

MAY 29 2019**SECURITIES AND EXCHANGE COMMISSION**
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City, 1307**ATTENTION :** **MS. RACHEL ESTHER J. GUMTANG-REMALANTE**
Officer-in-Charge*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
37/F, Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo de Roxas, Makati City**ATTENTION :** **ATTY. JOSEPH B. EVANGELISTA**
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 2018.

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

ABOITIZ POWER CORPORATION

By:

**MANUEL ALBERTO R. COLAYCO**
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) 886-2338

Company Telephone Number

1 2 3 1

Month Day

Fiscal Year

IACGR

FORM TYPE

4th Monday of April

0 4 2 2

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> <p>(1) “Recommendations” – derived from the CG Code for PLCs;</p> <p>(2) “Supplement to Recommendation” – derived from the PSE CG Guidelines for Listed Companies;</p> <p>(3) “Additional Recommendations” – CG Practices not found in the CG Code for PLCs and PSE CG Guidelines but are expected already of PLCs; and</p> <p>(4) “Optional Recommendation” – practices taken from the ASEAN Corporate Governance Scorecard</p> <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 **2018**
2. SEC Identification Number **C199800134** 3. BIR Tax Identification No. **200-652-460-000**
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	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. 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. 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"). Links/references are as follows: i. Amended By Laws (2018) , p. 2 Article II (The Board of Directors) available at: https://aboitizpower.com/wp-content/uploads/BL-	
2. Board has an appropriate mix of competence and expertise.	Compliant		
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. <i>Provide information or link/reference to a document containing information on the following:</i> 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>	Compliant		

		<p>ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>ii. Amended Manual on Corporate Governance, pp. 5 - 16,, available at:</p> <p>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 for the 2019 ASM (20-IS), pp. 10 - 25, Item 5. Directors and Executive Officers available at:</p> <p>https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. 2018 Annual Report (SEC Form 17-A), p. 172, Corporate Structure, available at:</p> <p>https://aboitiz.community/ar2018_web/</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.</p> <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-</p>	

		<p>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:</p> <p>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 for the 2019 ASM (20-IS) pp. 10 - 25, Item 5. Directors and Executive Officers available at:</p> <p>https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. 2018 Annual Report (SEC Form 17-A),</p> <p>https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iii. Aboitiz 2018 Integrated Report, p. 172, Corporate Structure, available at:</p> <p>https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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 corporate governance policies and programs, and the Company’s overall operations, and the Company’s Manual mandate that first time	

<p>2. Company has an orientation program for first time directors.</p>	<p>Compliant</p>	<p>directors are given a comprehensive onboarding orientation prior to attending their first board meeting.</p>	
<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>	<p>Compliant</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 2018, directors and corporate officers of the Aboitiz Group attended an in-house corporate governance seminar focused on building a risk culture. The seminar was held at the Company's principal place of business, from 1:30PM to 5:30PM (4 hours). Topics discussed were: (i) the World Economic Forum 2018 Top Global Risk; (ii) Cyber Risk; and (iii) Digitization: Targeting a Technology Dividend in Risk Management. 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>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. 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. 2018 Disclosure on the Company's Compliance to the Annual Corporate Governance Seminar, available at: https://aboitizpower.com/wp-content/uploads/AP-Completion-Report-for-2018-Mandatory-CG-Seminar-1.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 document containing information on the company's board diversity policy.</i></p> <p><i>Indicate gender composition of the board.</i></p>	<p>Compliant</p>	<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 (namely: age, ethnicity, culture, skills, competence, gender and knowledge) 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.</p> <p>Currently, the Board of Directors is composed of professionals with expertise in power, finance, law, banking, economics, and</p>	

		<p>risk management, among others, with ages ranging from 38 to 74 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 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, 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/governance-team/</p>	
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</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 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 diverse mix of highly competent</p>	

<p><i>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>		<p>directors and officers 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>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 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, 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>	
<p>Recommendation 1.5</p>			

<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.</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 for the 2019 ASM (20-IS), pp. 16 - 25: Officers for 2018 to 2019 available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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>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 four-hour Aboitiz Group in-house Annual Corporate Governance Seminar last August 31, 2018 on Digital Disruption: Reshaping Leadership, Innovation and Risk; Cyber Risk; and Discussion on the Asia-Pacific Risk Landscape 2018. This seminar was duly accredited by the SEC in compliance with SEC Memorandum Circular No. 19, Series of 2016.</p> <p>[Insert MAC's panelist in Latham APAC forum]</p>	

		<p>i. Disclosure on AP Compliance Report for the Annual Mandatory Corporate Governance Seminar, available at: https://abotizpower.com/wp-content/uploads/AP-Completion-Report-for-2018-Mandatory-CG-Seminar-1.pdf</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 Board Book is a secure portal where the Corporate Secretary uploads the materials for the board meeting for easy access by the Board of Directors, wherever they might be.</p> <p>References:</p> <p>i. AbotizPower Board Charter, p. 7, Board Meetings, available at: https://abotizpower.com/wp-content/uploads/AbotizPower-Board-Charter .pdf</p> <p>ii. See sample e-mail to the Board of Directors notifying them that the materials for the 2018 Regular Board Meeting have been uploaded to the Boardbooks. (Annex "A") use November 2018 email</p>	
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 officers 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.	
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	Links/references are as follows: i. Amended Manual on Corporate Governance , pp. 4-5, The Compliance Officer, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf ii. Definitive Information Statement for the 2019 ASM (20-IS) , pp. 16 - 25, <u>Officers for 2018 to 2019</u> available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf iii. Company Website , Profile of the Compliance Officer available at: https://aboitizpower.com/corporate-governance/governance-team/#compliance-officer	
4. Compliance Officer attends training/s on corporate governance. <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>	Compliant	The Company's Compliance Officer, Joseph Trillana T. Gonzales, attended the four-hour Aboitiz Group in-house corporate governance seminar. Particular topics include: (i) Digital Disruption: Reshaping Leadership, Innovation and Risk; (ii) Cyber Risk; and (iii) Discussion on the Asia-Pacific Risk Landscape 2018. This seminar was duly accredited by the SEC in	

		<p>compliance with SEC Memorandum Circular No. 19, Series of 2016.</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-for-2018-Mandatory-CG-Seminar-1.pdf</p>	
<p>Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company’s articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.</p>			
<p>Recommendation 2.1</p>			
<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 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 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</p>	

		<p>which the Company has direct equity undergo appropriate processes and approval.</p> <p>Lastly, as an exercise of fairness and good faith, the decisions by the Board of Directors on appointment of officers and material transactions, among others, including possible conflict of interest are immediately disclosed to the public.</p> <p>The directors regularly conduct site visits in the Company's plants and facilities.</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://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Charter, pp. 3-4, Item 7, Board Leadership and the Role of the Chairman, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p>	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	The Board ensures that (i) the implementation of existing policies and strategies, including the business plans, operating budgets and overall performance of the management team based on clear established performance metrics are periodically evaluated and monitored, and (ii)	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant		

<p><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></p> <p><i>Indicate frequency of review of business objectives and strategy</i></p>		<p>that the activities and key management decisions are still aligned with the Company's vision and mission.</p> <p>The Board also 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 2018, the Company's had their yearly Board retreat/strategy workshop last November 23, 2018 at NAC Tower, Bonifacio Global City, Taguig City.</p> <p>Links/references are as follows:</p> <p>i. 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-2018-Revision-signed-by-EIA-JT.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>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</p>	

<p><i>Indicate frequency of review of the vision, mission and core values.</i></p>		<p>Corporate Governance. The Company also abides by the following core values – Integrity, Teamwork, Innovation and Responsibility.</p> <p>Meanwhile, the Company’s mission, “A Better Future” 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>See:</p> <p>i. 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-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>	
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<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 2018, the Board of Directors is supported in the performance of its functions by the five board committees – Corporate Governance Committee, Audit Committee, Risk and Reputation Management Committee, Related Party Transactions Committee, and the newly formed Executive Committee. The committees assist the Board in ensuring 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 2018 Integrated Report, pp.15 - 19, Chairmen's Message, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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>Recommendation 2.3</p>			
<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 and has a deep commitment to corporate governance and corporate social responsibility.</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 2018 Integrated Report, pp.15 - 19, Chairmen’s Message, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p> <p>iii. Definitive Information Statement for the 2019 ASM (20-IS), pp.10-25: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iv. Company Website, Profiles of the Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-Profiles-Directors-and-Officers-for-2018.pdf</p>	
Recommendation 2.4			
<p>1. Board ensures and adopts an effective succession planning program for directors, key officers and management.</p>	<p>Compliant</p>	<p>The Board of Directors, with the assistance of the Corporate Governance Committee, approved a succession policy in place for directors, corporate officers and senior management. The Company retirement age for corporate offices is 60 years old, unless the Board of Directors, for meritorious and</p>	

<p>2. Board adopts a policy on the retirement for directors and key officers.</p> <p><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></p>	<p>Compliant</p>	<p>exceptional reasons, decides to extend the years of service of the officer.</p> <p>The Company aims to develop leaders from within. It 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.</p> <p>Links/references are as follows:</p> <p>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</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>	
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 officers competitively by comparing rates</p>	

		with other Philippine-based companies through regular market salary surveys.	
<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-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. 2018 Annual Report (SEC Form 17-A), pp. 106 - 107: Item 10. Executive Compensation, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iv. Definitive Information Statement for the 2019 ASM (20-IS), pp.27-28: Item 6. Compensation of Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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</p>	

		<p>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. 2018 Annual Report (SEC Form 17-A), pp. 106 to 107: Item 10. Executive Compensation, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.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. 2018 Annual Report (SEC Form 17-A), pp. 106 - 107: Item 10. Executive Compensation, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iv. Definitive Information Statement for the 2019 ASM (20-IS), p.27-28: Item 6. Compensation of Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p>	
<p>Recommendation 2.6</p>			

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.	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	Nominations for the position of a director are received by the Corporate Secretary in accordance with the 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.	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company. <i>Provide information or reference to a document containing information on the company's nomination and election policy</i>	Compliant	The overall procedure is in compliance with the Amended Implementing Rules and Regulations of the Securities Regulation Code.	

<p><i>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>		<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-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 for the 2019 ASM (20-IS), pp. 6 and 15 - 16: Voting Securities and Principal Holders Thereof; Nomination for</p>	
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		<p>Independent Directors and Procedure for Nomination available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>vi. 2018 Annual Report (SEC Form 17-A), pp. 96-97 Nominations for Independent Directors and 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-2018-Annual-Report-Full-Report-reduced.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><i>Identify the professional search firm used or other external sources of candidates</i></p>	<p>Compliant</p>	<p>In 2018, the members of the Board of Directors approved the revisions to the Manual to specifically allow 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 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 for the 2019 ASM (20-IS) pp. 6 and 15 to 16: 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-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>v. 2018 Annual Report (SEC Form 17-A), pp. 96-97 Nominations for Independent Directors and Procedure for Nomination and Other Nominees for Election as Members of the Board of Directors, available at: https://aboitizpower.com/wp-</p>	
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		content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.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	The RPT Committee, composed of all Independent 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. Links/references are as follows: 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 ii. Policy on Related Party Transaction Policy , available at: https://aboitizpower.com/wp-	

		<p>content/uploads/AboitizPower-Related-Party-Transaction-Policy-final.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 for the 2019 ASM (20-IS), p.128-129, Board Responsibility available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>v. 2018 Annual Report (SEC Form 17-A), p. 29; 110 to 111, 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-2018-Annual-Report-Full-Report-reduced.pdf</p>	
Supplement to Recommendations 2.7			
<p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying</p>	Compliant	<p>The Company's RPT Policy defines who are related parties, and pegs the materiality threshold of related-party transactions at Php50M. Significant RPTs (Php50M-Php100M), require review and approval by the RPT Committee while Material RPTs (over Php100M) require review by the RPT and approval by the Board of Directors. Any RPT involving Directors or Corporate Officers, regardless of amount, require the review and approval by the Board of Directors.</p>	

<p>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>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://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/AboitizPower-Related-Party-Transaction-Policy-final.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 for the 2019 ASM (20-IS), p.128-129, Board Responsibility available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>v. 2018 Annual Report (SEC Form 17-A), p. 29; 110 to 111, Transactions With and/or Dependence on</p>	
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		<p>Related Parties and Certain Relationships and Related Transactions, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p>	
<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p> <p><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>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>See:</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/AboitizPower-Related-Party-Transaction-Policy-final.pdf</p> <p>iii. Related Party Transactions Committee Charter, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-</p>
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			<p>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 2018 Integrated Report, p. 160: Rights of Shareholders, available at: https://aboitiz.community/ar2018-web/assets/downloads/AEV%20Annual%20Report%202018.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</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><i>and responsibility for approving the selection of management.</i></p> <p><i>Identify the Management team appointed.</i></p>		<p>The Board of Directors appoints the Company's CEO, CRO, CCO, and other senior officers at every organizational meeting following the annual stockholders meeting.</p> <p>On May 21, 2018, during the Organizational Board Meeting, the Board elected/appointed the following:</p> <p>Antonio R. Moraza - President & Chief Executive Officer</p> <p>Susan V. Valdez - Chief Reputation and Risk Management Officer</p> <p>Joseph Trillana T. Gonzales - Compliance Officer</p> <p>On July 26, 2018, during the Regular Board Meeting, the Board elected/appointed the following officers:</p> <p>Erramon I. Aboitiz - President & Chief Executive Officer, following the retirement of Mr. Antonio R. Moraza as President and CEO.</p> <p>Saturnino E. Nicanor, Jr. - Group Internal Audit Head</p> <p>Links/references are as follows:</p> <p>i. 2018 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>	
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<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 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>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 key officers (including the CEO, the Chief Risk and Reputation Officer, the Chief Compliance Officer, and the Group Internal Audit Head).</p> <p>Links/references are as follows:</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</p>	

		<p>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. Board Assessment Forms, available at: https://aboitizpower.com/corporate-governance/policies-and-protocols/#board-performance-assessment</p>	
Recommendation 2.10			
<p>1. Board oversees that an appropriate internal control system is in place.</p>	Compliant	<p>Under the Company's Revised Manual on Corporate Governance and Board Audit Committee Charter, the Board of Directors is responsible in ensuring that there is an effective system of internal control, which includes a mechanism for monitoring and managing potential conflict of interest among directors, management, team members and shareholders.</p>	
<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>The Company's Code of Ethics and Business Conduct clearly outline the company's policies on the conflicts of interest situations.</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>The Board also approved a Conflict of Interest Policy and a Related Party Transaction 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: http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.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.pdf</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>3. Board approves the Internal Audit Charter.</p>	<p>Compliant</p>	<p>The Board of Directors approved the Board Audit Committee Charter and the Manual on</p>	

<p><i>Provide reference or link to the company's Internal Audit Charter</i></p>		<p>Corporate Governance (which includes guidelines on Internal Audit) in 2012 and 2017, respectively.</p> <p>See the Company's Board Audit Committee Charter available at: http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.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>	<p>Compliant</p>	<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.</p> <p>Links/references are as follows:</p>	
<p>2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.</p> <p><i>Provide proof of effectiveness of risk management strategies, if any.</i></p>	<p>Compliant</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:</p>	

		https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf iii. Board Audit Committee Charter , p. 8-9, Internal Control and Audit available at: http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.pdf 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	
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role. <i>Provide link to the company's website where the Board Charter is disclosed.</i>	Compliant	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 meetings. A copy of the Board Charter is available at the Company's website at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant		
3. Board Charter is publicly available and posted on the company's website.	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>	<p>Compliant</p>	<p>The Company has a duly approved General Trading Policy that prohibits insider trading. This Policy is regularly communicated to all Directors, officers, and team members.</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 the Company's Interest, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf</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>	<p>Compliant</p>	<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>Compliant</p>	<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><i>Indicate the types of decision requiring board of directors' approval and where there are disclosed.</i></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 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 2018 Disclosures, uploaded in the Company website at: https://aboitizpower.com/investor-relations/disclosures/#tabs-2</p> <p>ii. Definitive Information Statement for the 2019 ASM (20-IS), pp. 32-34: Item 16. Matters Not Required to be Submitted available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. 2018 Annual Report (SEC Form 17-A) on Reports on SEC Form 17-C (Part V – Exhibits and Schedules) p.112 to 113, Item 14. at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iv. Board Charter - https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Charter .pdf</p>	
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Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board’s functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

Recommendation 3.1

<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles 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>Compliant</p>	<p>In 2018, the Company’s Board Committees consist of the following: Board Audit Committee, Board Risk and Reputation Management Committee, Board Corporate Governance Committee, Board Related Party Transactions Committee, and the Board Executive Committee which was recently 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://abotizpower.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://abotizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iii. Amended Manual on Corporate Governance, pp. 24-40, Board Committees, available at: https://abotizpower.com/wp-</p>	
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		<p>content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iv. Definitive Information Statement for the 2019 ASM (20-IS), pp. 128-129: Board Responsibility, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p>	
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>	<p>Compliant</p>	<p>The Company's Board Audit Committee assists the Board in the tasks of (1) preparing a strategic audit agenda; and (2) providing oversight over the Company's financial reporting policies, practices and control, and internal and external audit functions. 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://abotizpower.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: https://abotizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iii. Board Audit Committee Charter available at:</p>	

		<p>http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.pdf</p> <p>iv. Definitive Information Statement for the 2019 ASM (20-IS), p. 126: Information on Independent Accountant and Other Related Matters, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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 Audit Committee is composed of three Independent Directors and two Non-executive Directors. The Chairman of the 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: https://aboitizpower.com/corporate-governance/governance-team/#board-committees</p> <p>iii. Aboitiz 2018 Integrated Report, pp.208 - 211, The Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p>	

		<p>iii. Definitive Information Statement for the 2019 ASM (20-IS), pp. 128-129: Board Responsibility, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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 Audit Committee – Messrs. Carlos C. Ejercito, Romeo L. Bernardo, Eric Ramon O. Recto, Enrique M. Aboitiz, and Mikel A. Aboitiz- 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 for the 2019 ASM (20-IS), pp. 10-15, Item 5.: Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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:</p> <p>2018: https://aboitizpower.com/wp-content/uploads/AP-Profiles-Directors-and-Officers-for-2018.pdf</p>	

		<p>2019: https://aboitizpower.com/wp-content/uploads/AP-Profiles-Directors-and-Officers-for-2019.pdf</p> <p>iv. Aboitiz 2018 Integrated Report, pp .208 – 211, The Board Audit Committee Report to the Board of Directors, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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 Audit Committee, is an Independent Director, and is not the Chairman of the Board of Directors, or any other committee.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS), pp. 143-146: The Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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-2018.pdf</p> <p>iii. Aboitiz 2018 Integrated Report, pp.208 - 211, The Board Audit Committee Report to the Board of Directors, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p>	
<p>Supplement to Recommendation 3.2</p>			

<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 Audit Committee elects, monitors and reviews the independence, performance and effectiveness, scope of work, fees and remuneration of external auditors. In addition, the Board 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 Statement for the 2019 ASM (20-IS), p. 126: Information on Independent Accountant and Other Related Matters, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. 2018 Annual Report (SEC Form 17-A), p. 90: External Audit Fees and Services, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iii. Board Audit Committee Charter available at: http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.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</i></p>	<p>Compliant</p>	<p>The Board Audit Committee which is composed of Independent Directors and Non-executive Directors regularly conduct dialogues with the External Auditors without anyone from management attending the meeting.</p> <p>Links/references are as follows:</p>	

<p><i>with the external audit team without anyone from management present.</i></p>		<p>i. Aboitiz 2018 Integrated Report, pp.208 – 211, The Board Audit Committee Report to the Board of Directors, available at: https://abotiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p> <p>ii. Definitive Information Statement for the 2019 ASM (20-IS), p. 143-146: The Board Audit Committee Report to the Board of Directors, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. Board Audit Committee Charter available at: http://abotizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.pdf</p>	
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>	<p>Compliant</p>	<p>The 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 2018, five meetings were held: March 6, April 30, July 23, October 22 and November 21.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2018 Integrated Report, pp .208 –211, The Board Audit Committee Report to the Board of Directors, available at: https://abotiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p>	

		<p>ii. Definitive Information Statement for the 2019 ASM (20-IS), pp. 143-146: The Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. Board Audit Committee Charter, p.2: Frequency of Meetings, available at: http://aboitizpower.com/wpcontent/uploads/2015/05/Audit-CommitteeCharter.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>	
<p>2. Audit Committee approves the 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>Compliant</p>	<p>The Internal Audit Head directly reports to the Audit Committee. The 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 2018 Integrated Report, pp.208 - 211, The Board Audit Committee Report to the Board of Directors, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p> <p>ii. Definitive Information Statement for the 2019 ASM (20-IS), pp. 144 - 146: The Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-</p>	

		<p>content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. Board Audit Committee Charter, available at http://aboitizpower.com/wpcontent/uploads/2015/05/Audit-CommitteeCharter.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 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>	Compliant	<p>The Corporate Governance Committee is tasked to 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>In 2014, the Board Corporate Governance Committee took over the functions of the Board Nominations and Compensation Committee.</p> <p>Links/references are as follows:</p> <p>i. Board Corporate Governance Committee Charter available at</p>	

		<p>https://aboitizpower.com/wpcontent/uploads/AboitizPower-Board-CorporateGovernance-Committee-Charter .pdf</p> <p>ii. Definitive Information Statement for the 2019 ASM (20-IS), p. 129, Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. Company Website, 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>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>The Corporate Governance Committee is composed of two Non-executive Directors and three Independent Directors as the voting members, which comprises the majority.</p> <p>The Compliance Officer, as well as the Human Resources Officer, are ex-officio non-voting members.</p> <p>Links/references are as follows:</p> <p>i. Board Corporate Governance Committee Charter available at</p>	

		<p>https://aboitizpower.com/wpcontent/uploads/AboitizPower-Board-CorporateGovernance-Committee-Charter_.pdf</p> <p>ii. Definitive Information Statement for the 2019 ASM (20-IS), p. 129, Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. Company Website, 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>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>As of December 11, 2018, Mr. Romeo L. Bernardo, the Lead Independent Director was appointed as the Chairman of the Board Corporate Governance Committee.</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-12.11.18-Re-organization.pdf</p> <p>ii. Board Corporate Governance Committee Charter available at</p>	

		<p>https://aboitizpower.com/wpcontent/uploads/AboitizPower-Board-CorporateGovernance-Committee-Charter .pdf</p> <p>iii. Definitive Information Statement for the 2019 ASM (20-IS), p. 129, Board Corporate Governance Committee, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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-2018-Revision-signed-by-EIA-JT.pdf</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>	Compliant	<p>In 2018, the Board Corporate Governance Committee Members met three times: February 20, 2018, July 24, 2018 and November 21, 2018.</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>	

		ii. See Annex “B” for the Attendance of the Board Corporate Governance Committee certified by the Corporate Secretary	
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), including its functions</i></p>	Compliant	<p>The Risk and Reputation Management Committee is responsible for overseeing the identification, measurement, monitoring and controlling of 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-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>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</i></p>	Non-Compliant		<p>The Risk and Reputation Management Committee is composed of three Independent Directors, three Non-executive Directors and one Executive Director. The Chairman of the committee is a Non-executive Director.</p>

<p><i>members of the BROC, including their qualifications and type of directorship</i></p>			<p>The Company believes that including the Non-executive Directors and an Executive Director to the Committee, allows it to have a more wholistic 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.</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>
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<p>3. The Chairman of the BROC 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 BROC</i></p>	<p>Non-Compliant</p>		<p>Although the Chairman of the Risk and Reputation Management Committee also acts as the Chairman of the Board, he nevertheless is a Non- executive Director who is well versed in risk and reputation management.</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 BROC 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</i></p>	<p>Compliant</p>	<p>All the members of the Board Risk and Reputation Management Committee has relevant experience on risk & risk management.</p> <p>For 2018, directors and corporate officers of the Aboitiz Group attended an in-house corporate governance seminar focused on building a risk culture. Particular topics</p>	

background, skills, and/or experience of the members of the BRO.

include: (i) the World Economic Forum 2018 Top Global Risk; (ii) Cyber Risk; and (iii) Digitization: Targeting a Technology Dividend in Risk Management. This seminar was duly accredited by the SEC in compliance with SEC Memorandum Circular No. 19, Series of 2016.

Links/references are as follows:

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>

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>

iii. **Company Website**, available at: <https://aboitizpower.com/corporate-governance/governance-team/#board-committees>

iv. **Definitive Information Statement for the 2019 ASM (20-IS)**, pp. 10-15, item 5, Directors and Executive Officers, available at: <https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf>

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><i>Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.</i></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>Links/references are as follows:</p> <p>i. Amended Manual on Corporate Governance, p. 44, Board Related Party Transactions Committee, available at: https://abotizpower.com/wp-content/uploads/AbotizPower-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/AbotizPower-Board-RPT-Committee-Charter-finalREV.pdf</p> <p>iii. Company Website, available at: https://abotizpower.com/corporate-governance/governance-team/#board-committees</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.</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://abotizpower.com/wp-content/uploads/AbotizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	

		<p>ii. Board Related Party Transactions Charter, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Board-RPT-Committee-Charter-finalREV.pdf</p> <p>iii. Company Website, available at: https://aboitizpower.com/corporate-governance/governance-team/#board-committees</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://aboitizpower.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://aboitizpower.com/wp-content/uploads/AboitizPower-Board-Corporate-Governance-Committee-Charter .pdf</p>	
<p>3. Committee Charters were fully disclosed on the company's website.</p>	Compliant	<p>ii. Board Audit Committee Charter - http://aboitizpower.com/wpcontent/uploads/2015/05/Audit-CommitteeCharter.pdf</p>	

<p><i>Provide link to company's website where the Committee Charters are disclosed.</i></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 - 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>	
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Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

Recommendation 4.1

<p>1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele- /videoconferencing conducted in accordance with the rules and regulations of the Commission.</p> <p><i>Provide information or link/reference to a document containing information on the</i></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 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>	
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<p><i>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>See:</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 2018 Integrated Report, 2018 Board and Board Committees Attendance Record, p.159, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p> <p>iii. 2018 ASM Minutes, available at: https://aboitizpower.com/wp-content/uploads/AP-Minutes-2018-05.21.18-Annual-Stockholders-Meeting-1.pdf</p> <p>iv. Definitive Information Statement for the 2019 ASM (20-IS) page 128: Corporate Governance available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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. AbotizPower Board Charter, p. 7, Board Meetings, available at: https://aboitizpower.com/wp-content/uploads/AbotizPower-Board-Charter_.pdf</p> <p>ii. 2018 Amended Manual on Corporate Governance, pp 10-14. Duties and Responsibilities of a Director available at:</p> <p>iii. See sample e-mail to the Board of Directors notifying them that the materials for the 2018 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>Amended Manual on Corporate Governance, pp. 10-14 Duties and Responsibilities of a Director, available at: https://aboitizpower.com/wp-content/uploads/AbotizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p>	

Recommendation 4.2

1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management’s proposals/views, and oversee the long-term strategy of the company.

Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.

Provide information or reference to a document containing information on the directorships of the company’s directors in both listed and non-listed companies

Compliant

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.

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.

Links/references are as follows:

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>

ii. **Definitive Information Statement for the 2019 ASM (20-IS)**, pp.10-25: Item 5. Directors and Executive Officers available at: <https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf>

pp. 135-140, Certification of Independent Directors, <https://aboitizpower.com/wp->

		content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf	
		<p>iii. Company Website, Profiles of the Directors, available at: https://aboitzpower.com/wp-content/uploads/AP-Profiles-Directors-and-Officers-for-2018.pdf</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 Aboitz 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://aboitzpower.com/wp-content/uploads/AboitzPower-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 Aboitz 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 for the 2019 ASM (20-IS), pp.10- 25: Item 5. Directors and</p>	

		<p>Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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 and through the 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 2018, the board of directors met for six regular board meetings; four special board meetings; one organizational and 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-</p>	

		<p>content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Aboitiz 2018 Integrated Report, 2018 Board and Board Committees Attendance Record, p.159, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p> <p>iii Definitive Information Statement for the 2019 ASM (20-IS) page 128: Corporate Governance available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</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://aboitizpower.com/wp-content/uploads/BL-</p>	

		<p>ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>ii. Board Charter – p. 7 Board Meetings 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>	
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
<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>	Compliant	<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 2018 Integrated Report, Board of Directors, p.172-173, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p> <p>ii. Definitive Information Statement for the 2019 ASM (20-IS), pp.10- 25: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. Amended Manual on Corporate Governance, pp. 14-16, Qualifications of Members of the Board,</p>	

		available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
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. All the three Independent Directors have met the requirements.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2018 Integrated Report, Board of Directors, pp.172-173, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p> <p>ii. Definitive Information Statement for the 2019 ASM (20-IS), pp.10-25: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>pp.135-140, Certification of Independent Directors, https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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>	
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> <p><i>Provide link/reference to a document containing information that directors are not constrained to vote independently.</i></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. 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>	Compliant	<p>The Company complies with the requirements of SEC Memorandum Circular No. 19, Series of 2016 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://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 for the 2019 ASM (20-IS), pp.10-25: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p>	
<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. 19, Series of 2016 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://aboitizpower.com/wp-</p>	

		<p>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 for the 2019 ASM (20-IS), pp.10-25: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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><i>Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.</i></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>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-</p>	

		<p>ABOITIZ-POWER-CORPORATION-Amended-05.29.2018.pdf</p> <p>iii. Definitive Information Statement for the 2019 ASM (20-IS) pp.10-25: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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>	<p>Compliant</p>	<p>In 2018, 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 for the 2019 ASM (20-IS), pp.10- 25: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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. 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>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>	<p>Compliant</p>	<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. Definitive Information Statement for the 2019 ASM (20-IS), pp.10-25: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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. 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>	<p>Compliant</p>	<p>Mr. Mikel A. Aboitiz, the Chairman of the Board, is not an Independent Director. However, the company appointed Mr. Romeo L. Bernardo as the Company's Lead Independent Director.</p> <p>Links/references are as follows:</p>	

<p><i>independent director and his roles and responsibilities, if any.</i></p> <p><i>Indicate if Chairman is independent.</i></p>		<p>i. Results of the 2018 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. 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 for the 2019 ASM (20-IS) pp. 10-25: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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 2018 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</p>	

		<p>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>See:</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/AboitizPower-Related-Party-Transaction-Policy-final.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 Audit Committee annually holds a private session with the Group 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 2018, this private session was held on November 23, 2018</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>	Non-Compliant		

<p><i>Provide information on the frequency and attendees of meetings.</i></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-2018-Revision-signed-by-EIA-JT.pdf</p> <p>ii. Board Audit Committee Charter, page 4: Private Sessions, available at: http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.pdf</p> <p>iii. Definitive Information Statement for the 2019 ASM (20-IS), pp. 143-146: Report of Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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 following the unexpired term of Mr. Antonio R. Moraza as President and CEO of the Company. 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. AP Disclosure Resignation and Appointment of Officer, available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-07.26.18-Resignation-of-Director-and-Officer-and-Appointment-of-Officers-1.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>	
<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.</p>			
<p>Recommendation 6.1</p>			
<p>1. Board conducts an annual self-assessment of its performance as a whole.</p> <p><i>Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees</i></p>	<p>Compliant</p>	<p>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.</p>	
<p>2. The Chairman conducts a self-assessment of his performance.</p>	<p>Compliant</p>	<p>The Chairman of the Board ensures that the performance of the Board is evaluated at</p>	

		least once a year and discussed/followed up on.	
3. The individual members conduct a self-assessment of their performance.	Compliant	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.	
4. Each committee conducts a self-assessment of its performance.	Compliant	<p>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</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>	
5. Every three years, the assessments are supported by an external facilitator. Identify the external facilitator and provide proof of use of an external facilitator.	Compliant	<p>As of 2018, 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-</p>	

		content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
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>	Compliant	<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>	

		<p>i. Board Assessment Form, available at: https://aboitizpower.com/corporate-governance/policies-and-protocols/#board-performance-assessment</p> <p>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</p>	
<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 2018 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> <p>i. Company Website, Contact Us, available at:</p>	

		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			
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. <i>Provide information on or link/reference to the company's Code of Business Conduct and Ethics.</i>	Compliant	The Company adopted the Code of Ethics and Business Conduct (the Code) in 2002, which was later on amended in 2016. 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. All directors, officers, and employees have an individual responsibility to ensure that business practices adhere to the rules of the Code. See: Code of Ethics and Business Conduct , available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	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><i>Provide information on or discuss how the company disseminated the Code to its Board, 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 online platforms and orientation to new hires. The results of the cascade are presented to the Board Corporate Governance Committee.</p> <p>On a yearly basis, all team members are required to review and renew their personal commitment to the Code.</p> <p>See:</p> <p>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>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 disclosed and made available through the Company's website at: 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>Supplement to Recommendation 7.1</p>			
<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>	<p>Compliant</p>	<p>The Company has an existing anti-corruption policy and fully implemented through the Code.</p> <p>See:</p> <p>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>	

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>	<p>Compliant</p>	<p>In compliance with the mandate of the Board of Directors, the Chief Compliance Officer made an initial cascade of the Code to all the team leaders of the Company and thereafter to the other 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 online platforms and orientation to new hires. The results of the cascade were presented to the Board Corporate Governance Committee.</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 Code of Business Conduct and Ethics and any findings on non-compliance.</i></p>	<p>Compliant</p>	<p>The Code is applicable to all Directors, Corporate Officers, team leaders and team members who 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, Agora 2.0.</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-</p>	

[content/uploads/AboitzPower-Code-of-Ethics-and-Business-Conduct-1.pdf](https://www.aboitzpower.com/content/uploads/AboitzPower-Code-of-Ethics-and-Business-Conduct-1.pdf)

Disclosure and Transparency

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

Recommendation 8.1

1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.

Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders

Compliant

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.

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.

Links/references are as follows:

i. **Information Disclosure Policy**, available at:

<https://aboitzpower.com/wp-content/uploads/AboitzPower-Information-Disclosure-Policy.07.27.12-v2.pdf>

ii. **Aboitz 2018 Integrated Report**, available at:

<https://aboitzpower.com/wp-content/uploads/2018-Integrated-Report.pdf>

iii. **Definitive Information Statement for the 2019 ASM (20-IS)**, available at:

<https://aboitzpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-ASM-20-IS.pdf>

		Definitive-Information-Statement-for-website.pdf	
Supplement to Recommendations 8.1			
<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</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>	Compliant	<p>The Company's 2018 Audited Financial Statements were included in the Definitive Information Statement for the 2019 ASM which was disclosed, distributed and uploaded to the Company's website on March 26, 2019 or 85 days from the end of the reporting period.</p> <p>The Company's Interim financial reports (SEC Form 17-Q) are filed within 45 days from the end of the reporting period.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS), available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. 2018 Annual Report (SEC Form 17-A), available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iii. AP SEC Form 17-Q (First Quarterly Report 2018), available at: https://aboitizpower.com/wp-content/uploads/03.31.18-AP-SEC-FORM-17-Q-re-First-Quarter-Report-Full-Report-2.pdf</p> <p>iv. AP SEC Form 17-Q (Second Quarterly Report 2018), available at: https://aboitizpower.com/wp-</p>	

		<p>content/uploads/06.30.18-AP-SEC-FORM-17-Q-re-Second-Quarter-Report-Full-Report.pdf</p> <p>v. AP SEC Form 17-Q (Third Quarterly Report 2018), available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-11.06.18-Third-Quarter-2018-Financial-and-Operating-Results.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> <p>i. Definitive Information Statement for the 2019 ASM (20-IS), pp.7 - 9, Security Ownership of Certain Record and Beneficial Ownership and Management, available at: https://aboitizpower.com/wp-</p>	

		<p>content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. 2018 Annual Report (SEC Form 17-A), p.108, Security Ownership of Certain Record and Beneficial Ownership and Management, available at: https://aboitzpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iii. Company's Conglomerate Map, available at: https://aboitzpower.com/about-us/conglomerate-map/</p>	
Recommendation 8.2			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	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>	Compliant	<p>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.</p> <p>Links/references are as follows:</p>	

<p><i>Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.</i></p>		<p>i. Company Disclosures, SEC Form 23-Bs, available at: https://aboitizpower.com/investor-relations/disclosures/</p> <p>ii. Definitive Information Statement for the 2019 ASM (20-IS), p.7- 9, Security Ownership of Certain Record and Beneficial Ownership and Management, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Fm-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. General Trading Policy, page 3: Item F. Reportorial Requirements of the Directors and Corporate Officers, available at: https://aboitizpower.com/wpcontent/uploads/AboitizPower-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>	
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>Compliant</p>	<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</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>		<p>Company's Insider Trading Policy and Trading Black-out dates.</p> <p>There has been no approved buy back of Company shares.</p> <p>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: https://aboitizpower.com/investor-relations/disclosures/</p> <p>iii. Public Ownership Reports, available at: https://aboitizpower.com/investor-relations/disclosures/</p> <p>iv. Company Website – Conglomerate Map, available at: https://aboitizpower.com/about-us/conglomerate-map/</p> <p>v. Definitive Information Statement for the 2019 ASM (20-IS), pp.7 - 9, Security Ownership of Certain Record and Beneficial Ownership and Management, and p.324, Conglomerate Map, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p>	
<p>Recommendation 8.3</p>			

<p>1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p> <p><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>Compliant</p>	<p>The Company discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest.</p> <p>Links/references are as follows:</p> <p>i. Disclosure on the Profiles of the Nominees to the Board for the 2019 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 for the 2019 ASM (20-IS), pp. 10-25: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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>Compliant</p>	<p>The Company discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS), pp. 10-25: Item 5. Directors and</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>Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. 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>	<p>Compliant</p>	<p>The Company rewards its individual directors and key officers based on their ability to execute his duties and responsibilities. Performance is evaluated and compensation is reviewed on an annual basis. Changes in Board compensation, if any, comes at the suggestion of the Board Corporate Governance Committee but with full discussion and concurrence by the Board and the Company's shareholders.</p> <p>The Company's policy on compensation for its Directors and key executives can be found in the Company's Manual.</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 for the 2019 ASM (20-IS), p.26-28, Item 6. Compensation of Directors and Executive Officers available at: <a 334="" 717="" 871"="" 943="" href="https://aboitizpower.com/wp-content/uploads/AP-</p> </td> <td data-bbox="></p>	

		SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf	
<p>2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the 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>	Compliant	<p>The Company rewards its individual executive Directors and corporate officers based on the individual's 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 Company's policy on compensation for its key executives and corporate officers can be found in the Company's Manual.</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 for the 2019 ASM (20-IS), pp.27-28, Item 6. Compensation of Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p>	
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	Compliant	<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>	

Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.

The directors receive a monthly allowance equivalent 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	₱100,000	₱ 150,000
Committee	₱ 80,000	₱ 100,000

In 2018, the directors met for a total of 13 regular and special board meetings, while the committees also held the following meetings:

Name of Committee	Number of Meetings
Audit	5
Corporate Governance	3
Related Party Transactions	3
Risk and Reputation Management	3
Executive	1

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.

Links/references are as follows:

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>ii. Definitive Information Statement for the 2019 ASM (20-IS), pp.27-28, Item 6. Compensation of Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p>	
Recommendation 8.5			
<p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring 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>	Compliant	<p>The Company has an existing Related Party Transactions Policy to set out proper 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>For 2018, 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. Related Policy Transactions Policy, available at: https://aboitizpower.com/wpcontent/uploads/AboitizPower-Related-PartyTransaction-Policy-final.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>2. Company discloses material or significant RPTs reviewed and approved during the 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>Compliant</p>	<p>The Company's RPT Policy requires various levels of approval, particularly those which pass a certain threshold.</p> <p>The Company discloses material or significant RPTs through the Annual Report, the Company's website, the Company's Information Statements. In addition, all of the Company's RPTs are disclosed in the Audited Financial Statements in accordance with Philippine Accounting Standard (PAS) 24.</p> <p>For 2018, the Company's related party transactions were discussed in:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS), p. 26: Item 5. Certain Relationships and Related Transactions; p. 68, Transactions with and/or Dependence on Related Parties available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. 2018 Annual Report (SEC Form 17-A), p. 29: item viii. Transactions with and/or Dependence on Related Parties available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p>	
Supplement to Recommendation 8.5			
<p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p>	<p>Compliant</p>	<p>The Company's RPT Policy mandates that if an actual or potential conflict of interest arises on the part of a Director, he is mandated to fully and immediately disclose the same and should not</p>	

<p><i>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</i></p>		<p>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 officers are required to submit an RPT Certification wherein they disclose potential conflict of interest situations.</p> <p>For 2018, 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/wpcontent/uploads/AboitizPower-Related-PartyTransaction-Policy-final.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</p>	

		<p>interests of the Company and its shareholders.</p> <p>The CFO ensures that all significant and material RPTs 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.</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/wpcontent/uploads/AboitizPower-Related-PartyTransaction-Policy-final.pdf</p> <p>ii. Definitive Information Statement for the 2019 ASM (20-IS), p. 26: Item 5. Certain Relationships and Related Transactions; p. 68, Transactions with and/or Dependence on Related Parties available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. Board Related Party Transactions Committee Charter, available at: https://aboitizpower.com/wp-</p>	
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		<p>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-2018-Revision-signed-by-EIA-JT.pdf</p>	
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>	<p>Compliant</p>	<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?cmpy_id=609</p> <p>See also:</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 Statement for the 2019 ASM (20-IS), p. 68, item viii. Transactions with and/or Dependence on Related Parties available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. 2018 Annual Report (SEC Form 17-A), p. 29: item viii. Transactions with and/or Dependence on Related Parties, pp.112-113, Item 14. Exhibits and Reports on SEC Form 17-C, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p>	
<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>	<p>Compliant</p>	<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 2018, the Company appointed Standard Chartered Bank as its Financial Advisor when it acquired equity interest in AA Thermal, Inc.</p> <p>See: Company disclosure on the Acquisition of AA Therma Inc. available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-09.26.18-Acquisition-of-AA-Thermal-Inc.-with-PR-AMENDED.pdf</p> <p>See also: Amended Manual on Corporate Governance, p.48, VII. Reportorial or Disclosure System Of The</p>	

		Company's Corporate Governance Policies, available at: https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
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 the control, ownership, and strategic direction of the company.</p> <p><i>Provide link or reference where these are disclosed.</i></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 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, 2018 - https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-03.31.18.pdf ● July 30, 2018 - https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-06.30.18-AMENDED.pdf ● September 30, 2018 - https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-09.30.18.pdf ● December 31, 2018 - https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-12.31.18.pdf 	

		<p>content/uploads/AP-Public-Ownership-Report-as-of-12.31.18.pdf</p> <p>iii. 2018 Annual Report (SEC Form 17-A), pp.112 - 113, Item 14. Exhibits and Reports on SEC Form 17-C, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.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><i>Provide link to the company's website where the Manual on Corporate Governance is posted.</i></p>	Compliant	<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 January 31, 2019.</p> <p>Links/references are as follows:</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>ii. Company's Website: https://aboitizpower.com/corporate-governance/governance-reports-and-scorecards/#manual-of-corporate-governance</p>	
<p>2. Company's MCG is submitted to the SEC and PSE.</p>	Compliant		
<p>3. Company's MCG is posted on its company website.</p>	Compliant		
Supplement to Recommendation 8.7			
<p>1. Company submits to the SEC and PSE an updated MCG to disclose any</p>	Compliant	<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>	

changes in its corporate governance practices. <i>Provide proof of submission.</i>		See: Amended Manual on Corporate Governance - https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information: <i>Provide link or reference to the company's Annual Report containing the said information.</i>	Compliant	The Company's Annual Report disclose the following information: (a) For the disclosures on the corporate objectives, see: 2018 Annual Report (SEC Form 17-A) , pp.1 -7, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf	
a. Corporate Objectives	Compliant	(b) For the disclosures on the Financial Performance Indicators, see:	
b. Financial performance indicators	Compliant	i. Definitive Information Statement for the 2019 ASM (20-IS) , Financial Summary, pp 150-162, Report of Auditors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf	
c. Non-financial performance indicators	Compliant		
d. Dividend Policy	Compliant	ii. AP Consolidated Audited Financial Statements , available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf	
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other	Compliant		

<p>directorships in listed companies) of all directors</p>		<p>(c) For the disclosures on Non-financial performance indicators, Aboitiz 2018 Integrated Report, pp. 98 - 125, available at: https://abotiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p>	
<p>f. Attendance details of each director in all directors meetings held during the year</p>	<p>Compliant</p>	<p>(d) For the Dividend Policy, see: 2018 Annual Report (SEC Form 17-A), p. 73, Dividends, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p>	
<p>g. Total remuneration of each member of the board of directors</p>	<p>Compliant</p>	<p>and Definitive Information Statement for 2019 ASM, see page 109. Item 5. Dividends, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>(e) For the Biographical details of all directors, see: 2018 Annual Report (SEC Form 17-A), pp. 92-96, Item 9. Directors and Executive Officers, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>(f) For the attendance of each director in all directors meetings held during the year, see: Definitive Information Statement for the 2019 ASM (20-IS) p. 128, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>(g) For the total remuneration of each member of the board of directors, 2018 Annual Report (SEC Form 17-A), pp 106 - 107, Item 10. Executive Compensation, available at:</p>	

		https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf and Definitive Information Statement for 2019 ASM , see p. 106-107 Compensation of Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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 contained in the Annual Report</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 2018 with the Manual and the Company policies. See: Aboitiz 2018 Integrated Report , pp. 154 –161, Aboitiz 2018 Corporate Governance Report, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf	
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. <i>Provide link or reference to where this is contained in the Annual Report</i>	Compliant	The Company's Annual Report discloses that the Board of Directors reviewed and approved the Company's material controls and risk management systems. See: i. 2018 Aboitiz 2018 Integrated Report , p. 154 to 161, Aboitiz 2018 Corporate Governance Report, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf	

		<p>ii. 2018 Annual Report (SEC Form 17-A), pp 56-60, Major Risk/s Involved in the Business, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.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>	Compliant	<p>The Company's 2018 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>Link/reference is as follows:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS), pp. 143-146, Board Audit Committee Report to the Board of Directors, p. 147, Internal Control and Compliance System Attestation, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p>	
<p>5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).</p> <p><i>Provide link or reference to where these are contained in the Annual Report</i></p>	Compliant	<p>The Company's Annual Report contains the risks that 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. Definitive Information Statement for the 2019 ASM (20-IS), pp.95-99: Major Risk/s Involved in the Business available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p>	

		<p>ii. 2018 Annual Report (SEC Form 17-A), pp 56-60, Major Risk/s Involved in the Business, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iii. Aboitiz 2018 Integrated Annual Report, pp.142-145, Building the Aboitiz Risk Culture, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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 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 2018 Integrated Annual Report, pp.208-211, The Board Audit Committee Report to the Board of Directors, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p>	
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		<p>ii. Definitive Information Statement for the 2019 ASM (20-IS), pp. 143-146: The Board Audit Committee Report to the Board of Directors, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. Board Audit Committee Charter, available at http://aboitizpower.com/wpcontent/uploads/2015/05/Audit-CommitteeCharter.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>	
<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 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, 99.57% 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 (6,596,160,446 shares/99.57%) ● NO (28,540,989 shares/0.43%) ● ABSTAIN (none) <p>Links/references are as follows:</p>	

		<p>i. ASM Quorum and Summary of Resolutions Approved (Posted May 22, 2018), p.3, available at: https://aboitizpower.com/wp-content/uploads/2018-AP-ASM-Tabulate-Results-Signed-by-Luis-Canete.pdf</p> <p>ii. 2018 ASM Minutes, pp. 4 – 5, available at: https://aboitizpower.com/wp-content/uploads/AP-Minutes-2018-05.21.18-Annual-Stockholders-Meeting-1.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>	Compliant	<p>The Company has had no reason to change its external auditor for the past several years. In case of removal of the external auditor, the reasons for the removal or change shall be immediately disclosed to the regulators and the public. Such disclosure will also be posted in the Company's website.</p> <p>See:</p> <p>i. Board Audit Committee Charter, available at http://aboitizpower.com/wpcontent/uploads/2015/05/Audit-CommitteeCharter.pdf</p> <p>ii. 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>	
Supplement to Recommendation 9.1			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	Compliant	<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>Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.</p>		<p>In 2018, the new lead audit partner for SGV, Ms. Maria Veronica Andresa R. Pore replaced Ms. Leovina Mae V. Chu who has been the lead audit partner for the Company from 2012 to 2016.</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>See:</p> <p>i. Board Audit Charter, page 8: Independent External Auditors http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.pdf</p> <p>ii. Amended Manual on Corporate Governance - Policy with regard to the External Auditor, p. 39 to 40, 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 for the 2019 ASM (20-IS), pp. 28-29, Independent Public Accountant, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p>	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee’s responsibility on:</p>	<p>Compliant</p>	<p>Under the Board Audit 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</p>	

<p>i. assessing the integrity and independence of external auditors;</p> <p>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</p> <p>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</p> <p><i>Provide link/reference to the company's Audit Committee Charter</i></p>		<p>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.</p> <p>See: Board Audit Committee Charter pp: 5-10: Duties and Responsibilities of the Committee, available at: http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.pdf</p>	
<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p> <p><i>Provide link/reference to the company's Audit Committee Charter</i></p>	<p>Compliant</p>	<p>The Committee's responsibility to annually review and monitor the external auditor's suitability and effectiveness is found in the Board Audit Committee Charter.</p> <p>See: Board Audit Committee Charter, page 7: Duties and Responsibilities of the Committee – B. Independent External Auditors, available at: http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.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 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 comply with the International Standards on the Professional Practice of Internal Auditing (ISPPIA).</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS), pp. 28-29, Independent Public Accountant, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. Board Audit Committee Charter, pp 6-7: Duties and Responsibilities of the Committee – B. Independent External Auditors, available at: http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.pdf</p> <p>iii. Amended Manual on Corporate Governance - Policy with regard to the External Auditor, pp. 39 - 40, available at: https://aboitizpower.com/wp-</p>	

		content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
<p>2. Audit Committee ensures that the external auditor has adequate quality control procedures.</p> <p><i>Provide link/reference to the company's Audit Committee Charter</i></p>	Compliant	<p>The Audit Committee ensures that the external auditor has adequate quality control procedures</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: http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.pdf</p> <p>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</p>	
Recommendation 9.3			
<p>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.</p> <p><i>Disclose the nature of non-audit services performed by the external auditor, if any.</i></p>	Compliant	<p>The Company disclosed in its 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 2018.</p> <p>For 2018, 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 ₱10.2 billion Bonds in 2018. In 2018 the Company also engaged SGV to provide financial and tax due diligence in relation to the Company's participation in biddings, acquisitions, and other projects.</p>	

		<p>Links/references are as follows:</p> <p>Definitive Information Statement for the 2019 ASM (20-IS), p.126, Information on Independent Accountant and Other Related Matters, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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 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: http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.pdf</p> <p>ii. Definitive Information Statement for the 2019 ASM (20-IS), p.126, Information on Independent Accountant and Other Related Matters, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p>	
<p>Supplement to Recommendation 9.3</p>			

<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>	<p>Non-Compliant</p>		<p>SGV was engaged by the Company to audit its 2018 and 2017 annual financial statements.</p> <p>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 ₱10.2 bn Bonds in 2018 and ₱3 bn Series "A" 2017 Bonds. In 2018 and 2017, the Company also engaged SGV to provide financial and tax due diligence in relation to the Company's participation in biddings, acquisitions, and other projects.</p> <p>See discussion at: Definitive Information Statement for the 2019 ASM (20-IS) Definitive Information Statement for the 2019 ASM (20-IS), p.126, Information on Independent Accountant and Other Related Matters, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p>
<p>Additional Recommendation to Principle 9</p>			
<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>Compliant</p>	<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-3 (Group A)</p>	

<ol style="list-style-type: none"> 1. Name of the audit engagement partner; 2. Accreditation number; 3. Date Accredited; 4. Expiry date of accreditation; and 5. Name, address, contact number of the audit firm. 		<p>3. Date Accredited: March 2, 2017</p> <p>4. Expiry date of accreditation: March 1, 2020</p> <p>BIR Accreditation No. 08-001998-71-2018, February 26, 2018, valid until February 25, 2021</p> <p>PTR No. 7332597, January 3, 2019, Makati City</p> <p>5. Sycip Gorres Velayo & Co. 6760 Ayala Avenue, 1226 Makati City Tel no. (632) 891-0307</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS) pp. 28-29, Independent Public Accountant, pp. 154-155, Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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> <ol style="list-style-type: none"> 1. Date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and 3. Members of the engagement team inspected by the SEC. 	<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>	

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	The Company follows the Global Reporting Initiative (GRI) and UN SGD Alignment for its Aboitiz 2018 Integrated Report which includes specific information about our policies, programs, performance and other non-financial issues. 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.	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues. <i>Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.</i> <i>Provide link to Sustainability Report, if any. Disclose the standards used.</i>	Compliant	Links/references are as follows: Aboitiz 2018 Integrated Report , pp.130-133, available at: https://abotiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf	
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			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public,	Compliant	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	

<p>material and relevant information to its shareholders and other investors.</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>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>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>Analysts Briefings - https://aboitizpower.com/investor-relations/highlights/#events</p> <p>Media Briefings - https://aboitizpower.com/media/media-events/#2018-2</p> <p>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</p>	

		<p>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:</p>	
a. Financial statements/reports (latest quarterly)	Compliant	<p>a. Financial Statements/Reports (annual and quarterly):</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS), available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. 2018 Annual Report (Sec Form 17-A), available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iii. AP Disclosure re First Quarter 2018 Financial and Operating Results, available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-05.02.18-First-Quarter-2018-Financial-and-Operating-Results-1.pdf</p> <p>iv. AP Disclosure re Second Quarter 2018 Financial and Operating Results available at: https://aboitizpower.com/wp-content/uploads/2018/08/AP-17C-Disclosure-Second-Quarter-2018-Financial-and-Operating-Results.pdf</p>	

		<p>v. AP SEC Form 17-Q (Second Quarterly Report 2018), available at: https://aboitizpower.com/wp-content/uploads/06.30.18-AP-SEC-FORM-17-Q-re-Second-Quarter-Report-Full-Report.pdf</p> <p>vi. AP Disclosure re Third Quarter 2018 Financial and Operating Results, available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-11.06.18-Third-Quarter-2018-Financial-and-Operating-Results.pdf</p> <p>vii. AP SEC Form 17-Q (Third Quarterly Report 2018), available at: https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-11.06.18-Third-Quarter-2018-Financial-and-Operating-Results.pdf</p>	
b. Materials provided in briefings to analysts and media	Compliant	<p>Analysts Briefings - https://aboitizpower.com/investor-relations/highlights/#events</p> <p>Media Briefings - https://aboitizpower.com/media/media-events/#2018-2</p>	
c. Downloadable annual report	Compliant	<p>Aboitiz 2018 Integrated Report - https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p> <p>2018 Annual Report (Sec Form 17-A) - https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p>	
d. Notice of ASM and/or SSM	Compliant	2018 ASM Main Page -	

		https://aboitizpower.com/investor-relations/annual-stockholders-meeting/ Notice and Agenda - https://aboitizpower.com/wp-content/uploads/AP-2018-ASM-Notice-and-Agenda-FINAL.pdf	
e. Minutes of ASM and/or SSM	Compliant	2018 ASM Main Page - https://aboitizpower.com/investor-relations/annual-stockholders-meeting/ 2018 ASM Minutes - https://aboitizpower.com/wp-content/uploads/AP-Minutes-2018-05.21.18-Annual-Stockholders-Meeting-1.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.

*List quality service programs for the internal audit functions.
Indicate frequency of review of the internal control system*

Compliant

All internal controls procedures are incorporated in the policies of the revised Board Risk and Reputation Management Charter and the Audit Committee Charter.

The Company discloses its internal control procedures and risk management systems through the Risk Management Report of its Chief Risk and Reputation Management Officer and the Report of the Audit Committee in the Aboitiz 2018 Integrated 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.

Links/references are as follows:

i. Definitive Information Statement for the 2019 ASM (20-IS), pp.95-99: Major Risk/s Involved in the Business; p.147, Internal Control and Compliance System Attestation, available at:

<https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf>

ii. 2018 Annual Report (SEC Form 17-A), p 56 to 60, Major Risk/s Involved in the Business, available at:

<https://abotizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf>

iii. Aboitiz 2018 Integrated Report, p.142-145, Building the Aboitiz Risk Culture, available at:

https://abotiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf

<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> <ol style="list-style-type: none"> 1. <i>Company's risk management procedures and processes</i> 2. <i>Key risks the company is currently facing</i> 3. <i>How the company manages the key risks</i> <p><i>Indicate frequency of review of the enterprise risk management framework.</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>For a thorough discussion on the risk management programs and initiatives, see:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS), pp.95-99: Major Risk/s Involved in the Business available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. 2018 Annual Report (SEC Form 17-A), p 56 to 60, Major Risk/s Involved in the Business, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iii. Aboitiz 2018 Integrated Annual Report, p.142-145, Building the Aboitiz Risk Culture, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p>	
Supplement to Recommendations 12.1			
<ol style="list-style-type: none"> 1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate 	<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. In 2018, Compliance was integrated into Risk in order</p>	

<p>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>to manage Regulatory Risk which is among the Group's top risks.</p> <p>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>See:</p> <p>i. Aboitiz 2018 Integrated Annual Report, p.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://abotiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p>	
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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>	<p>Compliant</p>	<p>The Company continues to monitor and address issues such as cyber security and disaster recovery.</p> <p>The Information Security Management System (ISMS) initiative roll-out was continued in 2018 and covered all Company business units. This includes the development of policies based on the 14 domains of ISMS, engagement of internal and external experts for training on Information Security and the roll-out of the e-learning series as well as a series of numerous learning sessions to cascade compliance within the Group.</p> <p>An audit of the Business Continuity Program was also completed in 2018 wherein the enterprise-wide state of disaster preparedness was assessed.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS) pp.95-99: Major Risk/s Involved in the Business available at: https://aboitizpower.com/wp-content/uploads/AP-</p>	

		<p>SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. 2018 Annual Report (Sec Form 17-A), p 56 to 60, Major Risk/s Involved in the Business, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iii. Aboitiz 2018 Integrated Report, p.142-145, Building the Aboitiz Risk Culture, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p>	
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.</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. AP Disclosure on the appointment of Mr. Saturnino E. Nicanor, Jr. - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-07.26.18-Resignation-of-Director-and-Officer-and-Appointment-of-Officers-1.pdf</p>	

		<p>ii. Board Audit Charter - http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.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>	<p>Compliant</p>	<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.</p> <p>With an independent audit function, the Group Internal Audit Team provides reasonable assurance that the Company's key organizational and operational controls are effective, appropriate and complied with.</p> <p>The functions of the Group Internal Audit Head are found in 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 Charter - http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.pdf</p> <p>Mr. Nicanor, Jr.'s appointment can be seen at:</p>	

		<p>AP Disclosure on the appointment of Mr. Saturnino E. Nicanor, Jr. - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-07.26.18-Resignation-of-Director-and-Officer-and-Appointment-of-Officers-1.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 supervision of any audit activity 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.</p> <p>See:</p> <p>i. AP Disclosure on the appointment of Mr. Saturnino E. Nicanor, Jr. - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-07.26.18-Resignation-of-Director-and-Officer-and-Appointment-of-Officers-1.pdf</p> <p>ii. Board Audit Charter - http://aboitizpower.com/wp-content/uploads/2015/05/Audit-Committee-Charter.pdf</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	
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. <i>Identify qualified independent executive or senior management personnel, if applicable.</i>	Compliant	The Company does not fully outsource its internal audit activity.	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures. <i>Provide information on company's risk management function.</i>	Compliant	The Company has a separate risk management function headed by the Chief Reputation and Risk Management Officer, Ms. Susan V. Valdez. The Company's Risk Management initiatives are focused on performing Business Continuity Management Maturity Baseline and Audit, Implement Information Security Management System (ISMS), Pilot Catastrophic Plant Failure Review, improving Operational Risk Management Plan (ORMP) and Integrating governance, risk and compliance best practices. The 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	

		<p>functions through the Board Risk and Reputation Management Committee.</p> <p>Links/references are as follows:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS) pp.95-99: Major Risk/s Involved in the Business available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. 2018 Annual Report (Sec Form 17-A), p 56 to 60, Major Risk/s Involved in the Business, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p> <p>iii. Aboitiz 2018 Integrated Report, p.142-145, Building the Aboitiz Risk Culture, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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 2018:</p> <ol style="list-style-type: none"> 1. AON Global Risk Consulting and Marsh for risk and insurance management; 2. Deloitte for implementation of Information Security Management System; 3. GMH Continuity Architects for audit of Business Continuity Program and maturity of Business Continuity Management across the group; and 	

		4. Philippine Disaster Resilience Foundation for Business Continuity Management for SMEs (part of Supply Chain BCP).	
Recommendation 12.5			
<p>1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).</p> <p><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>	Compliant	<p>For 2018, Ms. Susan V. Valdez is the Company's Senior Vice President and Chief Reputation and Risk Management Officer. She has relevant years of experience on risk and risk management.</p> <p>Link/reference is as follows:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS) pp. 10 - 25: Directors and Officers, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. Board Risk & Reputation Committee Charter - https://abotizpower.com/wp-content/uploads/AP-Board-Risk-and-Reputation-Management-Committee-Charter-11.21.17.pdf</p>	
<p>2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.</p>	Compliant	<p>For 2018, Ms. Susan V. Valdez is the Company's Senior Vice President and Chief Reputation and Risk Management Officer. She is supported by the Company's Risk Management Team composed of competent risk managers and compliance specialists. She also has relevant experience on risk and risk management.</p> <p>Link/reference is as follows:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS) pp. 10 -25: Directors and Officers, available at: https://abotizpower.com/wp-</p>	

		content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf ii. Board Risk & Reputation Committee Charter - https://abotizpower.com/wp-content/uploads/AP-Board-Risk-and-Reputation-Management-Committee-Charter-11.21.17.pdf	
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively. <i>Provide link to CEO and CAE's attestation</i>	Compliant	The Company's CEO, Mr. Erramon I. Aboitiz 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. Link/reference is as follows: Definitive Information Statement for the 2019 ASM (20-IS) p.147, Internal Control and Compliance System Attestation, available at: https://abotizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf	
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance. <i>Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.</i>	Compliant	The Company's Manual on Corporate Governance provides shareholder's rights and protection. Link/reference is as follows: Amended Manual on Corporate Governance , pp. 49 -51, Shareholder's Benefit, available at: https://abotizpower.com/wp-	

		content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
<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>Link/reference is as follows:</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 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>content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</p> <p>iii. Definitive Information Statement for the 2019 ASM (20-IS) p. 6: Item 4. Voting Securities and Principal Holders Thereof available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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 for the 2019 ASM (20-IS) p. 6: Item 4. Voting Securities and Principal Holders Thereof available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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. The Company is studying the feasibility of using a secured online voting platform through the Diligent Boardbooks for the Board of Directors.</p> <p>The Company’s voting procedures 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. 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 for the 2019 ASM (20-IS), p. 6: Item 4. Voting Securities and Principal Holders Thereof available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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 for the 2019 ASM (20-IS) p. 6: Item 4. Voting Securities and Principal Holders Thereof available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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 2018 Annual Stockholder’s Meeting, p.8, Other Business and Adjournment, available at: https://aboitizpower.com/wp-content/uploads/AP-Minutes-2018-05.21.18-Annual-Stockholders-Meeting-1.pdf</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>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 for the 2019 ASM (20-IS) p. 6: Item 4. Voting Securities and Principal Holders Thereof available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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 2018, the Company declared dividends on March 8, 2018 in the amount of PhP 1.39/share taken out of the unrestricted retained earnings as of December 31, 2017, to all stockholders of record as of the close of business hours on March 22, 2018, payable on April 12, 2018.</p> <p>Links/references are as follows:</p> <p>i. 2018 Cash Dividend Disclosure - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-03.08.18-Cash-Dividends-Declaration-1.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 for the 2019 ASM (20-IS) p.109, Dividends, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.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>	Compliant	<p>During the 2018 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 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 for the 2019 ASM (20-IS) p. 35, The Method by which Votes will be Counted, available at :https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. AP Disclosure on the Appointment of the Board Election Inspectors - https://aboitizpower.com/wp-content/uploads/AP-17C-Disclosure-03.08.18-Matters-Approved-by-the-Board-on-March-8-2018-1.pdf</p>	
Recommendation 13.2			
<p>1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders'</p>	Compliant	<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</p>	

<p>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>before the meeting.</p> <p>For the 2018 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 officers were released on April 20, 2018, or 31 days before the ASM held on May 21, 2018.</p> <p>Links/references are as follows:</p> <p>i. AP Disclosure of the Notice and Agenda of the ASM - https://aboitizpower.com/investor-relations/annual-stockholders-meeting/</p> <p>ii. Definitive Information Statement for the 2018 ASM (20-IS), p. 3, Notice and Agenda, available at: :https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>iii. 2018 Preliminary Information Statement, p. 3, Notice and Agenda, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Preliminary-Information-Statement.pdf</p> <p>iv. Company Website, 2018 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>	<p>Compliant</p>	<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:</p>	
<p>a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)</p>	<p>Compliant</p>	<p>i. Definitive Information Statement for the 2019 ASM (20-IS) pp.10-25: Item 5. Directors and Executive Officers available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. 2018 Annual Report (SEC Form 17-A), pp. 92-105, Item 9. Directors and Executive Officers, available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-FORM-17-A-2018-Annual-Report-Full-Report-reduced.pdf</p>	
<p>b. Auditors seeking appointment/re-appointment</p>	<p>Compliant</p>	<p>(b) For the auditor seeking re-appointment, see:</p> <p>i. Definitive Information Statement for the 2019 ASM (20-IS) p. 3, Notice and Agenda; pp. 131-134, Explanation Of Agenda Items Requiring Stockholders' Approval available at: https://aboitizpower.com/wp-content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf</p> <p>ii. AP Disclosure on the Notice and Agenda of the ASM, available at - https://aboitizpower.com/wp-content/uploads/AP-2018-ASM-Notice-and-Agenda-FINAL.pdf</p>	

<p>c. Proxy documents</p>	<p>Compliant</p>	<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 at the Company Website at: https://aboitizpower.com/investor-relations/annual-stockholders-meeting/</p>	
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>	<p>Compliant</p>	<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 the newspapers 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-2018-ASM-Notice-and-Agenda-FINAL.pdf</p> <p>ii. Definitive Information Statement for the 2019 ASM (20-IS), p. 3, Notice and Agenda; p. 131-134, Explanation Of Agenda Items Requiring Stockholders' Approval available at: https://aboitizpower.com/wp-</p>	

		content/uploads/AP-SEC-Form-2018-20-IS-Definitive-Information-Statement-for-website.pdf	
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 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>	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 website by the next business day.</p> <p>Links/references are as follows</p> <p>i. 2018 ASM Minutes - https://abotizpower.com/wp-content/uploads/AP-Minutes-2018-05.21.18-Annual-Stockholders-Meeting-1.pdf</p> <p>ii. ASM Quorum and Summary of Resolutions Approved available at: https://abotizpower.com/wp-content/uploads/AP-Voting-Result-2019.pdf</p> <p>iii. Company Website available at: https://abotizpower.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>	Compliant	<p>The Minutes of the 2018 ASM were uploaded to the Company's website on May 22, 2018, one day after the ASM.</p> <p>Results of the votes taken during the 2018 ASM, as verified by the board of election inspectors, were immediately flashed to the stockholders after the</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>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. 2018 ASM Minutes - https://aboitizpower.com/wp-content/uploads/AP-Minutes-2018-05.21.18-Annual-Stockholders-Meeting-1.pdf</p> <p>ii. ASM Quorum and Summary of Resolutions Approved (Posted May 22, 2018) - https://aboitizpower.com/wp-content/uploads/2018-AP-ASM-Tabulate-Results-Signed-by-Luis-Canete.pdf</p>	
Supplement to Recommendation 13.3			
<p>1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.</p> <p><i>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting</i></p>	Compliant	<p>The Company's External Auditor attended the 2018 ASM.</p> <p>Link/reference is as follows:</p> <p>i. 2018 ASM Minutes - https://aboitizpower.com/wp-content/uploads/AP-Minutes-2018-05.21.18-Annual-Stockholders-Meeting-1.pdf</p>	
Recommendation 13.4			
<p>1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate</p>	Compliant	<p>The Company's Manual authorizes the Board may adopt the rules and procedures set forth under Republic Act No. 9285, otherwise known as the</p>	

<p>disputes in an amicable and effective manner.</p>		<p>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>2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.</p> <p><i>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes</i></p> <p><i>Provide link/reference to where it is found in the Manual on Corporate Governance</i></p>	<p>Compliant</p>	<p>Link/reference is as follows:</p> <p>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</p>	
<p>Recommendation 13.5</p>			
<p>1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.</p> <p><i>Disclose the contact details of the officer/office responsible for investor 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 	<p>Compliant</p>	<p>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.</p> <p>In 2018, the Company's Investor Relations Officer is:</p> <ol style="list-style-type: none"> 1. Name of the person – Francisco Victor “Judd” Salas 2. Telephone number – (632) 886-2702/886-2423 Fax (632) 817-3560 3. Fax number – (632) 817-3560 4. E-mail address: ap_investor@aboitizpower.com <p>Links/references are as follows:</p> <p>i. Company Website, available at: https://aboitizpower.com/investor-relations/highlights/https://aboitizpower.com/contact-us/shareholders-online-request/</p>	

		ii. 2018 ASM Minutes - https://aboitizpower.com/wp-content/uploads/AP-Minutes-2018-05.21.18-Annual-Stockholders-Meeting-1.pdf	
2. IRO is present at every shareholder’s meeting. <i>Indicate if the IRO was present during the ASM.</i>	Compliant	The Company’s IRO, Mr. Francisco “Judd” Salas attends every shareholders meeting, including the 2018 ASM. Link/reference is as follows: 2018 ASM Minutes - https://aboitizpower.com/wp-content/uploads/AP-Minutes-2018-05.21.18-Annual-Stockholders-Meeting-1.pdf	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group <i>Provide information on how anti-takeover measures or similar devices were avoided by the board, if any.</i>	Compliant	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. Link/reference is as follows: i. PSE EDGE Website, available at: http://edge.pse.com.ph/companyInformation/form.do?cmpry_id=609	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market. <i>Indicate the company’s public float.</i>	Non-Compliant		With a Public Float of 19.21% as of December 31, 2018, The Company remains compliant with the minimum public float requirement by the Philippine Stock Exchange. The Company regularly monitors its Public Float and is committed to comply with any amendments to Rules

			<p>on Minimum Public Ownership duly approved by the Exchange.</p> <p>Link/reference is as follows:</p> <p>i. AP Disclosure - Public Ownership Report as of December 31, 2018 - https://aboitizpower.com/wp-content/uploads/AP-Public-Ownership-Report-as-of-12.31.18.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>	Compliant	<p>The Company 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) 886-2800 local 21757 Fax: (632) 886-2407 Email: marinel.mangubat@aboitiz.com</p> <p>Stockholders may also contact her anytime through the company website at: http://aboitiz.com/contact-us</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>To allow shareholders that are unable to attend the meeting in person, the Company distributes drafted sample proxies for different kinds of stockholders – corporate, individual, PCD, etc. - to assist the shareholders in exercising their rights to vote.</p> <p>Copies of a sample proxy are provided to the stockholders together with the Definitive</p>	

		<p>Information Statement, as well as available for download at the company website.</p> <p>Company Website – 2018 ASM: Proxy Forms: 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> <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>	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 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 2018 Integrated Annual Report, pp. 135 - 137, Key Dialogue Channels for Stakeholders, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p> <p>ii. Amended Manual on Corporate Governance, pp 49 - 51, Shareholder's Benefit, available at:</p>	

		https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
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>	Compliant	<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 2018 Integrated Annual Report, pp. 135 - 137, Key Dialogue Channels for Stakeholders, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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>	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><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>		<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 Group 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-online-request/</p>	
Supplement to Recommendation 14.3			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p> <p><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</p>	

		<p>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>Link/reference is as follows:</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>Link/reference is as follows:</p> <p>Code of Ethics and Business Conduct https://aboitizpower.com/wpcontent/uploads/Cod-e-of-Ethics-and-BusinessConduct_AP.pdf</p>	
<p>2. Company respects intellectual property rights.</p> <p><i>Provide specific instances, if any.</i></p>	Compliant	<p>The Company's Code of Ethics and Business Conduct 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>	Compliant	<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-online-request/</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>The Company’s Code of Ethics provides guidance on supplier/contractor selection process. The Code is disclosed in the Company’s website.</p> <p>Links/references are as follows:</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</p>	

		https://aboitizpower.com/wp-content/uploads/AboitizPower-Code-of-Ethics-and-Business-Conduct-1.pdf	
		ii. Aboitiz 2018 Integrated Annual Report , p. 135, Key Dialogue Channels for Stakeholders, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf	
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>Links/references are as follows:</p> <p>Aboitiz 2018 Integrated Annual Report, pp.135-136, 150-151, Talent Retention, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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 and practices on health, safety and welfare of employees. Include statistics and data, if any.</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>Links/references are as follows:</p> <p>i. Aboitiz 2018 Integrated Annual Report, pp.134-138, Stakeholder Engagement Process, available at:</p>	

		<p>https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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 Coursera and Bersin to provide practical and higher-level training programs for the team members.</p> <p>Links/references are as follows:</p> <p>Aboitiz 2018 Integrated Annual Report, pp.134-137, Key Dialogue Channels for Stakeholders, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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 2018 Integrated Annual Report – p. 159, Key Company Policies, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</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 Corporate Governance Committee mandated the Compliance Officer to ensure that the Company's Code of Ethics, as well as the Manual, are disseminated to the directors, officers and all team members.</p> <p>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 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 online platforms and orientation to new hires.</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>	<p>Compliant</p>	<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 Company 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-Business-Conduct-1.pdf</p> <p>ii. Aboitiz 2018 Integrated Annual Report – p. 159, Key Company Policies, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.pdf</p>	

Recommendation 15.3			
<p>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</p> <p><i>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</i></p> <p><i>Indicate if the framework includes procedures to protect the employees from retaliation.</i></p> <p><i>Provide contact details to report any illegal or unethical behavior.</i></p>	Compliant	<p>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.</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 – https://aboitizpower.com/contact-us/whistleblowing/</p> <p>iii. Please see Annex “C” (Screenshot of Whistleblowing Portal)</p>	
<p>2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.</p>	Compliant	<p>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.</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 - https://aboitizpower.com/contact-us/whistleblowing/</p> <p>iii. Please see Annex “C” (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, though the Board Corporate Governance Committee, supervises and ensures the enforcement of the Company’s whistleblowing policy and procedures.</p> <p>The Board of Directors, through the Board Audit Committee also oversees and periodically reviews the whistleblowing procedures in place. 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> <p>iv. Amended Manual on Corporate Governance, p. 24: Board Corporate Governance Committee,</p>	

		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>Through the Aboitiz Foundation, Inc., 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 2018 Integrated Annual Report, p. 98 to 125, Corporate Social Responsibility, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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://abotizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf</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. The Company's key performance indicators are aligned with the United Nations Sustainable Development Goals. This demonstrates the Company's commitment to contribute to the solutions to poverty reduction, education, climate change, responsible consumption, disaster preparedness, technological innovation, and institutional partnering to achieve these goals.</p> <p>Links/references are as follows:</p> <p>i. 2018 Aboitiz Integrated Annual Report, pp. 98 - 125, Corporate Social Responsibility, and ABC stories found in pp 50-55, 66-67, 76-77, 86-86, 96-97, available at: https://abotiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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>	

		https://aboitizpower.com/wp-content/uploads/AboitizPower-Amended-CG-Manual-2018-Revision-signed-by-EIA-JT.pdf	
<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. The Aboitiz Group is known for its programs and projects designed to benefit its host communities. It aims to be a neighbor of choice by engaging in projects that benefits the host community beyond payment of taxes.</p> <p>Aboitiz Foundation Inc., is the corporate foundation of the Aboitiz Group which implements the programs on education, enterprise development, environment and health and well-being.</p> <p>Links/references are as follows:</p> <p>i. Aboitiz 2018 Integrated Annual Report, pp. 98 - 125, Corporate Social Responsibility and pp. 134-137, Key Dialogue Channels for Stakeholders, available at: https://aboitiz.community/ar2018_web/assets/downloads/AEV%20Annual%20Report%202018.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>	

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 16 MAY 2019, 2019.

SIGNATURES



MIKEL A. ABOITIZ

Chairman of the Board




ERRAMON L. ABOITIZ

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 CITY) S.S.

SUBSCRIBED AND SWORN TO before me this MAY 15 2019 in Cebu City, Philippines. Affiant, who is personally known to me, presented their respective Community Tax Certificates and passports with the details shown below as follows:

NAME	PASSPORT NO.	CTC No./Date/Place Issued
MIKEL A. ABOITIZ	P3931084A / 08.05.2017 Cebu	12172821 / 01.18.2019 Cebu City



Doc No. 107
Page No. 22
Book No. III
Series of 2019.

AREN MARIE H. SAMONTE

Notary Public for Cebu City
Notarial Commission No. 34-18
Until December 31, 2019
Aboitiz Corporate Center
Gov. M. Cuenco Ave., Cebu City
Roll No. 57157

PTR No. 1661594; Cebu City; January 04, 2019
IBP Lifetime No. 014724; April 01, 2016; Bulacan Chapter
MCLE Compliance No. VI-0010893

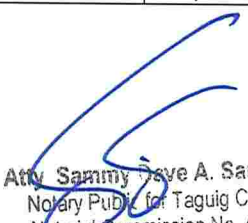
REPUBLIC OF THE PHILIPPINES)
CITY OF TAGUIG) S.S.

SUBSCRIBED AND SWORN TO before me this 16 MAY 2019 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	PASSPORT NO.	CTC No./Date/Place Issued
ERRAMON I. ABOITIZ	Passport No.: P2251997A / 03.11.2017 DFA Manila	12179232 / 01.29.2019 Cebu City
ROMEO L. BERNARDO	Passport No.: EC5403252	
CARLOS C. EJERCITO	Passport No.: EC344962 / 02.12.15	
ERIC RAMON O. RECTO	Passport No.: EC3544131 / 02.27.15	
MANUEL ALBERTO A. COLAYCO	Passport No.: P0352149A / 09.23.16 NCR Central	29689098/ 01.08.2019 Taguig City
JOSEPH TRILLANA T. GONZALES	Passport No.: EC2924957 / 12.06.14 NCR East	29689059 / 01.07.2019 Taguig City

Doc No. 382
Page No. 79
Book No. IV
Series of 2019.




Atty. Sammy Dave A. Santos
Notary Public for Taguig City
Notarial Commission No. 48
Until December 31, 2019
NAC Tower, 32nd St. Bonifacio Global City, Taguig City
PTR No. A-4208017; Taguig City; January 07, 2019
IBP O.R. No. 061323; January 08, 2019
Roll No. 63272
MCLE Compliance No. VI 0016957

ANNEX "A"

Materials for AboitizPower's Regular Board Meeting on November 23, 2018, 0900H-1200H (19th Floor Boardroom, NAC Tower, Taguig City) 

 Governance & Compliance Communications @abotiz.com>
to AP-BOARD, 

Nov 16, 2018, 5:47 PM



Dear Members of the Board:

Please be advised that we have uploaded all of the presentation materials to the Diligent Boards for the AboitizPower Regular Board Meeting on November 23, 2018.

Kindly sync your books for updates.

Thank you.

From the Corporate Secretary
Manuel Alberto R. Colayco

...



Governance & Compliance Communications Team
(02) 886 - 2800
www.abotiz.com

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.abotiz.com/disclaimer>)

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

CERTIFICATION

I, Mailene M. de la Torre, Filipino citizen, of legal age, with office address at NAC Tower, 32nd Street Bonifacio Global City, Taguig City, after having been duly sworn according to law, hereby depose and state that:

- I am the Assistant Corporate Secretary of Aboitiz Power Corporation (the "Company"), a corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office address at NAC Tower, 32nd Street, Bonifacio Global City, Taguig City.
- In my capacity as Assistant Corporate Secretary, I hereby certify that a quorum for the transaction of business was present in each of the meetings of the Board Corporate Governance Committee of the Company for the year 2018.
- Below is the record of the attendance by committee members of the Company at such meetings:

Directors	Meetings for 2018			Total No. of Meetings Attended by Each Member	Percentage of Attendance
	20-Feb	24-Jul	21-Nov		
JON RAMON ABOITIZ	P	P	P	3	100%
ERRAMON I. ABOITIZ	P	P	P	3	100%
CARLOS C. EJERCITO	P	P	P	3	100%
ALFONSO A. UY	P	-	-	1	100%
ROMEO L. BERNARDO	P	P	A	2	67%
ERIC RAMON O. RECTO	-	P	P	2	100%
Total No. of Members Present in Each Meeting	5	5	4		93%
Percentage of No. of Members Present in Each Meeting	100	100%	80%		

- The foregoing statements are true and correct and in accordance with the records of the Company.
- This certification is issued for whatever legal purpose it may serve.



IN WITNESS WHEREOF, the undersigned has hereunto set her hand this 24 MAY 2019 at Taguig City, Philippines.

Mailene M. de la Torre
Assistant Corporate Secretary^{TOP}

SUBSCRIBED AND SWORN TO before me this 24 MAY 2019 at the City of Taguig, Philippines. Affiant, who is personally known to me, exhibited to me her Community Tax Certificate No. 29689097 issued at Taguig City on January 8, 2019 and her Philippine Passport No. P1766318A issued at DFA Legazpi on January 26, 2017 bearing the affiant's photograph and signature.

Doc. No. 509 ;
Page No. 103 ;
Book No. I ;
Series of 2019.



Atty. Francis Alvin V. Asilo
Notary Public for Taguig City
Notarial Commission No. 49 (2018-2019)
Until December 31, 2019
NAC Tower, 32nd Street,
Benifacio Global City, Taguig City
PTR No. A-4208015; Taguig City, January 07, 2019
IBF OR No. 061326; January 08, 2019
Roli No 61419
MCLE No. Compliance VI-0018612

ANNEX "C"

Whistleblowing

REPORT

Which Company? *

Report To? *

- Chairman of the Board - MIKEL A. ABOITIZ
- President - ERRAMON I. ABOITIZ
- CEO - ERRAMON I. ABOITIZ
- Independent Director - ROMEO L. BERNARDO
- Compliance Officer - JOSEPH TRILLANA T. GONZALES
- Group Internal Audit Head - SATURNINO E. NICANOR, JR.
- All of the above

Which Department? *

Which Office Location?

What are you reporting? *

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 *

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 CONTACT DETAILS.)

Name (Optional)

Job Title (Optional)

Company (Optional)

Department (Optional)

Email Address (Optional)

Contact Number (Optional)

Submit

Reset

