="list-style-type: none"> ● March 31, 2019 - https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-03.31.19.pdf ● June 30, 2019 - https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-06.30.19.pdf ● September 30, 2019 - https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-09.30.19.pdf ● December 31, 2019 - https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-12.31.19.pdf <p>iii. 2019 Annual Report (SEC Form 17-A), pp.103-104, Item 14. Exhibits and Reports on SEC Form 17-C, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>	
Recommendation 8.7			
<p>1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).</p>	<p>Compliant</p>	<p>The Company's corporate governance policies, programs and procedures are contained in its Company's Manual.</p> <p>The Revised Manual was submitted to PSE and SEC on</p>	

<p><i>Provide link to the company's website where the Manual on Corporate Governance is posted.</i></p>		<p>January 31, 2019, and was posted in the Company's website on the same day.</p> <p>Links/references are as follows:</p>	
<p>2. Company's MCG is submitted to the SEC and PSE.</p>	<p>Compliant</p>	<p>i. Amended Manual on Corporate Governance, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
<p>3. Company's MCG is posted on its company website.</p>	<p>Compliant</p>	<p>ii. Company's Website, available at: https://aboitizpower.com/corporate-governance/governance-reports-and-scorecards/#manual-of-corporate-governance</p>	
<p>Supplement to Recommendation 8.7</p>			
<p>1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.</p> <p><i>Provide proof of submission.</i></p>	<p>Compliant</p>	<p>The Company submitted the Revised Manual on Corporate to SEC and PSE on January 3, 2019, with the amendments clearly indicated in bold and underlined.</p> <p>In October 2019, the Board of Directors approved the Revised RPT Policy in compliance with the SEC Memorandum Circular No. 10 series of 2019. The new rule focuses and regulates only material RPTs or RPTs amounting to ten percent (10%) or higher of a company's total assets. The new rule also specified an approval process for material RPTs and mandates publicly listed companies to notify the SEC of their RPTs that breach the threshold. AEV's RPT Committee has the mandate to ensure that related party transactions are taken on an arms' length basis and within market rates, with sufficient documentation, and coursed through all appropriate levels of approval necessary. The Company's current revised RPT Policy continues to ensure that RPTs are conducted at arms-length and at market prices, and underwent the appropriate approval process.</p>	

		<p>The Company is considering further revisions its current RPT Policy in order to align it with best corporate governance practices.</p> <p>Amended Manual on Corporate Governance - https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
Optional: Principle 8			
<p>1. Does the company's Annual Report disclose the following information:</p> <p><i>Provide link or reference to the company's Annual Report containing the said information.</i></p>	Compliant	<p>The Company's Annual Report disclose the following information:</p> <p>(a) For the disclosures on the corporate objectives, see: 2019 Annual Report (SEC Form 17-A), pp.1 -4, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>	
a. Corporate Objectives	Compliant	(b) For the disclosures on the Financial Performance Indicators, see:	
b. Financial performance indicators	Compliant	<p>i. AP Consolidated Audited Financial Statements, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>	
c. Non-financial performance indicators	Compliant	<p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, pp.12-13: Financial Highlights and Summary, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
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	(c) For the disclosures on Non-financial performance indicators, Aboitiz 2019 Integrated Annual and Sustainability Report , pp. 110 - 129, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-	

		Spread.pdf	
f. Attendance details of each director in all directors meetings held during the year	Compliant	(d) For the Dividend Policy, i. 2019 Annual Report (SEC Form 17-A) , p.67, Dividends, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf	
g. Total remuneration of each member of the board of directors	Compliant	(e) For the Biographical details of all Directors, see: i. 2019 Annual Report (SEC Form 17-A) , pp.86-91, Item 9. Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf (f) For the attendance of each director in all Directors' meetings held during the year Aboitiz 2019 Integrated Annual and Sustainability Report , pp.177: Corporate Governance, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf (g) For the total remuneration of each member of the board of Directors i. 2019 Annual Report (SEC Form 17-A) , pp.97-99: Item 10. Executive Compensation, available at https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf	
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. <i>Provide link or reference to where this is</i>	Compliant	The Company's Annual Report contains a statement affirming the Company's full compliance with the Manual and the Company policies. There has been no reported non-compliance for 2019 with the Manual and the Company policies. Links/references are as follows:	

<p><i>contained in the Annual Report</i></p>		<p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, pp.166, Aboitiz 2019 Corporate Governance Report, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
<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.</p> <p><i>Provide link or reference to where this is contained in the Annual Report</i></p>	<p>Compliant</p>	<p>The Company's Annual Report discloses that the Board of Directors reviewed and approved the Company's material controls and risk management systems.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, p.168, Commitment to and Review of Corporate Vision and Mission, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. 2019 Annual Report (SEC Form 17-A), pp. 50-53 , Major Risk/s Involved in the Business, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>	
<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.</p> <p><i>Provide link or reference to where this is contained in the Annual Report</i></p>	<p>Compliant</p>	<p>The Company's 2019 Annual Report, through the Board Audit Committee Report to the Board of Directors, contains a statement on the adequacy of the company's internal controls/risk management systems.</p> <p>See:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, pp. 210-212, The Board Audit Committee Report: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
<p>5. The company discloses in the Annual</p>	<p>Compliant</p>	<p>The Company's Annual Report contains the risks that</p>	

<p>Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).</p> <p><i>Provide link or reference to where these are contained in the Annual Report</i></p>		<p>the Company may encounter or is exposed to, in the businesses that it is involved in, or it intends to enter into.</p> <p>Link/reference is as follows:</p> <p>i. 2019 Annual Report (SEC Form 17-A), pp.50-53: Major Risk/s Involved in the Business, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, pp. 33-34 and 148 -152: Risk Financing in a challenging Risk Environment and Managing our Top Risks, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
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Principle 9: 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.

Recommendation 9.1

<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p> <p><i>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.</i></p>	<p>Compliant</p>	<p>The Board Audit Committee annually evaluates the independent auditors’ professional qualifications, performance, independence and compensation. The evaluation includes a review of the qualifications, performance and independence of the lead partner of the external auditors.</p> <p>Based on the Board Audit Committee’s assessment, it recommends the re-appointment or replacement of external auditor to the Board of Directors for endorsement and approval by the stockholders.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, p.211, The Board Audit Committee Report to the Board of Directors, available at:</p>	
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<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><i>Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.</i></p>	<p>Compliant</p>	<p>The appointment, reappointment, removal, and fees of the external auditor is recommended by the Board Audit Committee, approved by the Board, and ratified by the stockholders.</p> <p>Based on the tabulation of votes from stockholders attending in person, and votes indicated in the proxies, 94.91% of the stockholders approved the resolution to re-appoint SyCip Gorres Velayo & Co. (SGV) as the Company’s External Auditors. The breakdown of the votes is as follows:</p> <ul style="list-style-type: none"> ● YES (6,252,332,828 shares/94.91%) ● NO (334,365,207 shares/5.08%) ● ABSTAIN (658,600/0.01%) <p>Links/references are as follows:</p>	

		<p>i. ASM Quorum and Summary of Resolutions Approved (Posted April 22, 2019), p.2, available at: https://aboitizpower.com/wp-content/uploads/AP-Voting-Result-2019.pdf</p> <p>ii. 2019 ASM Minutes, pp. 4 – 5, available at: https://aboitizpower.com/wp-content/uploads/AP-Minutes-2019-04.22.19-Annual-Stockholders-Meeting.pdf</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><i>Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.</i></p>	<p>Compliant</p>	<p>The appointment, reappointment, removal, and fees of the external auditor is recommended by the Board Audit Committee, approved by the Board, and ratified by the shareholders.</p> <p>Based on the tabulation of votes from stockholders attending in person, and votes indicated in the proxies, 94.91% of the stockholders approved the resolution to re-appoint SyCip Gorres Velayo & Co. (SGV) as the Company's External Auditors. The breakdown of the votes is as follows:</p> <ul style="list-style-type: none"> • YES (6,252,332,828 shares/94.91%) • NO (334,365,207 shares/5.08%) • ABSTAIN (658,600/0.01%) <p>Links/references are as follows:</p> <p>i. ASM Quorum and Summary of Resolutions Approved (Posted April 22, 2019), p.2, available at: https://aboitizpower.com/wp-content/uploads/AP-Voting-Result-2019.pdf</p> <p>ii. 2019 ASM Minutes, pp. 4 – 5, available at: https://aboitizpower.com/wp-content/uploads/AP-Minutes-2019-04.22.19-Annual-Stockholders-Meeting.pdf</p>	
<p>Supplement to Recommendation 9.1</p>			

<p>1. Company has a policy of rotating the lead audit partner every five years.</p> <p><i>Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.</i></p>	<p>Compliant</p>	<p>The Company requires the regular rotation of the lead audit partner every five years or earlier or as required by law, unless the Board Audit Committee recommends that the audit firm itself be changed.</p> <p>The Board of Directors discussed the Audit Committee's recommendation, and after discussion, approved the reappointment of SGV. The re-appointment of SGV as the Company's external auditor for 2019 was also approved during the 2019 ASM.</p> <p>Ms. Maria Veronica Andresa R. Pore is the Company's current audit partner, and has served as such starting 2017.</p> <p>The Company complies with the requirements of Section 3(b)(ix) of SRC Rule 68 on the rotation of external auditors or signing partners and the two-year cooling-off period.</p> <p>Links/references are as follows:</p> <p>i. Board Audit Committee Charter, page 8: Independent External Auditors https://abotizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p> <p>ii. Amended Manual on Corporate Governance - Policy with regard to the External Auditor, p. 39 to 40, available at: https://abotizpower.com/wp-content/uploads/AbotizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Definitive Information Statement (20-IS), p.29, Independent Public Accountant, available at: https://abotizpower.com/wp-content/uploads/AP-</p>	
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Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee’s responsibility on: <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor’s independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. <i>Provide link/reference to the company’s Audit Committee Charter</i>	Compliant	Under the Board Audit Committee Charter, the Board Audit Committee has the primary duties to: (a) ensure the integrity of the Company’s financial reporting processes, including the integrity of financial reports and other financial information provided by the Company to the public, governmental and/or regulatory bodies; (b) ensure the adequacy and effectiveness of the Company’s internal control system, governance processes and risk management processes and reviewing the performance on the Company’s internal audit function; (c) review the annual independent audit of the Company’s financial statements and the external auditors’ qualifications, independence and objectivity; (d) ensure compliance with applicable laws and regulations which may represent material financial exposure to the Company; and (e) provide an avenue of communication among the Company’s independent auditors, management, the internal auditing department and the Company. See: Board Audit Committee Charter pp: 5-10: Duties and Responsibilities of the Committee, available at: https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf	
2. Audit Committee Charter contains the Committee’s responsibility on reviewing and monitoring the external auditor’s	Compliant	The Committee’s responsibility to annually review and monitor the external auditor’s suitability and effectiveness is found in the Board Audit Committee	

<p>suitability and effectiveness on an annual basis.</p> <p><i>Provide link/reference to the company's Audit Committee Charter</i></p>		<p>Charter.</p> <p>See:</p> <p>Board Audit Committee Charter, page 7: Duties and Responsibilities of the Committee – B. Independent External Auditors, available at: https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p>	
Supplement to Recommendations 9.2			
<p>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.</p> <p><i>Provide link/reference to the company's Audit Committee Charter</i></p>	Compliant	<p>The Board 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.</p> <p>The Board Audit Committee conducts an annual evaluation of the external auditors' professional qualifications, performance, and independence.</p> <p>The committee also ensures that the external auditor complies with International Financial Reporting Standards (IFRS) and the Philippine Standards on Auditing (PSA).</p> <p>Links/references are as follows:</p> <p>i. Definitive Information (20-IS), p. 29: Independent Public Accountant, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. Board Audit Committee Charter, pp 6-7: Duties and Responsibilities of the Committee – B. Independent External Auditors, available at: https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p>	

		Committee-Charter-Board-of-Directors-Signed.pdf iii. Amended Manual on Corporate Governance - Policy with regard to the External Auditor, pp. 39 - 40, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
2. Audit Committee ensures that the external auditor has adequate quality control procedures. <i>Provide link/reference to the company's Audit Committee Charter</i>	Compliant	The Board Audit Committee ensures that the external auditor has adequate quality control procedures Links/references are as follows: i. Board Audit Committee Charter , pp 6-7: Duties and Responsibilities of the Committee – B. Independent External Auditors, available at: https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf ii. Amended Manual on Corporate Governance - Policy with regard to the External Auditor, pp. 39 - 40, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
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. <i>Disclose the nature of non-audit services performed by the external auditor, if any.</i>	Compliant	The Company disclosed in its Annual Report (SEC Form 17-A) and Definitive Information Statement for the 2019 ASM (20-IS) the nature of the non-audit services done by the external auditor together with non-audit fees paid by the Company to SGV for 2019. The Company engaged SGV to conduct post reviews and other procedures for the purpose of issuing a comfort letter in connection with the issuance of the ₱7.3 billion Bonds in 2019 and ₱10.2 billion Bonds in 2018. In 2018 and 2019, the Company also engaged SGV to provide financial and tax due diligence in relation to the Company's participation in biddings,	

		<p>acquisitions, and other projects.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement (20-IS), p.126: Information on Independent Accountant and Other Related Matters, (A) External Audit Fees, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. 2019 Annual Report (SEC Form 17-A), pp.84-85, External Audit Fees and Services, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>	
<p>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.</p> <p><i>Provide link or reference to guidelines or policies on non-audit services</i></p>	<p>Compliant</p>	<p>The Board Audit Committee regularly evaluates the external auditors’ professional qualifications, performance, compensation, and most importantly its independence. The evaluation includes a review of the qualifications, performance and independence of the lead partner of the external auditors.</p> <p>Links/references are as follows:</p> <p>i. Board Audit Committee Charter, pp 6-7: Duties and Responsibilities of the Committee – B. Independent External Auditors, available at: https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p> <p>ii. Definitive Information Statement (20-IS), p.126, Information on Independent Accountant and Other Related Matters, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	

Supplement to Recommendation 9.3			
<p>1. Fees paid for non-audit services do not outweigh the fees paid for audit services.</p> <p><i>Provide information on audit and non-audit fees paid.</i></p>	Non-Compliant		<p>In addition to engaging SGV to audit the Company's annual financial statements in 2019, the Company engaged SGV to conduct audit-related services for the purpose of issuing a comfort letter in connection with the issuance of the ₱7.3 billion Bonds in 2019.</p> <p>SGV was also engaged to conduct financial and tax due diligence in relation to the Company's participation in biddings, acquisitions, and other projects.</p> <p>See discussion at:</p> <p>i. Definitive Information Statement (20-IS), p.126, Information on Independent Accountant and Other Related Matters, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. 2019 Annual Report (SEC Form 17-A), pp.84-85, External Audit Fees and Services, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>
Additional Recommendation to Principle 9			
<p>1. Company's external auditor is duly accredited by the SEC under Group A category.</p> <p><i>Provide information on company's external auditor, such as:</i></p> <p style="margin-left: 20px;">1. <i>Name of the audit engagement partner;</i></p>	Compliant	<p>The Company's external auditor, SGV, is accredited by the SEC under Group A category.</p> <p>1. The Company's engagement partner in the Company's independent auditor's report is Maria Veronica Andresa R. Pore.</p> <p>2. SEC Accreditation number: 0662-AR-4 (Group A)</p>	

<p>2. Accreditation number; 3. Date Accredited; 4. Expiry date of accreditation; and 5. Name, address, contact number of the audit firm.</p>		<p>3. Date Accredited: : November 21, 2019</p> <p>4. Expiry date of accreditation: November 20, 2022</p> <p>BIR Accreditation No. 08-001998-71-2018, February 26, 2018, valid until February 25, 2021</p> <p>PTR No. 8125281, January 7, 2020, Makati City</p> <p>5. Sycip Gorres Velayo & Co. 6760 Ayala Avenue, 1226 Makati City Tel no. (632) 8 891-0307</p> <p>Links/references are as follows:</p> <p>I. Definitive Information Statement (20-IS) pp.29, 126: Item 7. Independent Public Accountant, Independent Auditor’s Report, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. 2019 Annual Report (SEC Form 17-A), pp.84-85: Information on Independent Public Accountant, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>	
<p>2. Company’s external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC’s Office of the General Accountant (OGA).</p> <p><i>Provide information on the following:</i></p> <p>1. Date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and</p>	<p>Compliant</p>	<p>The Company’s external auditor, SGV, is subject to SOAR inspection. SGV’s SOAR inspection occurred in November 12-23, 2018. The names of the SGV members inspected were provided to the SEC representatives during the inspection.</p>	

3. <i>Members of the engagement team inspected by the SEC.</i>			
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>The Company follows the Global Reporting Initiative (GRI) and UN SGD Alignment for its Aboitiz 2019 Integrated Report which includes specific information about our policies, programs, performance and other non-financial issues.</p> <p>The Company's key performance indicators are aligned with the United Nations Sustainable Development Goals. This indicates our commitment to contribute solutions to poverty reduction, education, climate change, responsible consumption, disaster preparedness, technological innovation, and institutional partnering to achieve these goals.</p>	
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p> <p><i>Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.</i></p> <p><i>Provide link to Sustainability Report, if any. Disclose the standards used.</i></p>	Compliant	<p>The Company's Annual Report is prepared in accordance with the GRI Standards: Core Option, and indexed to help the readers locate specific information about the Company's policies, programs, and performance.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, p.4 available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. Company Website: Sustainability at Work – Governance, available at: https://aboitizpower.com/sustainability/#governance</p>	

Principle 11: 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.			
Recommendation 11.1			
<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.</p>	<p>Compliant</p>	<p>The Company, as a matter of practice, regularly schedules media and analysts' briefings to ensure timely and accurate dissemination of public, material and relevant information to its shareholders and other investors. These analyst briefings are also available via livestreaming so that analysts who cannot attend in person may still participate and if needed, send in their questions.</p>	
<p><i>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.</i></p>		<p>The materials presented during the analysts' briefings are also available for download the Company's website at: https://aboitizpower.com/investor-relations/downloads/</p> <p>In addition, the Company maintains and regularly updates the information and public disclosures found in the Company's website.</p> <p>Links/references are as follows:</p> <p>i. Analysts Briefings - https://aboitizpower.com/wp-content/uploads/AP-LETTER-01.25.19-PSE-re-Schedule-of-2019-Analysts-Briefings-REVISED.pdf</p> <p>ii. Media Briefings - https://aboitizpower.com/media/media-events/#2019-2</p> <p>iii. Company Website, Disclosures, available at : https://aboitizpower.com/investor-relations/disclosures/</p>	

Supplemental to Principle 11			
<p>1. Company has a website disclosing up-to-date information on the following:</p> <p><i>Provide link to company website</i></p>	Compliant	<p>The corporate website has comprehensive and updated information on the Company's businesses, policies, management, among others. Copies of the annual corporate governance reports, annual reports, company disclosures, investor reports, organizational information, and Board and Board Committee membership, policies such as the Manual on Corporate Governance, Code of Ethics and Business Conduct, minutes of the ASM, Investor Relations Information, and other information relevant to stakeholders are on the Company website and available for download.</p> <p>The Company discloses the following information on its website: https://aboitizpower.com/investor-relations/disclosures/</p>	
<p>a. Financial statements/reports (latest quarterly)</p>	Compliant	<p>a. Financial Statements/Reports (annual and quarterly):</p> <p>i. Definitive Information (20-IS), available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. 2019 Annual Report (Sec Form 17-A), available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iii. AP Disclosure re First Quarter 2019 Financial and Operating Results, available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-04.30.19-First-Quarter-2019-Financial-and-Operating-Results.pdf</p> <p>iv. AP Disclosure re Second Quarter 2019 Financial and Operating Results available at: https://aboitizpower.com/wp-content/uploads/AP-</p>	

		<p>17C-Disclosure-07.30.19-Second-Quarter-2019-Financial-and-Operating-Results.pdf</p> <p>v. AP SEC Form 17-Q (Second Quarterly Report 2019), available at: https://aboitizpower.com/wp-content/uploads/06.30.19-AP-SEC-FORM-17-Q-re-Second-Quarter-Report-Full-Report.pdf</p> <p>vi. AP Disclosure re Third Quarter 2019 Financial and Operating Results, available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-11.05.19-Third-Quarter-2019-Financial-and-Operating-Results.pdf</p> <p>vii. AP SEC Form 17-Q (Third Quarterly Report 2019), available at: https://aboitizpower.com/wp-content/uploads/09.30.19-AP-SEC-FORM-17-Q-re-Third-Quarter-Report-Full-Report.pdf</p>	
b. Materials provided in briefings to analysts and media	Compliant	<p>Analysts Briefings - https://aboitizpower.com/wp-content/uploads/AP-LETTER-01.25.19-PSE-re-Schedule-of-2019-Analysts-Briefings-REVISED.pdf</p> <p>Media Briefings - https://aboitizpower.com/media/media-events/</p>	
c. Downloadable annual report	Compliant	<p>i. Aboitiz 2019 Integrated Annual and Sustainability Report- https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. 2019 Annual Report (Sec Form 17-A) - https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>	
d. Notice of ASM and/or SSM	Compliant	<p>2019 ASM Main Page - https://aboitizpower.com/investor-relations/annual-stockholders-meeting/</p>	

		Notice and Agenda - https://aboitizpower.com/wp-content/uploads/AP-2019-ASM-Notice-and-Agenda-FINAL-1.pdf	
e. Minutes of ASM and/or SSM	Compliant	2019 ASM Main Page - https://aboitizpower.com/investor-relations/annual-stockholders-meeting/ 2019 ASM Minutes - https://aboitizpower.com/wp-content/uploads/AP-Minutes-2019-04.22.19-Annual-Stockholders-Meeting.pdf	
f. Company's Articles of Incorporation and By-Laws	Compliant	AOI – https://aboitizpower.com/wp-content/uploads/2015/05/Articles-of-Incorporation.pdf By-Laws (2018) - https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf	
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Compliant	The Company ensures that its website is compliant with the template prescribed by SEC. Please see. www.aboitizpower.com	
Internal Control System and Risk Management Framework			
Principle 12: 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.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business. <i>List quality service programs for the internal audit functions.</i> <i>Indicate frequency of review of the internal</i>	Compliant	All internal controls procedures and risk management systems are incorporated in the policies of the Board Audit Committee Charter and the revised Board Risk and Reputation Management Charter, respectively. The Company discloses its internal control procedures and risk management systems through the Risk	

<p><i>control system</i></p>		<p>Management Report of its Chief Risk and Reputation Management Officer and the Report of the Internal Audit Heads in the Aboitiz 2019 Integrated Annual and Sustainability Report. Regular reports to the Board assess the Company's material controls and risk management systems, key Group risk management developments, and a discussion of Group top risks.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement (20-IS), pp96-99;150: Major Risk/s Involved in the Business, Internal Control and Compliance System Attestation, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. 2019 Annual Report (SEC Form 17-A), pp.50-53: Major Risk/s Involved in the Business, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iii. Aboitiz 2019 Integrated Annual and Sustainability Report, p.148-152, Managing our Top Risks, available at: https://abotizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p> <p><i>Identify international framework used for Enterprise Risk Management</i></p> <p><i>Provide information or reference to a document containing information on:</i></p> <p>1. <i>Company's risk management</i></p>	<p>Compliant</p>	<p>An integral part of the Company's risk management discipline is a clear understanding of its key risks, the consistent execution of activities to address them and continuous improvement of the Risk Management program.</p> <p>Part of the governance of Risk Management is the regular review of the Risk Management Plans of all its business units. This is being conducted at least twice a year across the Group for Strategic Risks, while for Operational Risks, the business units have a more</p>	

<p><i>procedures and processes</i></p> <p>2. <i>Key risks the company is currently facing</i></p> <p>3. <i>How the company manages the key risks</i></p> <p><i>Indicate frequency of review of the enterprise risk management framework.</i></p>		<p>frequent review of their risk management plan.</p> <p>Risk management was also integrated into the strategic planning process, wherein risks are also identified especially for those areas that could have an impact to the strategic objectives set by the Company. The Risk Management Team have also started to integrate Environment, Social and Governance (ESG) in the risk assessment process, including enhancement of business continuity plans to make sure climate change related risks are properly mitigated.</p> <p>For a thorough discussion on the Company's top risks and risk management programs and initiatives, see:</p> <p>i. Definitive Information (20-IS), pp.96-99: Major Risk/s Involved in the Business available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. 2019 Annual Report (SEC Form 17-A), pp.50-53: Major Risk/s Involved in the Business, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iii. Aboitiz 2019 Integrated Annual and Sustainability Report, p.148-152: Managing our Top Risks, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
Supplement to Recommendations 12.1			
<p>1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually</p>	<p>Compliant</p>	<p>The Company has a comprehensive enterprise-wide compliance program, covering compliance with laws and relevant regulations. The Compliance program is reviewed annually.</p>	

<p>reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p> <p><i>Provide information on or link/ reference to a document containing the company's compliance program covering compliance with laws and relevant regulations.</i></p> <p><i>Indicate frequency of review.</i></p>		<p>In 2018, Enterprise Compliance was integrated into Risk in order to manage Regulatory Risk which is among the Group's top risks.</p> <p>In the recent years the Company continued to define and develop a Compliance Management Framework. It launched the Aboitiz Unified Compliance Management System, based on the Governance, Risk and Compliance (GRC) Methodology. This aims to provide better oversight on Compliance Management through better access to data and information.</p> <p>The Enterprise Compliance Team also facilitated the change management process to adopt and comply with the requirements under the Data Privacy Act and the Philippine Competition Act through a series of numerous learning sessions to cascade compliance within the Group.</p> <p>Links/references are as follows:</p> <ul style="list-style-type: none"> i. Aboitiz 2019 Integrated Annual and Sustainability Report, pp.143: Moving Forward to an Integrated Risk Management Framework: Governance, Risk and Compliance; pp. 144-145: Combined assurance and three lines of defense; pp. 161: Project Concordia: A Unified Compliance Management System, all available at:https://abotizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf ii. Amended Manual on Corporate Governance, p.4, Compliance System – Compliance Officer, available at: https://abotizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf iii. Definitive Information Statement (20-IS), pp.94-95 	
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		132: Cost and Effects of Compliance with Environmental Laws; Beyond Compliance, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf	
Optional: Recommendation 12.1			
<p>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.</p> <p><i>Provide information on IT governance process</i></p>	Compliant	<p>The Company continues to monitor and address issues such as cyber security and information technology process.</p> <p>The Information Security Management System (ISMS) initiative roll-out was continued in 2018 and covered all Company business units. This includes (i) the development of policies based on the 14 domains of ISMS, (ii) the roll-out of the e-learning series as well as a series of numerous learning sessions to cascade compliance within the Group, and (iii) an improved the Group’s detection and monitoring systems by using more advanced technologies, and partnering with key vendors to assist the Company in global threat intelligence and digital forensics investigation.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement (20-IS) pp.96-99: Major Risk/s Involved in the Business available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. 2019 Annual Report (Sec Form 17-A), p 50-53, Major Risk/s Involved in the Business, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iii. Aboitiz 2019 Integrated Annual and Sustainability Report, pp.148-149: Managing our Top Risks – Information Security Risk, available at:</p>	

		https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf	
Recommendation 12.2			
<p>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.</p> <p><i>Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.</i></p>	Compliant	<p>The Company has a well-entrenched independent internal audit group, the Internal Audit, which is overseen by the Board through the Board Audit Committee. Mr. Saturnino E. Nicanor, Jr. is the Company's Internal Audit Head. He was formally appointed on July 26, 2018 until present.</p> <p>With an independent audit function, the Internal Audit Team provides reasonable assurance that the Company's key organizational and operational controls are effective, appropriate and complied with.</p> <p>Links/references are as follows:</p> <p>i. Disclosure on the Results of AP's Organizational Meeting. - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-04.22.19-Results-of-Organizational-Meeting-2.pdf</p> <p>ii. Board Audit Committee Charter - https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p>	
Recommendation 12.3			
<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p> <p><i>Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.</i></p>	Compliant	<p>The Company has an Internal Audit Head that acts as the equivalent of a Chief Audit Executive which is overseen by the Board through the Board Audit Committee. On July 26, 2018, the Company formally appointed Mr. Saturnino E. Nicanor, Jr. as the Company's Internal Audit Head and re-appointed by the Board of Directors in its Organizational Meeting held on April 22, 2019.</p> <p>The functions of the Internal Audit Head are found in</p>	

		<p>the following:</p> <p>i. Amended Manual on Corporate Governance, p. 31-40: Board Audit Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Audit Committee Charter - https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p> <p>Mr. Nicanor, Jr.'s appointment can be seen at:</p> <p>Disclosure on the Results of AP's Organizational Meeting - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-04.22.19-Results-of-Organizational-Meeting-2.pdf</p>	
<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.</p>	<p>Compliant</p>	<p>The Company's internal audit function is led by the Internal Audit Head who is responsible for the internal audit activity of the organization as well as in the oversight of any audit activity that is outsourced to a third-party service provider.</p> <p>With an independent audit function, the Internal Audit Team provides reasonable assurance that the Company's key organizational and operational controls are effective, appropriate and complied with.</p> <p>The Internal Audit team underwent an external quality assessment review conducted by the Institute of Internal Auditors (IIA) Philippines and was conferred with an assessment that it "Generally Conforms" to the International Standards for the Professional Practice of Internal Auditing (ISPPA) and the Code of Ethics for Internal Audit Practitioners in February 2018.</p>	

		<p>Links/references are as follows:</p> <p>i. Disclosure on the Results of AP’s Organizational Meeting - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-04.22.19-Results-of-Organizational-Meeting-2.pdf</p> <p>ii. Board Audit Committee Charter - https://aboitizpower.com/wp-content/uploads/Updated-AP-Board-Audit-Committee-Charter-Board-of-Directors-Signed.pdf</p> <p>iii. Amended Manual on Corporate Governance, P. 31-40, Board Audit Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
<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.</p> <p><i>Identify qualified independent executive or senior management personnel, if applicable.</i></p>	Compliant	The Company does not fully outsource its internal audit activity.	
Recommendation 12.4			
<p>1. Company has a separate risk management function to identify, assess and monitor key risk exposures.</p> <p><i>Provide information on company’s risk management function.</i></p>	Compliant	<p>In 2019, the Company has a separate risk management function headed by the Chief Risk Officer, Ms. Annacel A. Natividad who is responsible for the Company’s Risk Management initiatives.</p> <p>The Company’s Board is committed to establishing a fully functioning enterprise risk management system for the Company and its businesses. The Board oversees the Company’s risk management functions through the Board Risk and Reputation Management</p>	

		<p>Committee.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement (20-IS) pp.96-99: Major Risk/s Involved in the Business available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>ii. 2019 Annual Report (Sec Form 17-A), p 50 to 53, Major Risk/s Involved in the Business, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>iii. Aboitiz 2019 Integrated Annual and Sustainability Report, p.148-152, Managing our Top Risks, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</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><i>Identify source of external technical support, if any.</i></p>	Compliant	<p>See below the list of technical support tapped by the Company in 2019:</p> <p>1. For risk and insurance management:</p> <ul style="list-style-type: none"> • AON Global Risk Consulting (risk and insurance) • Marsh and Willis Tower Watson (insurance) <p>2. Deloitte for implementation of Information Security Management System; and</p> <p>3. GMH Continuity Architects for audit of Business Continuity Program and maturity of Business Continuity Management across the group.</p>	
Recommendation 12.5			
<p>1. In managing the company's Risk Management System, the company has</p>	Compliant	<p>In 2019, Ms. Annacel A. Natividad is the Company's Chief Risk Officer. She had relevant years of</p>	

<p>a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).</p> <p><i>Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.</i></p>		<p>experience on risk and risk management.</p> <p>Link/reference is as follows:</p> <p>i. Board Risk & Reputation Committee Charter, available at: https://aboitizpower.com/wp-content/uploads/AP-Board-Risk-and-Reputation-Management-Committee-Charter-11.21.17.pdf</p> <p>ii. 2019 Results of Organizational Meeting, available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-04.22.19-Results-of-Organizational-Meeting-2.pdf</p>	
<p>2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.</p>	<p>Compliant</p>	<p>In 2019, Ms. Annacel A. Natividad is the Company's Chief Risk Officer. She was supported by the Company's Risk Management Team composed of competent risk managers and compliance specialists.</p> <p>She also has relevant experience on risk and risk management.</p> <p>Link/reference is as follows:</p> <p>i. Board Risk & Reputation Committee Charter, available at: https://aboitizpower.com/wp-content/uploads/AP-Board-Risk-and-Reputation-Management-Committee-Charter-11.21.17.pdf</p> <p>ii. 2019 Results of Organizational Meeting, available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-04.22.19-Results-of-Organizational-Meeting-2.pdf</p>	
<p>Additional Recommendation to Principle 12</p>			
<p>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</p>	<p>Compliant</p>	<p>The Company's current CEO, Mr. Emmanuel V. Rubio and Company's Internal Audit Head, Mr. Saturnino E. Nicanor, Jr. have attested in writing, that a sound internal audit control and compliance system is in place and working effectively.</p>	

<p>in place and working effectively.</p> <p><i>Provide link to CEO and CAE's attestation</i></p>		<p>See:</p> <p>Definitive Information Statement (20-IS) p.150: Internal Control and Compliance System Attestation, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</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			
<p>1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.</p> <p><i>Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.</i></p>	Compliant	<p>The Company's Manual on Corporate Governance provides shareholder's rights and protection.</p> <p>See:</p> <p>Amended Manual on Corporate Governance, pp. 49 - 51, Shareholder's Benefit, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
<p>2. Board ensures that basic shareholder rights are disclosed on the company's website.</p> <p><i>Provide link to company's website</i></p>	Compliant	<p>The Company's Manual, which provides shareholder's rights and protection, is available at the Company's website.</p> <p>See:</p> <p>Amended Manual on Corporate Governance, pp. 49 - 51, Shareholder's Benefit-Investor's Rights and Protection, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
Supplement to Recommendation 13.1			
<p>1. Company's common share has one vote for one share.</p>	Compliant	<p>The Company's Amended By-Laws and Manual mandate that all shareholders, regardless of the amount of their shareholdings, are given the right to participate in company decision-making, pursuant to</p>	

		<p>the one-share one-vote policy of the Company.</p> <p>Links/references are as follows:</p> <p>i. Amended By-Laws (2018) – p. 1, Section 5- Vote, available at: https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>ii. Amended Manual on Corporate Governance, p. 49, Voting Right, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
<p>2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.</p> <p><i>Provide information on all classes of shares, including their voting rights if any.</i></p>	<p>Compliant</p>	<p>The Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights, and transfer rights.</p> <p>Links/reference are as follows:</p> <p>i. Amended By-Laws (2018), p. 1, Section 5- Vote, available at: https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>ii. Amended Manual on Corporate Governance, p. 49, Voting Right, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Definitive Information Statement (20-IS) p.7-8: Item 4. Voting Securities and Principal Holders Thereof available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	

<p>3. Board has an effective, secure, and efficient voting system.</p> <p><i>Provide link to voting procedure. Indicate if voting is by poll or show of hands.</i></p>	<p>Compliant</p>	<p>The Board has an effective, secure, and efficient voting system. To facilitate the Board’s decision, matters submitted their approval and the proposed language of the Board resolutions are uploaded to a secured online portal (Diligent Boardbooks) within five days from the date of the Board meeting. Once uploaded to the online portal, the Directors can review and are given the option to cast their votes online.</p> <p>The required number of votes to approve a corporate action is are found in the following:</p> <p>i. Amended By-Laws (2018) – p. 3, Quorum, available at: https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>ii. Definitive Information Statement (20-IS), p. 7-8: Item 4. Voting Securities and Principal Holders Thereof available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
<p>4. Board has an effective shareholder voting mechanisms such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.</p>	<p>Compliant</p>	<p>The Company’s Manual mandates that all shareholders should be treated equally or without discrimination. The Company abides by the requirements of the Revised Corporation Code regarding the protection of the rights of minority shareholders, including corporate actions requiring supermajority votes (2/3 of outstanding capital stock).</p> <p>Link/reference is as follows:</p> <p>i. Amended By-Laws (2018) – p. 3, Quorum, available at: https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p>	

		<p>ii. Amended Manual on Corporate Governance, p. 49, Voting Right, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Definitive Information Statement (20-IS) p. 7-8: Item 4. Voting Securities and Principal Holders Thereof available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
<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.</p> <p><i>Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)</i></p>	<p>Compliant</p>	<p>The Company’s By Laws allow shareholders to call a special shareholders’ meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.</p> <p>At any ASM or special stockholders meeting, stockholders in attendance are given the opportunity to raise and discuss matters outside of the disclosed Agenda in addition to those already indicated therein.</p> <p>Links/references are as follows:</p> <p>i. Amended By-Laws (2018), p. 1: Section 2. Special Meeting, available at: https://aboitizpower.com/wpcontent/uploads/2015/05/Company-By-Laws.pdf</p> <p>ii. Amended Manual on Corporate Governance, p. 50, Shareholder’s Benefit – Right to Information, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Minutes of the 2019 Annual Stockholder’s Meeting, p.8, Other Business and Adjournment, available at: https://aboitizpower.com/wp-content/uploads/AP-Minutes-2019-04.22.19-Annual-</p>	

<p>6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.</p> <p><i>Provide information or link/reference to the policies on treatment of minority shareholders</i></p>	<p>Compliant</p>	<p>Stockholders-Meeting.pdf</p> <p>The Company does not distinguish between stockholders' rights, whether they be a majority or a minority. All shareholders have the same rights.</p> <p>Links/references are as follows:</p> <p>i. Amended By-Laws (2018) – p. 1, Vote, available at: https://aboitizpower.com/wp-content/uploads/BL-ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>ii. Amended Manual on Corporate Governance, p. 49, Voting Right, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Definitive Information Statement (20-IS) p.7-8: Item 4. Voting Securities and Principal Holders Thereof available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
<p>7. Company has a transparent and specific dividend policy.</p> <p><i>Provide information on or link/reference to the company's dividend Policy.</i></p> <p><i>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</i></p>	<p>Compliant</p>	<p>The Company has a transparent and specific dividend policy. The Company intends to maintain an annual cash dividend payment ratio of approximately one-half of its consolidated net income from the preceding fiscal year, subject to the requirements of applicable laws and regulations.</p> <p>For 2019, the Company declared dividends on March 7, 2019 in the amount of PHP 1.47/share taken out of the unrestricted retained earnings as of December 31, 2018, to all stockholders of record as of the close of business hours on March 21, 2019, payable on April 5, 2019.</p> <p>Links/references are as follows:</p>	

		<p>i. 2019 Cash Dividend Disclosure - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-03.07.19-Cash-Dividends-Declaration.pdf</p> <p>ii. Amended Manual on Corporate Governance, p.50, Right to Dividends, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Definitive Information Statement (20-IS) p.110: Dividends, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iv. 2019 Annual Report (SEC Form 17-A),p. 67: Dividends, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p>	
Optional: Recommendation 13.1			
<p>1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.</p> <p><i>Identify the independent party that counted/validated the votes at the ASM, if any.</i></p>	<p>Compliant</p>	<p>During the 2019 ASM, the Company appointed Luis Cañete & Company, an independent accounting firm as the Independent Board of Election Inspectors who witnessed and verified the counting of the votes. The method of counting the votes was done in accordance with the general provisions of the Revised Corporation Code by representatives of the Office of the Corporate Secretary, who served as members of the Election Committee.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement (20-IS) p.38, The Method by which Votes will be Counted, available at : https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-</p>	

		<p>Statement.pdf</p> <p>ii. AP Disclosure on the Appointment of the Board Election Inspectors - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-03.07.19-Matters-Approved-by-the-Board-on-March-7-2019.pdf</p>	
Recommendation 13.2			
<p>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.</p> <p><i>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out</i></p> <p><i>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</i></p> <p><i>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS)</i></p>	<p>Compliant</p>	<p>To encourage active shareholder participation in the ASM, the Board ensures that the Notice and agenda of the ASM are released at least 28 days before the meeting.</p> <p>For the 2019 ASM, the Notice of the meeting, along with the rationale for each agenda item, financial statements and the relevant information on the current and nominated Directors and Key Officer were released March 26, 2019, or 28 days before the ASM held on April 22, 2019.</p> <p>Links/references are as follows:</p> <p>i. AP Disclosure of the Notice and Agenda of the ASM - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-03.07.19-Notice-and-Agenda-of-2019-ASM.pdf</p> <p>ii. Definitive Information Statement (20-IS), p.3, Notice and Agenda, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p> <p>iii. Company Website, 2019 ASM Page - https://aboitizpower.com/investor-relations/annual-stockholders-meeting/</p>	

Supplemental to Recommendation 13.2			
<p>1. Company's Notice of Annual Stockholders' Meeting contains the following information:</p> <p><i>Provide link or reference to the company's notice of Annual Shareholders' Meeting</i></p>	Compliant	<p>The Company's Notice of ASM contains the following information:</p> <p>Links/references are as follows:</p> <p>(a) For the profiles of Directors, see: i. Definitive Information Statement (20-IS) pp.12-18: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
<p>a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)</p>	Compliant		
<p>b. Auditors seeking appointment/re-appointment</p>	Compliant	<p>(b) For the auditor seeking re-appointment, see:</p> <p>i. Definitive Information Statement (20-IS) p. 3: Notice and Agenda; pp.133-137: Explanation Of Agenda Items Requiring Stockholders' Approval available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2019-Annual-Report-Full-Report.pdf</p> <p>ii. AP Disclosure on the Notice and Agenda of the ASM, available at - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-03.07.19-Notice-and-Agenda-of-2019-ASM.pdf</p>	
<p>c. Proxy documents</p>	Compliant	<p>(c) A copy of a sample proxy was attached to the Definitive Information Statements distributed to the stockholders.</p> <p>Samples of the proxy documents, i.e. Individual, Corporate, PCD Participant/Broker, are also available</p>	

		at the Company Website at: https://aboitizpower.com/investor-relations/annual-stockholders-meeting/	
Optional: Recommendation 13.2			
<p>1. Company provides rationale for the agenda items for the annual stockholders meeting</p> <p><i>Provide link or reference to the rationale for the agenda items</i></p>	Compliant	<p>The Company provides a rationale for each agenda item for the ASM. Each resolution for approval relates to only one agenda item, with a brief rationale or explanation for its inclusion in the ASM. The Company does not include any additional and unannounced agenda item in the ASM.</p> <p>The Company posted the Notice and Agenda on its website and disclosed the same with the SEC, PSE, and PDEx on March 7, 2019. The Notice and Agenda were also published in 3 newspapers of general circulation on March 20, 2019.</p> <p>Links/references are as follows</p> <p>i. ASM Notice and Agenda available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-03.07.19-Notice-and-Agenda-of-2019-ASM.pdf</p> <p>ii. Definitive Information Statement (20-IS), p.3 , Notice and Agenda; pp.133-137: Explanation Of Agenda Items Requiring Stockholders' Approval available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2019-20-IS-Definitive-Information-Statement.pdf</p>	
Recommendation 13.3			
<p>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.</p> <p><i>Provide information or reference to a</i></p>	Compliant	<p>Results of the votes taken during the Annual Stockholders' Meeting, as verified by the board of election inspectors, was immediately flashed to the stockholders after the annual stockholders' meeting adjourns. Copies of the voting tally sheet, as confirmed by the Independent Board of Election Inspectors, is immediately uploaded to the company's</p>	

<p><i>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.</i></p>		<p>website by the next business day.</p> <p>Links/references are as follows</p> <p>i. 2019 ASM Minutes https://aboitizpower.com/wp-content/uploads/AP-Minutes-2019-04.22.19-Annual-Stockholders-Meeting.pdf</p> <p>ii. ASM Quorum and Summary of Resolutions Approved (Posted April 23, 2019) available at: https://aboitizpower.com/wp-content/uploads/AP-Voting-Result-2019.pdf</p> <p>iii. Company Website available at: https://aboitizpower.com/investor-relations/annual-stockholders-meeting/</p>	
<p>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.</p> <p><i>Provide link to minutes of meeting in the company website.</i></p> <p><i>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes.</i></p> <p><i>Indicate also if the voting on resolutions was by poll.</i></p> <p><i>Include whether there was opportunity to ask question and the answers given, if any</i></p>	<p>Compliant</p>	<p>The Minutes of the 2019 ASM were uploaded to the Company’s website on April 23, 2019 one day after the ASM.</p> <p>Results of the votes taken during the 2019 ASM, as verified by the board of election inspectors, were immediately flashed to the stockholders after the adjournment of the ASM. Copies of the voting tally sheet, as confirmed by the Independent Board of Election Inspectors, was uploaded to the company’s website on the following day.</p> <p>The stockholders had the opportunity to ask questions.</p> <p>Links/references are as follows</p> <p>i. 2019 ASM Minutes - https://aboitizpower.com/wp-content/uploads/AP-Minutes-2019-04.22.19-Annual-Stockholders-Meeting.pdf</p> <p>ii. ASM Quorum and Summary of Resolutions</p>	

		Approved (Posted April 23, 2019) available at: https://aboitizpower.com/wp-content/uploads/AP-Voting-Result-2019.pdf	
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. <i>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting</i>	Compliant	The Company's External Auditor attended the 2019 ASM. See: i. 2019 ASM Minutes - https://aboitizpower.com/wp-content/uploads/AP-Minutes-2019-04.22.19-Annual-Stockholders-Meeting.pdf	
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	The Company's Manual authorizes that the Board may adopt the rules and procedures set forth under Republic Act No. 9285, otherwise known as the Alternative Dispute Resolution Act of 2004, as an alternative means to amicably and fairly settle such disputes, conflicts, or differences, in order to ease the tedious process of court litigation.	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance. <i>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes</i> <i>Provide link/reference to where it is found in the Manual on Corporate Governance</i>	Compliant	See: i. Amended Manual on Corporate Governance , p.6-10 Duties and Functions of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders. <i>Disclose the contact details of the officer/office responsible for investor</i>	Compliant	The Company has appointed an Investor Relations Officer to ensure constant engagement with its shareholders. The Company's Governance and Compliance Team also makes itself available to shareholders to address any questions or concerns. In 2019, the Company's Investor Relations Officer is: 1. Name of the person – Francisco Victor "Judd" Salas	

<p><i>relations, such as:</i></p> <ol style="list-style-type: none"> 1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address 		<ol style="list-style-type: none"> 2. Telephone number – (632) 8-886-2702/8-886-2423 Fax (632) 8-817-3560 3. Fax number – (632) 8-817-3560 4. E-mail address: ir@aboitiz.com <p>Links/references are as follows:</p> <ol style="list-style-type: none"> i. Company Website, available at: https://aboitizpower.com/investor-relations/highlights/https://aboitizpower.com/contact-us/shareholders-online-request/ ii. 2019 ASM Minutes - https://aboitizpower.com/wp-content/uploads/AP-Minutes-2019-04.22.19-Annual-Stockholders-Meeting.pdf 	
<p>2. IRO is present at every shareholder’s meeting.</p> <p><i>Indicate if the IRO was present during the ASM.</i></p>	<p>Compliant</p>	<p>The Company’s Investor Relations Officer, Mr. Francisco “Judd” Salas attends every shareholders meeting, including the 2019 ASM.</p> <p>See:</p> <p>2019 ASM Minutes - https://aboitizpower.com/wp-content/uploads/AP-Minutes-2019-04.22.19-Annual-Stockholders-Meeting.pdf</p>	
<p>Supplemental Recommendations to Principle 13</p>			
<p>1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group</p> <p><i>Provide information on how anti-takeover measures or similar devices were avoided by the board, if any.</i></p>	<p>Compliant</p>	<p>The Board of Directors has not instituted any anti-takeover measures. The shares of the Company are available for purchase at the Philippine Stock Exchange at prevailing market prices.</p> <p>See:</p> <ol style="list-style-type: none"> i. PSE EDGE Website, available at: http://edge.pse.com.ph/companyInformation/form.do?cmpy_id=609 	
<p>2. Company has at least thirty percent (30%) public float to increase liquidity in the market.</p>	<p>Non-Compliant</p>		<p>With a Public Float of 19.23% as of December 31, 2019, The Company remains compliant with the minimum public float</p>

<p><i>Indicate the company's public float.</i></p>			<p>requirement by the Philippine Stock Exchange. The Company regularly monitors its Public Float and is committed to comply with any amendments to Rules on Minimum Public Ownership duly approved by the Exchange.</p> <p>See:</p> <p>i. AP Disclosure - Public Ownership Report as of December 31, 2019 - https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-12.31.19.pdf</p>
Optional: Principle 13			
<p>1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting</p> <p><i>Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM</i></p>	<p>Compliant</p>	<p>The Company has appointed an Investor Relations Officer to ensure constant engagement with its shareholders.</p> <p>In order to engage the Company's shareholders beyond the ASM, the Company also has a dedicated Shareholder Relations Officer to respond to address any issues and concerns.</p> <p>The details of the Company's Shareholder Relations Officer are as follows:</p> <p>Name: Marinel Mangubat Tel: (632) 8-886-2800 local 21757 Fax: (632)8- 886-2407 Email: marinel.mangubat@aboitiz.com</p> <p>In addition, the Company has a dedicated portals to address or accommodate any shareholder requests,</p> <p>(i) Shareholder Online Request Portal, available at: https://aboitiz.com/contact-us/shareholders-online-request/</p>	

		<p>(ii) Contact Us page, available at: https://aboitiz.com/contact-us</p> <p>Lastly, the Company has an online corporate news portal, the AboitizEyes, which is accessible to the public. Through this online news portal, stakeholders, including individual shareholders can stay updated on the latest updates on the Company and its businesses. AboitizEyes is available at: https://aboitizeyes.aboitiz.com/</p>	
<p>2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.</p> <p><i>Disclose the process and procedure for secure electronic voting in absentia, if any.</i></p>	Compliant	<p>In 2019, the Company began its preparation to create its own secured online voting portal to allow the Company's shareholders to participate and cast their votes remotely at any shareholders meeting.</p> <p>The Company's online voting portal was officially launched in 2020, and remote participation and voting in absentia was fully implemented in the 2020 ASM.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz Group Voting Portal, available at: http://www.votingportal.aboitiz.com/</p> <p>ii. Company Website: 2019 ASM - Proxy Forms, available at: https://aboitizpower.com/investor-relations/annual-stockholders-meeting/</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			
<p>1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	Compliant	<p>The Company follows a three-step process to identify, understand, and engage its stakeholders to ensure that the Company lives by its mission to create long term value.</p> <p>Key stakeholders include: (i) team leaders and team</p>	

<p><i>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.</i></p>		<p>members who work toward achieving business strategies; (ii) host communities of the companies and business units; (iii) local government units that support and host the Group's businesses; (iv) regulators of the businesses; (v) the suppliers and contractors who are the Company's partners in growth; and (vi) customers whom the Company serves.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 139, Key Dialogue Channels for Stakeholders, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. Amended Manual on Corporate Governance, pp 49 - 51, Shareholder's Benefit, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
Recommendation 14.2			
<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p> <p><i>Identify policies and programs for the protection and fair treatment of company's stakeholders</i></p>	<p>Compliant</p>	<p>The Group's purpose statement, "<i>Guided by our core values, we the Aboitiz Group, drive change for a better world by advancing business and communities and creating long term value for our stakeholders</i>", shows the importance that Aboitiz puts in its stakeholders. The Company's business model is anchored on sustainable growth of its businesses with full engagement of their stakeholders. shows the importance that Aboitiz puts in its stakeholders.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 139: Key Dialogue Channels for</p>	

		<p>Stakeholders, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. Amended Manual on Corporate Governance, pp 49 - 51, Shareholder’s Benefit, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
Recommendation 14.3			
<p>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.</p> <p><i>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.</i></p> <p><i>Provide information on whistleblowing policy, practices and procedures for stakeholders</i></p>	Compliant	<p>The Company’s Whistleblowing Policy and portal allows all stakeholder to seek redress for wrongdoings and report unethical practices. The whistleblowing hotline is easily accessible at the Company’s website.</p> <p>The Whistleblowing Policy ensures that the whistleblower may file an anonymous report and submit it to any or all of the following officers: Chairman of the Board, President, Chief Executive Officer, Lead Independent Director, Chief Compliance Officer, and Internal Audit Head.</p> <p>Links/references are as follows:</p> <p>i. Company’s Whistleblowing Hotline - https://aboitizpower.com/contactus/whistleblowing/</p> <p>ii. Contact Us - https://aboitizpower.com/contactus/shareholders-online-request/</p> <p>iii. Whistle-blowing Policy, available at https://aboitizpower.com/wpcontent/uploads/AboitizPower-WhistleblowingPolicy .pdf</p> <p>iv. Shareholder’s Online Request Form - https://aboitizpower.com/contact-us/shareholders-</p>	

		online-request/	
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><i>Provide information on the alternative dispute resolution system established by the company.</i></p>	Compliant	<p>The Company's Manual authorized the Board to establish and maintain an alternative dispute resolution system that can amicably settle disputes, conflicts, or differences between the Company and its shareholders, between shareholders, and between the Company and third parties, including the regulatory authorities. To this end, the Company may adopt the rules and procedures set forth under Republic Act No. 9285, otherwise known as the Alternative Dispute Resolution Act of 2004, as an alternative means to amicably and fairly settle such disputes, conflicts, or differences, in order to ease the tedious process of court litigation.</p> <p>See:</p> <p>Amended Manual on Corporate Governance, p.6-10 Duties and Functions of the Board, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</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><i>Disclose any requests for exemption by the company and the reason for the request.</i></p>	Compliant	<p>The Company has not sought any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue.</p> <p>The Company's commitment to good corporate governance is a necessary component of what constitutes sound strategic business management.</p> <p>See:</p> <p>Code of Ethics and Business Conduct https://aboitizpower.com/wpcontent/uploads/Code-of-Ethics-and-BusinessConduct_AP.pdf</p>	
<p>2. Company respects intellectual property</p>	Compliant	The Company's Code of Ethics and Business Conduct	

<p>rights.</p> <p><i>Provide specific instances, if any.</i></p>		<p>mandates every team member to respect the intellectual and other property rights owned by the Group, its customers or stakeholders.</p> <p>Link/reference is as follows:</p> <p>Company's Code of Ethics – p. 4, Proprietary and Confidential Information available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p>	
Optional: Principle 14			
<p>1. Company discloses its policies and practices that address customers' welfare</p> <p><i>Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.</i></p>	<p>Compliant</p>	<p>The Company's policies on customer welfare are embodied in the Code of Ethics.</p> <p>Links/references are as follows:</p> <p>i. Code of Ethics and Business Conduct – pp. 2-3, Commitment to our Stakeholders: Dealing with Clients, Suppliers, Business Partners and the Public available at https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p> <p>ii. Company's Whistleblowing Hotline - https://aboitizpower.com/contactus/whistleblowing/</p> <p>iii. Contact Us - https://aboitizpower.com/contactus/shareholders-online-request/</p> <p>iv. Whistle-blowing Policy, available at https://aboitizpower.com/wpcontent/uploads/AboitizPower-WhistleblowingPolicy .pdf</p> <p>v. Shareholder's Online Request Form - https://aboitizpower.com/contact-us/shareholders-</p>	

<p>2. Company discloses its policies and practices that address supplier/contractor selection procedures</p> <p><i>Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.</i></p>	<p>Compliant</p>	<p>online-request/</p> <p>The Company's Code of Ethics provides guidance on supplier/contractor selection process. The Code is disclosed in the Company's website.</p> <p>See:</p> <p>Code of Ethics and Business Conduct – p. 2-3, Commitment to our Stakeholders: Dealing with Clients, Suppliers, Business Partners and the Public, available at: https://aboitizpower.com/wpcontent/uploads/Code-of-Ethics-and-BusinessConduct_AP.pdf</p>	
<p>Principle 15: 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.</p>			
<p>Recommendation 15.1</p>			
<p>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.</p> <p><i>Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.</i></p>	<p>Compliant</p>	<p>One of the strategic pillars of the Company - Build Human Capital – is a recognition of the important role that employees or “team members” as they referred to, play in the realization of the Company's goals. The Company recognizes that attracting, optimizing, and retaining top caliber professionals is crucial to the Company's success. Because of this, there are a number of policies and programs developed to ensure that team members are actively engaged and invested in the Company's success. These includes activities that address an individuals' needs – to give back, to grow, to belong, and to contribute.</p> <p>Links/references are as follows:</p> <p>i. Code of Ethics and Business Conduct – pp. 2-3, Commitment to our Stakeholders: Dealing with Clients, Suppliers, Business Partners and the Public https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p>	

		<p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, p. 139: Key Dialogue Channels for Stakeholders, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
Supplement to Recommendation 15.1			
<p>1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p> <p><i>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.</i></p>	Compliant	<p>The Company rewards its team members with annual merit increase and productivity bonuses, depending on the performance of the Company and the individual. The Company offers not only statutory benefits but also additional internal benefit programs to enhance the quality of life of its employees.</p> <p>The Company has a well-developed performance scorecard, which includes financial and non-financial targets, and to which different business groups, business units, departments and individual's annual plans are developed and aligned to. These plans, which are all aligned to support the Company's mission, are presented to management every September and to the Board every November. These signed-off plans are then regularly reviewed on all levels.</p> <p>See:</p> <p>Aboitiz 2019 Integrated Annual and Sustainability Report, pp. 161-163: Talent Retention, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
<p>2. Company has policies and practices on health, safety and welfare of its employees.</p> <p><i>Disclose and provide information on policies</i></p>	Compliant	<p>The Company has a number of policies and programs to address the health, safety and welfare of the employees which is aligned with the government mandates.</p>	

<p><i>and practices on health, safety and welfare of employees. Include statistics and data, if any.</i></p>		<p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, pp.139-138, Key Dialogue Channel for Stakeholders, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. Code of Ethics and Business Conduct, p. 2, Commitment to Each Other: Dealing with Team Members, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p>	
<p>3. Company has policies and practices on training and development of its employees.</p> <p><i>Disclose and provide information on policies and practices on training and development of employees.</i></p> <p><i>Include information on any training conducted or attended.</i></p>	<p>Compliant</p>	<p>The Company's philosophy in talent development is based on the individual needs of the team members based on one's current and foreseeable future role. The Company has a refreshed learning program called the Aboitiz Academy which entails blended learning combination of formal classroom training, on-the-job training coaching and mentoring and e-learning. The Aboitiz Academy has core programs which are mandatory and should be taken by the team members depending on their level and years of service with the Company.</p> <p>In addition to the core programs, the Company also offers elective programs consisting of business, finance and management programs. The Company also partners with online learning platforms such as LinkedIn Learning, and ExecOnline a to provide practical and higher-level training programs for the team members.</p> <p>See:</p> <p>Aboitiz 2019 Integrated Annual and Sustainability</p>	

		<p>Report, p.139: Key Dialogue Channels for Stakeholders, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p>	
Recommendation 15.2			
<p>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.</p> <p><i>Identify or provide link/reference to the company's policies, programs and practices on anti-corruption</i></p>	Compliant	<p>The Company's policies on anti-bribery and corruption is found in the Code of Ethics.</p> <p>Links/references are as follows:</p> <p>i. Company's Code of Ethics, p. 3, Bribery and Corruption – https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p> <p>ii. Aboitiz 2019 Integrated Annual and Sustainability Report, – p.180: Key Company Policies, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>iii. Company Website: Anti-Corruption Policy, available at: https://aboitizpower.com/corporate-governance/policies-and-protocols/the-companys-anti-corruption-policy/</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><i>Identify how the board disseminated the policy and program to employees across the organization</i></p>	Compliant	<p>The Company's HR Team is responsible for disseminating the contents of the Code to existing and new Directors, Corporate Officers, and employees through the new hires' orientation, onboarding sessions, and other trainings, and by making the Code and other policies available in the Company portal for easy access.</p> <p>The Company's Code was part of the Aboitiz Academy Core Program as a mandatory course to be taken by all team members on an annual basis. An e-learning</p>	

		<p>course on the Code was developed and launched to promote self-paced and self-driven learning. After taking the course, team members are required to renew their personal commitment to the Code.</p> <p>On a yearly basis, all team members are mandated to review and renew their personal commitment to the Code of Ethics.</p> <p>Links/references are as follows:</p> <p>i. Code of Ethics and Business Conduct, p.6, Enforcement and Administration of the Code, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</p> <p>ii. Amended Manual on Corporate Governance, pp. 46 to 47, Communication Process, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	
Supplement to Recommendation 15.2			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p> <p><i>Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices.</i></p> <p><i>Include any finding of violations of the company policy.</i></p>	Compliant	<p>The Company's policy on anti-bribery and corruption is found in the Code of Ethics, which also contains the steep penalties for violations. The Board of Directors approved the Whistleblowing Policy in 2017, which allows any person to report any wrongdoing through the internal portal, AGORA 2.0, or even through the dedicated Whistleblowing Portal available at the Company's website.</p> <p>Links/references are as follows:</p> <p>i. Code of Ethics p. 7, Consequences of Violating the Code, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-</p>	

		Business-Conduct-1.pdf ii. Aboitiz 2019 Integrated Annual and Sustainability Report , p.180: Key Company Policies, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf	
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 <i>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</i> <i>Indicate if the framework includes procedures to protect the employees from retaliation.</i> <i>Provide contact details to report any illegal or unethical behavior.</i>	Compliant	The Board of Directors approved the Whistleblowing Policy in 2017, which allows employees to report any concerns about illegal or unethical practices, without fear of retaliation through the internal portal, AGORA 2.0 and even through the Company website. The Whistleblowing Policy ensures that the whistleblower may file an anonymous report and submit it to any or all of the following officers: Chairman of the Board, President, Chief Executive Officer, Lead Independent Director, Compliance Officer, and Internal Audit Head. Links/references are as follows: i. Whistleblowing Policy , available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Whistleblowing-Policy_.pdf ii. Whistleblowing Hotline – https://aboitizpower.com/contact-us/whistleblowing/ iii. Please see Annex “B” (Screenshot of Whistleblowing Portal)	
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	Under the Whistleblowing Policy, the whistleblower has the option to file his report to any, or all of the following: Lead Independent Director, Chairman of the Board, President and CEO, Compliance Officer, or Internal Audit Head. Links/references are as follows:	

		<p>i. Whistleblowing Policy, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Whistleblowing-Policy_.pdf</p> <p>ii. Whistleblowing Hotline - https://aboitizpower.com/contact-us/whistleblowing/</p> <p>iii. Please see Annex “B” (Screenshot of Whistleblowing Portal)</p>	
<p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p> <p><i>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</i></p>	<p>Compliant</p>	<p>The Board of Directors, through the Board Corporate Governance Committee, supervises and ensures the enforcement of the Company’s whistleblowing policy and procedures. A summary of the reports received via the whistleblowing portal is part of the regular agenda of the Board Corporate Governance Committee.</p> <p>The Board of Directors, through the Board Audit Committee also oversees and periodically reviews the whistleblowing procedures in place.</p> <p>Links/references are as follows:</p> <p>i. Whistleblowing Policy, available at: https://aboitizpower.com/wpcontent/uploads/AboitizPower-WhistleblowingPolicy_.pdf</p> <p>ii. Whistleblowing Hotline - https://aboitizpower.com/contactus/whistleblowing/</p> <p>iii. Amended Manual on Corporate Governance, p. 33, Board Audit Committee - Internal Controls, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	

		iv. Amended Manual on Corporate Governance , p. 24: Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
Principle 16: <i>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.</i>			
Recommendation 16.1			
<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.</p> <p><i>Provide information or reference to a document containing information on the company's community involvement and environment-related programs.</i></p>	Compliant	<p>The Company's commitment to growing the business together with advancement of the society is evident in its purpose – Advancing Business and Communities. The Company is committed to strike a balance between economic growth and social development, and environmental stewardship in the conduct of its business. To this end, the Company has identified its stakeholders in the communities where its businesses operate to implement programs that promote environmental preservation as well as social and economic development.</p> <p>The Aboitiz Group is pursuing concrete projects to fulfill eight out of the 17 United Nations' Sustainable Development Goals, namely: no poverty, zero hunger, good health and well-being, quality education, responsible production & consumption, climate change, life below water, and life on land.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, pp. 110-129: Corporate Social Responsibility, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. See other projects of the Aboitiz Foundation, Inc. at www.aboitizfoundation.org</p>	

		<p>iii. Amended Manual on Corporate Governance, p. 46, Sustainability Policy, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Company Website, Sustainability at Aboitiz and Aboitiz BetterWorld available at: https://aboitizpower.com/sustainability/#!aboitiz-world</p>	
Optional: Principle 16			
<p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p> <p><i>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.</i></p>	Compliant	<p>The Company ensures that its value chain is environmentally friendly and is consistent with promoting sustainable development.</p> <p>The Company's key performance upholds the high P.E.R.F.O.R.M.A.N.C.E. principle to achieve and sustain Business Results, Operational Excellence, Service Excellence, and Employee Development.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, pp. 110-129 and 136-137, Corporate Social Responsibility, and Our sustainability journey towards advancing business and communities https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. See other projects of the Aboitiz Foundation, Inc. at www.aboitizfoundation.org</p> <p>iii. Amended Manual on Corporate Governance, p. 46, Sustainability Policy, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-</p>	

		<p>2018-Revision-signed-by-EIA-JT.pdf</p> <p>iv. Company Website, Sustainability at Aboitiz and Aboitiz BetterWorld available at:</p> <p>4.1 https://aboitizpower.com/sustainability/#!aboitiz-world</p> <p>4.2 https://aboitizpower.com/sustainability/environment/</p> <p>v. The Company's Programs Related to the Environment are available at: https://aboitizpower.com/sustainability/governance/</p>	
<p>2. Company exerts effort to interact positively with the communities in which it operates</p> <p><i>Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.</i></p>	<p>Compliant</p>	<p>The Company exerts effort to interact positively with the communities in which it operates.</p> <p>The Aboitiz Group delivers on its social commitment by providing venues for employee development, minimizing occupational health and safety risks, eliminating hazards to ensure a safe and healthy work environment, and nurturing relationships with stakeholders.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2019 Integrated Annual and Sustainability Report, pp.110-129, Corporate Social Responsibility, and p.139, Key Dialogue Channels for Stakeholders, available at: https://aboitizpower.com/wp-content/uploads/1-AEV-Annual-Report-2019-Reduced-File-Size-Spread.pdf</p> <p>ii. See other projects of the Aboitiz Foundation, Inc. at www.aboitizfoundation.org</p> <p>iii. Amended Manual on Corporate Governance, p. 46, Sustainability Policy, available at:</p>	

		<p>https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iv. Company Website, Sustainability at Aboitiz and Aboitiz BetterWorld, available at:</p> <p>4.1 https://aboitizpower.com/sustainability/#!aboitiz-world</p> <p>4.2 https://aboitizpower.com/er1-94/</p>	
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ANNEX "A"

Sample e-mail to the BODS notifying them that the materials for the 2019 Regular Board Meeting have been uploaded to the Boardbooks

Materials for **AboitizPower's** Regular **Board** Meeting on November 05, 2019, 0900H - 1230H Inbox x

Governance & Compliance Communications [REDACTED]
to AP-DIRECTORS [REDACTED]

Thu, Oct 31, 2019, 1:39 PM


Dear Members of the **Board**:


Please be advised that we have uploaded all the presentation materials to the Diligent **Boards** for the **AboitizPower** Regular **Board** Meeting on November 05, 2019.

The voting feature on agenda items that require your approval, as well as the signed **board** resolution forms explaining each request, are also available.

Kindly sync your books for updates. Thank you.

From the Office of the Corporate Secretary
Mailene M. de la Torre

 **Corporate Secretarial and Compliance Services**
Governance & Compliance Team
Aboitiz Equity Ventures, Inc.
[REDACTED]



The information contained in this email message is intended for use only by the individual or entity to which it is addressed, and such information may be privileged, confidential and/or proprietary, and protected under applicable laws.

Read about the full **Aboitiz** Disclaimer (<http://www.aboitz.com/disclaimer>)

ANNEX "B" – SCREENSHOT OF THE WHISTLEBLOWING HOTLINE/PORTAL

abotizpower.com/contact-us/whistleblowing/

Integrated Annual Corporate Governance Report | Latest Annual Report

HOME | ABOUT US | OUR BUSINESSES | SUSTAINABILITY & CSR | ERI-04 | CORPORATE GOVERNANCE | INVESTOR RELATIONS | MEDIA | CAREERS | CONTACT | SHAREHOLDERS ONLINE REQUEST | **WHISTLEBLOWING HOTLINE**

Whistleblowing Hotline

Whistleblowing

REPORT

Which Company? *
[Select-]

Report to? *
Which Department? *
[Select-]

Which Office Location?
[Text Box]

What are you reporting? *
[Select-]

TELL US WHAT'S GOING ON

Give us the details. What is going on? How do you know about it? When did it happen? Where did it happen? Who are involved?

Feedback *
[Text Box]

We will forward your report directly to the person's you indicated above. Rest assured that your report will be handled appropriately.

SENDER DETAILS (THIS SECTION IS OPTIONAL BUT IF YOU WANT TO RECEIVE UPDATES ON YOUR REPORT, KINDLY PROVIDE US YOUR CO:

Name (Optional)
[Text Box]

Job Title (Optional)
[Text Box]

Company (Optional)
[Text Box]

Department (Optional)
[Text Box]

Email Address (Optional)
[Text Box]

Contact Number (Optional)
[Text Box]

Submit | **Reset**

TACT DETAILS

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Cebu on July 13, 2020.

SIGNATURE

A handwritten signature in red ink, appearing to read 'ERRAMON ABOITIZ', is written over the printed name and title.

ERRAMON ABOITIZ
Chairman of the Board

A small, stylized blue handwritten mark or signature element located at the end of the printed title.


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

SUBSCRIBED AND SWORN TO before me this July 13, 2020 in Cebu City, Philippines. Affiants, who are personally known to me, presented their respective Community Tax Certificates and passports with the details shown below as follows:

NAME	PASSPORT ID NO.	CTC No./Date/Place Issued
ERRAMON I. ABOITIZ Chairman of the Board	P2251997A / 03.11.2017 DFA Manila (2022)	11082662 / 01.30.2020 Cebu City

Doc No. 42
Page No. 10
Book No. V
Series of 2020.




JUSTINE MAE A. CABATINGAN
Notary Public for Cebu City
Notarial Commission No. 94-16
Until December 31, 2021
Aboitiz Corporate Center
Gov. M. Cuenco Ave., Cebu City
Roll No. 62000
PTR No.1856258; Cebu City; December 16, 2019
IBP Lifetime No. 0013514; January 21, 2015; Cebu City
MCLE Compliance No. VI-0016200

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Taguig on JUL 30 2020 2020.

SIGNATURES

ERRAMON I. ABOITIZ

Chairman of the Board

EMMANUEL V. RUBIO

President/Chief Executive Officer

CARLOS C. EJERCITO

Independent Director

ROMEO L. BERNARDO

Independent Director

ERIC RAMON O. RECTO

Independent Director

MANUEL ALBERTO R. COLAYCO

Corporate Secretary

JOSEPH TRILLANA T. GONZALES

Compliance Officer

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

JUL 30 2020

SUBSCRIBED AND SWORN TO before me this _____ in Taguig City, Philippines. Affiants, who are personally known to me, presented their respective Community Tax Certificates and passports with the details shown below as follows:

NAME	GOV'T ISSUED ID NO.	CTC No./Date/Place Issued
EMMANUEL V. RUBIO CEO/President	P3162364B/ 09.13.2019 DFA Manila (2029)	07563412/ 01.15.2020 City of Manila
ROMEO L. BERNARDO Independent Directors	EC5403253/09.20.2015 DFA MANILA (2020)	
CARLOS C. EJERCITO Independent Directors	P2801986B/08.17.2019 DFA NCR East (2029)	
ERIC RAMON O. RECTO Independent Directors	P1090079B/03.18.2019 DFA NCR East (2020)	
MANUEL ALBERTO R. COLAYCO Corporate Secretary	P0352149A / 09.23.16 NCR Central (2021)	29689098/ 01.08.2019 Taguig City
JOSEPH TRILLANA T. GONZALES Compliance Officer	P2069347B/ 04.30.2019 DFA NCR EAST	00844135/ 01/03/2020 Taguig City

Doc No. 65
Page No. 14
Book No. 17
Series of 2020.




Atty. Strella Marie G. Saccadjan
Notary Public for Taguig City
Notarial Commission No. 99
Until December, 2026
NAC Tower, 32nd St. Bonifacio Global City, Taguig City
PTR No. A-4208020 January 7, 2019, Taguig City
IBP Lifetime OR No. 061321
Roll No. 63289
MCLE Compliance No. VI 0011091