

# TECHGLOMERATE BUILDERS



ANNUAL REPORT 2023  
SEC FORM 20 - IS (Information Statement)





March 11, 2024

*via electronic mail*

**SECURITIES AND EXCHANGE COMMISSION**

SEC Headquarters, 7909 Makati Avenue  
Salcedo Village, Bel-Air, Makati City

ATTENTION : **DIR. OLIVER O. LEONARDO**  
Markets and Securities Regulation Department

*via PSE EDGE*

**PHILIPPINE STOCK EXCHANGE, INC.**

PSE Tower, 28th Street cor. 5th Avenue,  
Bonifacio Global City, Taguig City

ATTENTION : **MS. ALEXANDRA D. TOM WONG**  
Head, Disclosure Department

*via electronic mail*

**PHILIPPINE DEALING & EXCHANGE CORP.**

29th Floor BDO Equitable Tower  
8751 Paseo de Roxas, Makati City 1226

ATTENTION : **MR. ANTONINO A. NAKPIL**  
President and Chief Executive Officer

Gentlemen:

Attached is the SEC Form 20-IS (Preliminary Information Statement) of Aboitiz Equity Ventures Inc. in preparation for its 2024 Annual Stockholders' Meeting for your files.

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

**ABOITIZ EQUITY VENTURES INC.**

By:

**CONNIE G. CHU**  
Corporate Secretary

COVER SHEET

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( Company's Full Name )

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

|               |
|---------------|
| CONNIE G. CHU |
|---------------|

Contact Person

|               |
|---------------|
| 02-8 886-2338 |
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Company Telephone Number

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Fiscal Year

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4th Monday of April

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Annual Meeting

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Dept. Requiring this Doc

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Amended Articles Number/Section

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Total No. of Stockholders

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Domestic

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# NOTICE AND AGENDA OF THE ANNUAL MEETING OF STOCKHOLDERS

## ABOITIZ EQUITY VENTURES INC.

32<sup>nd</sup> Street, Bonifacio Global City  
Taguig City, Metro Manila 1634, Philippines

**NOTICE** is hereby given that the Annual Meeting of the Stockholders of **ABOITIZ EQUITY VENTURES INC.** (the "Company") will be held on **April 22, 2024**, Monday at **11:00 a.m.** (the "2024 ASM"). The meeting will be conducted virtually and will be streamed live from NAC Tower, 32<sup>nd</sup> Street, Bonifacio Global City, Taguig City. The 2024 ASM is accessible through the hyperlink available in the Company's website at <https://aboitiz.com/2024asm> (the "ASM Portal") beginning on March 25, 2024.

The Agenda\* of the meeting is as follows:

1. Call to Order
2. Proof of Notice of Meeting and Determination of Quorum
3. Reading and Approval of the Minutes of the Previous Annual Stockholders' Meeting held on April 24, 2023
4. Presentation of the President's Report
5. Approval of the 2023 Annual Report and Financial Statements
6. Appointment of the Company's External Auditor for 2024
7. Election of the Members of the Board of Directors
8. Ratification of the Acts, Resolutions and Proceedings of the Board of Directors, Corporate Officers and Management from April 24, 2023 up to April 21, 2024
9. Other Business
10. Adjournment

Only stockholders of record at the close of business on March 21, 2024 are entitled to notice of, to participate in, and to vote at this meeting by registering at the ASM Portal beginning on March 25, 2024 until 08:00 a.m. on April 22, 2024. Once registered, stockholders may send in questions or remarks through the ASM Portal.

Stockholders may vote through proxy, remotely, or *in absentia*.

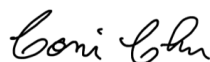
Registered stockholders may cast their votes by remote communication or *in absentia* using the online voting platform available at the ASM Portal beginning March 25, 2024. Votes cast by registered stockholders until 08:00 a.m. of April 22, 2024, will be tabulated and presented during the 2024 ASM.

Stockholders may still vote after the cut-off time, and the final votes received through proxy and through the ASM Portal will be included in the minutes of the 2024 ASM and posted in the Company's website.

The procedures for attendance and voting during the 2024 ASM are included in the Information Statement and will be distributed to the stockholders and published in the Company's website at [www.aboitiz.com](http://www.aboitiz.com) and in the PSE EDGE portal at [edge.pse.com.ph](http://edge.pse.com.ph).

Stockholders may send their duly accomplished proxies on or before the close of business hours on April 15, 2024 to the Corporate Secretary either through email at [AEV\\_BoardSecretariat@aboitiz.com](mailto:AEV_BoardSecretariat@aboitiz.com) or hard copies delivered prior to the cut-off date at NAC Tower, 32<sup>nd</sup> Street, Bonifacio Global City, Taguig City. Validation of proxies will be on April 18, 2024 virtually from the Office of the Corporate Secretary. **WE ARE NOT SOLICITING PROXIES.**

For the Board of Directors:



**CONNIE G. CHU**

Corporate Secretary

*\*The rationale for each Agenda item is explained in the attached Annex "A" and may also be viewed at AEV's website at <http://www.aboitiz.com/2024asm> under Annual Stockholders' Meeting in the Investor Relations Page.*

**SECURITIES AND EXCHANGE COMMISSION**  
**SEC FORM 20-IS**  
**INFORMATION STATEMENT PURSUANT TO SECTION 20**  
**OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:  
☒ Preliminary Information Statement  
☐ Definitive Information Statement
2. Name of Registrant as specified in its charter: **ABOITIZ EQUITY VENTURES INC.**
3. Province, country or other jurisdiction of incorporation or organization: **PHILIPPINES**
4. SEC Identification Number: **CEO2536**
5. BIR Tax Identification Code: **003-828-269-000-V**
6. Address of principal office: **32<sup>ND</sup> STREET, BONIFACIO GLOBAL CITY  
TAGUIG CITY, METRO MANILA  
1634 PHILIPPINES**
7. Registrant's telephone number, including area code: **(02) 8 886-2800**
8. Date, time and place of the meeting of security holders:  

Date : **APRIL 22, 2024**  
 Time : **11:00 A.M.**  
 Place : Streamed live from NAC Tower, 32<sup>nd</sup> Street, Bonifacio Global City,  
 Taguig City and accessible through the link available at the  
 Company's website at <https://aboitiz.com/2024asm>
9. Approximate date on which the Information Statement will be first to be sent or delivered to security holders:  
**MARCH 26, 2024**
10. In case of Proxy Solicitations: **No proxy solicitation is being made.**
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the Revised Securities Act (Information on number of shares and amount of debt is applicable only to corporate registrants):

**Authorized Capital Stock:**

**₱10,000,000,000**

| Title of Each Class | Par Value | No. of Shares         | Authorized Capital Stock |
|---------------------|-----------|-----------------------|--------------------------|
| Common              | ₱1.00     | 9,600,000,000         | ₱9,600,000,000           |
| Preferred           | ₱1.00     | 400,000,000           | ₱400,000,000             |
| <b>Total</b>        |           | <b>10,000,000,000</b> | <b>₱10,000,000,000</b>   |

No. of Common Shares Outstanding as of December 31, 2023

**5,619,785,757**

Amount of Debt Outstanding as of December 31, 2023

**₱ 375,936,293,000.00**

Outstanding Fixed-Rate Peso Retail Bonds Issued by the Company:

| Issue Date    | Series   | Amount of Issuance | Maturity Date | Tenor     |
|---------------|----------|--------------------|---------------|-----------|
| August 2015   | Series C | ₱5 billion         | August 2027   | 12 years  |
| June 2019     | Series A | ₱3.4 billion       | June 2024     | 5 years   |
| June 2019     | Series B | ₱1.7 billion       | June 2029     | 10 years  |
| November 2020 | Series C | ₱6.9 billion       | November 2023 | 3 years   |
| November 2020 | Series D | ₱0.7 billion       | November 2025 | 5 years   |
| August 2021   | Series E | ₱5 billion         | August 2025   | 4 years   |
| August 2021   | Series F | ₱5 billion         | August 2028   | 7 years   |
| December 2022 | Series A | ₱9.1 billion       | June 2026     | 3.5 years |
| December 2022 | Series B | ₱10.9 billion      | November 2029 | 7 years   |

|                |          |              |                |          |
|----------------|----------|--------------|----------------|----------|
| September 2023 | Series C | ₱5.8 billion | September 2025 | 2 years  |
| September 2023 | Series D | ₱5.8 billion | September 2028 | 5 years  |
| September 2023 | Series E | ₱5.8 billion | September 2033 | 10 years |

For a discussion on the Company's bond issuances, please refer to Section C Item 9.

12. Are any or all of registrant's securities listed in a Stock Exchange?

Yes X      No   

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

**The common stock of the Company is listed at the Philippine Stock Exchange, Inc. (PSE).**

## INFORMATION REQUIRED IN INFORMATION STATEMENT

### A. GENERAL INFORMATION

#### Item 1. Date, time, and place of the 2024 Annual Stockholders' Meeting

Date of meeting : **April 22, 2024**  
Time of meeting : **11:00 a.m.**  
Place of meeting : Streamed live from NAC Tower, 32<sup>nd</sup> Street, Bonifacio Global City, Taguig City and accessible through the hyperlink provided in the Company's website at <https://aboitiz.com/2024asm>

Approximate mailing date of this statement : **March 26, 2024**

Complete mailing address of the principal office of the Registrant : **NAC Tower,  
32<sup>nd</sup> Street, Bonifacio Global City,  
Taguig City, Metro Manila  
1634 Philippines**

#### Item 2. Dissenter's Right of Appraisal

There are no matters or proposed actions included in the Agenda of the 2024 Annual Stockholders' Meeting ("2024 ASM") that may give rise to a possible exercise by the stockholders of their appraisal rights.

Generally, however, the stockholders of Aboitiz Equity Ventures Inc. (hereinafter referred to as AEV or the "Company", or the "Registrant"), in accordance with Section 80 of the Republic Act (RA) No. 11232 or the Revised Corporation Code of the Philippines ("Revised Corporation Code"), have the right of appraisal in the following instances: (a) in case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; (b) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code; (c) in case of merger or consolidation; and (d) in case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

#### Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- (a) Other than the election to AEV's Board of Directors, no current director or officer of AEV, or any associate of any of the foregoing persons, has substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon in the stockholders' meeting.
- (b) No director has informed AEV in writing that he intends to oppose any action to be taken by AEV at the meeting.

### B. CONTROL AND COMPENSATION INFORMATION

#### Item 4. Voting Securities and Principal Holders Thereof

##### (a) Class of Voting Shares as of January 31, 2024:

| Nationality                          | Class of Voting Shares | Number of Shares | Percentage |
|--------------------------------------|------------------------|------------------|------------|
| Filipino                             | Common                 | 5,282,713,654    | 94.00%     |
| Non-Filipino                         |                        | 337,072,103      | 6.00%      |
| Total No. of Shares Entitled to Vote |                        | 5,619,785,757    | 100%       |

Every stockholder shall be entitled to one vote for each share of stock held, as of the established record date.

**(b) Record Date**

All stockholders of record as of March 21, 2024 are entitled to notice of and to vote at AEV's 2024 ASM.

**(c) Election of Directors and Cumulative Voting Rights**

With respect to the election of directors, stockholders may vote in person, by proxy, or through remote communication, or *in absentia*, the number of shares of stock standing in their own name in the stock and transfer book of the Company. Stockholders may vote such a number of shares for as many persons as there are directors to be elected. Stockholders may also cumulate said shares and give one candidate as many votes as the number of directors to be elected, or distribute the shares on the same principle among as many candidates as they shall see fit, provided that the total number of votes cast by the stockholder shall not exceed the total number of shares owned by each stockholder as shown in the books of AEV as of the record date, multiplied by the number of directors to be elected, and provided further, that no delinquent stock shall be voted.

Article 6 of the Company's Amended Articles of Incorporation provides that the number of directors of AEV shall be nine who are to serve until their successors are elected and qualified as provided in the Company's By-Laws.

Section 5, Article I of the Amended By-Laws of AEV provides that voting upon all questions at all meetings of the stockholders shall be by shares of stock and not per capita. Moreover, Section 6 of the same Article states that stockholders may vote at all meetings either in person, or by proxy duly given in writing and presented to the Corporate Secretary for inspection, validation and recording, at least seven days prior to the said meeting. In addition, the Revised Corporation Code now allows stockholders of public companies (such as AEV) to cast their votes through remote communication or *in absentia*.

Nominations for independent directors are accepted starting January 1 of the year in which the nominee director is to serve. The table for nominations closes by February 15 of the year, unless the Board Sustainability, Governance, and Related Party Transactions (*SGRPT*) Committee (*formerly the Board Environmental Social and Corporate Governance Committee*), acting as the Nomination and Compensation Committee, unanimously agrees to extend the deadline for meritorious reasons. Section 7, Article I of the Amended By-Laws of AEV provides that nominations for the election of directors, other than independent directors, for the ensuing year must be received by the Corporate Secretary no less than 15 working days prior to the Annual Meeting of Stockholders, except as may be provided by the Board in appropriate guidelines that it may promulgate from time to time in compliance with law.

No discretionary authority to cumulate votes is solicited.

Pursuant to Sections 4, 5, and 6 of Article I of the Amended By-Laws of AEV and Sections 23 and 57 of the Revised Corporation Code, which allow for voting through remote communication or *in absentia*, stockholders may access AEV's online web address at <https://aboitiz.com/2024asm> beginning on March 25, 2024, in order to register and vote on the matters at the 2024 ASM. Stockholders may cast his/her votes online until 08:00 a.m. on April 22, 2024. A stockholder voting remotely or *in absentia* shall be deemed present for purposes of quorum.

Please refer to **Annex "E"** on the Requirements and Procedure for the Voting and Participation in the 2024 ASM for the detailed and complete information on voting via remote communication or *in absentia*, as well as on how to join the livestream for the 2024 ASM.

(d) Security Ownership of Certain Record and Beneficial Ownership and Management

(1) Security Ownership of Certain Record and Beneficial Owners (more than 5% of the voting shares) as of January 31, 2024:

| Title of Class of Shares | Name, Address of Record Owner, and Relationship with Issuer                                                                                                                                             | Name of Beneficial Owner and Relationship with Record Owner                 | Citizenship  | No. of Shares Held and Nature of Ownership (Record and/or Beneficial) | Percentage of Ownership |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------|-----------------------------------------------------------------------|-------------------------|
| Common                   | 1. <b>Aboitiz &amp; Company, Inc. ("ACO")</b> <sup>1</sup><br>Aboitiz Corporate Center, Gov. Manuel A. Cuenco Avenue, Kasambagan, Cebu City (Stockholder)                                               | ACO                                                                         | Filipino     | 2,735,600,915 (Record and Beneficial)                                 | 48.68%                  |
| Common                   | 2. <b>PCD Nominee Corporation (Filipino)</b> <sup>2</sup><br>3 <sup>rd</sup> Floor, Tower 1, The Enterprise Center, 6766 Ayala Avenue cor. Paseo de Roxas, Makati City, 1226 Metro Manila (Stockholder) | PCD participants acting for themselves or for their customers. <sup>3</sup> | Filipino     | 1,067,129,746 (Record)                                                | 18.99%                  |
| Common                   | 3. <b>Ramon Aboitiz Foundation, Inc. ("RAFI")</b><br>35 Lopez Jaena St., Cebu City (Stockholder)                                                                                                        | RAFI                                                                        | Filipino     | 426,804,093 (Record and Beneficial)                                   | 7.59%                   |
| Common                   | 4. <b>PCD Nominee Corporation<sup>4</sup> (Foreign)</b><br>3 <sup>rd</sup> Floor, Tower 1, The Enterprise Center, 6766 Ayala Avenue cor. Paseo de Roxas, Makati City, 1226 Metro Manila (Stockholder)   | PCD participants acting for themselves or for their customers. <sup>5</sup> | Non-Filipino | 324,733,989 (Record)                                                  | 5.79%                   |

<sup>1</sup> ACO, the major shareholder of Aboitiz Equity Ventures Inc., is a corporation wholly-owned by the Aboitiz family. No single stockholder, natural or juridical, owns 5% or more of the shareholdings of ACO.

<sup>2</sup> PCD Nominee Corporation (Filipino and Foreign) is not related to AEV. The beneficial owners of the shares held through a PCD participant are the beneficial owners thereof to the extent of the number of shares registered under the respective accounts with the PCD participant.

<sup>3</sup> Each beneficial owner of shares through a PCD participant is the beneficial owner of such a number of shares he owns in his account with the PCD participant. AEV has no record relating to the power to decide how the shares held by PCD Nominee Corporation (Foreign and Filipino) are to be voted. Of the 1,391,863,735 shares held by PCD Nominee Corporation (Filipino and Foreign), at least 387,899,782 shares or 6.90% of the voting stock of AEV are for the account of Papa Securities Corporation (PapaSec). AEV is not related to PapaSec.

<sup>4</sup> *Supra* Note 3.

<sup>5</sup> *Supra* Note 4.

## (2) Security Ownership of Management as of January 31, 2024 (Record and Beneficial)

| Name of Owners and Position                                                                                                 | Title of Class of Shares | No. of Shares and Nature of Ownership (Direct and/or Indirect) |          | Citizenship | Percentage of Ownership |
|-----------------------------------------------------------------------------------------------------------------------------|--------------------------|----------------------------------------------------------------|----------|-------------|-------------------------|
| <b>Enrique M. Aboitiz</b><br>Chairman of the Board                                                                          | Common                   | 6,000                                                          | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 648,310                                                        | Indirect |             | 0.01%                   |
| <b>Mikel A. Aboitiz</b><br>Vice Chairman of the Board                                                                       | Common                   | 10                                                             | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 126,524,836                                                    | Indirect |             | 2.25%                   |
| <b>Erramon I. Aboitiz</b><br>Director                                                                                       | Common                   | 1,001,000                                                      | Direct   | Filipino    | 0.02%                   |
|                                                                                                                             |                          | 77,074,387                                                     | Indirect |             | 1.37%                   |
| <b>Sabin M. Aboitiz</b><br>Director/President and Chief Executive Officer                                                   | Common                   | 14,415,651                                                     | Direct   | Filipino    | 0.26%                   |
|                                                                                                                             |                          | 17,343,661                                                     | Indirect |             | 0.31%                   |
| <b>Ana Maria A. Delgado</b><br>Director                                                                                     | Common                   | 500                                                            | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 32,023,888                                                     | Indirect |             | 0.57%                   |
| <b>Justo A. Ortiz</b><br>Director                                                                                           | Common                   | 1                                                              | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 0                                                              | Indirect |             | 0.00%                   |
| <b>Cesar G. Romero</b><br>Lead Independent Director                                                                         | Common                   | 50                                                             | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 0                                                              | Indirect |             | 0.00%                   |
| <b>Joanne G. De Asis</b><br>Independent Director                                                                            | Common                   | 100                                                            | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 0                                                              | Indirect |             | 0.00%                   |
| <b>Peter D. Maquera</b><br>Independent Director                                                                             | Common                   | 0                                                              | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 20,100                                                         | Indirect |             | 0.00%                   |
| <b>Jose Emmanuel U. Hilado</b><br>Senior Vice President/Chief Financial Officer/Corporate Information Officer               | Common                   | 0                                                              | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 257,000                                                        | Indirect |             | 0.00%                   |
| <b>Connie G. Chu</b> <sup>6</sup><br>Senior Vice President – Chief Legal and Compliance Officer / Corporate Secretary       | Common                   | 0                                                              | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 0                                                              | Indirect |             | 0.00%                   |
| <b>Maria Veronica C. So</b><br>Senior Vice President – Group Treasurer                                                      | Common                   | 0                                                              | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 9,617                                                          | Indirect |             | 0.00%                   |
| <b>Christine C. Kempeneers</b> <sup>7</sup><br>Assistant Vice President – Head of Risk Management / Data Protection Officer | Common                   | 0                                                              | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 800                                                            | Indirect |             | 0.00%                   |
| <b>Maria Lourdes Y. Tanate</b><br>Vice President – Group Internal Audit Head                                                | Common                   | 0                                                              | Direct   | Filipino    | 0.00%                   |
|                                                                                                                             |                          | 74,386                                                         | Indirect |             | 0.00%                   |

<sup>6</sup> Ms. Chu replaced Mr. Manuel Alberto R. Colayco as the Company's Senior Vice President – Chief Legal and Compliance Officer / Corporate Secretary effective July 15, 2023

<sup>7</sup> Ms. Kempeneers replaced Ms. Santanina Apolinaria B. Castro as the Head of Risk Management effective July 7, 2023

|                                                                                                             |        |                    |          |          |              |
|-------------------------------------------------------------------------------------------------------------|--------|--------------------|----------|----------|--------------|
| <b>Mailene M. de la Torre</b><br>Vice President – Governance and Compliance / Assistant Corporate Secretary | Common | 0                  | Direct   | Filipino | 0.00%        |
|                                                                                                             |        | 0                  | Indirect |          | 0.00%        |
| <b>Sammy Dave A. Santos</b><br>Assistant Corporate Secretary                                                | Common | 0                  | Direct   | Filipino | 0.00%        |
|                                                                                                             |        | 0                  | Indirect |          | 0.00%        |
| <b>TOTAL</b>                                                                                                |        | <b>270,390,860</b> |          |          | <b>4.81%</b> |

### (3) Voting Trust Holders of Five Per Centum (5%) or More of Common Equity

No person holds, under a voting trust or similar agreement, more than five percent (5%) of AEV's common equity.

### (4) Changes in Control

There are no arrangements that may result in a change in control of AEV during the period covered by this report.

## Item 5. Directors and Executive Officers

### (a) Directors and Officers for 2023-2024

The overall management and supervision of the Company is undertaken by its board of directors (the "Board"). The Company's executive officers and management team cooperate with the Board by preparing appropriate information and documents concerning the Company's business operations, financial condition and results of operations for its review.

#### (1) Directors for 2023-2024

The Company's Board is composed of nine directors, three of whom are Independent Directors, five are Non-Executive Directors, and one is an Executive Director. Below is the profile of each director for 2023-2024 with their corresponding positions, offices, and business experience held for the past five years. The directors were elected during AEV's 2023 ASM to serve for a term of one year.

#### **ENRIQUE M. ABOITIZ** (Chairman of the Board, Non-Executive Director)

Age: 70

Citizenship: Filipino

Date of First Appointment: May 10, 1999

Tenure: 24 years

#### Committee Memberships:

|        |                                                                                                                                                                                                                                  |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Member | <ul style="list-style-type: none"> <li>- Board Sustainability, Governance, and Related Party Transactions Committee,</li> <li>- Board Executive Committee,</li> <li>- Board Cyber and Information Security Committee.</li> </ul> |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### Present Positions:

|                                         |                                 |
|-----------------------------------------|---------------------------------|
| Chairman of the Board of Directors      | - Aboitiz Equity Ventures Inc.* |
| Vice Chairman of the Board of Directors | - Aboitiz & Company, Inc.       |

**Previous Positions:**

|                                       |                                                        |
|---------------------------------------|--------------------------------------------------------|
| Chairman of the Board of Directors    | - Aboitiz Power Corporation*                           |
| Chairman of the Board of Directors    | - Jebsen Maritime, Inc.                                |
| President and Chief Executive Officer | - Aboitiz Transport System Corp (now 2GO Group, Inc.)* |

\*Publicly Listed Company

**Educational and Professional Background:**

- Bachelor of Science in Business Administration, Major in Economics, from Gonzaga University, Spokane, Washington, U.S.A.

Mr. Aboitiz is not connected with any government agency or instrumentality.

**MIKEL A. ABOITIZ (Vice-Chairman, Non-Executive Director)**

Age: 69

Citizenship: Filipino

Date of First Appointment: May 15, 2017

Tenure: 6 years

**Committee Memberships:**

|        |                             |
|--------|-----------------------------|
| Member | - Board Executive Committee |
|--------|-----------------------------|

**Present Positions:**

|                                    |                                  |
|------------------------------------|----------------------------------|
| Vice Chairman of the Board         | - Aboitiz Equity Ventures Inc.*  |
| Chairman of the Board of Directors | - Aboitiz & Company, Inc.        |
| Trustee and Chairman               | - Ramon Aboitiz Foundation, Inc. |

**Previous Positions:**

|                                       |                                                |
|---------------------------------------|------------------------------------------------|
| Vice Chairman of the Board            | - Aboitiz Power Corporation* (1998 to 2019)    |
| Vice Chairman of the Board            | - City Savings Bank, Inc. (2015 to 2016)       |
| President and Chief Executive Officer | - City Savings Bank, Inc. (2001 to 2014)       |
| Senior Vice President                 | - Aboitiz Equity Ventures Inc.* (2004 to 2015) |

\*Publicly Listed Company

**Educational and Professional Background:**

- Bachelor of Science in Business Administration from Gonzaga University, Spokane, Washington, U.S.A.

Mr. Aboitiz is not connected with any government agency or instrumentality.

**ERRAMON I. ABOITIZ (Non-Executive Director)**

Age: 67

Citizenship: Filipino

Date of First Appointment: May 9, 1994

Tenure: 29 years

**Committee Memberships:**

|          |                                                  |
|----------|--------------------------------------------------|
| Chairman | - Board Risk and Reputation Management Committee |
| Member   | - Board Audit Committee                          |
|          | - Board Executive Committee                      |

**Present Positions:**

|                                    |                                                                  |
|------------------------------------|------------------------------------------------------------------|
| Director                           | - Aboitiz Equity Ventures Inc.*,<br>- Aboitiz InfraCapital, Inc. |
| Chairman of the Board of Directors | - Union Bank of the Philippines*,<br>- Endeavor Philippines      |
| Chairman of the Board of Trustees  | - Asian Institute of Management                                  |
| Board Observer                     | - Aboitiz & Company, Inc.                                        |

**Previous Positions:**

|                                                      |                                                                                                |
|------------------------------------------------------|------------------------------------------------------------------------------------------------|
| President and Chief Executive Officer                | - Aboitiz Equity Ventures Inc.* (2009 to 2019),<br>- Aboitiz Power Corporation* (2018 to 2019) |
| Director / Chairman of the Board                     | - Aboitiz Power Corporation* (2009 to 2019)                                                    |
| Executive Vice President and Chief Operating Officer | - Aboitiz Equity Ventures Inc.* (1994 to 2008)                                                 |
| Trustee                                              | - Philippine Disaster Recovery Foundation,<br>- Asian Institute of Management                  |

\*Publicly Listed Company

**Educational and Professional Background:**

- Bachelor of Science Degree in Business Administration, Major in Accounting and Finance, from Gonzaga University, Spokane, Washington, U.S.A.
- Honorary Doctorate Degree in Management from the Asian Institute of Management.
- Awardee— Management Man of the Year by the Management Association of the Philippines (2011)
- Awardee— Entrepreneur of the Year by Ernst & Young (2011).

Mr. Aboitiz is not connected with any government agency or instrumentality.

**SABIN M. ABOITIZ (Executive Director)**

Age: 59

Citizenship: Filipino

Date of First Appointment: May 21, 2018

Tenure: 5 years

**Committee Memberships:**

|          |                                                                                                                                   |
|----------|-----------------------------------------------------------------------------------------------------------------------------------|
| Chairman | - Board Executive Committee                                                                                                       |
| Member   | - Board Sustainability, Governance, and Related Party Transactions Committee,<br>- Board Risk and Reputation Management Committee |

**Present Positions:**

|                                       |                                                                                                                                                                                                                                             |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| President and Chief Executive Officer | - Aboitiz Equity Ventures Inc.*,<br>- Aboitiz & Company, Inc.                                                                                                                                                                               |
| Chairman of the Board                 | - Aboitiz Power Corporation*,<br>- Aboitiz Foundation, Inc.,<br>- Aboitiz Land, Inc.,<br>- CRH Aboitiz Holdings, Inc.,<br>- Tenfold Ventures Corporation,<br>- Manila-Oslo Renewable Enterprise, Inc.,<br>- SN Aboitiz Power— Benguet, Inc. |
| Director/President                    | - AEV CRH Holdings, Inc.                                                                                                                                                                                                                    |

|                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Director                                         | <ul style="list-style-type: none"> <li>- Aboitiz Infracapital, Inc.,</li> <li>- Aboitiz Construction International, Inc.,</li> <li>- Aboitiz Construction, Inc.,</li> <li>- AEV International Pte Ltd.,</li> <li>- Apo Agua Infraestructura, Inc.,</li> <li>- GMR Megawide Cebu Airport Corporation,</li> <li>- Lima Land, Inc.,</li> <li>- Pilmico Animal Nutrition Corporation,</li> <li>- Pilmico Foods Corporation,</li> <li>- Republic Cement &amp; Building Materials, Inc.,</li> <li>- Republic Cement Services, Inc.,</li> <li>- Unity Digital Infrastructure Inc.,</li> <li>- Union Bank of the Philippines*,</li> <li>- UnionDigital Bank, Inc.,</li> <li>- Aboitiz FeedAll Holdings, Inc.,</li> <li>- Aboitiz Data Innovation Pte. Ltd.,</li> <li>- CCEP Aboitiz Beverages Philippines Inc.</li> </ul> |
| Head                                             | - Private Sector Advisory Council                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| ASEAN Business Advisory Council (ABAC) PH Member | - Asia Pacific Economic Cooperation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

Previous Positions:

|                                                      |                                               |
|------------------------------------------------------|-----------------------------------------------|
| Executive Vice President and Chief Operating Officer | - Aboitiz Equity Ventures Inc.* (2015-- 2019) |
| Senior Vice President                                | - Aboitiz Equity Ventures Inc.* (2015)        |
| First Vice President                                 | - Aboitiz Equity Ventures Inc.* (2014-- 2015) |

\*Publicly Listed Company

Educational and Professional Background:

- Bachelor of Science Degree in Business Administration, Major in Finance from Gonzaga University, Spokane, U.S.A

Mr. Aboitiz is not connected with any government agency or instrumentality.

**ANA MARIA A. DELGADO** (Non-Executive Director)

Age: 43

Citizenship: Filipino

Date of First Appointment: Dec 11, 2018

Tenure: 5 years

Committee Memberships:

|        |                         |
|--------|-------------------------|
| Member | - Board Audit Committee |
|--------|-------------------------|

Present Positions:

|          |                                                                                                                                                                                                                                                                                                                                                  |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Director | - Aboitiz Equity Ventures Inc.*                                                                                                                                                                                                                                                                                                                  |
| Chairman | - City Savings Bank Inc.                                                                                                                                                                                                                                                                                                                         |
| Director | <ul style="list-style-type: none"> <li>- Advanced Data Innovation, Inc.,</li> <li>- AEV CRH Holdings, Inc.,</li> <li>- CRH Aboitiz Holdings, Inc.</li> <li>- Republic Cement &amp; Building Materials,</li> <li>- Republic Cement Services, Inc.,</li> <li>- Tenfold Ventures Corporation,</li> <li>- Union Bank of the Philippines*,</li> </ul> |

|                                                                                                       |                                  |
|-------------------------------------------------------------------------------------------------------|----------------------------------|
|                                                                                                       | - Visayan Electric Company, Inc. |
| Senior Executive Vice President, Chief Digital Channels Officer and Chief Customer Experience Officer | - Union Bank of the Philippines* |

*\*Publicly Listed Company*

**Previous Positions:**

|                                                 |                                                      |
|-------------------------------------------------|------------------------------------------------------|
| Non-Executive Director                          | - Singlife Philippines Inc.                          |
| Director                                        | - Aboitiz Land Inc.,<br>- Aboitiz InfraCapital, Inc. |
| Assistant Vice President for Product Management | - Citibank, N.A. (2006 to 2008)                      |

**Educational and Professional Background:**

- Bachelor of Arts degree in Art History/Painting from Boston College
- Master's Degree in Business Administration from New York University Stern School of Business.

Ms. Delgado is not connected with any government agency or instrumentality.

**JUSTO A. ORTIZ (Non-Executive Director)**

Age: 66  
Citizenship: Filipino  
Date of First Appointment: May 9, 1994  
Tenure: 26 years  
(1994 -2017, 2021-- 2022)

**Committee Memberships:**

|          |                                                |
|----------|------------------------------------------------|
| Chairman | Board Cyber and Information Security Committee |
| Member   | Board Executive Committee                      |

**Present Positions:**

|                                       |                                                                                                                                                                                                 |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Director                              | - Aboitiz Equity Ventures Inc.*,<br>- Advanced Data Innovation, Inc.;<br>- UBX Philippines, Inc.                                                                                                |
| Vice Chairman of the Board            | - Union Bank of the Philippines*                                                                                                                                                                |
| Chairman of the Board and/or Director | - Aboitiz FeedAll Holdings, Inc.,<br>- Pilmico Foods Corporation,<br>- Pilmico Animal Nutrition Corporation,<br>- Concepcion Industrial Corporation*,<br>- Philippine Payments Management, Inc. |
| Chairman of the Board                 | - Fintech Philippines Association, Inc.,<br>- Distributed Ledger Technology Association of the Philippines, Inc.,<br>- Union Digital Bank, Inc.                                                 |
| Board of Trustees                     | - The Insular Life Assurance Co., Ltd.,<br>- Philippine Trade Foundation, Inc.                                                                                                                  |
| Member                                | - Management Association of the Philippines,<br>- Makati Business Club,<br>- World Presidents Organization                                                                                      |

**Previous Positions:**

|                                                                                               |                                                |
|-----------------------------------------------------------------------------------------------|------------------------------------------------|
| Director                                                                                      | - Aboitiz Equity Ventures Inc.* (1994 to 2017) |
| Member of Board Audit Committee                                                               | - Aboitiz Equity Ventures Inc.* (2006 to 2017) |
| Member of Board Risk and Reputation Management Committee                                      | - Aboitiz Equity Ventures Inc.* (2009 to 2017) |
| Chairman and Chief Executive Officer                                                          | - Union Bank of the Philippines* (1993-- 2017) |
| Managing Partner-- Global Finance                                                             | - Citibank, N.A. (1990 to 1993)                |
| Country Executive-- Investment Banking                                                        | - Citibank, N.A. (1988 to 1990)                |
| Treasury Marketing Unit Head                                                                  | - Citibank, N.A. (1985 to 1988)                |
| Relationship Manager for various local, corporate multinational, and public sectors customers | - Citibank, N.A. (1979 to 1985)                |
| Executive Assistant to Asia Pacific Human Resource Executive                                  | - Citibank, N.A. (1978 to 1979)                |
| Management Trainee                                                                            | - Citibank, N.A. (1977 to 1978)                |

\*Publicly Listed Company

**Educational and Professional Background:**

- Member of the Claustro de Profesores and Doctor of Humanities Degree (Honoris Causa) from the University of Santo Tomas (UST)
- Honorary Fellow of Institute of Corporate Directors (ICD)
- Awardee- Asian Banker Lifetime Achievement Award & Philippine Blockchain Leader of the Year
- Economics Honors Program (Magna Cum Laude) from Ateneo de Manila University.

Mr. Ortiz is not connected with any government agency or instrumentality.

**CESAR G. ROMERO**

Age: 58

Citizenship: Filipino

Date of First Appointment: April 25, 2022

Tenure: 1 year

**Committee Memberships:**

|          |                                                                                                                                  |
|----------|----------------------------------------------------------------------------------------------------------------------------------|
| Chairman | - Board Audit Committee,                                                                                                         |
| Member   | - Board Sustainability, Governance, and Related Party Transactions Committee<br>- Board Risk and Reputation Management Committee |

**Present Positions:**

|                      |                                                                                                          |
|----------------------|----------------------------------------------------------------------------------------------------------|
| Independent Director | - Aboitiz Equity Ventures Inc.* ,<br>- Robinson Retail Holdings, Inc.* ,<br>- Aboitiz Power Corporation* |
|----------------------|----------------------------------------------------------------------------------------------------------|

\*Publicly Listed Company

**Previous Positions:**

|                                       |                                                       |
|---------------------------------------|-------------------------------------------------------|
| President and Chief Executive Officer | - Pilipinas Shell Petroleum Corporation (2016-- 2021) |
|---------------------------------------|-------------------------------------------------------|

|                                                      |                                                    |
|------------------------------------------------------|----------------------------------------------------|
| Vice President Global Retail Network                 | - Shell's Global Downstream Business (2013-- 2018) |
| Vice President of Retail Sales and Operations East   | - Shell's Global Downstream Business (2009-- 2013) |
| Vice President of Supply East                        | - Shell's Global Downstream Business (2007-- 2009) |
| Vice President for Downstream Management Consultancy | - Shell's Global Downstream Business (2005-- 2007) |
| Business Assistant to the Executive Director         | - Shell's Global Downstream Business (2005-- 2007) |
| Shell's Scenario Planning Team                       | - Shell International (1995)                       |
| Refinery Engineer                                    | - Pilipinas Shell Petroleum Corporation (1987)     |

**Educational and Professional Background:**

- Bachelor of Science in Mechanical Engineering (Cum Laude) from the University of the Philippines
- Master's Degree in Business Administration (with High Distinction) from the University of Michigan
- Various management development courses at the London Business School and the Wharton Business School

Mr. Romero is not connected with any government agency or instrumentality.

**JOANNE G. DE ASIS (Independent Director)**

Age: 73

Citizenship: Filipino

Date of First Appointment: April 26, 2021

Tenure: 2 years

**Committee Memberships:**

|          |                                                                                                                                   |
|----------|-----------------------------------------------------------------------------------------------------------------------------------|
| Chairman | - Board Sustainability, Governance, and Related Party Transactions Committee                                                      |
| Member   | - Board Audit Committee,<br>- Board Risk and Reputation Management Committee,<br>- Board Cyber and Information Security Committee |

**Present Positions:**

|                         |                                                             |
|-------------------------|-------------------------------------------------------------|
| Independent Director    | - Aboitiz Equity Ventures Inc.*                             |
| Senior Adviser          | - Morgan Stanley & Co                                       |
| Founder and Chairman    | - Globe Capital Partners LLC, U.S.A.                        |
| Independent Director    | - Easycall Communications Philippines, Inc.,                |
| Advisory Board Member   | - Anneberg Foundation Trust at Sunnylands, U.S.A            |
| Advisory Council Member | - The International Institute for Strategic Studies, London |
| Advisor                 | - APEC Business Advisory Council                            |
| Member                  | - Private Sector Advisory Council                           |

*\*Publicly Listed Company*

**Previous Positions:**

|                   |                                                                                |
|-------------------|--------------------------------------------------------------------------------|
| Managing Director | - Credit Suisse First Boston, New York City, U.S.A & London, U.K (1989-- 1998) |
|-------------------|--------------------------------------------------------------------------------|

|                                     |                                                             |
|-------------------------------------|-------------------------------------------------------------|
| Director, International             | - Dillon Read & Company, New York City, U.S.A (1986-- 1988) |
| Vice President                      | - Morgan Stanley International, London, U.K (1981-- 1986)   |
| Associate                           | - Morgan Stanley & Co. New York City, U.S.A (1977 -- 1981)  |
| Advisory to the Treasury Department | - Bangko Sentral ng Pilipinas (1984 -- 1985)                |
| Professor                           | - Maryknoll College, Communication Arts (1972)              |

**Educational and Professional Background:**

- Bachelor of Arts, Major in Communication Arts, from Maryknoll College
- Master of Business Administration from the Columbia University in New York, U.S.A.
- Executive Management Program from Stanford University in Palo Alto California, U.S.A.

Ms. De Asis is not connected with any government agency or instrumentality.

**PETER D. MAQUERA**

Age: 61

Citizenship: Filipino

Date of First Appointment: October 26, 2023

Tenure: 4 months

**Committee Memberships:**

|        |                                                                                                                                                                                                                    |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Member | - Board Sustainability, Governance, and Related Party Transactions Committee,<br>- Board Audit Committee,<br>- Board Risk and Reputation Management Committee,<br>- Board Cyber and Information Security Committee |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Present Positions:**

|                         |                                                                                                                                              |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| Chief Executive Officer | - Microsoft Philippines                                                                                                                      |
| Trustee/Director        | - Makati Business Club,<br>- American Chamber of Commerce,<br>- Advanced Nutritional Technologies, Ltd., and<br>- FPS Tech Philippines, Inc. |

**Previous Positions:**

|                         |                                                                                                                                               |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Senior Vice President   | - Globe Telecom, Inc.* (2017-2022)                                                                                                            |
| President and Director  | - Globe Telecom International Business Holdings (2018-- 2022)                                                                                 |
| Deputy CEO and Director | - Livelt Investments, Ltd. (2010-- 2017)                                                                                                      |
| Trustee                 | - IT & Business Process Association of the Philippines; and<br>- Semiconductor and Electronics Industries in the Philippines Foundation, Inc. |

*\*Publicly Listed Company*

**Educational and Professional Background:**

- Undergraduate Degree in Engineering from the University of Southern California, U.S.A.
- Master of Business Administration from the University of Southern California, U.S.A.

Mr. Maquera is not connected with any other publicly-listed company. He is not connected to any government agency or instrumentality.

## **Performance Assessment and Attendance Reports of the Board**

In accordance with AEV's Revised Manual on Corporate Governance as amended on February 23, 2022, (the "Revised Manual"), the members of the Board and Board Committees conduct an annual self-assessment of their collective and individual performance. In addition, the directors assess the performance of the Company's corporate officers such as the Chairman of the Board, the Chief Executive Officer, the Chief Risk Officer, the Chief Compliance Officer, the Corporate Secretary, and the Group Internal Audit Head.

The assessment forms are prepared and regularly reviewed by the Chief Compliance Officer in order to elicit relevant and valuable insights on the following assessment criteria: (1) compliance with best governance practices and principles; (2) participation and contribution to the Board and committee meetings; and (3) performance of their duties and responsibilities as provided in the Company's Revised Manual, Charters, Amended Articles of Incorporation, and Amended By-Laws.

In addition, AEV directors are evaluated by its key officers based on the following criteria: (1) business acumen, (2) independent judgment, (3) familiarity with the business, (4) active participation and effective challenge, (5) professional expertise and network, (6) value contribution, (7) embodiment of Aboitiz core values, and (8) reputation. Assessment results are presented to the SGRPT Committee as part of the nomination and selection process of incumbent Board members.

The Corporate Governance Code and the Revised Manual requires that at least once in every three years, the conduct of the Board performance assessment must be supported by an independent third-party facilitator. AEV complied with this requirement in 2023 with the engagement of Complete Coherence, a leadership development and coaching company based in the United Kingdom. The results of the assessment, as well as the recommendations from Complete Coherence, were presented and discussed at the Board meeting on December 12, 2023.

For more discussion on the Board's (i) performance assessment, and (ii) attendance record at Board, Board Committee, and stockholders' meetings for the year 2023, please refer to Board Matters portion of Part III— Corporate Governance on page 151 of this Information Statement.

## **Nominations for Independent Directors and Procedure for Nomination**

The procedure for the nomination and election of the Independent Directors is in accordance with Rule 38 of the Securities Regulation Code ("SRC Rule 38"), AEV's Amended By-Laws, and AEV's Guidelines for the Nomination and Election of Independent Directors approved by the Board of Directors on March 23, 2017 (the "Amended Guidelines").

Nominations for Independent Directors were opened beginning on January 1, 2024 until February 15, 2024, in accordance with Section C(1) of the Guidelines. The period may be extended by the unanimous vote of the Board SGRPT Committee for meritorious reasons.

SRC Rule 38 further requires the Board SGRPT Committee (in its capacity as the Board Nomination and Compensation Committee) to meet and pre-screen all nominees and submit a final list of nominees to the Corporate Secretary, so that such list will be included in the Company's Information Statements. Only nominees whose names appear on the final list shall be eligible for election as Independent Directors. No other nominations shall be entertained after the final list of nominees has been prepared. The name of the person or group of persons who nominates an Independent Director shall be identified including any relationship with the nominee.

On February 16, 2024, the Chairman of the then Board ESCG Committee submitted the final list of nominees to the Corporate Secretary. In approving the nominations for Independent Directors, the Board ESCG Committee considered the guidelines on the nominations of Independent Directors prescribed in SRC Rule 38, the Amended Guidelines, and AEV's Revised Manual. Mr. Cesar G. Romero, Lead Independent Director, is the incumbent Chairman of the then Board ESCG Committee. The other voting members of the committee are Messrs. Sabin M. Aboitiz, Enrique M. Aboitiz, Peter D. Maquera,

and Ms. Joanne G. De Asis, while the ex-officio non-voting members are Ms. Connie G. Chu, Ms. Santanina Apolinaria B. Castro, and Ms. Ana Margarita N. Hontiveros-Malvar.

Independent Directors shall be elected at the stockholders' meeting during which other members of the Board are to be elected. However, no nominations for Independent Director shall be accepted at the floor during the 2024 ASM.

Mr. Cesar G. Romero, Ms. Joanne G. De Asis, and Mr. Peter D. Maquera are the nominees for Independent Directors of AEV for the 2024 ASM. They are neither officers nor employees of the Company or any of its Affiliates, and do not have any relationship with the Company which would interfere with the exercise of independent judgment in carrying out the responsibilities of an Independent Director. Attached as **Annexes "B-1", "B-2", and "B-3"** are the Certifications of Qualification of Mr. Romero, Ms. De Asis, and Mr. Maquera, respectively.

AEV stockholders, Ms. Maria G. Sandalo, Ms. Josephine R. Pabriga, and Ms. Viva Torre have nominated Mr. Romero, Mr. Maquera, and Ms. De Asis, respectively, as the Company's Independent Directors. None of the nominating stockholders have any relation to the respective Independent Director they are nominating.

#### **Other Nominees for the Election as Members of the Board of Directors**

Included in the final list of nominees as conveyed by the then Board ESCG Committee to the Corporate Secretary on February 16, 2024, the following were also nominated and qualified as candidates to the AEV Board of Directors for the 2024-2025 term:

**Enrique M. Aboitiz**  
**Mikel A. Aboitiz**  
**Erramon I. Aboitiz**  
**Sabin M. Aboitiz**  
**Ana Maria A. Delgado**  
**Justo A. Ortiz**

Pursuant to Section 1, Article II of the Amended By-Laws of AEV, nominations for members of the Board, other than Independent Directors, for the ensuing year must be submitted in writing to the Corporate Secretary at least 15 working days prior to the ASM on April 22, 2024, or not later than March 26, 2024.

All other information regarding the positions and offices held by nominees are integrated in Item 5 (a) (1) above.

#### **Officers for 2023-2024**

Below is the list of AEV officers for 2023-2024 with their corresponding positions and offices held for the past five years. Unless otherwise indicated, the officers assumed their positions during AEV's organizational meeting in 2023 for a term of one year.

**ENRIQUE M. ABOITIZ**  
Chairman – Board of Directors

*Refer to Item 5 (a) (1) for the profile of Mr. Enrique M. Aboitiz.*

**MIKEL A. ABOITIZ**  
Vice Chairman – Board of Directors

*Refer to Item 5 (a) (1) for the profile of Mr. Mikel A. Aboitiz.*

**SABIN M. ABOITIZ**

Director / President and Chief Executive Officer

*Refer to Item 5 (a) (1) for the profile of Mr. Sabin M. Aboitiz.***JOSE EMMANUEL U. HILADO**

Senior Vice President/ Chief Financial Officer/ Corporate Information Officer

Age: 60

Citizenship: Filipino

Committee Memberships:

|                   |                                                                                                                                     |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Ex-Officio Member | - Board Risk and Reputation Management Committee<br>- Board Executive Committee<br>- Board Cyber and Information Security Committee |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------|

Present Positions:

|                                                                |                                                                                                                                                                                                                              |
|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SVP – Chief Financial Officer /<br>Company Information Officer | - Aboitiz Equity Ventures Inc.*                                                                                                                                                                                              |
| Trustee and Treasurer                                          | - Aboitiz Foundation, Inc.                                                                                                                                                                                                   |
| Director, President, and Chief<br>Operating Officer            | - Tenfold Ventures Corporation                                                                                                                                                                                               |
| Director and Treasurer                                         | - AEV CRH Holdings, Inc.                                                                                                                                                                                                     |
| Director, Chief Financial Officer, and<br>Treasurer            | - CCEP Aboitiz Beverages Philippines, Inc.                                                                                                                                                                                   |
| Director                                                       | - Union Bank of the Philippines*<br>- AEV International Pte Ltd.<br>- Archipelago Insurance Pte. Ltd.<br>- Republic Cement and Building Materials, Inc.<br>- Aboitiz Data Innovation Pte. Ltd.<br>- Aboitiz Renewables, Inc. |
| Treasurer                                                      | - Aboitiz InfraCapital Inc.<br>- CRH Aboitiz Holdings, Inc.                                                                                                                                                                  |

Previous Positions:

|                                       |                                                                                                                                                                                                                                  |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Union Bank of the Philippines*        | - Senior Vice President – Treasurer and Head of Global Market (2022)<br>- Senior Executive Vice President – Chief Finance Officer (2021)<br>- Senior Executive Vice President – Chief Finance Officer and Treasurer (2017– 2021) |
| East West Banking Corporation*        | - Senior Executive Vice President & COO (2014– 2017)                                                                                                                                                                             |
| Rizal Commercial Banking Corporation* | - Senior Executive Vice President & Treasurer (2008– 2014)                                                                                                                                                                       |
| Banco de Oro*                         | - Senior Vice President (2001– 2008)                                                                                                                                                                                             |

\*Publicly Listed Company

Educational and Professional Background:

- University of the Philippines BS Business Economics
- Kellogg-HKUST Executive MBA Master of Business Administration
- Certified Treasury Professional BAP- Ateneo Graduate School

- Member Bankers Association of the Philippines' Open Market Committee  
Financial Executive Institute of the Philippines (FINEX)  
Money Market Association  
ACI Philippines  
Philippine Interpretations Committee

Mr. Hilado is not connected with any government agency or instrumentality. He is not a director of any publicly-listed company.

#### **SUSAN V. VALDEZ**

Senior Vice President and Chief Corporate Services Officer

*(Retired as of December 31, 2023)*

Age: 63

Citizenship: Filipino

#### Committee Memberships until December 31, 2023:

|                   |                                                                                                                       |
|-------------------|-----------------------------------------------------------------------------------------------------------------------|
| Ex-Officio Member | - Board Environmental, Social, and Corporate Governance Committee<br>- Board Cyber and Information Security Committee |
|-------------------|-----------------------------------------------------------------------------------------------------------------------|

#### Present Positions until December 31, 2023:

|                                                            |                                 |
|------------------------------------------------------------|---------------------------------|
| Senior Vice President and Chief Corporate Services Officer | - Aboitiz Equity Ventures Inc.* |
| Trustee                                                    | - Aboitiz Foundation, Inc.      |

#### Previous Positions:

|                                                                                           |                                                                                                    |
|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| Senior Vice President— Chief Human Resources Officer and Chief Corporate Services Officer | - Aboitiz Equity Ventures, Inc.* (2020 to 2021)                                                    |
| Senior Vice President— Chief Human Resources Officer                                      | - Aboitiz Equity Ventures, Inc.* (2019)                                                            |
| Senior Vice President— Chief Reputation Officer; Chief Corporate Services Officer         | - Aboitiz Equity Ventures, Inc.* (2013 to 2018)                                                    |
| President                                                                                 | - Aboitiz Foundation, Inc. (2014 to 2018)<br>- Weather Philippines Foundation, Inc. (2014 to 2018) |
| First Vice President and Chief Reputation Officer and Chief Risk Management Officer       | - Aboitiz Equity Ventures, Inc.* (2012 to 2013)                                                    |
| First Vice President and Chief Reputation Officer                                         | - Aboitiz Equity Ventures, Inc.* (2011 to 2012)                                                    |
| President and Chief Executive Officer                                                     | - Aboitiz Transport Systems Corporation (ATSC) (now 2GO Group, Inc.*) (2009 to 2011)               |
| Executive Vice President and Chief Executive Officer of 2GO Division                      | - Aboitiz Transport Systems Corporation (ATSC) (now 2GO Group, Inc.*) (2004 to 2011)               |
| Executive Vice President and Chief Finance Officer                                        | - Aboitiz Transport Systems Corporation (ATSC) (now 2GO Group, Inc.*) (1994 to 2004)               |
| Senior Vice President— Chief Financial Officer and Chief Information Officer              | - WG&A (1999 to 2003)                                                                              |
| Senior Vice President— Chief Financial Officer                                            | - Aboitiz Transport Systems Corporation (ATSC) (now 2GO Group, Inc.*) (1997 to 1998)               |
| Assistant Vice President to Vice President— Finance                                       | - Aboitiz Shipping Corporation (1994 to 1996)                                                      |

\*Publicly Listed Company

**Educational and Professional Background:**

- Certified Public Accountant.
- Bachelor of Science in Commerce, Major in Accounting (Cum Laude) from St. Theresa's College.
- Master's degree in Business Management from the University of the Philippines, and
- Management Development Program at Harvard Business School, U.S.A.

Ms. Valdez is not connected with any government agency or instrumentality. She is not a director of any publicly-listed company.

**CONNIE G. CHU**

Senior Vice President-- Chief Legal and Compliance Officer/ Corporate Secretary

Age: 48

Citizenship: Filipino

**Committee Memberships:**

|                   |                                                                              |
|-------------------|------------------------------------------------------------------------------|
| Ex-Officio Member | - Board Sustainability, Governance, and Related Party Transactions Committee |
|-------------------|------------------------------------------------------------------------------|

**Present Positions:**

|                                                                                 |                                            |
|---------------------------------------------------------------------------------|--------------------------------------------|
| Senior Vice President-- Chief Legal and Compliance Officer/ Corporate Secretary | - Aboitiz Equity Ventures Inc.*            |
| Assistant Corporate Secretary                                                   | - CCEP Aboitiz Beverages Philippines, Inc. |

**Previous Positions:**

|                           |                                                                    |
|---------------------------|--------------------------------------------------------------------|
| Registered Foreign Lawyer | - Cleary Gottlieb Steen & Hamilton (2008 to 2022)                  |
| Associate                 | - Romulo Mabanta Buenaventura Sayoc & De Los Angeles (2003 – 2007) |

*\*Publicly Listed Company*

**Educational and Professional Background:**

- Bachelor of Arts in Political Science from the University of San Carlos (Magna Cum Laude)
- Juris Doctor degree from the Ateneo de Manila University (Class Salutatorian with honors)
- Master of Laws degree from New York University School of Law, U.S.A. (with distinction)

Ms. Chu is a member in good standing of the Integrated Bar of the Philippines and the New York State Bar. She was a bar topnotcher, ranking 2<sup>nd</sup> in the 2002 Philippine Bar Exams. She is not connected with any government agency or instrumentality. She is also not a director of any publicly listed company.

**MARIA VERONICA C. SO**

Senior Vice President-- Group Treasurer

Age: 51

Citizenship: Filipino

**Committee Memberships:** N.A.

**Present Positions:**

|                               |                                 |
|-------------------------------|---------------------------------|
| Senior Vice President – Group | - Aboitiz Equity Ventures Inc.* |
|-------------------------------|---------------------------------|

|                 |                              |
|-----------------|------------------------------|
| Treasurer       |                              |
| Group Treasurer | - Aboitiz Power Corporation* |

**Previous Positions:**

|                                               |                                                |
|-----------------------------------------------|------------------------------------------------|
| First Vice President-- Deputy Group Treasurer | - Aboitiz Equity Ventures Inc.*(2020 to 2021)  |
| Vice President-- Treasurer Services           | - Aboitiz Equity Ventures Inc.* (2019 to 2020) |
| Various treasury and finance positions        | - Globe Telecom* (2001 to 2017)                |

*\*Publicly Listed Company*

**Educational and Professional Background:**

- Bachelor of Science Degree in Business Management from the Ateneo de Manila University.
- Master's Degree in Business Management from the Asian Institute of Management

Ms. So is not connected with any government agency or instrumentality. She is not a director of any publicly-listed company.

**MARIA LOURDES Y. TANATE**  
Vice President – Group Internal Audit Head

Age: 58  
Citizenship: Filipino

**Committee Memberships:** N.A.

**Present Positions:**

|                                            |                                  |
|--------------------------------------------|----------------------------------|
| Vice President – Group Internal Audit Head | - Aboitiz Equity Ventures Inc. * |
|--------------------------------------------|----------------------------------|

**Previous Positions:**

|                                                                                   |                                                                                     |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Chief Audit Executive                                                             | - Aboitiz Transport System (ATSC) Corporation (now 2GO Group, Inc.) (2009 to 2011)* |
| Assistant Vice President for Finance                                              | - Aboitiz Transport System (ATSC) Corporation (now 2GO Group, Inc.) (2005 to 2009)* |
| Senior Manager for Finance and Freight                                            | - Aboitiz Transport System (ATSC) Corporation (now 2GO Group, Inc.) (2000 to 2005)* |
| Manager and Head of Corporate Planning and Credit & Economic Research Departments | - Prime Bank (1996 to 2000)                                                         |
| Senior Assistant Cashier                                                          | - Far East Bank & Trust Company (1986 to 1993)                                      |

*\*Publicly Listed Company*

**Educational and Professional Background:**

- Cum Laude with a degree of Bachelor of Arts in Economics from the University of the Philippines (Diliman)
- Master's in Business Administration from University of the Philippines (Diliman)
- Master's in Engineering and Technology Management from the University of Queensland, Australia.

Ms. Tanate is not connected with any government agency or instrumentality. She is also not a director of any publicly-listed company.

**CHRISTINE C. KEMPENEERS**

Assistant Vice President – Risk Management Head / Data Protection Officer

Age: 34

Citizenship: Filipino

Committee Memberships: N.A.Present Positions:

|                                                                           |                                  |
|---------------------------------------------------------------------------|----------------------------------|
| Assistant Vice President – Risk Management Head / Data Protection Officer | - Aboitiz Equity Ventures Inc. * |
|---------------------------------------------------------------------------|----------------------------------|

Previous Positions:

|                                     |                                                               |
|-------------------------------------|---------------------------------------------------------------|
| Risk Manager – Risk Management Team | - Aboitiz Equity Ventures Inc.* (2017 to 2019)                |
| Project Manager                     | - Aboitiz InfraCapital, Inc. (2016 to 2017)                   |
| Project Manager                     | - AEV's infrastructure Strategic Business Unit (2016 to 2017) |
| Management Associate                | - Citibank (2015 to 2016)                                     |
| Management Trainee – Manager        | - Union Bank of the Philippines* (2010 to 2013)               |

*\*Publicly Listed Company*Educational and Professional Background:

- Bachelor of Arts Degree in European Studies, International Business Track from the Ateneo de Manila University
- Master of Business Administration, Major in Finance (with Distinction) from the Asian Institute of Management
- PARIMA-ANZIIF Certified Risk Professional
- Crisis Management Certified Expert from the BCM Institute
- Sustainability and Climate Risk Certification from the Global Association of Risk Professionals
- Certification from the International Association of Privacy Professionals

Ms. Kempeneers is not connected with any government agency or instrumentality. She is not a director of any publicly-listed company.

**MAILENE M. DE LA TORRE**

Vice President – Governance and Compliance, and Assistant Corporate Secretary

Age: 42

Citizenship: Filipino

Committee Memberships: N.A.Present Positions:

|                                                                              |                                             |
|------------------------------------------------------------------------------|---------------------------------------------|
| Vice President— Governance and Compliance, and Assistant Corporate Secretary | - Aboitiz Equity Ventures Inc.*             |
| Corporate Secretary                                                          | - Various subsidiaries of the Aboitiz Group |
| Assistant Corporate Secretary                                                | - Various subsidiaries of the Aboitiz Group |

Previous Positions:

|                                                          |                                                |
|----------------------------------------------------------|------------------------------------------------|
| Assistant Vice President— Governance and Compliance, and | - Aboitiz Equity Ventures Inc.* (2018 to 2023) |
|----------------------------------------------------------|------------------------------------------------|

|                                                                |                                                |
|----------------------------------------------------------------|------------------------------------------------|
| Assistant Corporate Secretary                                  |                                                |
| Assistant Corporate Secretary                                  | - Aboitiz Power Corporation*                   |
| Senior Associate General Counsel for Governance and Compliance | - Aboitiz Equity Ventures Inc.* (2016 to 2018) |
| Associate General Counsel for Legal and Corporate Services     | - Aboitiz Equity Ventures Inc.* (2010 to 2014) |
| Associate                                                      | - Esguerra & Blanco Law Office (2007 to 2010)  |

\*Publicly Listed Company

**Educational and Professional Background:**

- Bachelor of Arts Degree in Political Science (Cum Laude) from the University of the Philippines Diliman
- Bachelor of Laws degree from University of the Philippines Diliman
- Graduate Member of the ICD
- Certified Compliance and Ethics Professional – International (CCEP-I)

Ms. de la Torre is a member in good standing of the Integrated Bar of the Philippines. She is not connected with any government agency or instrumentality. She is not a director of a publicly-listed company.

**SAMMY DAVE A. SANTOS**

Senior Associate General Counsel for Governance and Compliance, and Assistant Corporate Secretary

Age: 39

Citizenship: Filipino

Committee Memberships: N.A.

**Present Positions:**

|                                                                                                   |                                                                                                                         |
|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| Senior Associate General Counsel for Governance and Compliance, and Assistant Corporate Secretary | - Aboitiz Equity Ventures Inc.* (2020 to present)                                                                       |
| Corporate Secretary                                                                               | - Various subsidiaries of the Aboitiz Group                                                                             |
| Assistant Corporate Secretary                                                                     | - Good Governance Advocates and Practitioners of the Philippines (GGAPP)<br>- Various subsidiaries of the Aboitiz Group |

**Previous Positions:**

|                                                         |                                                                                          |
|---------------------------------------------------------|------------------------------------------------------------------------------------------|
| Assistant Corporate Secretary                           | - Aboitiz Power Corporation* (2019 to 2023)                                              |
| Associate General Counsel for Governance and Compliance | - Aboitiz Equity Ventures Inc.* (2017 to 2020)                                           |
| Legal Counsel                                           | - Alliance Select Foods International* (2016 to 2017)                                    |
| Counsel                                                 | - Privatization Group and Office of Special Concerns of the Department of Finance (2016) |
| Junior Associate                                        | - Quiason Makalintal Barot Torres Ibarra Sison & Damaso (2014 to 2016)                   |

\*Publicly Listed Company

**Educational and Professional Background:**

- Bachelor of Arts in Humanities with Professional Certificate in Industrial Economics from the University of Asia and the Pacific, Manila
- Master of Science in Industrial Economics from the University of Asia and the Pacific, Manila
- Juris Doctor degree from the Ateneo de Manila University, Manila

Mr. Santos is a member in good standing of the Integrated Bar of the Philippines. He is not connected with any government agency or instrumentality. He is not a director of a publicly-listed company.

#### **Period in which the Directors Should Serve**

The Company's directors serve for a period of one year.

#### **Term of Office of a Director**

Pursuant to the Company's Amended By-Laws, the directors are elected at each ASM by stockholders entitled to vote. Each director holds office until the next annual election for a term of one year and until his/her successor is duly qualified and elected, unless he/she resigns, dies, or is removed prior to such election.

Any vacancy in the Board other than by removal or expiration of term may be filled by a majority vote of the remaining members at a meeting called for that purpose, if they still constitute a quorum. Otherwise, said vacancy must be filled by the stockholders or members in a regular or special meeting called for that purpose. The director so chosen to fill a vacancy shall serve for the unexpired term of his/her predecessor in office.

When the vacancy arises as a result of removal by the stockholders or members, the election may be held on the same day of the meeting authorizing the removal and this fact must be so stated in the agenda and notice of said meeting. In all other cases, the election must be held no later than 45 days from the time the vacancy arose. The director so chosen to fill a vacancy shall serve for the unexpired term of his/her predecessor in office.

When the vacancy prevents the remaining directors from constituting a quorum and emergency action is required to prevent grave, substantial, and irreparable loss or damage to the corporation, the vacancy may be temporarily filled from among the officers of the corporation by unanimous vote of the remaining directors. The action by the designated director shall be limited to the emergency action necessary, and the term shall cease within a reasonable time from the termination of the emergency or upon the election of the replacement director, whichever comes earlier.

#### **(2) Significant Employees**

AEV considers the contribution of every employee important to the fulfillment of its goals.

#### **(3) Family Relationships**

Messrs. Enrique, Erramon, and Sabin Aboitiz, are brothers. Mr. Mikel A. Aboitiz is the uncle of Ms. Ana Maria A. Delgado. Other than these, no other officers or directors are related within the fourth degree of consanguinity.

#### **(4) Involvement in Certain Legal Proceedings as of January 31, 2024**

To the knowledge and/or information of AEV, none of its nominees for election as directors, its current members of the Board or its executive officers have been involved in any of the following during the past five years up to January 31, 2024:

- a. Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- b. Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- c. Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily

- enjoining, barring, suspending or otherwise limiting his/her involvement in any type of business, securities, commodities or banking activities; and
- d. Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended, or vacated.

## **(5) Certain Relationships and Related Transactions**

AEV and its Subsidiaries (the “Group”), in their regular conduct of business, have entered into related party transactions (RPT) consisting of professional and technical services, rental, money market placements, and power sales and purchases. These are made on an arm’s length basis.

Aboitiz & Company, Inc. (ACO), the parent company of AEV, and certain Associates have service contracts with AEV for corporate center services rendered, such as human resources, internal audit, legal, treasury and corporate finance, among others. These services are obtained from AEV to enable the Group to realize cost synergies. AEV maintain a pool of highly qualified professionals with business expertise specific to the businesses of the Group. Transactions are priced on an arm’s length basis, and covered with service level agreements to ensure quality of service.

ACO and certain Associates are leasing office spaces from Cebu Praedia Development Corporation (CPDC), a Subsidiary of AEV. Rental rates are comparable with prevailing market prices. These transactions are covered with lease contracts for a period of three years.

The Group has cash deposits and money market placements with Union Bank of the Philippines, Inc. (“UnionBank”, or the “Bank”) and City Savings Bank, Inc., AEV’s banking Associates. These are earning interest at prevailing market rates.

Power generation Subsidiaries sell to certain power Associates based on their respective power supply agreements. Meanwhile, power distribution Subsidiaries purchase from certain generation Associates based on existing power purchase agreements.

A wholly-owned construction and steel fabrication Subsidiary of ACO renders its services to the Group for the construction of new power plants.

The Company’s retirement benefit fund (the “Fund”) is in the form of a trust being maintained and managed by an independent committee composed of select officers of the Company. The Fund has investments in the equity of the Company, AboitizPower, and UnionBank.

No other transaction, without proper disclosure, was undertaken by the Company in which any director or executive officer, any nominee for election as director, any beneficial owner (direct or indirect) or any member of his/her immediate family was involved or had a direct or indirect material interest. Other than what has been discussed in this Information Statement and the Company’s 2023 Annual Financial Statements, there are no other related party transactions entered into by the Company with related parties, including transactions with directors or self-dealings by the Company’s directors.

AEV employees are required to promptly disclose any business and family-related transactions with the Company to ensure that potential conflicts of interest are determined and brought to the attention of management.

AEV’s RPT Policy ensures that RPTs are conducted at arms-length and at market prices, and undergo the appropriate approval process.

In 2023, the RPT Committee (1) continued to ensure that RPTs are taken on an arm’s-length basis and within market rates, with sufficient documentation, and coursed through the appropriate levels of approval and (2) ensured the submission of the RPT Certification for Directors and Officers in compliance with the Company’s RPT Policy.

For detailed discussion on RPTs, please refer to the notes of the Company's consolidated financial statements.

**(6) Parent Company**

AEV's parent company is Aboitiz & Company, Inc. It owns 48.68% of the voting shares of AEV as of January 31, 2024.

**(b) Resignation or Refusal to Stand for Re-election by Members of the Board of Directors**

No director has resigned nor declined to stand for re-election to the Board since the date of AEV's last ASM because of a disagreement with AEV on matters relating to its operations, policies, and practices.

**Item 6. Compensation of Directors and Executive Officers**

**(a) Summary of Compensation of Executive Officers**

Information as to the aggregate compensation paid or accrued to AEV's Chief Executive Officer and four most highly compensated executive officers, as well as other directors and officers during the last two completed fiscal years and the ensuing fiscal year are as follow:

| Name of Officer and Principal Position                                                                                                          | Year               | Salary                 | Bonus                 | Other Compensation    |
|-------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------------|-----------------------|-----------------------|
| <b>CHIEF EXECUTIVE OFFICER AND FOUR MOST HIGHLY COMPENSATED OFFICERS</b>                                                                        |                    |                        |                       |                       |
| <b>1. SABIN M. ABOITIZ</b><br><i>President and Chief Executive Officer</i>                                                                      |                    |                        |                       |                       |
| <b>2. JOSE EMMANUEL U. HILADO</b><br><i>Senior Vice President and Chief Financial Officer</i>                                                   |                    |                        |                       |                       |
| <b>3. SUSAN V. VALDEZ</b><br><i>Senior Vice President and Chief Corporate Services Officer</i>                                                  |                    |                        |                       |                       |
| <b>4. MARIA VERONICA C. SO</b><br><i>Senior Vice President – Group Treasurer</i>                                                                |                    |                        |                       |                       |
| <b>5. MANUEL ALBERTO R. COLAYCO</b><br>(only for 2022)<br><i>Senior Vice President – Chief Legal and Compliance Officer/Corporate Secretary</i> |                    |                        |                       |                       |
| <b>6. CONNIE G. CHU</b><br>(only for 2023)<br><i>Senior Vice President – Chief Legal and Compliance Officer/Corporate Secretary</i>             |                    |                        |                       |                       |
| <b>All above named officers as of group</b>                                                                                                     | <b>Actual 2023</b> | <b>₱141,575,277.00</b> | <b>₱20,902,740.00</b> | <b>₱16,556,572.00</b> |
|                                                                                                                                                 | Actual 2022        | ₱148,400,396.00        | ₱15,555,513.00        | ₱14,854,434.00        |
|                                                                                                                                                 | Projected 2024     | ₱139,496,673.00        | ₱22,021,263.00        | ₱17,987,888.00        |
| <b>All other directors and officers- as a group unnamed</b>                                                                                     | <b>Actual 2023</b> | <b>₱19,789,091.00</b>  | <b>₱3,491,396.00</b>  | <b>₱47,958,355.00</b> |
|                                                                                                                                                 | Actual 2022        | ₱29,548,811.00         | ₱3,491,396.00         | ₱47,958,355.00        |
|                                                                                                                                                 | Projected 2024     | ₱21,768,000.00         | ₱2,928,296.00         | ₱49,739,848.00        |

The 2020 Amended By-Laws of the Company as approved by the Securities and Exchange Commission (SEC) on October 1, 2020 defined corporate officers as follows: the Chairman of the Board; the Vice Chairman; the Chief Executive Officer; the Chief Operating Officer; the Treasurer, the Corporate Secretary; the Assistant Corporate Secretary; and such other officers as may be appointed by the

Board. For the year 2023, the Company's Summary of Compensation of Executive Officers covers the compensation of officers as reported under Item 5 (a)(1) of the Information Statement.

Except for the regular company retirement plan, which by its very nature will be received by the officers concerned only upon retirement from the Company, the above-mentioned officers do not receive any other compensation in the form of warrants, options, and/or profit-sharing.

There is no compensatory plan or arrangement between the Company and any executive in case of resignation or any other termination of employment or from a change-in-control of the Company.

## (b) Compensation of Directors

### (1) Standard Arrangements

AEV directors receive a monthly allowance of ₱150,000.00 while the Chairman of the Board receives a monthly allowance of ₱200,000.00. In addition, each director/member and the Chairmen of the Board and the Board Committees receive a per diem for every Board or Board Committee meeting attended as follows:

| Type of Meeting | Directors   | Chairman of the Board |
|-----------------|-------------|-----------------------|
| Board Meeting   | ₱150,000.00 | ₱225,000.00           |

| Type of Meeting                                     | Committee Member | Chairman of the Committee |
|-----------------------------------------------------|------------------|---------------------------|
| Board Committee Meeting<br>(except Audit Committee) | ₱100,000.00      | ₱150,000.00               |
| Audit Committee Meeting                             | ₱100,000.00      | ₱200,000.00               |

In compliance with Section 29 of the Revised Corporation Code, the total compensation of each of the Company's directors as of December 31, 2023 is as follow:

| Name of Director                                                         | Total Compensation Received by Directors <sup>8</sup> |
|--------------------------------------------------------------------------|-------------------------------------------------------|
| <b>ENRIQUE M. ABOITIZ</b><br><i>Chairman of the Board</i>                | ₱6,375,000.00                                         |
| <b>MIKEL A. ABOITIZ</b><br><i>Vice Chairman of the Board</i>             | ₱3,900,00.00                                          |
| <b>ERRAMON I. ABOITIZ</b><br><i>Director</i>                             | ₱6,400,00.00                                          |
| <b>SABIN M. ABOITIZ*</b><br><i>President and Chief Executive Officer</i> | ₱5,250,000.00                                         |
| <b>ANA MARIA A. DELGADO*</b><br><i>Director</i>                          | ₱4,300,000.00                                         |
| <b>JUSTO A. ORTIZ*</b><br><i>Director</i>                                | ₱5,550,000.00                                         |
| <b>ROMEO L. BERNARDO</b><br><i>Lead Independent Director</i>             | ₱4,100,000.00                                         |
| <b>CESAR G. ROMERO**</b><br><i>Lead Independent Director</i>             | ₱6,000,000.00                                         |
| <b>JOANNE G. DE ASIS</b><br><i>Independent Director</i>                  | ₱6,050,000.00                                         |
| <b>PETER D. MAQUERA**</b><br><i>Independent Director</i>                 | ₱1,050,000.00                                         |

### (2) Other Arrangements

Other than payment of the directors' per diem and monthly allowance as previously stated, there are no standard arrangements pursuant to which directors of the Company are compensated, or are to be

<sup>8</sup> Consisting of the monthly allowance and per diem. Per diem is based on the directors' attendance in the Board and Board Committee meetings, and their Committee memberships for the period January 1 to December 31, 2023.

\*A portion of the director's compensation was paid to their nominating company.

\*\* On September 4, 2023, Mr. Bernardo resigned as Lead Independent Director. He was replaced by Mr. Cesar G. Romero as Lead Independent Director and Mr. Peter D. Maquera as Independent Director

compensated, directly or indirectly, for any services provided as a director.

**(c) Employment Contracts and Termination of Employment and Change-in-Control Arrangements**

There is no compensatory plan or arrangement between AEV and any executive officer that results or will result from the resignation or any other termination of employment or from a change in the management or control of AEV.

**(d) Warrants and Options Outstanding**

To date, AEV has not granted any stock option to its directors or officers.

**Item 7. Independent Public Accountant**

As a matter of policy, the Board Audit Committee (the “Audit Committee”) selects, monitors, and reviews the independence, performance and effectiveness, scope of work, and fees and remuneration of the Company’s external auditors. The performance of this function is done in consultation with the Chief Executive Officer, the Chief Financial Officer, and the Group Internal Audit Head. When appropriate, the Audit Committee may recommend to the Board of Directors the re-appointment or replacement of the current external auditor.

During the AEV board meeting on March 5, 2024, the Chairman of the Audit Committee reported to the Board that after the evaluation and assessment of the performance of SyCip Gorres Velayo & Co. (SGV) for 2023, the Audit Committee was satisfied with SGV's performance and recommended SGV's re-appointment as the Company’s external auditor for 2024.

The Board of Directors discussed the Audit Committee’s recommendation, and after discussion, approved the re-appointment of SGV. The Board of Directors has endorsed to the stockholders the re-appointment of SGV as the Company’s external auditor for 2024.

The accounting firm of SGV has been AEV's Independent Public Accountant for the last 29 years. Ms. Jhoanna Feliza C. Go is AEV's audit partner from SGV since 2022. Ms. Go replaced Ms. Maria Veronica R. Pore who served as AEV’s audit partner from 2017 to 2021. AEV 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.

Representatives of SGV will be present during the 2024 ASM and will be given the opportunity to make a statement if they so desire. They are also expected to respond to appropriate questions if needed.

There was no event in the past 29 years where AEV and SGV (or the handling partner) had any disagreement with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure.

The Chairman of the Audit Committee is Mr. Cesar G. Romero, an Independent Director. The other members are Mr. Peter D. Maquera and Ms. Joanne G. De Asis, both Independent Directors, and Ms. Ana Maria A. Delgado, and Mr. Erramon I. Aboitiz, Non-Executive Directors of AEV.

**Item 8. Compensation Plans**

No action is to be taken during the 2024 ASM with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed.

**C. ISSUANCE AND EXCHANGE OF SECURITIES**

**Item 9. Authorization or Issuance of Securities Other Than for Exchange**

No action is to be taken during the 2024 ASM with respect to authorization or issuance of any

securities other than for exchange of outstanding securities.

The following is a discussion of the Company's outstanding registered securities.

### Recent Issuance of Registered Debt Securities

#### (a) Twenty-Five Billion Fixed Rate Retail Bonds Issued in August 2015

On July 27, 2015, the SEC issued the Order of Registration and Certificate of Permit to Offer Securities for AEV's fixed-rate retail bonds in the aggregate amount of up to ₱25 bn, inclusive of oversubscription (the "2015 Bonds"). The 2015 Bonds were then offered to the public on July 28, 2015 until July 31, 2015. The first tranche, equivalent to ₱24 bn was issued in 2015 in three series, as follows:

| Series   | Maturity Date               | Interest Rate Per Annum |
|----------|-----------------------------|-------------------------|
| Series A | Five Years and three months | 4.4722%                 |
| Series B | Seven Years                 | 5.0056%                 |
| Series C | Twelve Years                | 6.0169%                 |

The 2015 Bonds were listed with PDEX on August 5, 2015 for secondary market trading. Interest on the 2015 Bonds is paid quarterly in arrears every August 6, November 6, February 6, and May 6 of each year for each subsequent interest payment date at which the bonds are outstanding.

AEV received the aggregate net proceeds of ₱24 bn from the offer and sale of 2015 Bonds. The breakdown of the use of proceeds is set out below:

|                                                                                         | Projected Usage<br>(Per Prospectus) | Actual Usage*             |
|-----------------------------------------------------------------------------------------|-------------------------------------|---------------------------|
| Capital Infusion into Aboitiz Land, Inc.                                                | ₱9,892,000,000.00                   | ₱10,000,000.00            |
| Capital Infusion into Apo Agua Infraestructura, Inc.                                    | 2,055,000,000.00                    | 14,000.00                 |
| Capital Infusion into Aseagas Corporation                                               | 311,000,000.00                      | 222,500,000.00            |
| Capital Infusion into PETNET, Inc.                                                      | 765,000,000.00                      | 125,000,000.00            |
| Full repayment of existing long-term debt to fund purchase of UBP shares in 2010 & 2011 | 1,188,000,000.00                    | 1,188,000,000.00          |
| Bond Issuance Costs                                                                     | 214,076,625.00                      | 219,925,521.28            |
| Acquisition of a stake in the Philippine business of Lafarge S.A.                       | 9,574,923,375.00                    | 22,234,560,478.72         |
| <b>TOTAL</b>                                                                            | <b>₱24,000,000,000.00</b>           | <b>₱24,000,000,000.00</b> |

\* The actual amount spent for the above projects in 2015 reached ₱25.5 bn. The funding came from the ₱24 bn retail bond proceeds and the ₱1.5 bn balance from internally-generated funds.

AEV has been paying interest to its bondholders since November 6, 2015.

On August 10, 2021, the Company fully paid the outstanding seven-year 2015 Bonds amounting to ₱8.47 bn, a year ahead of its 2022 maturity schedule.

#### (b) Thirty Billion Fixed Rate Peso Denominated Retail Bonds (2019)

On January 29, 2019, the Board approved the issuance of a fixed-rate peso-denominated retail bonds in the aggregate amount of up to ₱30 bn, to be registered under the shelf registration program of the SEC (the "2019 Bonds"). Subsequently, the members of the Board approved the

issuance of the first tranche of its 2019 Bonds equivalent to ₱3 bn and with an oversubscription option of up to ₱2 bn (the “First Tranche 2019 Bonds”) on March 7, 2019.

On June 3, 2019, the SEC issued the Order of Registration and Certificate of Permit to Offer Securities for AEV’s 2019 Shelf Program and the public offering of its First Tranche 2019 Bonds which was issued in two series.

| Series   | Maturity Date | Interest Rate Per Annum |
|----------|---------------|-------------------------|
| Series A | Five Years    | 6.0157%                 |
| Series B | Ten Years     | 6.3210%                 |

The First Tranche 2019 Bonds were listed with PDEX on June 18, 2019 for secondary market trading. Interest is paid quarterly in arrears every May 21, August 21, November 21, and February 21 of each year for each subsequent interest payment date at which the bonds are outstanding or the subsequent banking day without adjustment if such interest payment date is not a banking day.

AEV received the aggregated net proceeds of ₱4.94 bn from the offer and sale of the First Tranche 2019 Bonds.

The breakdown of the use of proceeds is set out below (amount in thousand pesos):

|                                                              | Projected Usage<br>(Per Prospectus) | Actual Usage      |
|--------------------------------------------------------------|-------------------------------------|-------------------|
| Repayment of Medium-term Loan of AEV International Pte. Ltd. | ₱4,936,384                          | ₱4,937,310        |
| Bond issuance costs                                          | 63,616                              | 62,690            |
| <b>TOTAL</b>                                                 | <b>₱5,000,000</b>                   | <b>₱5,000,000</b> |

On November 5, 2019, the Board approved the issuance of up to ₱10 bn fixed-rate retail bonds (the “Second Tranche 2019 Bonds”). The SEC issued the Certificate of Permit to Offer Securities on October 29, 2020 for the Second Tranche 2019 Bonds, which was then offered to the public from October 29, 2020 until November 6, 2020. The Second Tranche 2019 Bonds, equivalent to ₱7.55 bn including oversubscription, were issued in two series:

| Series   | Maturity Date | Interest Rate Per Annum |
|----------|---------------|-------------------------|
| Series C | Three Years   | 2.8403%                 |
| Series D | Five Years    | 3.3059%                 |

The Second Tranche 2019 Bonds were listed with PDEX on November 16, 2020 for secondary market trading. Interest is paid quarterly in arrears every November 16, February 16, May 16, and August 16 of each year for each subsequent interest payment date at which the bonds are outstanding or the subsequent banking day without adjustment if such interest payment date is not a banking day.

AEV received the aggregate net proceeds of ₱7.45 bn from the offer and sale of Second Tranche 2019 Bonds. The breakdown of the use of proceeds is set out below (in thousand pesos):

|  | Projected Usage<br>(Per Prospectus) | Actual Usage <sup>9</sup> |
|--|-------------------------------------|---------------------------|
|--|-------------------------------------|---------------------------|

9 The full allotment for the oversubscription was not availed.

|                                                                                                                                                    |                    |                   |
|----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|
| Payment of the maturing 2013 Series A Bonds                                                                                                        | ₱6,200,000         | ₱6,200,000        |
| Payment of the maturing 2015 Series A Bonds                                                                                                        | 2,664,112          | 1,245,578         |
| Partially finance the 2021 equity contributions to Apo Agua for the construction of a hydroelectric-powered bulk water treatment facility in Davao | 1,000,000          | -                 |
| Bond issuance costs                                                                                                                                | 135,888            | 104,422           |
| <b>TOTAL</b>                                                                                                                                       | <b>₱10,000,000</b> | <b>₱7,550,000</b> |

On April 26, 2021, the Board approved the issuance of up to ₱10 bn fixed-rate retail bonds (the “Third Tranche 2019 Bonds”). The SEC issued the Certificate of Permit to Offer Securities on July 26, 2021 for the Third Tranche 2019 Bonds, which was then offered to the public from July 26, 2021 until July 30, 2021. The Third Tranche 2019 Bonds, equivalent to ₱10 bn including oversubscription, were issued in two series.

| Series   | Maturity Date | Interest Rate Per Annum |
|----------|---------------|-------------------------|
| Series E | Four Years    | 3.2977%                 |
| Series F | Seven Years   | 3.3059%                 |

The Third Tranche 2019 Bonds were listed with PDEX on August 9, 2021 for secondary market trading. Interest is paid quarterly in arrears every February 9, May 9, August 9, and November 9 of each year for each subsequent interest payment date at which the bonds are outstanding or the subsequent banking day without adjustment if such interest payment date is not a banking day.

AEV received the aggregate net proceeds of ₱10 bn from the offer and sale of the Third Tranche 2019 Bonds. The breakdown of the use of proceeds is set out below (in thousand pesos):

|                                                                                                                                                                                                | Projected Usage<br>(Per Prospectus) | Actual Usage       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------|
| Refinance facilities drawn to fund the early redemption of the 2015 Series B Bonds                                                                                                             | ₱8,467,030                          | ₱8,467,030         |
| Partially finance Aboitiz InfraCapital’s 2021 equity contributions to Apo Agua to fund its requirements for the construction of a hydroelectric-powered bulk water treatment facility in Davao | 750,000                             | 750,000            |
| Finance future funding requirements of Aboitiz InfraCapital in 2022 for its towers project                                                                                                     | 643,629                             | 647,997            |
| Bond issuance costs                                                                                                                                                                            | 135,341                             | 134,973            |
| <b>TOTAL</b>                                                                                                                                                                                   | <b>₱10,000,000</b>                  | <b>₱10,000,000</b> |

AEV has been paying interest to its bondholders since September 18, 2019 and February 16, 2021, for the First and Second Tranche Bonds, respectively. The Company started paying interest on the Third Tranche 2019 Bonds beginning on November 9, 2021.

On August 25, 2022, the Board approved the issuance of up to ₱7.45 bn fixed-rate retail bonds (the “Fourth Tranche 2019 Bonds”), together with the application for a new shelf registration program with the SEC for the issuance of fixed-rate peso-denominated retail bonds with an aggregate principal amount of up to ₱30 bn, to be issued in one or more tranches, depending on market conditions (the “2022 Shelf Program”).

#### (c) Thirty Billion Fixed Rate Peso Denominated Retail Bonds (2022)

On August 25, 2022, the members of the Board approved the issuance of the first tranche from its 2022 Shelf Program equivalent to ₱4.55 bn inclusive of oversubscription option (the “First Tranche 2022 Bonds”). Subsequently, the Board of Directors of the Company approved the increase in the

amount of the oversubscription option to ₱12.55 bn. The issuance of the Fourth Tranche 2019 Bonds and the First Tranche 2022 Bonds amounted to a total issue size of ₱20 bn fixed-rate retail bonds (the “2022 Bonds”). The increase in the oversubscription option allowed for greater flexibility amidst robust liquidity in the capital markets.

The SEC issued the Certificate of Registration and the Permit to Offer Securities on November 22, 2022 for the 2022 Bonds, which was then offered to the public from November 22, 2022 until November 28, 2022. The 2022 Bonds were issued in two series.

| Series   | Maturity Date              | Interest Rate Per Annum |
|----------|----------------------------|-------------------------|
| Series A | Three Years and Six Months | 6.8725%                 |
| Series B | Seven Years                | 7.5321%                 |

The First Tranche 2022 Bonds were listed with PDEX on December 7, 2022 for secondary market trading. Interest is paid quarterly in arrears every March 7, June 7, September 7, and December 7 of each year for each subsequent interest payment date at which the bonds are outstanding or the subsequent banking day without adjustment if such interest payment date is not a banking day.

AEV received the aggregate net proceeds of ₱20 bn from the offer and sale of the 2022 Bonds. The breakdown of the use of proceeds is set out below (in thousand pesos):

|                                                                 | Projected Usage<br>(Per Prospectus) | Actual Usage       |
|-----------------------------------------------------------------|-------------------------------------|--------------------|
| Partially finance Aboitiz InfraCapital’s acquisition in GMCAC   | ₱18,756,283                         | ₱19,759,321        |
| Refinancing of the maturing AEV Series C 2.8403% Bonds Due 2023 | 1,000,000                           | -                  |
| Bond issuance costs                                             | 243,717                             | 240,679            |
| <b>TOTAL</b>                                                    | <b>₱20,000,000</b>                  | <b>₱20,000,000</b> |

On May 30, 2023, the members of the Board approved the issuance of the second and final tranche of its 2022 Bonds equivalent to ₱17.45 bn inclusive of oversubscription option (the “Second Tranche 2022 Bonds”). The SEC issued the Certificate of Registration and the Permit to Offer Securities on September 7, 2023.

The Second Tranche 2022 Bonds was then offered to the public from September 7, 2023 until September 13, 2023. The Second Tranche 2022 Bonds were issued in three series.

| Series   | Maturity Date | Interest Rate Per Annum |
|----------|---------------|-------------------------|
| Series C | Two Years     | 6.3402%                 |
| Series D | Five Years    | 6.4762%                 |
| Series E | Ten Years     | 6.8032%                 |

The Second Tranche 2022 Bonds were listed with PDEX on September 21, 2023 for secondary market trading. Interest is paid quarterly in arrears every December 21, March 21, June 21, and September 21 of each year for each subsequent interest payment date at which the bonds are outstanding or the subsequent banking day without adjustment if such interest payment date is not a banking day.

AEV received the aggregate net proceeds of ₱17.45 bn from the offer and sale of the Second Tranche 2022 Bonds. The breakdown of the use of proceeds is set out below (in thousand pesos):

|                                                                                                   | Projected Usage<br>(Per Prospectus) | Actual Usage |
|---------------------------------------------------------------------------------------------------|-------------------------------------|--------------|
| To partially fund the acquisition of 40% equity interest in Coca-Cola Beverages Philippines, Inc. | ₱11,382,434                         | -            |
| Refinancing of the maturing AEV Series C 2.8403% Bonds Due 2023                                   | 5,853,300                           | 5,853,300    |
| Bond issuance costs                                                                               | 214,266                             | 216,470      |
| TOTAL                                                                                             | ₱17,450,000                         | ₱6,069,770   |

AEV started paying interest to its bond holders of the First Tranche 2022 Bonds on March 7, 2023 and Second Tranche 2022 Bonds on December 21, 2023.

**Item 10. Modification or Exchange of Securities**

No action is to be taken during the 2024 ASM with respect to modification of any other class of issued securities of AEV, or the issuance or authorization for issuance of one class of securities in exchange for outstanding securities of another class.

**Item 11. Financial and Other Information**

No other action is to be taken during the 2024 ASM with respect to any matter specified in Items 9 or 10.

**Item 12. Mergers, Consolidations, Acquisitions and Similar Matters**

No action is to be taken during the 2024 ASM with respect to any transaction involving: (i) merger or consolidation into or with any other person or of any other person into or with AEV; (ii) acquisition by AEV or any of its security holders of securities of another person; (iii) acquisition of any other going business or of the assets thereof; (iv) sale or other transfer of all or any substantial part of the assets of AEV; or (v) liquidation or dissolution of AEV.

**Item 13. Acquisition or Disposition of Property**

No action is to be taken during the 2024 ASM with respect to acquisition or disposition of any property of AEV.

**Item 14. Restatement of Accounts**

No action is to be taken during the 2024 ASM with respect to restatement of any asset, capital or surplus account of AEV.

## D. OTHER MATTERS

### Item 15. Action with Respect to Reports

The following action require approval and ratification from the stockholders during the 2024 ASM:

- (a) Approval of the Minutes of the 2023 Annual Meeting of Stockholders dated April 24, 2023 (A summary and copy of the 2023 ASM Minutes are attached as **Annexes “C” and “C-1”**). The approval of the minutes is only with respect to the correctness of the minutes and not as to any of the matters referred therein. The minutes may also be viewed at the Company’s website at: <https://abotizcom-uploads.s3.ap-southeast-1.amazonaws.com/wp-content/uploads/2023/02/25153716/AEV-Minutes-2023-04.24.2023-Annual-Stockholders-Meeting.pdf> and covers the following matters:
  - 1) Reading and approval of the minutes of the previous Annual Stockholders’ Meeting on April 25, 2022;
  - 2) Presentation of the President’s Report;
  - 3) Approval of the Annual Report and Audited Financial Statements as of December 31, 2022;
  - 4) Appointment of External Auditor for 2023;
  - 5) Election of the Members of the Board of Directors;
  - 6) Ratification of the Acts, Resolutions, and Proceedings of the Board of Directors, Corporate Officers, and Management from April 25, 2022 up to April 24, 2023; and
  - 7) Other Business
- (b) Approval of the 2023 Annual Report of Management and Financial Statements of the Company; and:
- (c) General ratification of the acts of the Board of Directors, corporate officers, and the management from April 24, 2023 up to April 21, 2024.

These acts are covered by resolutions of the Board duly adopted during the normal course of trade or business of the Company.

The Company’s President and Chief Executive Officer, Mr. Sabin M. Aboitiz will present the President’s Report during the 2024 ASM. The President’s Report will be an assessment of the Company’s 2023 performance and will include information on any material change in the Company’s business, strategy, and other affairs, if any. The President’s report for the 2024 ASM is not yet available at the time that the Company’s Information Statement is due to be submitted to the SEC on March 25, 2024. It will be uploaded and may be viewed at the Company’s website at <https://abotiz.com/2024asm> as soon as available before the 2024 ASM.

### Item 16. Matters Not Required to be Submitted

No action is to be taken with respect to any matter that does not require the submission to a vote of security holders.

- (a) **Ratification of acts, resolutions, and proceedings of the Board of Directors, Corporate Officers and Management from April 24, 2023 up to April 21, 2024.** The proposal is intended to allow the stockholders to ratify the acts of the Board of Directors and Officers of the Company as a matter of procedure or policy.

The resolutions approved by the Board in its regular and special meetings refer only to acts done by the Board of Directors, corporate officers, and management in the ordinary course of business. The board resolutions are enumerated in this Information Statement. The Company also regularly discloses material transactions approved by the Board. These disclosures are available for viewing and can be downloaded at the Company's website at [www.abotiz.com](http://www.abotiz.com).

Below is the list of the resolutions approved by the Board of Directors from April 24, 2023 up to January 31, 2024:

**Regular Board Meeting on April 24, 2023**

1. Appoint Representatives to Attend and Represent the Company at the Stockholders' Meeting of its Investee Companies;
2. Appoint Representatives Authorized to Enter into Non-Disclosure Agreements, Letters of Instruction, Memoranda of Agreement and Other Preliminary Agreements Involving Potential Acquisitions or Transactions;
3. Appoint Representatives Authorized to Enter into Non-Disclosure Agreements and Other Preliminary Agreements Involving Media Relation Transaction;
4. Appoint Representatives Authorized to Enter into Non-Disclosure Agreements and Other Preliminary Agreements Involving Human Resources (HR) and Information Technology (IT) Related Transactions;
5. Appoint Representatives Authorized to Enter into Non-Disclosure Agreements and Other Preliminary Agreements Transactions by the Office of the Chief Transformation Officer;
6. Appoint Authorized Representatives to Purchase, Sell, or Deal in Any Manner with the Motor Vehicles of the Company;
7. Update Authority of Representatives to Transact and File Reports to the Philippine Depository & Trust Corporation (PDTC);
8. Update Authority of Representatives to Transact and File Reports to the Philippine Stock Exchange, Inc. (PSE), Philippine Dealing & Exchange Corporation (PDEX), and the Securities Exchange Commission (SEC);
9. Renew the Authority of the Data Privacy Officer to Transact with the National Privacy Commission (NPC);
10. Approve the 2022 Integrated Annual Corporate Governance Report;
11. Authorize the Sale and Leaseback Agreements between Unity Digital Infrastructure, Inc. and Globe Telecom; and
12. Updating of Email and Contact Number with SEC (OST).

**Regular Board Meeting on May 30, 2023**

1. Infuse Capital into Aboitiz InfraCapital, Inc. (Aboitiz InfraCapital) to fund Unity's acquisition of the PLDT-Smart Towers;
2. Appoint Authorized Representatives to Apply and Secure Work Permits and Visas;
3. Appoint Additional Authorized Representatives to Purchase, Sell, Lease, or Transfer of Motor Vehicle; and
4. Update Authorized Representatives for Banking Transactions with Union Bank of the Philippines.

**Regular Board Meeting on July 7, 2023**

1. Approve Changes in the Company's Officers;
2. Update the Authorized Representatives for Non-Disclosure Agreements, Letters of Instruction, Memoranda of Agreement and Other Preliminary Agreements involving HR and IT Transactions;
3. Update Authorized Representatives to Transact and File Reports with PDTC, PSE, PDEX, and the SEC;
4. Authorize the Issuance of a Parent Guarantee by Subsidiaries; and
5. Update the List of Trustees for the Company's Retirement Fund.

**Regular Board Meeting on July 27, 2023**

1. Authorize Various Treasury Requests.

**Regular Board Meeting on August 30, 2023**

1. Delegate Authority for the Proposed Acquisition of Coca-Cola Beverages Philippines, Inc.;
2. Update the List of Authorized Representatives for Various Day-to-Day Transactions;
3. Update Authorized Representatives to Purchase, Sell, Lease, or Transfer of Motor Vehicles;
4. Approve Human Resources-related Requests;
5. Renew Authority to Buyback AEV, UnionBank, and AboitizPower Shares; and
6. Authorize Various Treasury Requests.

**Regular Board Meeting on September 27, 2023**

1. Amend of Financial Levels of Authority (FINLOA);

2. Authorize the Creditable Withholding Tax Refund Application for 2022; and
3. Update Authorized Representatives for the AEV Payroll Account and UnionBank Portal Access.

**Regular Board Meeting on October 26, 2023**

1. Authorize AIC to Participate in the Swiss Challenge for the Laguindingan International Airport Project;
2. Authorize Various Banking Transactions;
3. Update the Authorized Representatives to Enter into Non-Disclosure Agreements, Letters of Instruction, Memoranda of Agreement and Other Preliminary Agreements Involving Transactions of the Transformation Office; and
4. Appointment of an Independent Director.

**Regular Board Meeting on November 23, 2023**

1. Approve the Changes in the Board and Board Committee Appointments;
2. Update the List of Trustees for the Company's Retirement Plan and Retirement Fund; and
3. Authorize Various Treasury Requests.

**Regular Board Meeting on December 12, 2023**

1. Authorize Aboitiz InfraCapital Inc.'s bid for the Ninoy Aquino Internal Airport Solicited Project;
2. Authorize Various Treasury Requests; and
3. Consent to the Food Group's Trademark application with the Intellectual Property Office of the Philippines.

**Special Board Meeting on December 20, 2023**

1. Retirement of Officer and Appointment of Ex-Officio Officers in Board Committees.

**Regular Board Meeting on January 24, 2024**

1. Amend Board Committee Charters;
2. Updating of Authorized Representatives for Various Transactions with the Bureau of Internal Revenue; and
3. Revocation of the Authority of Officer.

A resolution to ratify the acts, resolutions, and proceedings of the Board of Directors, corporate officers and management from April 24, 2023 up to the date of the 2024 ASM shall be presented to the stockholders for approval.

**Item 17. Amendment of Charter, By-Laws or Other Documents**

No action is to be taken during the 2024 ASM with respect to the amendment of the Company's Charter, By-Laws or other documents.

**Item 18. Other Proposed Actions**

- (a) **Approval of the 2023 Annual Report and Financial Statements.** The proposal is intended to present to the stockholders the results of the Company's operations in 2023, in accordance with Section 74 of the Revised Corporation Code.

The Company's audited financial statements as of December 31, 2023 will be integrated and made part of the Company's Definitive Information Statement. The Definitive Information Statement will be distributed to the stockholders at least 15 business days prior to the ASM, and the same will be posted at the Company's website at <https://abotiz.com> and in the PSE EDGE portal at [edge.pse.com.ph](https://edge.pse.com.ph).

A resolution approving the 2023 Annual Report and Audited Financial Statements shall be presented to the stockholders for approval.

- (b) **Appointment of the Company's External Auditor for 2024.** The proposal is intended to appoint an auditing firm which can best provide assurance to the directors and stockholders on the integrity of the Company's financial statements and adequacy of its internal controls. The Board Audit

Committee and the Board of Directors will endorse SGV as the external auditor for 2024 for the stockholders to appoint.

The profile of the external auditor is disclosed in this Information Statement.

A resolution for the appointment of the Company's external auditor for 2024 shall be presented to the stockholders for approval.

- (c) **Ratification of Acts, Resolutions, and Proceedings of the Board of Directors, Corporate Officers, and Management from April 24, 2023 up to April 21, 2024.** The proposal is intended to allow the stockholders to ratify the acts of the Board of Directors and Officers of the Company as a matter of procedure or policy.

The resolutions approved by the Board in its regular and special meetings refer only to acts done by the Board of Directors, corporate officers, and management in the ordinary course of business. The board resolutions are enumerated in this Information Statement. The Company also regularly discloses material transactions approved by the Board. These disclosures are available for viewing at, and can be downloaded from, the Company's website at <https://abotiz.com>.

A resolution to ratify the acts, resolutions, and proceedings of the Board of Directors, corporate officers, and management from April 24, 2023 up to the date of the 2024 ASM shall be presented to the stockholders for approval.

## Item 19. Voting Procedures

### (a) Votes Required for Matters Submitted to Stockholders for Approval and Election of Directors

Section 4, Article I of the Amended By-Laws of AEV states that a quorum for any meeting of stockholders shall consist of the majority of the outstanding capital stock of AEV. Majority of such quorum shall decide on any question in the meeting, except those matters in which the Revised Corporation Code requires a greater proportion of affirmative votes.

Regarding the election of members of the Board, nominees who receive the highest number of votes shall be declared elected, pursuant to Section 23 of the Revised Corporation Code.

For the matters submitted to the stockholders for approval, the affirmative vote of at least a majority of the issued and outstanding capital stock entitled to vote and represented at the 2024 ASM is required to approve the proposed actions. There are no proposed actions in the 2024 ASM that requires approval by a higher percentage of votes from the stockholders.

### (b) The Method by which Votes will be Counted

The Company intends to conduct the 2024 ASM through remote communication, in accordance with the Revised Corporation Code and the applicable SEC Circulars. Stockholders who are unable to attend the meeting may execute a proxy in favor of a representative, or vote electronically *in absentia* using a hyperlink at <https://abotiz.com/2024asm> which will be made available beginning on March 25, 2024. Stockholders voting electronically *in absentia* shall be deemed present for purposes of quorum. See **Annex "E"** for complete information on the process for voting via remote communication or *in absentia* and the requirements for doing so.

In the election of directors, the nine nominees with the greatest number of votes shall be declared elected. If the number of nominees does not exceed the recorded number of directors to be elected, all the shares present or represented at the meeting will be voted in favor of the nominees.

In the election of directors, the stockholder may choose to do any of the following:

- (i) Vote such number of shares for as many person(s) as there are directors to be elected;

- (ii) Cumulate such shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares; or
- (iii) Distribute his shares on the same principle as option (ii) among as many candidates as he shall see fit, provided, that the total number of votes cast by him shall not exceed the number of shares owned by him, multiplied by the whole number of directors to be elected.

The method of counting the votes shall be in accordance with the general provisions of the Revised Corporation Code. The counting of votes shall be done by the representatives from the Office of the Corporate Secretary, who shall serve as members of the Election Committee. The voting shall be witnessed and the results verified by a duly appointed Independent Board of Election Inspectors, Luis Cañete & Company, an independent accounting firm.

Other than the nominees' election as directors, no director, executive officer, nominee, or associate of any nominee has any substantial interest, direct or indirect, by security holdings or otherwise, in any way in the matters to be taken up during the ASM. AEV has not received any information that an officer, director or stockholder intends to oppose any action to be taken at the 2024 ASM.

This Information Statement in SEC Form 20-IS is given free of charge to the stockholders prior to the Annual Stockholders' Meeting of the Company. AEV stockholders may likewise request for a copy of the 2023 Annual Report on SEC Form 17-A which will be given free of charge upon written request. Please write to:

**Office of the Corporate Secretary:**

Aboitiz Equity Ventures Inc.  
NAC Tower, 32<sup>nd</sup> Street,  
Bonifacio Global City  
Taguig City, Metro Manila  
1634 Philippines  
email: [AEV\\_BoardSecretariat@aboitiz.com](mailto:AEV_BoardSecretariat@aboitiz.com)

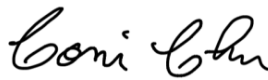
**Attention:** Ms. Connie G. Chu

This Information Statement will also be posted at AEV's website: [www.aboitiz.com](http://www.aboitiz.com)  
and in the PSE EDGE portal at [edge.pse.com.ph](http://edge.pse.com.ph)

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Taguig on March 11, 2024.

**ABOITIZ EQUITY VENTURES INC.**

By:



**CONNIE G. CHU**  
Corporate Secretary

## PART I – BUSINESS AND GENERAL INFORMATION

### A. Item 1. Business of the Registrant

#### *Overview of Business of the Registrant*

**Aboitiz Equity Ventures Inc.**, is the public holding and management company of the Aboitiz Group, one of the largest conglomerates in the Philippines. As of January 31, 2024, it is the fourth largest Philippine conglomerate based on market capitalization. The Company was originally incorporated as Cebu Pan Asian Holdings, Inc. on September 11, 1989. Its name was later changed to Aboitiz Equity Ventures Inc. on December 29, 1993, and its ownership was opened to the general public through an initial public offering (IPO) of its common shares in 1994.

AEV's core businesses, conducted through its various domestic and international Subsidiaries and Associates across 8 countries, are grouped into five main categories:

- **Power.** AEV's power generation, distribution, and retail electricity supply businesses are operated through AboitizPower and its Subsidiaries, Joint Ventures, and Associates (collectively, "AboitizPower"). AboitizPower holds leadership positions across its various segments: its power generation business is among the largest in the country in terms of installed capacity, its distribution utility business is the second largest in terms of captive customer connections and energy sales and its RES business is the largest both in number of customers and total retail market share. AboitizPower is also a pioneer in building and operating run-of-river mini hydropower plants in the country and has the largest installed capacity of renewable energy under its market control.

On December 10, 2021, the AEV stockholders ratified the sale of 25.01% of the Company's equity ownership in AboitizPower (equivalent to 25.01% of the total outstanding capital stock of AboitizPower) to JERA Asia, an affiliate of JERA, Japan's largest power generation company. Including the shares acquired from ACO, JERA Asia now owns 27.00% of the total outstanding capital stock of AboitizPower. The proceeds from this transaction unlocked significant capital in AEV to fuel the expansion of its portfolio into high-growth sectors.

AboitizPower's common shares are listed on the PSE and as of January 31, 2024, AboitizPower had a market capitalization of ₱272.00 bn, with a share price of ₱37.05 per share.

- **Food.** AEV's integrated agribusiness and food company is operated in the Philippines primarily through Pilmico Foods Corporation (Pilmico) and its Subsidiaries, and its international feeds business through Pilmico International Pte. Ltd. (Pilmico International) and its various Subsidiaries and Associates (collectively as the "Food Group"). The Food Group is composed of three segments: (a) feeds and flour; (b) hog and layer farms; and (c) international animal nutrition.

In July 2018, Pilmico International acquired a 75% equity interest in Gold Coin Management Holdings, Pte. Ltd. (GCMH) and its Subsidiaries (collectively, the "Gold Coin Group"), expanding AEV's animal feed business into 11 countries across the Asia-Pacific region. In May 2019, Pilmico International acquired the remaining 25% equity interest in GCMH. The Gold Coin Group is a leading brand in animal nutrition with over 3,055 employees and 21 production facilities, with an installed milling capacity of three million (mn) metric tons (MT) per year. Following the GCMH acquisition, the Company believes that the Food Group is the fourth largest animal feed producer in Southeast Asia based on internal market data of the capacities of major players within the market.

- **Financial Services.** AEV's financial services group is consolidated under its Associate, Union Bank of the Philippines and its key Subsidiaries, which include City Savings Bank, Inc., a thrift bank, UBP Investments Corporation, a holding company, UBX Philippines Corporation ("UBX PH"), an innovation and technology company, and UnionDigital Bank, Inc., the Bank's digital and banking arm. UnionBank is a universal banking corporation listed on the PSE and is

among the top universal banks in the country, in terms of asset size as of September 31, 2023, as reported in disclosures made by private universal banks to the PSE. UnionBank had a market capitalization of ₱133.62 bn, with a price per common share of ₱44.70 as of January 31, 2024.

- **Real Estate.** AEV's development of residential communities is through AboitizLand, Inc. (AboitizLand). As of January 31, 2024, AboitizLand had 13 residential projects in the selling phase across three different product types: lot only, house and lot, and condominiums.
- **Infrastructure.** The infrastructure and infrastructure-related investments of the Aboitiz Group are primarily undertaken through Aboitiz InfraCapital, Inc. (Aboitiz InfraCapital) and AEV CRH Holdings, Inc. (AEV CRH). As of January 31, 2024, Aboitiz InfraCapital's business portfolio includes (i) administrative franchises to provide water and wastewater-related services to residential, commercial and industrial customers in Batangas, Cebu and Davao, among others, (ii) digital infrastructure, which includes common towers and data centers, (iii) regional airports, and (iv) economic estates projects. AEV CRH is AEV's partnership with CRH plc, a global leader in the manufacture and supply of building materials and products. AEV CRH acquired Republic Cement & Building Materials, Inc. (RCBM) together with its Subsidiaries and Affiliates (the "Republic Cement Group") in 2015. As of January 31, 2024, the Company believes that the Republic Cement Group is one of the country's leading local cement manufacturing and distribution companies with five integrated plants and one grinding facility in operation across Luzon, Visayas, and Mindanao.

**Others.** AEV's other investments include holdings in (a) aviation through AEV Aviation, Inc. (AEV Av), (b) insurance through Archipelago Insurance Pte. Ltd. (Archipelago Insurance), and (c) portfolio investments abroad through AEV International.

In 2022, AEV embarked on the Great Transformation ("GT 2025"), with the goal of becoming the country's first *techglomerate* by (i) harnessing technology and innovation to create exponential advantages, (ii) creating a more diversified portfolio that is substantially invested in the incubation of innovative and disruptive new ideas, products, services, and actual startup companies positioned for success in the future, and (iii) aspiring to become the public's *Partner of Choice* in modernizing and digitizing communities by helping government and institutions tech-up for more efficiency in developing the economy and society. Apart from modernizing and advancing the group's operations through the use of technology, an integral part of GT 2025 is the expansion of AEV's portfolio to the consumer segment, which should further enhance synergies within the Aboitiz Group.

On February 23, 2024, AEV, together with Coca-Cola Europacific Partners Plc, completed the acquisition of Coca-Cola Beverages Philippines, Inc. (CCBPI), the exclusive bottler and distributor of The Coca-Cola Company products in the Philippines. CCBPI is profitable and has attractive growth prospects, making AEV's 40% stake in its earnings accretive on day one.

As of January 31, 2024, ACO owned 48.68% of the outstanding capital stock of AEV, 4.84% was owned by directors, officers, and related parties, while the remaining 46.48% was owned by the public.

As of January 31, 2024, AEV had a market capitalization of ₱273 bn, with a share price of ₱48.50 per share.

Neither AEV nor any of its Subsidiaries has ever been the subject of any bankruptcy, receivership, or similar proceedings.

## B. ABOITIZ EQUITY VENTURES INC.

In 2013, AEV transferred its corporate headquarters from Cebu to Metro Manila. The transfer, including the corresponding amendment to the Company's corporate documents, was approved by the stockholders during the 2013 Annual Stockholders' Meeting. AEV's current principal office address is at 32nd Street, Bonifacio Global City, Taguig City, Metro Manila. AEV and its Subsidiaries still maintain administrative and liaison offices in Cebu.

## *Group Strategy*

The AEV group strategy is best understood through four strategic pillars that guide it in creating long-term value for all its stakeholders: (i) growing the business, (ii) engaging stakeholders, (iii) building human capital, and (iv) executing with excellence.

## *Business Growth*

AEV grows the business by continuing to explore businesses that meet the following criteria: (a) well-suited to AEV's experience and expertise in its existing business segments, (b) has dependable and growing sources of income, and (c) scalable with long-term growth potential. AEV seeks to grow within the Company's acceptable thresholds for risk, leverage, and returns to maintain sustainable growth. An integral part of AEV's strategy is to keep the Company's balance sheet healthy and to uphold the Company's ability to raise funds through the debt market.

While the Company is open to the possibility of expanding into new industries, AEV remains bullish on the long-term prospects of its five core businesses. AEV's business presence in the sectors in which it currently operates is aligned with the international indicators of economic growth and positions AEV well to take advantage of the country's economic cycle and to reap the benefits of demographic dividends.

## **Power**

To sustain its economic growth, the Philippines requires a sufficient amount of competitively priced power. The Company believes AboitizPower is strategically positioned to meet this increasing demand. AboitizPower seeks to provide the country with reliable power at a reasonable cost and with minimal impact on the environment and communities. AboitizPower has been growing its generation portfolio since 2007 and as part of its decarbonization journey, it continues to have a strong pipeline of renewable and selective baseload builds, which should drive cost-efficient growth for the group. AboitizPower targets to grow its renewable energy portfolio to 4,600 MW of net attributable sellable capacity, of which, 3,700MW will be new RE capacity. Out of this 3,700 MW, 991 MW are expected to be energized within the next three years. Aside from SN Aboitiz Magat Battery Energy Storage System (24MW), which started commercial operations on January 26, 2024, some of AboitizPower's ongoing projects include the PV Sinag Power Cayanga Project (a 94 MWp solar power plant), the Tiwi Binary Geothermal Project (a 17 MW Binary power plant initiative to convert waste heat from the geothermal brine into electricity), and the PV Sinag Power Laoag Project (a 159 MWp solar power plant).

In addition, AboitizPower has the following RE projects (with their net attributable capacity) under development, and which are expected to be energized within the next three years: the 173 MWp Aboitiz Solar Power, Inc. Calatrava Solar Project; the 44 MWp RE Resources, Inc. Tarlac Solar Project; the 85 MWp RE Resources, Inc. San Manuel Solar Project; the 72 MWp San Isidro Wind Project; the 51 MWp Rizal-Laguna Wind Project; the 212 MWp AP Renewables Energy Corporation Olongapo Solar Project; the 20 MW Hedcor Sablan Hydro Project; the 75 MWp SN AboitizPower-Magat Floating Solar Project; the 40 MW Hedcor Bukidnon Kibungan Hydro Project; and the 31 MWp Libmanan Onshore Wind Project.

AboitizPower also aims to maximize opportunities arising from the implementation of the Renewable Portfolio Standards ("RPS") by the Department of Energy ("DOE"). In line with DOE's aspirational goal of a 35% share in renewable energy utilization by 2030, RPS is a market-based policy that mandates power distribution utilities, electric cooperatives, and retail electricity suppliers to source an agreed portion of their energy supplies from renewable energy facilities. It is likewise open to opportunities in optimizing its existing baseload facilities to meet critical market needs as energy demand in the Philippines is still expected to grow in the coming years. AboitizPower is studying to fill some of these gaps with LNG-to-Power projects, unless a cleaner technology proves to be the more economical option.

## Food

The Food Group, through Pilmico, is strategically positioned as a manufacturer and producer. Given the trend of rising protein consumption globally, it is building a comprehensive animal nutrition platform in Asia. This requires having a good base of products and services that facilitates creation of a portfolio of offerings that will serve both existing and future customers and markets. Similar to the Company's other business segments, the Food Group utilizes a strategy of sustaining and strengthening the profitability of existing businesses as it looks to build new businesses.

As part of the Food Group's overseas strategy, the acquisition of the Gold Coin Group has allowed the Food Group to expand its customer base and geographic reach. The Company believes that the Food Group is now the fourth largest animal feed manufacturer in Southeast Asia, and is present in 8 countries across the Asia-Pacific. The Gold Coin Group's position provides the Food Group a foothold in these regional markets to explore opportunities down the value chain. Geographic expansion also provides the Food Group and the rest of AEV's businesses access to local or regional information for potential expansion opportunities. The Food Group looks forward to harnessing synergies in distribution, localized operations, cross-selling, research and development, and raw materials and logistics costs.

## Financial Services

UnionBank continues to enhance its business model by expanding its presence into the digital banking space to compete in the evolving banking landscape.

In December 2018, UnionBank established its technology and innovation arm, UBX PH, to lead its initiatives in building platforms and exploring emerging technologies in the financial space.

In November 2021, UnionBank established UnionDigital, which is its foray into the larger untapped retail segment. UnionDigital is the only digital bank owned by a universal bank among the six licensees approved by the Bangko Sentral ng Pilipinas (BSP).

Through UnionDigital, as well as CitySavings, Inc. and its Subsidiaries, UnionBank is able to extend its products and services to the unbanked and underbanked segments of the population<sup>10</sup>. UnionBank delivers products using innovative technologies to service these segments by upgrading its technology systems in cost-effective ways.

In December 2021, UnionBank acquired Citi's consumer banking business in the Philippines, which further accelerated UnionBank's growth in the retail space given Citi's market leadership in the credit cards, personal loans, and wealth management business.

## Real Estate

AboitizLand is focused on developing and monetizing its landbank across its 13 residential projects across Cebu and North and South Luzon and to step up mid-market residential launches.

## Infrastructure

Aboitiz InfraCapital has four growth pillars: (i) Economic Estates; (ii) airports, which includes the Mactan Cebu International Airport (MCIA); (iii) bulk water distribution; and (iv) telco towers.

The Economic Estates business has further strengthened its leadership in Industrial-anchored estates by continuing to expand its footprints in both Batangas and Cebu. It targets to more than double the footprint of its developments, as well as introduce sustainability and smart city features.

Aboitiz InfraCapital acquired a 33 and 1/3% minus 1 share equity ownership interest in GMCAC, the developer and operator of the MCIA. Together with its unsolicited proposals for the Bohol Panglao, Laguindingan and Iloilo airports, Aboitiz InfraCapital aspires to expand the Aboitiz airports platform.

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<sup>10</sup> The portion of the adult population that do not have a formal bank account

Aboitiz InfraCapital's bulk water project, Apo Agua, achieved full commercial operations on February 15, 2024. Together with LWC and Balibago Water, Aboitiz InfraCapital is now present in all aspects of the water value chain, which includes water supply, distribution and wastewater treatment. Through this platform, Aboitiz InfraCapital expects to continue to explore unserved or underserved areas within the infrastructure sector for opportunities to enter the water business across the country.

Aboitiz InfraCapital launched Unity, a joint venture telecommunications infrastructure platform between Aboitiz InfraCapital with Partners Group. Progress is underway in building greenfield macro towers, enabling tower co-locations and providing complementary offerings via deployment of small cell sites.

Already a strong player in the cement sector, the Republic Cement Group remains committed to building capacity for the country's long-term cement requirements, and expects to upgrade facilities in order to ensure best-in-class efficiency standards.

#### *Stakeholder Engagement*

AEV aims to maximize shared value for all the entities involved in its business and believes that direct, regular, open, and respectful dialogue with key stakeholders is seen as an essential element in developing mutually beneficial and sustainable relationships that help unlock value for all parties over the long-term.

#### *Human Capital*

AEV's third strategic pillar is to build human capital by strengthening its capability to attract, retain, and optimize top caliber professionals who will not only help manage its businesses, but also work to enhance the Aboitiz Group's capabilities and skills. Talent management and succession planning are at the core of AEV's strategy in relation to human capital.

The Aboitiz Group has always taken pride in leadership excellence across five smooth leadership transitions during the group's history while retaining the simple and entrepreneurial approach that fueled its expansion. This approach has played an integral part in the continuity of AEV's policies and the execution of its strategic business plans over time. Today, as a new generation of leaders of AEV's business takes shape, its leadership team will seek to continue to produce leaders from within the ranks, having a leadership bench that is capable of stimulating healthy change and progress within the organization. In building its future leadership team, AEV aims to seek out people who believe in its purpose and brand promise, whose values are aligned with its core values, and who will thrive in its long-standing culture.

#### *Execution Excellence*

AEV measures execution excellence by its ability to act in a timely and effective manner. AEV works continuously to enhance its business processes across all corporate service units and Strategic Business Units (SBUs) to ensure AEV maintains its competitive edge.

AEV attributes its ability to execute swiftly to the leadership of the AEV Board. The Board is composed of highly professional directors that work in an environment of respect and collegiality, where active participation, candidness, and robust discussions are not only encouraged but are the norm. The members of the AEV Board include three Independent Directors, five Non-Executive Directors, and one Executive Director, all of whom come from diverse professional backgrounds, such as economics, corporate finance, engineering, accounting, auditing, investment banking, and technology, in addition to experience in the private, government and multilateral agency sectors and other policy-making bodies. The AEV Board is supported by a capable and accountable management team and empowered team members, united in living the time-honored Aboitiz core values of Integrity, Teamwork, Innovation, and Responsibility.

In all its business ventures, AEV has adopted sound corporate governance practices, robust internal controls and compliance monitoring processes, and a well-functioning enterprise risk management

system to satisfy the heightened expectations of its various stakeholders. AEV has been recognized as one of the best-managed companies in the Philippines and in the ASEAN region, and is frequently cited for its commitment to good corporate governance and corporate social responsibility.

#### *Sustainability and Corporate Governance*

Sustainable business practices have enabled the Aboitiz Group to operate commercially for 100 years. A key component of its strategy is to match its business expansion with sustainability initiatives. AEV looks at a triple-bottom line to measure the impact of its activities not only on profit but also on people and the planet. The Company remains committed to strengthening its environmental, social, and governance (ESG) practices and communication strategy. AEV's goal is to grow profitably, while partnering with its stakeholders to create shared value, and minimize its environmental impact.

To strengthen ESG governance, ESG was included as a regular Board agenda in 2020. In July 2020, the Board Corporate Governance Committee was renamed the Environment, Social and Corporate Governance Committee to assist the Board in establishing a group-wide integrated approach in addressing its ESG commitments by recommending guidelines and policies related to ESG that are material to the businesses, operations, performance or public image of the Aboitiz Group, and assess current ESG practices with the intention to align with material and emerging ESG principles and best practices.

AEV reports on its areas of focus: team member engagement and development, corporate social responsibility, customer focus, disaster resilience, carbon emissions reduction, resource efficiency, renewable energy, waste management, financial growth, and financial returns. Its report has been prepared in accordance with GRI Standards: Core option. Its key performance indicators are aligned with the United Nations Sustainable Development Goals. AEV was one of the first Philippine businesses to support the United Nations' 17 Sustainable Development Goals. AEV published its first sustainability report in 2009, adopted the GRI reporting framework in 2014 and achieved limited assurance of its 2022 Integrated Annual Report.

### **(a) DESCRIPTION OF REGISTRANT**

#### **(i) Principal Products or Services**

As of January 31, 2024, AEV's core businesses, conducted through its various Subsidiaries and Affiliates, can be grouped into five main categories: (a) power distribution, power generation, and retail electricity supply; (b) financial services; (c) food manufacturing; (d) real estate; and (e) infrastructure. Principal products and services offered by AEV's core businesses are discussed in the relevant portions of each SBU.

Based on the SEC parameters of what constitutes a significant Subsidiary under Item XX of Annex "D" of SRC Rule 12, AboitizPower is AEV's only significant Subsidiary. (Please see **Annex "D"** for the corporate structure of AEV showing the different business segments.)

#### **(ii) Sales**

Comparative amounts of consolidated revenues, and profitability of continuing operations are as follows:

| (in ₱ millions)  | 2023            | 2022     | 2021     |
|------------------|-----------------|----------|----------|
| Revenue          | <b>₱310,338</b> | ₱306,861 | ₱223,929 |
| Operating Profit | <b>₱38,187</b>  | ₱35,095  | ₱33,101  |

The operations of AEV and its Subsidiaries are based largely in the Philippines. AEV's percentage of revenues and net income contributed by foreign sales are as follows:

| Contribution to Revenue | 2023            |             | 2022            |             | 2021            |                 |
|-------------------------|-----------------|-------------|-----------------|-------------|-----------------|-----------------|
|                         |                 |             | (in ₱ millions) | %           | (in ₱ millions) | (in ₱ millions) |
| Philippines             | ₱257,356        | 76%         | ₱242,782        | 73%         | ₱170,226        | 76%             |
| Rest of Asia            | ₱80,878         | 24%         | 89,461          | 27%         | ₱53,703         | 24%             |
| <b>Total</b>            | <b>₱338,234</b> | <b>100%</b> | <b>₱332,135</b> | <b>100%</b> | <b>₱223,929</b> | <b>100%</b>     |

| Contribution to Net Income Attributable to Parent | 2023            |             | 2022            |             | 2021            |             |
|---------------------------------------------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|
|                                                   | (in ₱ millions) | %           | (in ₱ millions) | %           | (in ₱ millions) | %           |
| Philippines                                       | ₱22,684         | 96%         | ₱25,432         | 102%        | ₱27,306         | 100%        |
| Rest of Asia                                      | ₱862            | 4%          | (605)           | -2%         | ₱4              | 0%          |
| <b>Total</b>                                      | <b>₱23,546</b>  | <b>100%</b> | <b>₱24,827</b>  | <b>100%</b> | <b>₱27,310</b>  | <b>100%</b> |

Comparative amounts of revenue contribution by business group are as follows:

#### Contribution to Revenue

|                    | 2023            |            | 2022            |             | 2021            |             |
|--------------------|-----------------|------------|-----------------|-------------|-----------------|-------------|
|                    | (in ₱ millions) | %          | (in ₱ millions) | %           | (in ₱ millions) | %           |
| Power              | ₱207,100        | 64         | ₱193,994        | 62%         | ₱134,359        | 59%         |
| Food               | 103,755         | 32         | 110,726         | 35%         | 87,200          | 38%         |
| Financial Services | -               | 0          | -               | 0%          | -               | 0%          |
| Real Estate        | 9,927           | 3          | 7,780           | 2%          | 5,327           | 2%          |
| Infrastructure     | 213             | 0          | 143             | 0%          | 126             | 0%          |
| Others             | 2,750           | 1          | 2,181           | 1%          | 2,004           | 1%          |
| <b>Subtotal</b>    | <b>323,745</b>  | <b>100</b> | <b>314,823</b>  | <b>100%</b> | <b>229,015</b>  | <b>100%</b> |
| Eliminations       | (13,407)        |            | (8,070)         |             | (5,086)         |             |
| <b>Total</b>       | <b>₱310,338</b> | <b>100</b> | <b>₱306,753</b> | <b>100%</b> | <b>₱186,725</b> | <b>100%</b> |

**Note:** Percentages refer to the business group's share in the total net revenue for a given year. The revenues of Associates do not form part of the Group's consolidated revenues. For additional details on the income contributions of all business segments/groups to AEV, please refer to Business Segment Information of the Notes to the Consolidated Financial Statements.

#### (iii) Distribution Methods of the Products or Services

At the parent company level, AEV offers some corporate center services to its Subsidiaries and Associates to enable the Group to realize cost synergies. AEV has service level agreements that may

include the provision of human resources, internal audit, legal, treasury and corporate finance services, among others. AEV itself maintains a pool of highly qualified professionals with business expertise relevant to the businesses of the entire Aboitiz Group.

AEV's Business Units have their respective distribution methods of products and services. Please refer to the discussion on distribution methods of each SBU.

**(iv) New Products/Services**

With innovation being one of its core values, the Aboitiz Group is always on the lookout for new and efficient ways to provide service to its customers. The Company is in constant pursuit of opportunities within and beyond its current investment portfolio to expand its businesses, locally and within the ASEAN region.

On February 15, 2021, the Aboitiz Group formed Aboitiz Data Innovation (ADI), a Singapore-based subsidiary engaged in the utilization of data science and artificial intelligence ("DSAI") in business development. ADI plans to consolidate and leverage on the DSAI operating model across the Aboitiz Group and promote a data-driven culture within the organization. It is tasked to be at the forefront of the group-wide effort to transform data into business opportunities, exploit information to make better decisions, reinvent business models, and develop high-value solutions to create new processes, products, and services.

AEV's Business Units have their own innovative products and services. Please refer to the discussion on new products and services of each SBU.

**(v) Competition**

At the parent company level, AEV has no direct competitors. However, for reference purposes, other holding and management companies listed on the PSE can be used for comparison.

AEV's Business Units are subject to significant competition in the industry segments of which they operate. Please refer to the discussion on competition of each SBU.

**(vi) Sources of Raw Materials and Supplies**

AEV's Business Units have their respective sources of raw materials and are not dependent upon one or a limited number of suppliers for essential raw materials. Please refer to the discussion on sources of raw materials of each SBU.

**(vii) Major Customers**

As a holding company providing management services, AEV's principal customers are its Subsidiaries and Associates.

AEV's Business Units have their respective major customers. Please refer to the discussion on major customers of each SBU.

**(viii) Transactions with and/or Dependence on Related Parties**

AEV and its Subsidiaries, in their regular conduct of business, have entered into RPT consisting of professional and technical services, rental, money market placements, and power sales and purchases. These are all made on an arm's length basis.

ACO and certain Associates have service contracts with AEV for corporate center services rendered, such as human resources, internal audit, legal, treasury and corporate finance, among others. These services are obtained from AEV to enable the Group to realize cost synergies. Transactions are priced on an arm's-length basis, and documented by service level agreements to ensure quality of service.

ACO and certain Associate companies lease office spaces from CPDC, a Subsidiary of AEV. Rental rates are comparable with prevailing market prices. These transactions are covered with lease contracts with three-year periods.

The AEV Group has cash deposits and money market placements with UnionBank and CitySavings, AEV's banking Associates. These are earning interest at prevailing market rates.

Power generation Subsidiaries sell to certain power Associates based on their respective power supply agreements. Meanwhile, power distribution Subsidiaries purchase from certain generation Associates based on existing power purchase agreements.

A wholly-owned construction and steel fabrication Subsidiary of ACO renders its services to the AEV Group for the construction of various construction projects.

The Company's Retirement Fund is in the form of a trust being maintained and managed by an independent committee of select officers of the Company. The Retirement Fund has investments in the equity of the Company, AboitizPower, and UnionBank.

The above RPTs are discussed extensively in the audited financial statements of AEV.

No other transaction, without proper disclosure, was undertaken by AEV in which any director or executive officer, any nominee for election as director, any beneficial owner (direct or indirect) or any member of his immediate family was involved or had a direct or indirect material interest. Other than what has been discussed in this Information Statement and the Company's annual audited financial statements, there are no other related party transactions entered into by the Company with related parties, including transactions with directors or self-dealings by the Company's directors.

AEV employees are required to promptly disclose any business and family-related transactions with AEV to ensure that potential conflicts of interest are determined and brought to the attention of management.

AEV's SGRPT Committee has the mandate to ensure that related party transactions are taken on an arms' length basis and within market rates, with sufficient documentation, and coursed through all appropriate levels of approval necessary. AEV's RPT Policy ensures that RPTs are conducted at arms-length and at market prices, and undergo the appropriate approval process.

For detailed discussion on RPT, please refer to the notes of the Company's consolidated annual financial statements.

#### **(ix) Patents, Copyrights and Franchises**

AEV and its Subsidiaries own, or have pending applications for the registration of intellectual property rights for various trademarks associated with their corporate names and logos. Please refer to **Annex "G-1"** to see the trademark applications which AEV and its Subsidiaries have secured or have pending application with the Philippine Intellectual Property Office ("Philippine IPO") and intellectual property offices abroad.

#### **(x) Government Approvals**

AEV and its Subsidiaries rely on government approvals relative to the industries in which they operate. They secure various government approval such as environmental compliance certificate, development permits, license to sell, business permits, import permits, etc. as part of the normal course of its business.

The discussion on the need for any government approval for principal products or services of AEV and its Subsidiaries, including the Certificates of Compliance (COCs) obtained by the Generation Companies and franchises obtained by the Distribution Utilities, is included in the discussion for each SBU.

## **(xi) Effect of Existing or Probable Government Regulations**

AEV and its Subsidiaries are subject to the laws generally applicable to all Philippine corporations, such as corporation law, securities law, tax laws, data privacy law, and the Local Government Code. All Philippine corporations are also subject to labor laws and social legislation, including Republic Act (RA) No. 11199 or the Social Security Act of 2018, RA No. 10606 or the National Health Insurance Act of 2013, RA No. 11223 or the Universal Health Care Act, RA No. 9679 or the Home Development Mutual Fund Law of 2009, The Philippine Labor Code and its implementing rules, and other labor-related laws, regulations, and DOLE mandated work-related programs.

The Aboitiz Group closely monitors its compliance with the laws and government regulations affecting its businesses. Please refer to the discussion on the effects of existing and/or probable governmental regulations for rules applicable to the individual SBU.

At the AEV level, the following are the general business regulation framework:

### **1. Ease of Paying Taxes Act (EOPT Act)**

RA No. 11976, otherwise known as the Ease of Paying Taxes (“EOPT”) Act, was signed into law by President Ferdinand Romualdez Marcos, Jr. on January 5, 2024 and took effect on January 22, 2024. The law seeks to introduce significant amendments to the National Internal Revenue Code of 1997 (the “Tax Code”) and aims to modernize and increase the efficiency and effectiveness of Philippine tax administration and strengthen taxpayer rights.

The salient features of the EOPT Act include:

- a. Classification of taxpayers into micro, small, medium, and large according to their gross sales;
- b. Filing of returns and payment of internal revenue taxes through electronic or manual means such as authorized agent banks or authorized software providers;
- c. Repeal of Section 34(K) of the Tax Code, which provides that expenses not subjected to the appropriate withholding taxes will be disallowed as deduction;
- d. Section 58 of the Tax Code on taxes withheld at source now includes a provision that the obligation to deduct and withhold taxes arises at the time the income has been made “payable”. Previously, the obligation to withhold arises at the time when an expense has been paid, payable or accrued, whichever comes first, pursuant to Revenue Regulations No. 02-98, as amended;
- e. Harmonizing the rules on the VAT treatment of sales of goods and services, thereby requiring sales invoice for both;
- f. Ensuring availability of registration facilities to taxpayers not residing in the country;
- g. Removal of “business style” in the invoice requirements;
- h. Increase in the threshold for the mandatory issuance of receipts for each sale and transfer of goods and services from ₱100 to ₱500;
- i. Fixing the period for preservation of books of accounts at five years; and
- j. Classification of VAT refund claims into low-, medium-, and high-risk claims which are based on the amount of VAT refund claim, tax compliance history, and frequency of filing of VAT refund claims, among others.

It is important to note that due to the standardization of VAT rules for sales of goods and services as mentioned in subparagraph (e) above, service providers are required to pay and remit VAT to the BIR at the time their invoice is issued to their customers. This creates a risk to said taxpayers since they might not be able to recover from non-paying customers. To mitigate the risk, the EOPT Act has introduced specific safeguards, i.e.: (i) A provision for clawback, which clearly states that output VAT on uncollected receivables may be deducted on the next quarter after the lapse of the agreed upon period to pay; and (ii) A clear determination that gross sales, forming the VAT base, shall exclude pass-thru charges or those earmarked for payment to third parties, and reimbursements.

## 2. Corporate Recovery and Tax Incentives for Enterprises Act (CREATE Act)

RA No. 11534, otherwise known as the Corporate Recovery and Tax Incentives for Enterprises (“CREATE”) Act, was signed into law by former President Duterte on March 26, 2021 and took effect on April 11, 2021. The law seeks to reform the country’s fiscal incentives to make it performance-based, targeted, time-bound, and transparent. This means that incentives will be granted based on the number and quality of jobs that will be created, the investments made on research and development and skills training, the capital invested for countrywide infrastructure development, among other criteria.

The salient features of the CREATE Act includes:

- a) Effective July 1, 2020, lowering the income tax rate to 25% for domestic corporations and foreign corporations, and to 20% for domestic corporations with net taxable income not exceeding ₱5 mn and with total assets (excluding land) of not more than ₱100 mn;
- b) Lowering the Minimum Corporate Income Tax rate to 1% effective July 1, 2020 to June 30, 2023;
- c) Tax exemption on foreign-sourced dividends subject to certain conditions;
- d) Repeal of the Improperly Accumulated Earnings Tax;
- e) Repeal of the 5% Gross Income Tax (GIT) incentive and providing for a 10-year transitory period for all firms that are currently availing of the 5% GIT;
- f) Providing fiscal incentives for activities included in the Strategic Investment Priority Plan (SIPP), provided that the category of incentives shall be based on the location and industry of the registered project or activity; and
- g) Granting the President the power to modify the mix, period or manner of availment of incentives or craft a financial support package for a highly desirable project or a specific industrial activity.

The CREATE Act is the second package of the Comprehensive Tax Reform Program of the Duterte Administration. On June 21, 2021, the Department of Finance (DOF) and the Department of Trade and Industry (DTI) signed the implementing rules and regulations (IRR) of the CREATE Act.

The lower income tax provided by the CREATE Act will generate substantial amounts of tax savings to the Company and its subsidiaries which were under the 30% tax regime prior to the effectiveness of the said law. While some of the subsidiaries have been availing of incentives under special laws which have been repealed by the CREATE Act, the law provides for sunset provisions by (i) allowing the entities granted with income tax holiday to enjoy it until it expires and (ii) granting subsidiaries who enjoyed income tax holiday and are entitled to the 5% gross income earned (“GIE”) incentive after their income tax holiday the benefit to continuously avail of the 5% GIE rate for the next ten years.

## 3. Revised Corporation Code

The Revised Corporation Code was signed into law on February 20, 2019 and took effect on February 23, 2019. Among the salient features of the Revised Corporation Code are: allowing perpetual existence of corporations; requiring corporations vested with public interest to submit to its shareholders and to the SEC an annual report of the total compensation of each of its directors or trustees; and, allowing stockholders to vote in the election of directors or trustees, or in shareholders meetings, through remote communication or *in absentia*, among others.

## 4. The Philippine Competition Act

RA No. 10667 (the Philippine Competition Act) was signed into law on July 21, 2015 and took effect on August 8, 2015. This Act aims to codify antitrust laws in the Philippines and it provides the competition framework in the country. The Philippine Competition Act was enacted to provide free and fair competition in trade, industry, and all commercial economic activities.

To implement its objectives, the Philippine Competition Act provides for the creation of a Philippine Competition Commission (PCC), an independent quasi-judicial agency to be composed

of five commissioners. Among the PCC's powers are to: conduct investigations, issue subpoenas, conduct administrative proceedings, and impose administrative fines and penalties. To conduct a search and seizure, the PCC must apply for a warrant with the relevant court.

The Philippine Competition Act prohibits anti-competitive agreements between or among competitors, and mergers and acquisitions which have the object or effect of substantially preventing, restricting, or lessening competition. It also prohibits practices which involve abuse of dominant position, such as selling goods or services below cost to drive out competition, imposing barriers to entry or prevent competitors from growing, and setting prices or terms that discriminate unreasonably between customers or sellers or the same goods, subject to exceptions.

The Philippine Competition Act also introduces the pre-notification regime for mergers and acquisitions, which requires covered transactions to be notified to the PCC for its approval.

Effective March 1, 2024, the PCC raised the thresholds for the Size of Party Test and Size of Transaction Test to ₱7.8 bn and ₱3.2 bn, respectively. This means that if the value of the assets or revenues of the Ultimate Parent Entity (UPE) of at least one of the parties exceeds ₱7.8 bn and the value of the assets or revenues acquired, target, or merged entity exceeds ₱3.2 bn, then the parties must notify the PCC of the transaction, provided that, the other requirements under the Philippine Competition Act are met.

## **5. Amended Foreign Investment Act of 1991 (Amended FIA)**

On March 2, 2022, former President Duterte signed into law RA No 11647, *"An Act Promoting Foreign Investments, Thereby Amending Republic Act 7042 Otherwise Known as the Foreign Investments Act of 1991, as Amended and For Other Purposes."* (the "Amended FIA"). The law aims to attract foreign investments in activities which contribute to sustainable economic growth, global competitiveness, employment creation, technical advancement, and countrywide development.

Under this law, foreign nationals are now allowed to engage in a domestic market enterprise with a minimum capital requirement of US\$100,000.00 provided that the enterprise: (a) utilizes advanced technology as determined by the Department of Science and Technology; (b) endorsed as a start-up or start-up enabler under RA No. 11337 or the Innovating Startup Act; or (3) composed of a majority of Filipino employees, which shall not be less than 15. Other salient features of the Amended FIA include: (a) a required understudy or skills development program by registered foreign enterprises to ensure skills and technology transfer to Filipinos; (b) allowing 100% foreign investment in a domestic enterprise unless participation of foreigners is limited to a smaller percentage; and (c) allowing 100% foreign investment in an export enterprise provided that the products or services do not fall under the Foreign Investments Negative List.

Pursuant to the FIA, as amended, the Twelfth Regular Foreign Investment Negative List was promulgated on June 27, 2022 ("Negative List"). This Negative List enumerates industries and activities which have foreign ownership limitations under the FIA and other existing laws. Nationalized activities include, among others, exploration, development and utilization of natural resources, operation of public utilities, and land ownership.

## **6. Amended Public Service Act**

On March 22, 2022, former President Duterte signed into law RA No 11659 or "An Act Amending Commonwealth Act No. 146 otherwise known as the Public Service Act" ("Amended PSA"). Under the Amended PSA, the term "Public Utilities" is confined to public services that operate, manage, or control for public use any of the following: 1) Distribution of Electricity; 2) Transmission of Electricity; 3) Petroleum and Petroleum Products Pipeline Transmission Systems; 4) Water Pipeline Distribution Systems and Wastewater Pipeline Systems, including sewerage pipeline systems; 5) Seaports; and 6) Public Utility Vehicles. The operation of a Public Utility is limited by the Constitution to citizens of the Philippines, or to corporations or associations

organized under the laws of the Philippines at least sixty per centum (60%) of whose capital is owned by such citizens.

The Amended PSA now provides that “no other person shall be deemed a public utility unless otherwise subsequently provided by law.” Moreover, nationality requirements shall not be imposed by Philippine administrative agencies on any public service not classified as a public utility.

Under the Amended PSA, the ownership by a foreign national of a business defined as “Critical Infrastructure” is limited to 50%, unless the country of such foreign national accords reciprocity to Philippine Nationals as may be provided by foreign law, treaty or international agreement, in which case foreign ownership may be up to 100%. However, foreign state-owned enterprises may not make any new or additional investments in the capital of critical infrastructure. “Critical Infrastructure” refers to any public service which owns, uses, or operates systems and assets, whether physical or virtual, so vital to the Philippines that the incapacity or destruction of such would have a detrimental impact on national security, including telecommunications and other such vital services as may be declared by the President of the Philippines.

## **7. Data Privacy Act of 2012**

The Data Privacy Act of 2012 is a comprehensive and strict privacy legislation aimed to protect the fundamental human right to privacy of data subjects by: (a) protecting the privacy of individuals while ensuring free flow of information; (b) regulating the collection, recording, organization, storage, updating or modification, retrieval, consultation, use, consolidation, blocking, erasure or destruction of personal data; and (c) ensuring that the Philippines complies with international standards set for data protection through National Privacy Commission.

Intended to protect the privacy of individuals, it mandates companies to inform the individuals about how their personal information is collected and processed. It also ensures that all personal information must be (a) collected and processed with lawful basis, which includes consent, and only for reasons that are specified, legitimate, and reasonable; (b) handled properly, ensuring its accuracy and retention only for as long as reasonably needed; and (c) discarded properly to avoid access by unauthorized third parties.

Its implementing rules and regulations (“Data Privacy Act IRR”) took effect on September 9, 2016, mandating all Philippines companies to comply with the following: (a) appointment of a Data Protection Officer; (b) conduct of a privacy impact assessment; (c) adoption of a privacy management program and privacy policy; (d) implement privacy and data protection measures; and (e) establish a breach reporting procedure. In addition, companies with at least 250 employees or access to sensitive personal information of at least 1,000 individuals are required to register their data processing systems with the National Privacy Commission. The Data Privacy Act IRR, furthermore provides the only instances when data sharing is allowed, to wit: (a) data sharing is authorized by law, provided that there are adequate safeguards for data privacy and security, and processing adheres to principles of transparency, legitimate purpose and proportionality; (b) in the private sector, data sharing for commercial purposes is allowed upon (i) consent of data subject, and (ii) when covered by a data sharing agreement; (c) data collected from parties other than the data subject for purpose of research shall be allowed when the personal data is publicly available; and (d) data sharing among government agencies for purposes of public function or provision of a public service shall be covered by a data sharing agreement.

As the Aboitiz Group continues to operate in a highly digital and fast changing environment, the Data Protection Teams of each Business Unit endeavors to keep up with the expectations of their Data Subjects as well as with the evolving guidelines of the National Privacy Commission. This constant review of requirements, downloading of information, updating of processes, and testing of capabilities aims to ensure that the Aboitiz Group is able to meet the expectations of its stakeholders.

In 2023, the NPC launched the National Privacy Commission Registration System (NPCRS), an online portal for the registration of an organization’s Data Protection Officer (DPO) and its Data

Processing Systems (DPS). As part of AEV's compliance, the Privacy Team submitted AEV's renewal of registration for DPO and registered its DPS's. Through this, AEV was able to obtain the NPC Seal of Registration to serve as its proof of compliance.

## **8. Registration with the Board of Investments**

Under Executive Order (EO) No. 226, otherwise known as the Omnibus Investments Code, as amended, a BOI-registered enterprise enjoy certain incentives, both financial and non-financial, provided such enterprise invests in preferred areas of investment enumerated in the Investment Priorities Plan annually prepared by the Government. However, prior to registration with the Board of Investments (BOI), the enterprise must first satisfy the minimum equity required to finance the project applied equivalent to 25% of the estimated project cost, or as may be prescribed by the BOI. Such incentives include: (i) income tax holiday; (ii) exemption from taxes and duties on imported spare parts; (iii) exemption from wharfage dues and export tax, duty, impost and fees; (iv) reduction of the rates of duty on capital equipment, spare parts and accessories; (v) tax exemption on breeding stocks and genetic materials; (vi) tax credits; (vii) additional deductions from taxable income; (viii) employment of foreign nationals; (ix) simplification of customs procedure; and (x) unrestricted use of consigned equipment.

On April 12, 2019, RA No. 11285, otherwise known as the Energy Efficiency and Conservation Act, was enacted. Under the said law, upon certification by the DOE, energy efficiency projects shall be included in the annual investment priorities plan of the BOI and shall be entitled to the incentives provided under EO No. 226, as amended, and any other applicable laws for 10 years from the effectivity of the Act. Said energy efficiency projects shall also be exempt from the requirements provided under Article 32(1) of EO No. 226. Energy efficiency projects refer to projects designed to reduce energy consumption and costs by any improvement, repair, alteration, or betterment of any building or facility, or any equipment, fixture, or furnishing to be added to or used in any building, facility, or vehicle including the manufacturing and provision of services related thereto: provided, that such projects shall be cost-effective and shall lead to lower energy or utility costs during operation and maintenance.

## **9. Labor Laws**

The Philippine Labor Code and other statutory enactments provide the minimum benefits that employers must grant to their employees, which include certain social security benefits, such as benefits mandated by the Social Security Act of 1997 (RA No. 8282), the National Health Insurance Act of 1995 (RA No. 7875), as amended, and the Home Development Fund Law of 2009 (RA No. 9679). On the other hand, the Occupational Safety and Health Law (RA No. 11058) reinforces the existing Occupational Safety and Health Standards, which sets out, among others, the guidelines applicable to different establishments intended for the protection of every working man against the dangers of injury, sickness or death through safe and healthful working conditions.

The Department of Labor and Employment (DOLE) is the Philippine government agency mandated to implement policies, programs and services, and serves as the policy-coordinating arm of the Executive Branch in the field of labor and employment. The DOLE has exclusive authority in the administration and enforcement of labor and employment laws, such as the Labor Code of the Philippines and the Occupational Safety and Health Law and Standards, and such other laws as specifically assigned to it or to the Secretary of the DOLE.

### **a. Social Security System, PhilHealth and the Pag-IBIG Fund**

An employer or any person who uses the services of another person in business, trade, industry or any undertaking is required under the Social Security Act of 2018 (RA No. 11199) to ensure coverage of employees following procedures set out by the law and the Social Security System (SSS). Under the said law, an employer must deduct from its employees their monthly contributions in an amount corresponding to his salary, wage, compensation or earnings during the month in accordance with the monthly salary credits, the schedule and the rate of contributions as may be determined and fixed by the Social Security Commission,

pay its share of contribution and remit these to the SSS within a period set by law and/or SSS regulations. This enables the employees or their dependents to claim their pension, death benefits, permanent disability benefits, funeral benefits, sickness benefits and maternity-leave benefits.

Employers are likewise required to ensure enrolment of its employees in a National Health Insurance Program administered by the Philippine Health Insurance Corporation, a government corporation attached to the Department of Health tasked with ensuring sustainable, affordable and progressive social health insurance pursuant to the provisions of RA No. 10606, the National Health Insurance Act of 2013.

On February 20, 2019, the Universal Health Care Act (RA No. 11223), was enacted, which amended certain provisions of the National Health Insurance Act of 2013. Under the said law, all Filipino citizens are now automatically enrolled into the National Health Program. However, membership is classified into two types, direct contributors and indirect contributors. Direct contributors refer to those who have the capacity to pay premiums, are gainfully employed and are bound by an employer-employee relationship, or are self-earning, professional practitioners, migrant workers, including their qualified dependents, and lifetime members. On the other hand, indirect contributors refer to all others not included as direct contributors, as well as their qualified dependents, whose premium shall be subsidized by the national government including those who are subsidized as a result of special laws. Every member is also granted immediate eligibility for health benefit package under the program.

Under the Home Development Mutual Fund Law of 2009 (RA No. 9679), all employees who are covered by SSS must also be registered with and covered by the Home Development Mutual Fund (HDMF, more commonly referred to as the *"Pag-IBIG Fund"*). It is a national savings program as well as a fund to provide for affordable shelter financing to Filipino workers. Except for foreign expatriates, coverage under the HDMF is compulsory for all SSS members and their employers. Under the law, an employer must deduct and withhold 2% of the employee's monthly compensation, up to a maximum of ₱5,000.00, and likewise make a counterpart contribution of 2% of the employee's monthly compensation, and remit the contributions to the HDMF.

#### b. The Labor Code

The Philippine Labor Code provides that, in the absence of a retirement plan provided by their employers, private-sector employees who have reached 60 years of age or more, but not beyond 65 years of age, the compulsory retirement age for private-sector employees without a retirement plan, and who have rendered at least five years of service in an establishment, may retire and receive a minimum retirement pay equivalent to one-half month's salary for every year of service, with a fraction of at least six months being considered as one whole year. For the purpose of computing the retirement pay, "one-half month's salary" shall include all of the following: fifteen days' salary based on the latest salary rate; in addition, one-twelfth of the thirteenth month pay and the cash equivalent of five days of service incentive leave pay. Other benefits may be included in the computation of the retirement pay upon agreement of the employer and the employee or if provided in a collective bargaining agreement.

#### c. Occupational Safety and Health Law

The Occupational Safety and Health Law (RA No. 11058) was signed into law on August 17, 2018. It applies to all private establishments alike, requiring them, among others, to furnish workers with a place of employment free from hazardous conditions causing or are likely to cause death, illness, or physical harm, and to comply with the Occupational Safety and Health standards, including training, medical examination and the necessary protective and safety devices, such as personal protective equipment.

#### d. Other Labor-Related Laws and Regulations

## (1) Contracting and Subcontracting

The Labor Code recognizes subcontracting arrangements, whereby a principal puts out or farms out with a contractor the performance or completion of a specific job, work or service within a definite or predetermined period, regardless of whether such job, work or service is to be performed or completed within or outside the premises of the principal. Such arrangements involve a “trilateral relationship” among: (i) the principal who decides to farm out a job, work or service to a contractor; (ii) the contractor who has the capacity to independently undertake the performance of the job, work, or service; and (iii) the contractual workers engaged by the contractor to accomplish the job, work, or service.

The DOLE, through its Department Order No. 174, Series of 2017, regulates subcontracting arrangements by requiring, among others, the registration of contractors with the Regional Office of the DOLE where it principally operates.

## (2) DOLE Mandated Work-Related Programs

Under the Comprehensive Dangerous Drugs Act (RA No. 9165), a national drug abuse prevention program implemented by the DOLE must be adopted by private companies with 10 or more employees. For this purpose, employers must adopt and establish company policies and programs against drug use in the workplace in close consultation and coordination with the DOLE, labor and employer organizations, human resource development managers and other such private sector organizations. DOLE Department Order No. 53-03 sets out the guidelines for the implementation of Drug-Free Workplace policies and programs for the private sector.

The employer or the head of the work-related, educational or training environment or institution, also has the duty to prevent or deter the commission of acts of sexual harassment and to provide the procedures for the resolution, settlement or prosecution of such cases in accordance with the Safe Spaces Act (RA No. 9165), which was signed into law on April 17, 2019.

DOLE Department Order No. 102-10 requires all private workplaces to have a policy on HIV and AIDS and to implement a workplace program in accordance with the Philippines AIDS Prevention and Control Act. The workplace policies aim to manage sensitive issues, such as confidentiality of medical information and continuation of employment for HIV-positive staff, and to avoid the discrimination of any employee due to HIV/AIDS. Any HIV/AIDS-related information of workers should be kept strictly confidential and kept only on medical files, whereby access to it is strictly limited to medical personnel.

All private workplaces are also required to establish policies and programs on solo parenting, Hepatitis B, and tuberculosis prevention and control. In line with the Mental Health Act (RA No. 11036), employers are further required to develop policies and programs on mental health in the workplace designed to: raise awareness on mental health issues, correct the stigma and discrimination associated with mental health conditions, identify and provide support for individuals at risk, and facilitate access to treatment and psychosocial support.

All private workplaces are also required to update their respective Telecommuting Guidelines and Consent Form, whenever applicable, in accordance with the revised implementing rules and regulations of Telecommuting Act (DOLE D.O. 237-22).

Moreover, Labor Advisory No. 20-2023 requires private companies and their employees to implement a Cancer Prevention and Control in the Workplace Policy and Program. This program encompasses various elements, including prevention measures, access to screening, diagnosis, and treatment, support for employees' return to work, compensation and social policies, and the promotion of a safe and healthy lifestyle, which includes considerations for mental and social well-being.

**(xii) Amount Spent on Research and Development**

AEV and its Subsidiaries do not allocate specific amounts or fixed percentages for research and development. All research and developmental activities are done by its Subsidiaries and Affiliates on a per project basis. The allocation for such activities may vary depending on the nature of the project.

**(xiii) Cost and Effects of Compliance with Environmental Laws**

AEV and its Subsidiaries, Associates, and Joint Ventures are subject to extensive, evolving and increasingly stringent safety, health and environmental laws and regulations. These standard laws and regulations that govern AEV's business operations include the Philippine Clean Air Act (RA No. 8749), Ecological Solid Waste Management Act (RA No. 9003), Clean Water Act (RA No. 9275), Toxic Substances and Hazardous and Nuclear Wastes Control Act (RA No. 6969), and Philippine Environmental Impact Statement System (Presidential Decree No. 1586), address, among other things, air emissions, wastewater discharges, the generation, handling, storage, transportation, treatment and disposal of toxic and hazardous chemicals, materials and waste, workplace conditions, and employee exposure to hazardous substances. Power plant operations are considered environmentally critical projects for which an Environmental Impact Study and an Environmental Compliance Certificate are mandatory.

AEV has incurred, and is expected to continuously incur, operating costs to comply with these laws and regulations. However, these costs cannot be segregated or itemized as these are embedded in, and are part and parcel of, each SBU's overall system in compliance with both industry standards and regulatory requirements. Each SBU has appointed and designated a Pollution Control Officer to closely monitor compliance with the requirements of these regulations.

**(xiv) Employees**

On the parent company level, AEV had a total of 182 employees as of January 31, 2024, composed of executives, managers, supervisors, and rank and file employees. There are no existing collective bargaining agreements (CBA) covering any of AEV's employees.

The following table provides a breakdown of total employee headcount per SBU, divided by function, as of January 31, 2024:

| Number of Employees | AEV Corporate | UnionBank and Subsidiaries | Pilmico and Subsidiaries                | Gold Coin and Subsidiaries                                                         | AboitizLand and Subsidiaries | Aboitiz InfraCapital and Subsidiaries | RCBM and Subsidiaries                                                                                                                                                                                                                                                                                        | AboitizPower and Subsidiaries*                                                                                         |
|---------------------|---------------|----------------------------|-----------------------------------------|------------------------------------------------------------------------------------|------------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| Executives          | 61            | 604                        | 49                                      | 52                                                                                 | 9                            | 49                                    | 5                                                                                                                                                                                                                                                                                                            | 240                                                                                                                    |
| Managers            | 52            | 1,588                      | 137                                     | 148                                                                                | 41                           | 102                                   | 115                                                                                                                                                                                                                                                                                                          | 454                                                                                                                    |
| Supervisors         | 37            | 2,842                      | 488                                     | 359                                                                                | 147                          | 143                                   | 254                                                                                                                                                                                                                                                                                                          | 923                                                                                                                    |
| Rank & File         | 32            | 657                        | 383                                     | 1,917                                                                              | 128                          | 198                                   | 245                                                                                                                                                                                                                                                                                                          | 2,663                                                                                                                  |
| <b>TOTAL</b>        | <b>182</b>    | <b>5,691</b>               | <b>1,057</b>                            | <b>2,476</b>                                                                       | <b>325</b>                   | <b>492</b>                            | <b>619</b>                                                                                                                                                                                                                                                                                                   | <b>4,280</b>                                                                                                           |
| Unionized Employees | N/A           | 657                        | 92                                      | 814                                                                                | N/A                          | N/A                                   | 451                                                                                                                                                                                                                                                                                                          | 405                                                                                                                    |
| Expiry of CBA       | N/A           | May 31, 2025               | Pilmico Foods Corporation: May 31, 2025 | GCI: Aug 19, 2023<br>GCSI: Aug 7, 2023<br>GCFM: Dec 31, 2022<br>GCSSB: Feb 2, 2024 | N/A                          | N/A                                   | Batangas – Supervisor (June 2024); Rank & File (Feb 2024)<br>Bulacan – Supervisor (Dec 2026); Rank & File (July 2027);<br>Teresa – Supervisor (Jan 2024); Rank & File (October 2023);<br>Norzagaray – Supervisor (Dec 2022); Rank & File (Feb 2025);<br>RCMI – Supervisor (May 2024); Rank & File (Dec 2023) | Visayan Electric: Dec 31, 2026<br>Cotabato Light: June 30, 2024<br>Davao Light: June 16, 2026<br>SFELAPCO; May 9, 2024 |

\*Data for SPPC, WMPC, and SFELAPCO is as of February 28, 2023.

In addition to mandated statutory benefits (such as holiday pay, service incentive leave, maternity leave, paternity leave, and 13th-month pay), the Company provides benefits to its employees in the following areas: healthcare, annual leave, loans and financial assistance applicable to a variety of uses, retirement benefits to qualified employees, and productivity bonuses. Salaries and benefits are reviewed regularly and adjusted to retain current employees and attract new talent. The Company currently has no stock option plans available to its employees. As of January 31, 2024, the Company does not anticipate any increase in manpower within the next 12 months unless new development projects and acquisitions materially require an increase.

The Company's employees are not unionized. The Company's employees have neither been on strike nor have threatened to strike for the past three years.

**(xv) Major Risk/s Involved in Business of AEV and its Subsidiaries**

Part of the governance of Risk Management is the regular review of the Risk Management Plans of all its business units. This is being conducted at least twice a year but all Business Units are encouraged to do a review as soon as there are major changes in the Group's operating environment. Outputs of this exercise are utilized to create a consolidated Top Risk at the Group-wide level which is reported to the Senior Management and the Board Risk and Reputation Committee.

**1. Cyber and Information Security Risk**

The escalating frequency of information security breaches, impacting both information and operational technologies globally and locally, necessitates classifying cyber and information security risk as a top priority for the Company. As the technological landscape undergoes continuous evolution, the Aboitiz Group has redefined this risk to encompass the potential harm or damage inflicted upon the organization's financial performance, operational continuity, and reputational standing. This risk arises when digital information, computer systems, and networks are exposed to diverse threats and vulnerabilities, ultimately leading to breaches compromising the confidentiality, integrity, and/or availability of information.

To mitigate this critical risk, the company has implemented various technical controls, including firewalls, Virtual Private Networks (VPNs), patch and vulnerability management solutions, endpoint protection, and internal threat detection and discovery systems. These measures aim to identify, safeguard, and detect vulnerabilities within critical systems. Additionally, the growing reliance on third-party service providers associated with cloud storage is addressed through robust third-party management practices and thorough due diligence processes.

**2. People Risk (Previously Talent Risk)**

As the Aboitiz Group progresses with the Great Transformation, it has correspondingly revised its definition of human capital risk. This risk now encompasses the potential failure to attract, retain, and develop individuals with the capabilities and behaviors essential to supporting the organization's strategic direction.

Strategic workforce planning (SWP) and succession management continue to be core activities to mitigate people risk. In 2023, the Aboitiz Core Capabilities framework and its corresponding competence level baselines were developed. Additionally, benefits, compensation packages, engagement initiatives, coaching and mentoring programs, and health and wellness offerings are continuously reviewed, enhanced, and aligned with our Great Transformation 2025 Culture Pillar to attract and retain key talent.

**3. Portfolio Risk**

As AEV further develops its role as an investment and portfolio management company, managing portfolio risk has become a key focus. This risk encompasses the potential fluctuations in the value of the AEV investment portfolio due to various uncertainties, including systemic risks (e.g.,

global geopolitical unrest impacting supply chains and commodity prices), industry-specific risks faced by individual business units (SBUs), regulatory risks, and reinvestment risks.

One aspect of portfolio risk concerns the potential impact of systemic events. For example, geopolitical tensions can disrupt global supply chains, increase fuel and commodity prices, raise logistics costs, and influence interest rates. While Aboitiz businesses have demonstrated resilience to current geopolitical tensions, with limited direct exposure to the Israel conflict, the Company remains vigilant of potential systemic impacts from escalating regional tensions.

Beyond systemic risks, portfolio risk can also stem from implementation risk (the ability of businesses to execute strategic initiatives, investments, or projects) and material risks specific to individual SBUs within their respective industries.

To mitigate these risks, AEV employs several strategies. First, the Company conducts regular environmental scans to identify emerging threats and opportunities. Second, it fosters open communication and information exchange across business units, facilitating swift and coordinated responses to evolving risks. Finally, AEV has been diversifying its portfolio, ensuring a balanced mix of power and non-power businesses to enhance portfolio resilience.

#### **4. Implementation Risk**

Recognizing the importance of effective execution alongside strategic planning, AEV has identified Implementation Risk as a new focus area. This arises from potential shortcomings in executing investment and portfolio management strategies, leading to missed opportunities for value creation, underperformance of investments, or unmet business goals.

To mitigate this risk, AEV fosters collaboration with individual businesses when evaluating large CAPEX projects and when developing long-term strategies. Additionally, for investments in unfamiliar sectors, AEV explores options such as utilizing consultants or establishing strategic partnerships to bridge knowledge and experience gaps.

Furthermore, to bolster project execution capabilities, AEV encourages its SBUs to continuously improve their project management skills, thereby reducing the likelihood of delays, cost overruns, or substandard execution.

#### **5. Climate Transition Risk**

AEV is cognizant of the sustained increase in the public's awareness on climate change issues in recent years. Likewise, set-backs in global carbon emission reduction goals (e.g. from post COVID economic reopening and the Russia-Ukraine conflict) will undoubtedly call for a quicker and more cohesive global response to climate change. Together with its business units, the Company continuously monitors developments in this space as the transition to a lower carbon economy can potentially accelerate climate action globally. Climate transition risks can impact not only the Company's financial and business performance but its reputation as well.

The Company's Business Units are already crafting their respective transition roadmaps to ensure long-term strategies are recalibrated and business viability is maintained. Aside from strengthening its ESG practices, the Aboitiz Group has been working to increase its understanding of energy transition mechanisms (ETM) and carbon offset markets to ensure that it not only manages risks but also positions itself well to maximize related opportunities. Likewise, The Aboitiz Group continues to work proactively with key stakeholders (including lenders, insurers, suppliers, and regulators) to manage relationships, understand critical business impacts brought about by new climate related policies and implement mitigating measures. In addition, the Aboitiz Group will continue to enter into partnerships to provide access to transition-related expertise and technology. Lastly, while the country is still developing its climate and low carbon economy transition policies, the Company continues its nature based solutions that can potentially help the business mitigate climate transition and physical risk.

## 6. Regulatory Risks

The Aboitiz Group's diverse operations across various industries and jurisdictions naturally expose it to a complex regulatory landscape. Any compliance breach, regardless of size, can jeopardize the Group's reputation, attract heightened scrutiny, and negatively impact operations and financial performance. Therefore, dedicated teams covering Risk Management, Corporate External Relations, and Legal monitor regulatory changes and developments. This ensures not only compliance but also enables business unit adaptation as needed.

Data privacy regulations have particular relevance in today's information age, where the Aboitiz Group's expanding businesses, growing customer data collection, and adoption of emerging technologies like artificial intelligence necessitate staying abreast of regulatory mandates and expectations. This fosters continuous improvement in data privacy awareness and practices across the group, safeguarding the vast amount of personal data entrusted by its customers.

Beyond simple compliance, AEV recognizes the importance of fostering positive relationships and open dialogue with its regulators. The Company actively participates in consultative processes and public discussions to explore the necessity, propriety, and relevance of specific regulations to current business practices and technological advancements. This collaborative approach ensures both full compliance and positions AEV as an integral part of the policy-shaping ecosystem, advocating for regulations beneficial to the Aboitiz Group and its diverse businesses.

## 7. Disaster Risk

The increasing global surface temperatures and resulting extreme weather events, highlighted as a risk in global risk reports, pose a threat to the Aboitiz Group's properties, projects, and financial performance. Recognizing this growing concern, the Group continuously enhances its Business Continuity Management (BCM) program. Existing scenarios and plans are regularly reviewed, evaluated, and updated through drills and post-exercise analysis, ensuring their continued effectiveness.

Furthermore, risk treatment plans incorporate climate adaptation strategies. This includes investments in infrastructure resilience, such as reinforcing existing structures, and considering relocation to less vulnerable locations. Additionally, the Aboitiz Group reassesses its business interruption insurance coverage to account for the evolving risk landscape.

## 8. Emerging Risks

The growth and profitability of the Company may be influenced by major political and economic events. The Company operates in a dynamic risk landscape, shaped by often unpredictable national and global events. Emerging risks are characterized by high uncertainty and potentially significant consequences but may be challenging to fully assess their likelihood and impact. These risks can potentially disrupt the Company's businesses, operations, financial health, and future prospects.

To address this challenge, the Risk Management Team and subject matter experts collaborate to proactively identify and monitor emerging risks across various domains: political, economic, social, technological, environmental, and legal/compliance (PESTEL). This collaborative effort ensures comprehensive risk identification and analysis. The Company regularly shares these insights with sub-units for their own analysis and monitoring, and they are also discussed with the Risk Management Council and the Board Risk and Reputation Management Committee.

The Company continues to reassess the effectiveness of its framework while at the same time supporting the creation of concise yet easily digestible reports on key risks that have significantly shaped the global risk climate for the year.

Although not identified as top risks for the Company in 2023, the Company continues to monitor the following risks (1) Financial Risk and (2) Reputational Risk.

## STRATEGIC BUSINESS UNITS

### I. POWER

#### *Overview of the Business*

AEV's power Business Unit, AboitizPower, is a publicly-listed company incorporated on, and has been in business since, February 13, 1998. AboitizPower was incorporated as a holding company for the Aboitiz Group's investments in electricity generation and distribution. Ownership in AboitizPower was opened to the public through an initial public offering of its common shares in the PSE on July 16, 2007. Through its Subsidiaries and Affiliates, AboitizPower has become a leader in the Philippine power industry with dominant presence in power generation, distribution, and retail electricity supply. As of January 31, 2024, AboitizPower had a market capitalization of ₱273.82 bn, with a common share price of ₱38.00 per share.

AboitizPower has four SBUs: (a) Power Generation, where AboitizPower is among the largest in the country, in terms of overall installed capacity<sup>11</sup>, (b) Power Distribution, where AboitizPower is the second largest distribution utility, in terms of captive customer connections and energy sales<sup>12</sup>, (c) Retail Electricity Services (RES), where the combined RES segment of AboitizPower has the second highest number of customers and the largest in terms of contract capacity in megawatts (MW) and total retail market share<sup>13</sup>, and (d) Distributed Energy. AboitizPower, which has the largest portfolio of renewable capacity in the country to date, is a pioneer in building and operating of run-of-river hydropower plants in the country. The company continues to pursue energy projects to help ensure the Philippines' energy system is secure and is able to reliably support aggregate demand.

#### *Business Development*

AboitizPower through its Subsidiaries, Joint Ventures, and Associates, is a leading player in the Philippine power industry with interests in privately-owned power generation companies, RES services, and distribution utilities throughout the Philippines.

AboitizPower's portfolio of power generating assets strategically consists of renewable and non-renewable power plants. AboitizPower's baseload coal and geothermal plants and intermediate and peaking hydropower, solar, and oil-based power plants enable the company to address the country's growing demands. Most of AboitizPower's plants are also capable of providing ancillary services, which is critical in stabilizing grid operations. AboitizPower has an installed capacity which is equivalent to a 19.18% market share of the national grid's installed generating capacity.<sup>14</sup> As of January 31, 2024, AboitizPower had a total of 5,322 MW net sellable capacity, of which 3,962 MW is the portion attributable to the company. AboitizPower continues to grow its portfolio of generation assets with renewables and selective baseload builds. AboitizPower's renewable investments are held primarily through its wholly-owned Subsidiary, Aboitiz Renewables, Inc. (ARI), along with ARI's Subsidiaries and Joint Ventures.

AboitizPower also owns interests in nine Distribution Utilities in Luzon, Visayas, and Mindanao, including Visayan Electric Company, Inc. (Visayan Electric) and Davao Light & Power Company (Davao Light), the second and third largest distribution utilities in the Philippines, respectively in terms of customer size and annual sales. AboitizPower's Subsidiaries engaged in the distribution of electricity sold a total of 8,203,148 MWh during in 2023.

AboitizPower's power generation business supplies power to various customers under power supply contracts, ancillary service procurement agreements (ASPA), and for trading in the Wholesale Electricity Spot Market (WESM). The power distribution business is engaged in the distribution and sale of electricity to end-users, and the RES and Others segment includes retail electricity sales to various off-takers that are considered eligible contestable customers ("Contestable Customers") and provision of electricity-related services, such as installation of electrical equipment. AboitizPower's

<sup>11</sup> Based on Resolution 03-2023 published by the Energy Regulatory Commission on April 5, 2023

<sup>12</sup> Based on DOE's Distribution Development Plan 2021-2030

<sup>13</sup> ERC Competitive Retail Electricity Market Monthly Statistical Data as of July 2023

<sup>14</sup> Based on Energy Regulatory Commission (ERC) Grid Limit Resolution

Subsidiaries engaged in the supply of retail electricity sold a total of 6.27 Terawatt hours (TWh) in 2023.

On December 16, 2021, JERA Asia acquired a 27% stake in AboitizPower, which consisted of a 25.01% stake from AEV and a 1.99% stake from ACO.

As of January 31, 2024, AEV owned 53.09% of the outstanding capital stock of AboitizPower, 27.57% was owned by JERA Asia, and 1.09% was owned by AboitizPower directors, officers, and other related parties, while the remainder was owned by the public.

Neither AboitizPower nor any of its Subsidiaries has ever been the subject of any bankruptcy, receivership or similar proceedings.

### *History and Milestones*

The Aboitiz Group's involvement in the power industry began when members of the Aboitiz family acquired a 20% ownership interest in Visayan Electric in the early 1900s. The Aboitiz Group's direct and active involvement in the power distribution industry can be traced to the 1930s, when ACO acquired Ormoc Electric Light Company and its accompanying ice plant, Jolo Power Company, and Cotabato Light and Power Company (Cotabato Light). In July 1946, the Aboitiz Group further strengthened its position in power distribution in the Southern Philippines when it acquired Davao Light, which is now the third largest privately-owned distribution utility in the Philippines in terms of customers and annual gigawatt hour (GWh) sales.

In December 1978, ACO divested its ownership interests in Ormoc Electric Light Company and Jolo Power Company and focused on the more lucrative franchises held by Cotabato Light, Davao Light, and Visayan Electric.

In response to the Philippines' pressing need for adequate power supply, the Aboitiz Group ventured into power generation, becoming a pioneer and industry leader in hydroelectric energy. In 1978, the Aboitiz Group incorporated Hydro Electric Development Corporation (HEDC). HEDC carried out feasibility studies (including hydrological and geological studies), hydroelectric power installation and maintenance, and also developed hydroelectric projects in and around Davao City. On June 26, 1990, the Aboitiz Group also incorporated Northern Mini-Hydro Corporation (now Cleanergy, Inc.), which focused on the development of mini-hydroelectric projects in Benguet province in Northern Luzon. By 1990, HEDC and Cleanergy had commissioned and were operating 14 plants with a combined installed capacity of 36 MW. In 1996, the Aboitiz Group led the consortium that entered into a Build-Operate-Transfer (BOT) agreement with National Power Corporation (NPC) to develop and operate the 70-MW Bakun AC hydroelectric plant (the "Bakun AC Hydro Plant") in Ilocos Sur.

The table below sets out milestones in AboitizPower's development since 1998:

| Year | Milestones                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1998 | Incorporated as a holding company for the Aboitiz Group's investments in power generation and distribution.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 2005 | Consolidated its investments in mini-hydroelectric plants in a single company by transferring all of HEDC's and Cleanergy's mini hydroelectric assets to Hedcor, Inc. (Hedcor).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2007 | <p>Entered into a share swap agreement with AEV in exchange for AEV's ownership interest in the following distribution utilities:</p> <ul style="list-style-type: none"> <li>i. An effective 55% equity interest in Visayan Electric;</li> <li>ii. A 100% equity interest in each of Davao Light and Cotabato Light;</li> <li>iii. An effective 64% ownership interest in Subic Enerzone Corporation (Subic Enerzone); and;</li> <li>iv. An effective 44% ownership interest in San Fernando Electric Light &amp; Power Company (SFELAPCO).</li> </ul> <p>As part of the reorganization of the power-related assets of the Aboitiz Group, the company:</p> <ul style="list-style-type: none"> <li>i. Acquired 100% interest in Mactan Enerzone Corporation (Mactan Enerzone) and 60% interest in Balamban Enerzone Corporation (Balamban Enerzone) from AboitizLand; and</li> <li>ii. Consolidated its ownership interests in Subic Enerzone by acquiring the combined 25% interest in Subic Enerzone held by AEV, SFELAPCO, Okeelanta Corporation, and Pampanga Sugar Development Corporation.</li> </ul> <p>These acquisitions were made through a Share Swap Agreement, which involved the issuance of the</p> |

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|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | <p>AboitizPower's 170,940,307 common shares issued at the IPO price of ₱5.80 per share in exchange for the foregoing equity interests in Mactan Enerzone, Balamban Enerzone, and Subic Enerzone.</p> <p>Together with its partner, Statkraft Norfund Power Invest AS of Norway, through SN Aboitiz Power-Magat, Inc. (SN AboitizPower-Magat), acquired possession and control of the Magat Plant following its successful bid in an auction by the Power Sector Assets and Liabilities Management Corporation (PSALM).</p> <p>Formed Abovant Holdings, Inc. (Abovant) with the Vivant Group as the investment vehicle for the construction and operation of a coal-fired power plant in Toledo City, Cebu (the "Cebu Coal Project"). Abovant entered into a Memorandum of Agreement (MOA) with Global Business Power Corporation (Global Power) of the Metrobank group for the acquisition of a 44% equity interest in Cebu Energy Development Corporation (Cebu Energy).</p> <p>Therma Power, Inc. (TPI) entered into a MOA with Taiwan Cogeneration International Corporation (TCIC) for the Subic Coal Project, an independent coal-fired power plant in the Subic Bay Freeport Zone. Redondo Peninsula Energy, Inc. (RP Energy) was incorporated as the project company.</p> <p>Acquired 50% of East Asia Utilities Corporation (EAUC) from El Paso Philippines Energy Company, Inc. and 60% of Cebu Private Power Corporation (CPPC).</p> <p>Purchased 34% equity ownership in STEAG State Power, Inc. (SPI) from Evonik Steag GmbH in August 2007.</p> <p>Purchased Team Philippines Industrial Power II Corporation Industrial Power II Corp.'s 20% equity in Subic Enerzone.</p> |
| 2008 | <p>SN Aboitiz Power-Benguet submitted the highest bid for the Ambuklao-Binga Hydroelectric Power Complex.</p> <p>Acquired Tsuneishi Holdings (Cebu), Inc. (THC)'s 40% equity ownership in Balamban Enerzone, bringing AboitizPower's total equity in Balamban Enerzone to 100%.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 2009 | <p>AP Renewables, Inc. (APRI) acquired the 234-MW Tiwi geothermal power facility in Albay and the 449.8 MW Makiling-Banahaw geothermal power facility in Laguna (collectively referred to as the "Tiwi-MakBan Geothermal Facilities").</p> <p>Therma Luzon, Inc. (TLI) became the Independent Power Producer Administrator (IPPA) for the 700-MW contracted capacity of the Pagbilao Coal-Fired Power Plant (the "Pagbilao Plant"), becoming the first IPPA of the country.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 2010 | Therma Marine, Inc. (TMI), acquired ownership over Mobile 1 ("Power Barge 118") and Mobile 2 ("Power Barge 117") from PSALM.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 2011 | <p>Meralco PowerGen Corporation (MPGC), Taiwan Cogeneration International Corporation (TCIC), and Therma Power, Inc. (TPI) entered into a Shareholders' Agreement to formalize their participation in Redondo Peninsula Energy Corporation (RP Energy). MPGC took the controlling interest in RP Energy, while TCIC and TPI maintained the remaining stake equally.</p> <p>Therma Mobile, Inc. (TMO) acquired four barge-mounted floating power plants and their operating facilities from Duracom Mobile Power Corporation and EAUC. In the same year, the barges underwent rehabilitation and started commercial operations in 2013.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 2013 | Aboitiz Energy Solutions, Inc. (AESI) won 40 strips of energy corresponding to 40 MW capacity of Unified Leyte Geothermal Power Plant (ULGPP). The contract between AESI with PSALM with respect to the ULGPP capacity was terminated on October 26, 2019.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 2014 | <p>TPI entered into a joint venture agreement with TPEC Holdings Corporation to form Pagbilao Energy Corporation (PEC) to develop, construct, and operate the 400 MW coal-fired Pagbilao Unit 3.</p> <p>Therma Power-Visayas, Inc. (TPVI) was declared the highest bidder for the privatization of the Naga Power Plant Complex (NPPC). SPC Power Corporation (SPC), the other bidder, exercised its right-to-top under the Naga Power Plant Land-Based Gas Turbine Land Lease Agreement, and PSALM declared SPC as the winning bidder. After protracted legal proceedings, TPVI accepted the turn-over for the NPPC plant on July 16, 2018.</p> <p>Acquired 100% of Lima Enerzone Corporation (Lima Enerzone) from Lima Land, Inc., then a wholly-owned Subsidiary of Aboitiz Land, Inc.</p> <p>TPI entered into a Shareholders' Agreement with Vivant Group, for the latter's acquisition of 20% issued and outstanding shares in Therma Visayas, Inc. (TVI).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 2015 | <p>ARI formed a Joint Venture, San Carlos Sun Power, Inc. (SacaSun), with SunEdison Philippines to explore solar energy projects. In 2017, AboitizPower International completed the acquisition of SacaSun from SunEdison Philippines, and ownership of SacaSun was consolidated in AboitizPower.</p> <p>Therma South, Inc. (TSI) commenced full commercial operations of its Unit 1.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 2016 | <p>TSI commenced full commercial operations of its Unit 2.</p> <p>TPI acquired an 82.8% beneficial ownership interest in GNPowder Mariveles Coal Plant Ltd. Co. (now: GNPowder Mariveles Energy Center Ltd. Co. or GMEC) and a 50% beneficial ownership interest in GNPowder Dingin Ltd. Co. (GNPD).</p> <p>Through TPI, acquired the remaining 50% interest in EAUC from El Paso Philippines.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

|      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2017 | AboitizPower International completed its acquisition of SunEdison Philippines, and consolidates ownership of Sacasun.                                                                                                                                                                                                                                                                                                                                                                            |
| 2018 | Aseagas permanently ceased operations of its 8.8-MW biomass plant in Lian, Batangas.                                                                                                                                                                                                                                                                                                                                                                                                             |
|      | TPVI accepted the turnover of the Naga Power Plant Complex from PSALM.                                                                                                                                                                                                                                                                                                                                                                                                                           |
|      | Pagbilao Unit 3 began commercial operations.                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|      | TVI commenced commercial operations of its Unit 1.                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 2019 | TMO signed a PSA with Meralco, after the facility went into preservation mode on February 5, 2019.                                                                                                                                                                                                                                                                                                                                                                                               |
|      | TMO re-registered again with Independent Electricity Market Operator of the Philippines Inc. (IEMOP) on April 26, 2019.                                                                                                                                                                                                                                                                                                                                                                          |
|      | Acquired a 49% voting stake and a 60% economic stake in AA Thermal.                                                                                                                                                                                                                                                                                                                                                                                                                              |
|      | TVI commenced commercial operations of its Unit 2                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 2020 | TPVI started commercial operations.                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|      | Announced two battery projects – the TMI Hybrid Battery Energy Storage System (“TMI BESS”) and SN AboitizPower-Magat Battery Energy Storage System (“Magat BESS”). TMI BESS is located in Maco, Compostela Valley, has a storage capacity of 49 MWh, and is intended to be used for ancillary services. The facility commenced partial commercial operation last November 2022. The Magat BESS Project is for the construction of a 24 MW battery energy storage unit located in Ramon, Isabela. |
| 2021 | PV Sinag Power, Inc. (PV Sinag), a wholly-owned of ARI, awarded the Engineering, Procurement, and Construction (EPC) contract for the construction of its 94-megawatt peak (MWp) solar power project in Cayanga, Bugallon, Pangasinan to JGC Philippines, Inc. This is the AboitizPower’s second solar facility.                                                                                                                                                                                 |
| 2022 | The SN Aboitiz Power Group signed construction and financing agreements for the Magat BESS project.                                                                                                                                                                                                                                                                                                                                                                                              |
|      | PV Sinag awarded the EPC contract for the construction of its 159-MWp Laoag and Laoag 2 solar power project in Barangay Laoag, Aguilar, Pangasinan to SUMEC Complete Equipment and Engineering Co., Ltd. and Hansei Corporation. This is AboitizPower’s second solar venture in the province of Pangasinan.                                                                                                                                                                                      |
|      | Acquired an additional 35.4% equity stake in STEAG.                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|      | ARI entered into a joint venture agreement with Mainstream Renewable Power (Mainstream) for a 90-MW onshore wind project in Libmanan, Camarines Sur.                                                                                                                                                                                                                                                                                                                                             |
| 2023 | ARI entered into a JVA with Vena Energy (Vena) for a 102-MW wind power project in Rizal and Laguna                                                                                                                                                                                                                                                                                                                                                                                               |
|      | ARI entered into a JVA with Vena and Vivant Energy Corporation (VEC) for a 206-MW wind power project in San Isidro, Northern Samar.                                                                                                                                                                                                                                                                                                                                                              |

AboitizPower is currently involved in the distributed generation business through APX1 and APX2, and is expanding its renewable energy portfolio under its Cleanergy brand. AboitizPower's Cleanergy portfolio includes its geothermal, run-of-river hydro, and large hydropower facilities.

As of January 31, 2024, AboitizPower had 928 MW of attributable net sellable capacity, through its partners, under its Cleanergy brand. The company is pushing for a balanced mix strategy – maximizing Cleanergy while taking advantage of the reliability and cost efficiency of thermal power plants.

Neither AboitizPower nor any of its Subsidiaries has been the subject of any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business.

## (i) Principal Products and Services

### GENERATION OF ELECTRICITY

AboitizPower’s power generation portfolio includes interests in both renewable and non-renewable generation plants. As of December 31, 2023, the power generation business accounted for 106% of earning contributions from AboitizPower’s business segments. AboitizPower conducts its power generation activities through the Subsidiaries and Affiliates listed in the table below.

The table below summarizes the Generation Companies’ operating results as of the periods indicated:

| Generation Companies | Energy Sold |       | Revenue       |        |        |        |
|----------------------|-------------|-------|---------------|--------|--------|--------|
|                      | 2023        | 2022  | 2021          | 2023   | 2022   | 2021   |
|                      | (in GWh)    |       | (in mn Pesos) |        |        |        |
| APRI                 | 3,206       | 3,316 | 2,787         | 16,754 | 18,797 | 11,405 |
| SacaSun              | 82          | 63    | 61            | 724    | 477    | 311    |
| Hedcor               | 155         | 137   | 149           | 864    | 834    | 758    |
| LHC                  | 259         | 315   | 238           | 868    | 1,002  | 687    |

|                                   |        |       |       |                    |                    |                    |
|-----------------------------------|--------|-------|-------|--------------------|--------------------|--------------------|
| Hedcor Sibulan                    | 271    | 262   | 251   | 1,477              | 1,408              | 1,858              |
| Hedcor Tudaya                     | 39     | 39    | 40    | 228                | 232                | 234                |
| Hedcor Sabangan                   | 44     | 49    | 55    | 262                | 289                | 325                |
| Hedcor Bukidnon                   | 354    | 386   | 271   | 2,080              | 2,265              | 1,827              |
| SN Aboitiz Power-Magat            | 2,404  | 3,472 | 2,195 | 10,207             | 15,194             | 7,352              |
| SN AboitizPower-Benguet           | 1,803  | 1,937 | 2,120 | 8,686              | 10,762             | 7,412              |
| TLI                               | 6,351  | 6,322 | 7,979 | 40,231             | 41,293             | 33,447             |
| TSI                               | 1,987  | 1,739 | 1,891 | 13,530             | 14,604             | 11,173             |
| TVI                               | 2,543  | 2,192 | 2,434 | 15,295             | 15,049             | 10,686             |
| Cebu Energy                       | 1,949  | 1,957 | 2,028 | 12,165             | 14,259             | 8,984              |
| STEAG Power                       | 1,445  | 1,574 | 1,845 | 8,822              | 8,932              | 3,918              |
| GMEC                              | 4,675  | 3,778 | 2,703 | 30,901             | 36,128             | 19,676             |
| GNPD*                             | 10,448 | 6,537 | N/A   | 58,164             | 54,403             | 54,403             |
| WMPC                              | 851    | 784   | 802   | 1,499              | 1,793              | 1,596              |
| SPPC                              | 0      | 0     | 0     | 0                  | 0                  | 0                  |
| CPPC                              | 31     | 93    | 381   | 660                | 1,060              | 1,275              |
| EAUC                              | 225    | 408   | 363   | 985                | 1,214              | 963                |
| TMI                               | 534    | 920   | 1,253 | 776                | 1,435              | 1,276              |
| TMO                               | 1,023  | 1,139 | 1,367 | 2,993              | 2,158              | 1,293              |
| TPVI                              | 12     | 34    | 29    | 270                | 418                | 367                |
| Davao Light**<br>(decommissioned) | 0      | 0     | 0     | Revenue<br>Neutral | Revenue<br>Neutral | Revenue<br>Neutral |
| Cotabato Light**                  | 0      | 0     | 0     | Revenue<br>Neutral | Revenue<br>Neutral | Revenue<br>Neutral |

\*GNPD Unit 1 began running and serving its PSAs from its own generation on January 25, 2022, subject to completion of certain tests and works by the EPC contractor. Meanwhile, GNPD Unit 2 synchronized on April 2, 2022.

\*\* Plants are operated as stand-by plants and are revenue neutral, with costs for operating each plant recovered by Davao Light and Cotabato Light, as the case may be, as approved by ERC. The Davao Light plant has been decommissioned since November 2018.

## Renewables

### Aboitiz Renewables, Inc.

As of January 31, 2024, AboitizPower's renewable energy portfolio in operation consisted of net sellable capacity of approximately 994.3 MW, divided into 46.80 MW of solar, 595.5 MW of hydro, and 290 MW of geothermal, and 12 MW of battery storage.

AboitizPower's investments and interests in various renewable energy projects, including geothermal, large hydro, run-of-river hydro, and solar projects, are held primarily through its wholly-owned Subsidiary, ARI and its Subsidiary Generation Companies. ARI was incorporated on January 19, 1995.

In 2021, AboitizPower disclosed its ten-year energy transition strategy of achieving, by 2030, a balanced 50:50 portfolio between thermal and renewable energy. As of end-2023, ARI has over 1,000 MW of ongoing and disclosed renewable energy projects. The growth of ARI's portfolio plays an important role in achieving AboitizPower's energy transition strategy which aims to assist in the decarbonization of the Philippine energy market while supporting the country's economic growth.

#### ARI Milestones and Outlook

- Established a pipeline of over 3 gigawatts (GW) of renewable energy projects in development;
- SN Aboitiz Power Group's first energy storage project, the 24-MW Magat battery energy storage system (BESS), completed construction in July 2023 and concluded testing and commissioning with the grid operator in December 2023. It started commercial operations in January 2024.
- The 94-MWp Cayanga Solar project in Bugallon, Pangasinan synchronized in October 2023 and is already providing power to the grid;
- Ongoing construction of the 159-MWp Laoag Solar project in Aguilar, Pangasinan, with expected completion in the second quarter of 2024;

- On-going construction of the 17-MW Tiwi binary power plant, expected to be completed in the first quarter of 2024;
- Marking AboitizPower's first foray into wind energy, entered into a JVA with Mainstream Renewable Power to build a 52-MWp onshore wind project in Libmanan, Camarines Sur, which won in the second Green Energy Auction by the Department of Energy in July 2023;
- Entered into a JVA with Singapore-based company, Vena, to invest in Vena's greenfield 102 MW Wind Power Project in between Rizal and Laguna;
- Entered into a JVA with Vena Energy and Vivant Energy Corporation to develop, construct, and operate another 206 MW Wind Power Project in San Isidro, Northern Samar, Visayas;
- Completed make-up well drilling campaign for APRI Makban and Tiwi geothermal facilities, with 12 make-up wells completed, delivering a total incremental steam contribution of 94 MW;
- Started construction for the 44 MWp Solar Plant in Armenia, Tarlac, and 173 MWp Solar Plant in Calatrava, Negros Occidental which are expected to be completed by the end of 2024 to early 2025; and
- Expected groundbreaking on the 212-MWp Solar Plant in Olongapo, Zambales which is targeted to be completed in 2025.

AboitizPower, through and/or with ARI, owns equity interests in the following renewable Generation Companies, among others:

| Generation Company       | Percentage of Ownership | Plant Name (Location)                                                                                     | Type of Plant          | Net Sellable Capacity (MW) | Attributable Net Sellable Capacity (MW) | Offtakers                         |
|--------------------------|-------------------------|-----------------------------------------------------------------------------------------------------------|------------------------|----------------------------|-----------------------------------------|-----------------------------------|
| APRI                     | 100%                    | Tiwi – Makban (Luzon)                                                                                     | Geothermal             | 290                        | 290                                     | WESM/ Bilaterals                  |
| Hedcor                   | 100%                    | Benguet 1-11 (Luzon)<br>La Trinidad, Bineng 3, Ampohaw, FLS, Labay, Lon-oy, Irisan 1 and 3, and Sal-angan | Run-of-river hydro     | 52.7                       | 52.7                                    | FIT/ Bilaterals                   |
|                          |                         | Davao 1-5 (Mindanao)<br>Talomo 1, 2, 2A, 2B, and 3                                                        | Run-of-river hydro     | 4.5                        | 4.5                                     | Distribution Utility              |
| Hedcor Bukidnon          | 100%                    | Manolo Fortich (Mindanao)                                                                                 | Run-of-river hydro     | 68.8                       | 68.8                                    | FIT                               |
| Hedcor Sabangan          | 100%                    | Sabangan (Luzon)                                                                                          | Run-of-river hydro     | 14                         | 14                                      | FIT                               |
| Hedcor Sibulan           | 100%                    | Sibulan (A, B and Tudaya A) (Mindanao)                                                                    | Run-of-river hydro     | 49.1                       | 49.1                                    | Distribution utility              |
| Hedcor Tudaya            | 100%                    | Tudaya (B) (Mindanao)                                                                                     | Run-of-river hydro     | 7                          | 7                                       | FIT                               |
| LHC                      | 100%                    | Bakun (Ilocos Sur, Luzon)                                                                                 | Run-of-river hydro     | 74.8                       | 74.8                                    | NPC (2026)                        |
| SacaSun                  | 100%                    | SacaSun (Visayas)                                                                                         | Solar                  | 46.8                       | 46.8                                    | Bilaterals                        |
| SN Aboitiz Power-Benguet | 60%**                   | Ambuklao (Benguet, Luzon)                                                                                 | Large Hydroelectric    | 105                        | 52.50                                   | WESM                              |
|                          |                         | Binga (Luzon)                                                                                             | Large Hydroelectric    | 140                        | 70                                      | WESM/ASPA                         |
| SN Aboitiz Power-Magat   | 60%**                   | Magat (Luzon)                                                                                             | Large Hydroelectric    | 388                        | 194                                     | WESM/ ASPA/ Electric Cooperatives |
|                          |                         | Maris Main Canal 1 (Luzon)                                                                                | Run-of-river hydro     | 8.5                        | 4.3                                     | FIT                               |
|                          |                         | Magat BESS (Luzon)                                                                                        | Battery energy storage | 24                         | 12                                      | WESM                              |
| Total                    |                         |                                                                                                           |                        | 1,280.7*                   | 944.3*                                  |                                   |

Notes:

\* Sum figures will differ due to rounding effect.

\*\*The 60% equity is owned by MORE.

### ***Run-of-River Hydros***

In 2023, the Hedcor Group, composed of Hedcor, Hedcor Sibulan, Inc. (Hedcor Sibulan), Hedcor Tudaya, Inc. (Hedcor Tudaya), Hedcor Sabangan, Inc. (Hedcor Sabangan), Hedcor Bukidnon, Inc. (Hedcor Bukidnon), and Luzon Hydro Corporation (LHC), had a total generated gross of 1,110 GWh of Cleanenergy across the Philippines. This is lower than the generated gross of renewable energy in 2022 of 1,148 GWh, or an decrease of 3.45% in 2023 compared to 8.27% in 2022. The Hedcor Group achieved this level of generation as a result of minimized outages. Table below shows the generation for each entity:

| Generation Company | Generated Net Generation (in MWh) |                      | % Change      |
|--------------------|-----------------------------------|----------------------|---------------|
|                    | 2023                              | 2022                 |               |
| Hedcor             | 156,924,233                       | 141,908,629          | 9.57%         |
| Hedcor Sabangan    | 45,226,930                        | 50,048,873           | -10.66%       |
| LHC                | 234,691,870                       | 288,045,580          | -22.73%       |
| Hedcor Bukidnon    | 391,593,156                       | 386,849,840          | 1.21%         |
| Hedcor Sibulan     | 242,271,902                       | 241,618,667          | 0.27%         |
| Hedcor Tudaya,     | 38,929,131                        | 39,452,803           | -1.35%        |
| <b>TOTAL</b>       | <b>1,109,637,222</b>              | <b>1,147,924,392</b> | <b>-3.45%</b> |

The 3% decrease in KWh generation in 2023 compared to 2022 is attributed to low water inflow across all hydropower plants of the Hedcor Group. This is in contrast to 2022 where there were abnormally high water inflows across all plants which compensated for the kWh loss of FLS and Ampohaw hydroelectric power plants (HEPPS) of Hedcor, which were affected by the July 22, 2022 earthquake. Ampohaw HEPP was synchronized to the grid in September 2022 and FLS HEPP on September 5, 2023.

The Hedcor Group controls and monitors its 22 Run-of-River plants via its National Operations Control Center which was inaugurated in 2022. The Hedcor Group is also an ISO Certified with Quality, Environmental, Asset Management, Information Security and Business Continuity Management System Certification, aligning its process and systems with international standards.

### ***Large Hydros***

AboitizPower's dedication to sustainable energy solutions is further exemplified in two significant large hydropower plants in Northern Luzon: SN Aboitiz Power-Magat, Inc. (SN Aboitiz Power-Magat) and SN Aboitiz Power-Benguet, Inc. (SN Aboitiz Power-Benguet).

#### **SN Aboitiz Power-Magat, Inc. (SN Aboitiz Power-Magat)**

SN Aboitiz Power-Magat operates two large hydroelectric power plants (HEPPs) in the Philippines. Incorporated on November 29, 2005, SN Aboitiz Power-Magat owns and manages the Magat Plant, located at the border of Ramon, Isabela Province, and Alfonso Lista, Ifugao Province, boasting a nameplate capacity of 360 MW. Additionally, it operates the Maris Main Canal 1 HEPP, situated in Brgy. Ambatali in Ramon, Isabela, with a capacity of 8.5 MW. The Maris Plant, consisting of two generator units each with a capacity of 4.25 MW, was completed in November 2017. The Magat Plant, which commenced operations in 1983 and was acquired by SN Aboitiz Power-Magat in April 2007, holds significance as a peaking plant due to its ability to swiftly respond to high electricity demand. SN Aboitiz Power-Magat's ownership structure includes a 60% stake held by MORE, with the remaining 40% owned by SN Power Philippines Inc., a subsidiary of Scatec, a Norwegian hydropower company.

The company supplies electricity to the Luzon grid, selling a substantial portion of its capacity to the National Grid Corporation of the Philippines (NGCP) and the spot market through the Wholesale Electricity Spot Market (WESM). Furthermore, SN Aboitiz Power-Magat holds accredited status as a provider of ancillary services to enhance grid stability.

The Magat Plant underwent a capacity enhancement, certified by the Energy Regulatory Commission (ERC) in April 2019, allowing for a new Maximum Stable Load (Pmax) of 388 MW, up from its original 360 MW. In the same year, SN Aboitiz Power-Magat ventured into non-hydro renewable energy with a floating photovoltaic project and has plans to expand its renewable energy portfolio with a floating solar project and a BESS project, both in advanced stages of development.

#### **SN Aboitiz Power-Benguet, Inc. (SN Aboitiz Power-Benguet)**

SN Aboitiz Power-Benguet, Inc. (SN Aboitiz Power-Benguet), on the other hand, operates the Ambuklao-Binga Hydroelectric Power Complex in Benguet Province. Established on March 12, 2007, SN Aboitiz Power-Benguet owns and manages the Ambuklao Plant with a capacity of 105 MW and the Binga Plant with a capacity of 140 MW, located in Brgy. Tinongdan, Itogon. These plants were rehabilitated and upgraded to enhance their capacities, with Ambuklao's capacity increased from 75 MW to 105 MW and Binga's from 125 MW to 140 MW. SN Aboitiz Power-Benguet's ownership structure comprises a 60% stake held by MORE and 40% held by SN Power. The Ambuklao and Binga Plants contribute significantly to the Luzon grid's stability, selling their generated electricity and ancillary services to the national transmission system.

### ***Geothermal***

#### **AP Renewables Inc. (APRI)**

APRI, a wholly-owned Subsidiary of ARI, is one of the leading renewable power companies in the country. It owns the 234 MW Tiwi geothermal power facility in Albay and the 449.8 MW Makiling-Banahaw geothermal power facility in Laguna (the "Tiwi-MakBan Geothermal Facilities") located in Albay, Laguna, and Batangas. These geothermal facilities were acquired by APRI from PSALM in July 2008 and were formally turned over to APRI on May 25, 2009.

### ***Solar***

#### **Maaraw San Carlos Holdings, Inc. (Maaraw San Carlos) and San Carlos Sun Power Inc. (SacaSun)**

SacaSun owns and operates the 59-megawatt peak (MWp) solar photovoltaic (PV) power generation plant located in the San Carlos Ecozone, Barangay Punao, San Carlos City, Negros Occidental (the "SacaSun Plant"). The project was inaugurated on April 19, 2016.

SacaSun was incorporated on July 25, 2014, initially as a Joint Venture between ARI and SunEdison Philippines. On December 4, 2017, AboitizPower acquired 100% effective equity ownership in SacaSun.

Maaraw San Carlos is the holding company of SacaSun. It was incorporated on April 24, 2015, and is held by AboitizPower, through its wholly-owned Subsidiaries, ARI and AboitizPower International.

#### **PV Sinag Power, Inc. (PV Sinag)**

PV Sinag is the project company for the construction of the 94 MWp Cayanga-Bugallon solar project located in Cayanga, Bugallon, Pangasinan. The total project cost is estimated at ₱4.5 bn and will be funded through project finance and equity contributions. The project is expected to commence commercial operations by the first quarter of 2024, in line with PV Sinag's PSA with a retail customer.

PV Sinag was incorporated on October 1, 2013, and is wholly-owned by ARI.

**Aboitiz Power Distributed Energy, Inc. (APX1) and Aboitiz Power Distributed Renewables Inc. (APX2)**

APX1 and APX2 (collectively, “APX”) are the project companies engaged in the business of operating rooftop PV solar systems in the distributed energy space. APX1 and APX2 are wholly-owned Subsidiaries of AboitizPower through ARI. APX1 and APX2 were incorporated in November 2016 and May 2002, respectively.

APX1 is a registered Philippine Economic Zone Authority (PEZA) company intended to serve customers operating within PEZA zones.

As of January 31, 2024, APX had appropriately 4.183 MWp of rooftop solar projects, operating under a Power Purchase Agreement, a turnkey solution for customers, or about to start construction or installation.

**CELL Power Energy Corporation (CPEC)**

CPEC is the project company engaged in the development of several energy storage systems (ESS) projects to provide ancillary services to grids across the country.

CPEC was incorporated on February 9, 2010 as Olongapo Energy Corporation, and is a wholly-owned Subsidiary of AboitizPower.

**Cornerstone Energy Development, Inc. (CEDI)**

On October 13, 2022, AboitizPower, through ARI, signed a joint venture agreement with global renewable energy company Mainstream Renewable Power (Mainstream) to build a 90- MW onshore wind project in Libmanan, Camarines Sur.

**4 Barracuda Energy Corporation (4 Barracuda)**

On August 03, 2023, ARI signed a joint venture agreement with Singapore-based company, Vena Energy, to invest in Vena Energy’s greenfield 102- MW Wind Power Project in Rizal and Laguna.

**Aura Energy Holdings, Inc.**

On September 27, 2023, ARI signed a joint venture agreement recently with Vena Energy, and Vivant Energy Corporation to develop, construct, and operate a the 206MW San Isidro Wind Power Project in San Isidro, Northern Samar, Visayas.

***Renewables Pipeline***

**SN Aboitiz Power-Generation, Inc. (SN Aboitiz Power-Gen)**

SN Aboitiz Power-Gen implements the SN Aboitiz Power Group’s Business Development Program, which aims to grow SN Aboitiz Power Group’s renewable energy portfolio by looking at potential power projects in the Philippines, primarily within its current host communities in Northern Luzon. SN Aboitiz Power-Gen was incorporated on March 10, 2011.

On the hydropower front, SN Aboitiz Power-Gen continued to develop and execute pertinent activities for the proposed 390-MW Alimit hydropower complex in Ifugao, which consists of the 120-MW Alimit HEPP, the 250-MW Alimit Pumped Storage Facility, and the 20-MW Olilicon HEPP. As the Philippine ancillary services market evolves, SN Aboitiz Power-Gen will continue to evaluate its development strategy for these projects.

SN Aboitiz Power-Gen is likewise venturing into the commercial floating solar front through the Magat Floating Solar Project, proposed to be located in Ramon, Isabela. This 67-MW project is currently in the Feasibility Phase. The project has received the SEOC from the DOE and

endorsement to the NGCP for the conduct of a System Impact Study. Securing other endorsements and agreements are in progress.

SN Aboitiz Power-Gen continues to explore and assess other greenfield and brownfield opportunities, not only in the fields of hydropower and floating solar, but also in the field of energy storage, ground-mounted solar, and wind power.

As of January 31, 2024, 60% equity interest in the company is owned by MORE, with the remaining 40% owned by SN Power Philippines.

### **Non-Renewable Energy**

#### **Therma Power, Inc. (TPI)**

AboitizPower's investments and interests in various non-renewable energy projects are held primarily through its wholly-owned Subsidiary, TPI and its Subsidiary power generation companies. TPI was incorporated on October 26, 2007. As of January 31, 2024, AboitizPower, by itself, through and/or with TPI, owned equity interests in the following thermal plants:

| Generation Company | Percentage Ownership | Plant Name (Location)           | Project Type   | Net Sellable Capacity (MW) | Attributable Net Sellable Capacity (MW) | Off-takers      |
|--------------------|----------------------|---------------------------------|----------------|----------------------------|-----------------------------------------|-----------------|
| <b>Coal Group</b>  |                      |                                 |                |                            |                                         |                 |
| TLI                | 100%                 | Pagbilao (Luzon)                | Coal-fired     | 700                        | 700                                     | Bilaterals/ASPA |
| PEC                | 50%                  | Pagbilao 3 (Luzon)              | Coal-fired     | 388.4                      | 194.2                                   | Bilaterals      |
| TSI                | 100%                 | TSI Plant (Mindanao)            | Coal-fired     | 272.6                      | 272.6                                   | Bilaterals/WESM |
| TVI                | 80%                  | TVI Plant (Visayas)             | CFB            | 300                        | 240                                     | Bilaterals/WESM |
| Cebu Energy        | 26.4%                | Cebu Energy (Visayas)           | CFB            | 216                        | 57                                      | Bilaterals/WESM |
| GMEC               | 78.32%               | Mariveles Project (Luzon)       | Coal-fired     | 632                        | 495                                     | Bilaterals/WESM |
| GNPD               | 70.00%               | GN Power Dinginin Ltd. Co.      | Coal-fired     | 1,336                      | 935.2                                   | Bilaterals/WESM |
| SPI**              | 69.4%                | STEAG Power Plant (Mindanao)    | Coal-fired     | 210                        | 145.7                                   | NPC (2031)      |
| <b>Oil Group</b>   |                      |                                 |                |                            |                                         |                 |
| EAUC               | 100%                 | EAUC Plant (Visayas)            | Bunker-C fired | 43.5                       | 43.5                                    | Bilaterals      |
| SPPC**             | 20%                  | SPPC Plant (Mindanao)           | Bunker-C fired | 55                         | 11                                      | N/A             |
| TMI                | 100%                 | Power Barge Mobile 1 (Mindanao) | Barge-mounted  | 96                         | 96                                      | Bilaterals/ASPA |
|                    |                      | Power Barge Mobile 2 (Mindanao) | Barge-mounted  | 96                         | 96                                      | Bilaterals/ASPA |
| TMO                | 100%                 | Power Barges Mobile 3-6 (Luzon) | Barge-mounted  | 210                        | 210                                     | WESM/ASPA       |
| TPVI               | 100%                 | TPVI Plant                      | Bunker-C       | 33                         | 33                                      | WESM            |

|                  |        |                            |                |               |               |            |
|------------------|--------|----------------------------|----------------|---------------|---------------|------------|
|                  |        | (Visayas)                  | fired          |               |               |            |
| WMPC**           | 20%    | WMPC Plant (Mindanao)      | Bunker-C fired | 100           | 20            | Bilaterals |
| Cotabato Light** | 99.94% | Bunker Cotabato (Mindanao) | Bunker-C fired | 4.45          | 4.45          | N/A        |
| <b>Total</b>     |        |                            |                | <b>4,757*</b> | <b>3,554*</b> |            |

\* Sum figures will differ due to rounding effect

\*\* Directly owned by AboitizPower

## Oil Group

### Therma Marine, Inc. (TMI)

TMI, a wholly-owned Subsidiary of TPI, owns and operates Mobile 1 (previously known as PB 118) and Mobile 2 (previously known as PB 117), which have a total generating capacity of 200 MW. Mobile 1 is currently moored at Barangay San Roque, Maco, Davao De Oro, while Mobile 2 is moored at Barangay Sta. Ana, Nasipit, Agusan del Norte. The company was incorporated on November 12, 2008.

On November 28, 2022, TMI commissioned its BESS as an auxiliary to Mobile 1. This is the first Hybrid Diesel-Battery Energy Storage System and one of the BESS projects of AboitizPower. Located in Barangay San Roque, Maco, Davao De Oro, Mobile 1's BESS has a storage capacity of 49 MW and is intended to provide Ancillary Services to the Mindanao Grid.

### Therma Mobile, Inc. (TMO)

TMO, a wholly-owned Subsidiary of TPI, operates four barge-mounted power plants located at the Navotas Fish Port, Manila, which it acquired on May 27, 2011. The barge-mounted power plants have an installed capacity of 241 MW. TMO operates with a net available capacity of 165-MW. The company was incorporated on October 20, 2008 and is currently an ancillary service provider.

### East Asia Utilities Corporation (EAUC)

EAUC was incorporated on February 18, 1993. EAUC started its commercial operations on December 25, 1997 and full commercial operations on May 25, 1998.

EAUC, a wholly-owned Subsidiary of TPI, owns, operates, and maintains a Bunker-C fired power plant with a rated capacity of 49.600 MW located in Mactan Economic Processing Zone (MEPZ 1), Lapu-Lapu City, Cebu. EAUC serves its capacity to MEPZ 1 and the WESM.

### Therma Power-Visayas, Inc. (TPVI)

TPVI, a wholly-owned Subsidiary of TPI, is the company that was awarded the winning bid for the privatization of the 25.3-hectare Naga Power Plant Complex (NPPC) located at Naga City, Cebu. The company was incorporated on October 8, 2007.

On July 16, 2018, TPVI embarked on the rehabilitation of the 44.580-MW (rated capacity) diesel plant. On August 7, 2020, TPVI commenced commercial operations and was first dispatched based on an offer into the WESM on August 26, 2020.

### Cebu Private Power Corporation (CPPC)

CPPC is a joint venture between AboitizPower and the Vivant Group. The company was incorporated on July 13, 1994. As of January 31, 2024, AboitizPower beneficially owns 60% interest in CPPC.

CPPC owned and operated a 70.590-MW (rated capacity) Bunker C-fired power plant located in Ermita, Cebu City, one of the largest diesel-powered plants on the island of Cebu, under a BOT

scheme. In 2023, CPPC's BOT contract was concluded with the transfer of assets upon the expiration of the contract term.

## **Coal Group**

### **Therma Luzon, Inc. (TLI)**

TLI, a wholly-owned Subsidiary of TPI, was the first IPPA in the country, and assumed the role of the registered trader of the contracted capacity of the 700-MW net (2x350 MW net contracted capacity) coal-fired power plant located in Pagbilao, Quezon (the "Pagbilao Plant"). TLI was incorporated on October 20, 2008.

As the IPPA, TLI is responsible for procuring the fuel requirements of, and selling the electricity generated by, the Pagbilao Plant. The Pagbilao Plant is currently owned and operated by TeaM Energy Corporation (TeaM Energy). Under the IPPA agreement, TLI has the right to receive the transfer of Pagbilao Unit 1 and Unit 2 at the end of the Energy Conversion Agreement. Over the years, TLI's capacity was contracted to various cooperatives, private distribution utilities, directly connected customers, and to affiliate RES. TLI was granted a RES license on August 12, 2020, which is valid until August 11, 2025.

### **Pagbilao Energy Corporation (PEC)**

PEC owns and operates the 400-MW (net) Unit 3 coal-fired power plant (Pagbilao Unit 3) within the Pagbilao Power Station, located in Pagbilao, Quezon. PEC is a Joint Venture between AboitizPower and TeaM Energy, through their respective Subsidiaries, TPI and TPEC Holdings Corporation. Pagbilao Unit 3 is not covered by either TLI's IPPAA with PSALM or TeaM Energy's BOT contract with NPC, and commenced operations in March 2018.

Through TPI, AboitizPower had 50% equity interest in PEC, while TPEC Holdings Corporation owned the remaining 50% as of February 28, 2023.

The output of Pagbilao Unit 3 is sold to TLI and TPEC.

### **Therma South, Inc. (TSI)**

TSI, a wholly-owned Subsidiary of TPI, owns and operates the 300-MW installed capacity (2x150MW) circulating fluidized bed (CFB) coal-fired power plant located in Davao City and Sta. Cruz, Davao del Sur. TSI was incorporated on November 18, 2008. Commercial operations for Unit 1 and Unit 2 began in September 2015 and February 2016, respectively.

TSI contributes to the continuing growing power requirements of Mindanao by providing stable and cost-effective base load power. TSI supplies power to various private distribution utilities and energy cooperatives. TSI seeks to sustain the positive impact it has brought to its host communities through various educational, livelihood, and enterprise development programs, benefitting children, students, small and medium enterprise owners, and its employees.

### **Therma Visayas, Inc. (TVI)**

TVI owns and operates the 300-MW (net) (2x150 MW net) CFB coal-fired power plant located in Toledo City, Cebu. Commercial operations for Unit 1 and Unit 2 began in April and August 2019, respectively.

As of January 31, 2024, AboitizPower, through TPI, effectively owns an 80% equity interest in TVI, with the remaining 20% being held by the Vivant Group.

TVI supplies power to distribution utilities and also provides ancillary services.

### **Abovant Holdings, Inc. (Abovant) and Cebu Energy Development Corporation (Cebu Energy)**

Abovant is a Joint Venture between AboitizPower and the Vivant Group as the holding company for shares in Cebu Energy. The company was incorporated on November 28, 2007.

Cebu Energy was incorporated on December 5, 2008 by Abovant and Global Formosa Power Holdings, Inc. (Global Formosa), a Joint Venture between Global Business Power Corporation and Flat World Limited. The company owns the 3x82-MW CFB coal-fired power plant situated within the Toledo Power Complex in Barangay Daanlungsod, Toledo City, Cebu. The company provides power to the province of Cebu and its neighboring province, Bohol. Likewise, Cebu Energy has an existing ASPA with NGCP to help maintain a reliable electric grid system.

As of January 31, 2024, Abovant had a 44% equity interest in Cebu Energy, while Global Formosa owned the remaining 56%. Consequently, AboitizPower, through TPI, holds a 26.4% effective ownership interest in Cebu Energy.

### **Redondo Peninsula Energy, Inc. (RP Energy)**

RP Energy was incorporated on May 30, 2007 to construct, own, and operate the 2x300-MW (net) coal-fired power plant located in the Redondo Peninsula of Subic Bay within the Subic Bay Freeport Zone (SBFZ), Subic, Zambales.

RP Energy was originally a Joint Venture between AboitizPower and TCIC. MPGC acquired a majority interest in RP Energy by virtue of a share purchase agreement with TPI on July 22, 2011. As of January 31, 2024, AboitizPower, through TPI, and TCIC each retained a 25% stake in RP Energy.

### **STEAG State Power Inc. (SPI)**

Incorporated in December 19, 1995, SPI is the owner and operator of a 210 MW (net) coal-fired power plant located in PHIVIDEC Industrial Estate in Misamis Oriental, Northern Mindanao. The STEAG Power Plant consisting of two units was built under a BOT arrangement and started commercial operations on November 15, 2006. It has a 25-year PPA with NPC backed by a Performance Undertaking issued by the Philippine government. PSALM acceded to the PPA under the Accession Undertaking.

SPI holds valid COCs from the ERC, including those for the following self-generation facilities: (i) 400kW diesel generator; and (ii) 1.25MW diesel generator. From time to time, SPI's power plant units are required to be in economic shutdown by PSALM, in accordance with its Power Purchase Agreement (PPA). For the year 2023, the power plant units were not required to be in economic shutdown.

As of January 31, 2024, AboitizPower holds 69.4% effective equity interest in SPI. This includes the 35.4% interest that AboitizPower acquired from STEAG GmbH (STEAG) in September 2022, which was completed in January 2024. STEAG and La Filipina Uy Gongco Corporation (LFUGC) hold the remaining 15.6% and 15% equity, respectively, in SPI<sup>15</sup>.

### **AA Thermal, Inc.**

On May 2, 2019, AboitizPower completed its acquisition of 49% voting stake and 60% economic stake in AA Thermal, AC Energy and Infrastructure Inc.'s (formerly AC Energy, Inc, ACEIC) thermal platform in the Philippines.

The AA Thermal platform holds indirect limited partnership interests in each of GMEC and GNPD, where AboitizPower, through TPI, already holds direct partnership interests.

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<sup>15</sup> On February 21, 2024, AboitizPower signed a share purchase agreement for the acquisition of STEAG's remaining 15.6% interest in SPI. Upon completion of the transaction, AboitizPower will be the legal and beneficial owner of an 85% equity interest in SPI.

### **GNPower Mariveles Energy Center Ltd. Co. (GMEC)**

GMEC, formerly known as GNPower Mariveles Coal Plant Ltd. Co., is a private limited partnership organized and registered with the SEC on May 13, 2007 engaged in the operation, and ownership of an approximately 2x345 MW (gross) coal-fired power plant (the “GMEC Facility”) in Mariveles, Bataan. As of January 31, 2024, AboitizPower had a 78.3% effective partnership interest in GMEC.

The GMEC Facility is one of the newest, lowest-cost power generation facilities in the Philippines that fully complies with the most stringent local (DENR) and international (World Bank and Equator Principles) environmental and emission standards

The equity owners of GMEC are: (i) TPI; (ii) AC Energy and Infrastructure Corporation (formerly: AC Energy, Inc.) (“ACEIC”); and iii) Power Partners Ltd. Co. (“Power Partners”).

### **GNPower Dinginin Ltd. Co. (GNPD)**

GNPD is a private limited partnership organized registered with the SEC on May 21, 2014 engaged in the operation and ownership of a 2x668 MW (net) supercritical coal-fired power plant and a private port facility located in Mariveles, Bataan. As of January 31, 2024, AboitizPower owned a 70% effective partnership interest in GNPD.

### **Other Generation Assets**

As of January 31, 2024, Cotabato Light maintained a stand-by maximum capacity of 9.641-MW Bunker C-fired power plant capable of supplying approximately 12.79% of its requirements.

### **Future Projects**

AboitizPower continues to assess the feasibility of new power generation projects focusing on addressing the needs of the market, namely: (1) providing reliable supply, at a (2) reasonable cost, and with (3) minimal impact on the environment and communities. Other factors taken into consideration include the proposed project’s land use requirements, access to a power grid, energy yield analysis, fuel supply arrangements, availability of water, local requirements for permits and licenses, acceptability of the project to the communities and people it will affect, ability of the project to generate electricity at a competitive cost, and the existence of potential purchasers of the electricity generated. For the development of a new power project, the company, its partners, and its suppliers are required to obtain all national and local permits and approvals before the commencement of construction and commercial operations, including those related to the project site, construction, environment, land use planning/zoning, operations licenses, and similar approvals.

### **DISTRIBUTION OF ELECTRICITY**

The Aboitiz Group has more than 85 years of experience in the Philippine power distribution sector.

With ownership interests in nine Distribution Utilities, the company believes that it is currently one of the largest electricity distributors in the Philippines. AboitizPower’s Distribution Utilities collectively supply electricity to franchise areas covering a total of 18 cities and municipalities and five economic zones across Luzon, Visayas, and Mindanao.

In 2020, the wholly-owned Distribution Utilities and Visayan Electric completed a rebranding initiative to modernize the look and feel of the brands and visually show their relation to AboitizPower.

The Distribution Utilities’ earnings contribution to AboitizPower’s business segments in 2023 was equivalent to 12.24%. The Distribution Utilities had a total customer base of 1,169,606 as of year-end 2023. This was 1,137,402 as of year-end 2022, and 1,106,783 as of end-2021.

The table below summarizes the key operating statistics of the Distribution Utilities for each of the past three years:

| Company           | Electricity Sold (MWh) |                  |                  | Peak Demand (MW) |              |              | No. of Customers |                  |                  |
|-------------------|------------------------|------------------|------------------|------------------|--------------|--------------|------------------|------------------|------------------|
|                   | 2023                   | 2022             | 2021             | 2023             | 2022         | 2021         | 2023             | 2022             | 2021             |
| Davao Light       | 2,842,932              | 2,699,306        | 2,597,592        | 510              | 472          | 459          | 482,427          | 470,868          | 458,498          |
| Cotabato Light    | 203,930                | 189,763          | 178,535          | 38               | 35           | 34           | 50,499           | 49,05            | 47,098           |
| Visayan Electric  | 3,548,720              | 3,175,656        | 3,144,768        | 615              | 588          | 554          | 501,080          | 486,414          | 477,732          |
| SFELAPCO          | 810,311                | 786,935          | 716,888          | 198              | 151          | 147          | 130,148          | 126,313          | 118,806          |
| Subic Enerzone    | 287,300                | 282,997          | 267,047          | 57               | 55           | 50           | 3,674            | 3,615            | 3,581            |
| Mactan Enerzone   | 88,600                 | 100,881          | 107,541          | 20               | 21           | 21           | 90               | 86               | 87               |
| Balamban Enerzone | 95,937                 | 87,813           | 85,813           | 26               | 25           | 25           | 28               | 27               | 28               |
| Lima Enerzone     | 315,178                | 317,602          | 296,780          | 58               | 56           | 56           | 1,621            | 999              | 940              |
| Malvar Enerzone   | 10,238                 | 9,481            | 1,458            | 6                | 5            | 1.28         | 49               | 25               | 13               |
| <b>Total</b>      | <b>8,203,148</b>       | <b>7,650,434</b> | <b>7,396,423</b> | <b>1,528</b>     | <b>1,407</b> | <b>1,347</b> | <b>1,169,606</b> | <b>1,137,402</b> | <b>1,106,783</b> |

#### Visayan Electric Company, Inc. (Visayan Electric)

Visayan Electric is the second largest privately-owned distribution utility in the Philippines in terms of customer size and annual MWh sales. The company supplies electricity to a region covering 674 square kilometers (sq. km.) on the island of Cebu with a population of approximately 1.7 mn. Visayan Electric has 19 power substations and one mobile substation that serve the electrical power needs of various cities, municipalities, and barangays in the island and province of Cebu.

As of end 2023, Visayan Electric has energized 100% of the barangays, and electrified 99.77% of all households within its franchise area. It has also completed the extension of its distribution facilities, which will allow it to serve all the customers within the franchise. Visayan Electric's goal of 100% total electrification, including household electrification, is targeted for completion within 18 months from March 2024 upon release of funding from the DOE.

Visayan Electric's total systems loss was at 6.39% as of year-end 2023. This included a feeder loss of 4.80%, which is below the government-mandated feeder loss cap for 2023 of 5.50%.

As of January 31, 2024, AboitizPower directly held a 55.26% equity interest in Visayan Electric. 34.81% is owned by the Vivant Group.

#### Davao Light & Power Company, Inc. (Davao Light)

Davao Light is the third largest privately-owned electric distribution utility in the country in terms of customer size and annual kWh sales. Its franchise area covers two cities and three municipalities in the Davao region, with a population of approximately 2.23 mn and a total area of 3,561 sq. kms. The company has energized 99.334% of the households within its franchise area.

Davao Light was incorporated on October 11, 1929, and was acquired by the Aboitiz Group in 1946. The company's original 50-year franchise, covering Davao City, was granted in November 1930 by the Philippine Legislature. Pursuant to RA No. 11515 which lapsed into law on December 26, 2020, Davao Light's franchise was extended for an additional 25 years from 2025, or until 2050.

As of year-end 2023, Davao Light's total systems loss was at 8.82%. This included a feeder loss of 5.05%, which is below the government-mandated feeder loss cap for 2022 of 5.50%.

As of January 31, 2024, AboitizPower directly owned a 99.94% equity interest in Davao Light.

#### **Cotabato Light and Power Company (Cotabato Light)**

Cotabato Light supplies electricity to Cotabato City and portions of the municipalities of Sultan Kudarat, and Datu Odin Sinsuat, Maguindanao, with its franchise covering a land area of 191.20 sq. kms. Incorporated in April 1938, Cotabato Light's original 25-year franchise was granted by the Philippine Legislature through RA No. 3341 in June 1939. The most recent renewal of the franchise was in June 2014 for a period of 25 years, or until 2039.

Cotabato Light also maintains a standby 9.641-MW Bunker-C-Fired diesel power plant capable of supplying approximately 12.79% of its franchise area requirements. This plant can supply electricity in cases of supply problems with its power suppliers or NGCP and for the voltage stability when necessary, which is a benefit available to Cotabato Light's customers.

Cotabato Light's total systems loss as of year-end 2023 was at 6.77%. This included the distribution feeder loss of 5.41% which is below the government-mandated feeder loss cap in 2023 of 5.50%. Cotabato Light is continuously innovating its strategies and processes to further reduce its distribution feeder loss to 5%.

As of January 31, 2024, AboitizPower directly owned a 99.94% equity interest in Cotabato Light.

#### **San Fernando Electric Light & Power Co., Inc. (SFELAPCO)**

SFELAPCO was incorporated on May 17, 1927 and was granted a municipal franchise in 1927. The most recent renewal of its franchise was in March 2010 for a period of 25 years.

SFELAPCO's franchise in the City of San Fernando, Pampanga covers an area of 78.514 sq. kms. And the municipality of Floridablanca and Brgys. Talang and Ligaya, Municipality of Guagua, Pampanga with an estimated area of 175.5 sq. kms. For 2022, SFELAPCO has a total of 276.2 MVA of substation capacity with a peak load of 151 MW including its 69kv customers.

SFELAPCO's total systems loss as of year-end 2023 was 4.85%. This included a feeder loss of 3.86%, which is below the government-mandated feeder loss cap for 2023 of 5.50%.

As of January 31, 2024, AboitizPower had an effective equity interest of 43.727% in SFELAPCO.

#### **Subic Enerzone Corporation (Subic Enerzone)**

On June 3, 2003, Subic Enerzone was incorporated as a Joint Venture owned by a consortium including Davao Light, AEV, and SFELAPCO, among others, to undertake management and operation of the SBFZ power distribution utility.

Subic Enerzone serves a total of 3,403 customers, consisting of 107 industrial locators, 1,298 commercial locators, 1,901 residential customers, 97 streetlights and 24 industrial locators under RES.

Subic Enerzone's total systems loss as of year-end 2023 was 4.35%. This included a feeder loss of 1.49%, which is below the government-mandated feeder loss cap in 2023 of 5.50%.

As of January 31, 2024, AboitizPower owned, directly and indirectly through Davao Light, a 99.98% equity interest in Subic Enerzone.

#### **Mactan Enerzone Corporation (Mactan Enerzone)**

Mactan Enerzone was incorporated in February 2007 when AboitizLand spun off the power distribution system of its Mactan Export Processing Zone II (MEPZ II) project. The MEPZ II project, which was launched in 1995, was operated by AboitizLand under a BOT agreement with the Mactan-Cebu International Airport Authority (MCIAA).

Mactan Enerzone serves a total of 42 captive industrial locators, 33 captive commercial locators, and 11 industrial locators under RES, and four industrial locators under GEOP.

Mactan Enerzone's total system loss as of year-end 2023 was 1.24%. This included a feeder loss of 0.6%, which is below the government-mandated feeder loss cap for 2023 of 5.50%.

As of January 31, 2024, AboitizPower owned a 100% equity interest in Mactan Enerzone.

#### **Balamban Enerzone Corporation (Balamban Enerzone)**

Balamban Enerzone was incorporated in February 2007 when CIPDI, a Joint Venture between AboitizLand and THC, spun off the power distribution system of the West Cebu Industrial Park – Special Economic Zone (WCIP-SEZ). WCIP-SEZ is a special economic zone for light and heavy industries located in Balamban, Cebu.

Balamban Enerzone serves a total of ten captive industrial customers, 12 captive commercial customers, and six contestable industrial customers.

Balamban Enerzone's total systems loss as of year-end 2023 was 0.51%. This included a feeder loss of 0.2%, which is below the government-mandated feeder loss cap for 2023 of 5.50%.

As of January 31, 2024, AboitizPower directly owned a 100% equity interest in Balamban Enerzone.

#### **Lima Enerzone Corporation (Lima Enerzone)**

Lima Enerzone was incorporated as Lima Utilities Corporation on June 5, 1997 to serve and provide locators within the Lima Technology Center (LTC) with a reliable and stable power supply.

Lima Enerzone serves a total of 113 captive industrial locators, 19 captive commercial locators, 1,452 captive residential customers, nine streetlights, and 28 industrial locators under RES.

As of year-end 2023, Lima Enerzone's total systems loss was 2.79%. This included a feeder loss of 1.11%, which is below the government-mandated feeder loss cap for 2023 of 5.50%.

As of January 31, 2024, AboitizPower directly owned a 100% equity interest in Lima Enerzone.

#### **Malvar Enerzone Corporation (Malvar Enerzone)**

Malvar Enerzone was incorporated on June 9, 2017 to serve and provide locators within the Light Industry & Science Park IV (LISP IV) in Malvar, Batangas. Malvar Enerzone will manage the operation and maintenance of the power distribution of LISP IV for 25 years. LISP IV has two 50MVA transformers to provide reliable and quality power to locators, which are mostly from manufacturers and exporters. Malvar Enerzone served a total of 11 captive industrial locators, 19 captive commercial locators, four streetlights, and one industrial locator under RES.

As of end 2023, Malvar Enerzone's total system loss was 3.55%. This included a feeder loss of 0.68%, which is below the government-mandated feeder loss cap for 2023 of 5.50%.

As of January 31, 2024, AboitizPower directly owned a 100% equity interest in Malvar Enerzone.

### **RETAIL ELECTRICITY AND OTHER RELATED SERVICES (RETAIL ELECTRICITY SUPPLY BUSINESS)**

One of the objectives of electricity reform in the Philippines is to ensure the competitive supply of electricity at the retail level. With the start of commercial operations of Open Access, large-scale customers are allowed to source electricity from RES licensed by the ERC. Adventenergy, AESI, and Prism Energy are also registered under the Renewable Energy Market and were granted operating permits by the DOE, valid for five years, allowing them to participate in the GEOP.

**Aboitiz Energy Solutions, Inc. (AESI)**

AESI is engaged in the business of a retail energy supplier and energy consolidator. It was granted a license to act as a RES that is valid until October 28, 2028. The company was incorporated on August 11, 1998. As of January 31, 2024, AboitizPower owned a 100% equity interest in AESI.

AESI served 42 customers at the start of commercial operations of Open Access on June 26, 2013. In 2023, AESI supplied retail electricity to a total of 147 customers, with total energy consumption of 1,796.23 mn kWh.

**Adventenergy, Inc. (Adventenergy)**

Adventenergy is engaged in the business of a retail energy supplier and energy coordinator. It was granted a license to act as a RES that is valid until December 17, 2023. The company was incorporated on August 14, 2008. As of January 31, 2024, AboitizPower owned a 100% equity interest in Adventenergy.

Adventenergy differentiates itself from competition by sourcing most of its electricity requirements from renewable sources. As a result, an increasing number of companies are opting to source a part, if not the majority, of their electricity supply from Adventenergy as an environmental initiative. Currently, Adventenergy serves retail customers within and outside economic zones.

In 2023, Adventenergy supplied retail electricity to 290 customers with a total consumption of 2,537.97 mn kWh. With Adventenergy's participation in the GEOP, it has supplied 12 qualified end-users with a total consumption of 4,415 mn kWh in 2023.

**Prism Energy, Inc. (Prism Energy)**

Prism Energy was incorporated in March 2009 as a Joint Venture between AboitizPower and Vivant Corporation. It was granted a license to act as a RES valid until November 21, 2023.

Prism Energy is envisioned to serve Contestable Customers in the Visayas region. As a RES, Prism Energy provides its customers with contract options for electricity supply that is based on their operating requirements. In 2023, Prism Energy supplied retail electricity to 21 customers with a total energy consumption of 57.92 mn kWh.

As of January 31, 2024, AboitizPower directly owned a 60% equity interest in Prism Energy.

**SN Aboitiz Power – Res, Inc. (SN Aboitiz Power – Res)**

SN Aboitiz Power-RES caters and offers energy supply and solutions tailored to the needs and preferences of customers under the Retail Competition and Open Access (RCOA) market. Starting February 2021, the RCOA market has lowered its threshold to Phase III, allowing electricity end-users with an average peak demand of at least 500kW to source their electricity requirements from their RES of choice.

SN Aboitiz Power-RES is the retail arm of the SN Aboitiz Power Group. It caters to Contestable Customers and electricity consumers using an average of at least 500 KW in the last twelve months across all industries under Open Access. It offers energy supply packages tailored to its customers' needs and preferences.

As of January 31, 2024, MORE owned a 60% equity interest in SN Aboitiz Power-RES, with the remaining 40% owned by SN Power Philippines.

### Mazzaraty Energy Corporation (Mazzaraty)

Mazzaraty was incorporated on June 19, 2014 as a joint venture among Aboitiz Power, Pasudeco Corporation, L&R Development, Inc., and Alfecon Realty, Inc. It was granted a license to act as a RES that is valid until June 18, 2023. Mazzaraty's RES contracts with its customers expired in 2021. The company was unable to supply electricity to customers in 2022 due to high coal prices.

As of January 31, 2024, AboitizPower owned 44.87% of Mazzaraty.

### (ii) Sales

The operations of AboitizPower and its Subsidiaries and Affiliates are based only in the Philippines.

Comparative amounts of revenue, profitability and identifiable assets are as follow:

|                  | 2023     | 2022     | 2021     |
|------------------|----------|----------|----------|
| Gross Income     | ₱207,100 | ₱193,994 | ₱134,359 |
| Operating Income | 31,785   | 29,803   | 28,210   |
| Total Assets     | ₱487,023 | ₱477,594 | ₱427,416 |

Note: Values are in Million Pesos. Operating income is operating revenue net of operating expenses.

Comparative amounts of revenue contribution and corresponding percentages to total revenue by business group are as follows:

|                           | 2023            |             | 2022            |             | 2021            |             |
|---------------------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|
| Power Generation          | ₱137,376        | 57%         | ₱137,480        | 59%         | ₱97,337         | 59%         |
| Power Distribution        | 54,735          | 23%         | 58,951          | 25%         | 45,628          | 28%         |
| Retail Electricity Supply | 46,396          | 19%         | 19,875          | 9%          | 19,875          | 12%         |
| Services                  | 2,187           | 1%          | 17,042          | 7%          | 1,033           | 1%          |
| <b>Total Revenue</b>      | <b>₱240,694</b> | <b>100%</b> | <b>233,348</b>  | <b>100%</b> | <b>163,874</b>  | <b>100%</b> |
| Less: Eliminations        | -33,594         |             | -39,355         |             | -29,514         |             |
| <b>Net Revenue</b>        | <b>₱207,100</b> |             | <b>₱193,994</b> |             | <b>₱134,359</b> |             |

Note: Values are in Million Pesos.

### (iii) Distribution Methods of the Product or Services

#### POWER GENERATION BUSINESS

The AboitizPower's Generation Companies sell their capacities and energy through bilateral PSAs with private distribution utilities, electric cooperatives, RES, other large end-users, and through the WESM. The company has Subsidiaries and Affiliates that sell ancillary services through ASPAs with NGCP. The majority of AboitizPower's Generation Companies have transmission service agreements with NGCP for transmission of electricity to the grid.

#### DISTRIBUTION UTILITIES BUSINESS

Ancillary Services are necessary to help ensure a reliable and stable grid, which co-exist with the energy market or WESM. NGCP signs ASPAs with AS-certified generators to fulfill specific ancillary service requirements per grid. Currently, SN Aboitiz Power-Magat, SN Aboitiz Power-Benguet, TMI, TMO, TLI, APRI, Cebu Energy, and WMPC have ASPAs with NGCP. In Luzon, SN Aboitiz Power Group, TMO, TLI, and APRI provide various ancillary services such as regulating reserves, voltage support, contingency reserves, and reactive power support. In the Visayas, AboitizPower through Cebu Energy

delivers contingency ancillary service. Meanwhile, TMI fulfills both contingency and dispatchable reserves requirements in Mindanao. Additionally, the DOE has mandated a Competitive Selection Process (CSP) for Ancillary Services procurement nationwide, aiming for transparency and efficiency. AboitizPower plans to actively participate in meeting the critical AS requirements across all grids.

The Hedcor Tudaya Hydro 2, Hedcor Irisan Hydro 1, Hedcor Sabangan, Hedcor Manolo Fortich 1 and 2, and Hedcor La Trinidad Hydro plants, all operating commercially, have received approval for inclusion in the Feed-in Tariff (FIT) system.

In the absence of WESM in Mindanao, Tudaya Hydro 2, and Manolo Fortich Hydro 1 and 2 have entered into Renewable Energy Supply Agreement (RESA) with their host distribution utilities or electric cooperatives.

AboitizPower's Distribution Utilities have exclusive distribution franchises in the areas where they operate. Each Distribution Utility has a distribution network consisting of a widespread network of predominantly overhead lines and substations. Customers are classified according to voltage levels based on their electricity consumption and demand. Large industrial and commercial consumers receive electricity at distribution voltages of 13.8 kV, 23 kV, 34.5 kV, and 69 kV, while smaller industrial, commercial, and residential customers receive electricity at 240 V or 480 V.

With the exception of Malvar Enerzone, all of AboitizPower's Distribution Utilities have entered into transmission service contracts with NGCP for the use of NGCP's transmission facilities to receive power from PSALM to their respective independent power producers to their respective customers. All customers that connect to the Distribution Utilities' distribution lines are required to pay a tariff approved by ERC.

## **RETAIL ELECTRICITY SUPPLY BUSINESS**

AboitizPower's wholly-owned RES companies, Adventenergy and AESI, have existing electricity supply contracts to ensure continuous supply of power to their customers. Adventenergy and AESI maintain a portfolio of supply contracts from renewable and non-renewable sources to secure reliable and affordable electricity for their customers. These electricity supply contracts involve a mix of fixed rates and indexed electricity fees that are updated year on year to ensure that supply is maintained at competitive rates. Prism Energy primarily serves contestable customers under the Visayan Electric franchise.

In addition, APRI and TLI were also granted RES licenses in 2020 and became registered members of the Renewable Energy Market last July 6, 2021. They were granted operating permits by the DOE, valid for five years, allowing them to participate in GEOP as well.

### **(iv) New Products/Services**

Other than the ongoing Greenfield and/or rehabilitation projects undertaken by AboitizPower's Generation Companies, AboitizPower and its Subsidiaries do not have any publicly announced new products or services as of January 31, 2024.

### **(v) Competition**

## **POWER GENERATION BUSINESS**

AboitizPower's power generation business confronts significant competition in both developing new facilities and acquiring existing plants. The competition extends to securing financing, meeting renewable energy demands, and navigating market volatility, particularly with coal prices. Despite pandemic challenges, consumption has rebounded, presenting opportunities for AboitizPower to capitalize on higher spot prices by ensuring plant availability. As the Philippines' energy needs grow, multinational and local competitors are increasingly exploring power generation projects, with AboitizPower strategically aiming to expand its renewable energy assets to 50% by the decade's end. Notable competitors include Team Energy, EGCO, Korea Electric Power Corporation, and Filipino-owned companies like AC Energy, Alsons Power Group, DMCI Holdings, FDC Utilities, First Gen

Corporation, Meralco PowerGen Corporation, and SMC Global Power.

## **RETAIL ELECTRICITY SUPPLY BUSINESS**

Based on ERC's Competitive Selection Retail Electricity Market (CREM) Monthly Statistical Data as of July 2023, there are 47 RES companies and 29 Local RES companies participating in the Open Access markets in Luzon and Visayas. AboitizPower and Subsidiaries have the largest market share at 31.56%, with a contracted capacity of 1,299.55 MW. The Meralco Group, through its local RES and affiliate RES companies, has the second-largest market share at 28.54%, with contracted capacity of 1,175.80 MW as of July 2023. The San Miguel Group has the third largest market share at 11.32%, with a contracted capacity of 466.09 MW.

The increase in the number of power plants, the number of RES companies, and volatile oil and coal prices have also increased the level of competition in the Open Access market. RES companies have resorted to both aggressive pricing and contractual concessions.

AboitizPower believes that its portfolio, consisting of different types of energy sources with a mix of renewables and non-renewables, allows it to be flexible in both pricing and reliability of supply, thus enhancing its competitiveness and allowing it to become the market leader in 2023.

## **DISTRIBUTION UTILITIES BUSINESS**

Each of AboitizPower's Distribution Utilities currently have franchises to distribute electricity in the areas covered by its franchises.

### **(vi) Sources of Raw Materials and Supplies**

## **POWER GENERATION BUSINESS**

The Generation Companies produce energy using the following fuel types based on attributable net selling capacity: 13.2% hydropower, 7% geothermal, 1% solar, 67.8% coal, and 12% oil. In 2023, renewable fuel sources comprised 21% of attributable net selling capacity, while thermal accounted for 79%.

AboitizPower currently manages and operates 22 hydropower plants that supply the country with over 278 MW of clean and renewable energy. As a leading hydropower operator in the Philippines, Hedcor helps communities and businesses sustainably reach a better and greener tomorrow through power generation that is least disruptive to the environment.

APRI's steam requirement for its geothermal power generation continues to be supplied by PGPC. The terms of the steam supply are governed by a Geothermal Resources Supply and Services Agreement. Under the agreement, the price of steam is based on 50% of the Marketing Clearing Prices starting September 26, 2021. Prior to this date, the price of steam was ultimately indexed to the Newcastle Coal Index and the Japanese Public Utilities coal price. APRI and PGPC signed a new agreement on August 24, 2018 under which PGPC will drill 12 new production wells with a minimum of 50 MW aggregated individual well capacity by 2023. This was completed in April 2023.

Oil-fired plants use heavy fuel oil and automotive diesel oil to generate electricity. WMPC sources heavy fuel oil from Northern Star Energy Corporation. Each of EAUC, CPPC, TMI, TMO, and TPVI secured its heavy fuel oil requirements from Pilipinas Shell, Marine Fuels Philippines, and/or SL Harbor Bulk Terminal Corporation. The fuel prices under these agreements are pegged to the Mean of Platts Singapore index.

Both Coal-fired and Oil-fired power plants require automotive diesel oil during startup. These are all purchased from Chevron Philippines, Inc. under a term contract and are pegged to the Means of Platts Singapore index.

TLI for Pagbilao Unit 3, TVI, and TSI have long-term coal supply contracts until 2025 for the majority of their annual requirements. Likewise, GNPD, GMEC, and Cebu Energy also have long-term coal supply

agreements.

TLI for Pagbilao Units 1 and 2, and SPI are presently undergoing multiple testings of new coal supply sources with lower calorific value to improve fuel cost prices. Long-term contracts will be entered into within the year upon completion of said tests.

## **POWER DISTRIBUTION BUSINESS**

AboitizPower's power generation business relies on bilateral agreements for the purchase of electricity by its Distribution Utilities from affiliated Generation Companies, subject to approval by the Energy Regulatory Commission (ERC) and limitations on purchasing no more than 50% of their requirements from affiliated entities. Long-term power supply needs are addressed through Power Supply Contracts (PSCs), Electric Power Purchase Agreements (EPPAs), and Power Sales Agreements (PSAs) with various suppliers. For example, Davao Light secured agreements with TSI, San Miguel Consolidated Power Corporation (SMCPC), Hedcor Sibulan, TMI, and FDC Misamis Power Corporation to meet demand and renewable energy standards. Similarly, Visayan Electric established contracts with Cebu Energy, GCGL, and TVI for long-term supply. Subic Enerzone and Lima Enerzone conducted Competitive Selection Processes (CSPs) to minimize exposure to the Wholesale Electricity Spot Market (WESM), awarding contracts to Masinloc Power Partners Co. Ltd. (MPPCL) and TLI, respectively. Distribution Utilities' PPAs are governed by ERC regulations, covering aspects such as electricity amount, pricing, and contract duration.

### **Transmission Charges**

AboitizPower's Distribution Utilities have existing Transmission Service Agreements (TSAs) with the NGCP for the use of the latter's transmission facilities in the distribution of electric power from the Grid to its customers, which are valid until the dates specified below:

| <b>Distribution Utility</b> | <b>Valid until</b> |
|-----------------------------|--------------------|
| Lima Enerzone               | July 25, 2027      |
| Cotabato Light              | August 25, 2028    |
| SFELAPCO                    | December 25, 2023* |
| Davao Light                 | January 25, 2024*  |
| Visayan Electric            | January 25, 2024*  |
| Mactan Enerzone             | January 25, 2025   |
| Balamban Enerzone           | January 25, 2025   |
| Malvar Enerzone             | December 25, 2025  |

\* Prior to the expiry of their TSAs, Mactan Enerzone, SFELAPCO, Davao Light, and Visayan Electric have already applied and submitted the requirements for renewal.

The Distribution Utilities have negotiated agreements with the NGCP in connection with the security deposit to secure their obligations to the NGCP under the TSAs.

## **(vii) Major Customers**

### **POWER GENERATION BUSINESS**

As of January 31, 2024, out of the total electricity sold by AboitizPower's Generation Companies, approximately 82% was covered by bilateral contracts with, among others, private distribution utilities, electric cooperatives, and industrial and commercial companies. The remaining, approximately 18%, was sold by the Generation Companies through the WESM.

### **RETAIL ELECTRICITY SUPPLY BUSINESS**

As of January 31, 2024, AboitizPower's RES business had approximately 491 Contestable Customers under RCOA and seven end-users under GEOP with active contracts. These customers come from a wide number of industries, including property development, meat processing, semiconductors, steel,

and cement. AboitizPower thus believes that this diversity will insulate its RES business from downturns in any one industry.

#### **POWER DISTRIBUTION UTILITIES**

AboitizPower's Distribution Utilities have wide and diverse customer bases. As such, AboitizPower believes that loss of any one customer is not expected to have a material adverse impact on the company. The Distribution Utilities' customers are categorized into four principal categories:

- (a) *Industrial customers.* Industrial customers generally consist of large-scale consumers of electricity within a franchise area, such as factories, plantations, and shopping malls;
- (b) *Residential customers.* Residential customers are those who are supplied electricity for use in a structure utilized for residential purposes;
- (c) *Commercial customers.* Commercial customers include service-oriented businesses, universities, and hospitals; and
- (d) *Other customers.* Customers not falling under any of the above categories.

Government accounts for various government offices and facilities are categorized as either commercial or industrial depending on their load. Each Distribution Utility monitors government accounts separately and further classifies them to local government accounts, national government accounts, or special government accounts like military camps. Streetlights have a different rate category and are thus monitored independently.

#### **(viii) Transactions with and/or Dependence on Related Parties**

AboitizPower and its Subsidiaries, in their regular conduct of business, have entered into transactions with Associates and other related parties principally consisting of professional and technical services, power sales and purchases, advances, various guarantees, construction contracts, aviation services, and rental fees. These are made on an arm's-length basis as of the time of the transactions.

Details of the significant account balances of the foregoing related party transactions of the Group can be found in the accompanying consolidated financial statements of AboitizPower.

#### **(ix) Patents, Copyrights and Franchises**

AboitizPower and its Subsidiaries have secured all material permits required to operate its businesses. These are further discussed below.

#### **POWER GENERATION BUSINESS**

Power generation is not considered a public utility operation under RA No. 9136 or the Electric Power Industry Reform Act of 2001 (EPIRA). Thus, a franchise is not needed for generation companies to engage in the business of power generation. Nonetheless, no person or entity may engage in the generation of electricity unless such person or entity has secured a Certificate of Compliance (COC) from ERC to operate a generation facility and has complied with the standards, requirements, and other terms and conditions set forth in the said COC.

In its operations, a Generation Company is required to comply with technical, financial and environmental standards. Further, a Generation Company shall ensure that its facilities connected to the Grid meet the technical design and operation criteria of the Philippine Grid Code, Philippine Distribution Code, and Philippine Electrical Code.

Cotabato Light has its own generation facilities and is required under the EPIRA to obtain a COC. Davao Light's generation facility was decommissioned last November 26, 2018.

For IPPAs such as TLI, the COCs issued to the Independent Power Producers (IPPs) of the relevant generation facilities are deemed issued in favor of the IPPAs. As such, the IPPAs are also bound to comply with the provisions of the Philippine Grid Code, Philippine Distribution Code, WESM rules, and applicable rules and regulations of ERC.

AboitizPower's HEPPs are required to obtain a water permit from NWRB for the water flow used to run their respective hydroelectric facilities. The permit specifies the source of the water, the allowable water volume, and the terms and conditions of its use. The water permit continues to be valid as long as the water is beneficially used.

AboitizPower, its Subsidiaries, and Affiliates are in various stages of development of several projects. Some of these projects have been awarded Renewable Energy Service contracts by the DOE.

The Generation Companies and Cotabato Light, a Distribution Utility, possess COCs for their power generation plants, details of which are enumerated in the attached **Annex "H"**.

## DISTRIBUTION UTILITIES BUSINESS

Under the EPIRA, the business of electricity distribution is a regulated public utility business that requires a franchise that can be granted only by Congress. In addition to the legislative franchise, a CPCN from ERC is also required to operate as a public utility. However, distribution utilities operating within economic zones are not required to obtain a franchise from Congress, but must be duly registered with PEZA in order to operate within the economic zone.

All distribution utilities are required to submit to the ERC a statement of their compliance with the technical specifications prescribed in the Philippine Distribution Code, which provides the rules and regulations for the operation and maintenance of distribution systems, and the performance standards set out in the implementing rules of the EPIRA.

Shown below are the respective expiration periods of the Distribution Utilities' legislative franchises:

| Distribution Utility | Franchise                                                                                       | Term                                                                                                                                                 | Expiry                         |
|----------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| Visayan Electric     | RA No. 9339                                                                                     | 25 years from effectivity of RA No. 9339. RA No. 9339 was approved on September 1, 2005.                                                             | Valid until September 24, 2030 |
|                      | ERC Certificate No. CPCN-09-01 (ERC Decision dated January 26, 2009, ERC Case No. 2008-095 MC). | 25 years, or from September 24, 2005 to September 24, 2030                                                                                           |                                |
| Davao Light          | RA No. 8960                                                                                     | 25 years from effectivity of RA No. 8960, or from September 7, 2000                                                                                  | September 7, 2025              |
|                      | ERC CPCN Decision dated February 26, 2002, ERC Case No. 2001-792                                | 25 years, or from September 7, 2000 to September 7, 2025                                                                                             | September 7, 2025              |
|                      | RA No. 11515                                                                                    | 5 years from expiration of the term granted under RA No. 8960, or from September 7, 2025 to September 7, 2050 (Lapsed into law on December 26, 2020) | Valid until September 7, 2050  |
| Cotabato Light       | RA No. 10637                                                                                    | 25 years from the effectivity of RA No. 10637, as amended. RA No. 10637 was approved on June 16, 2014.                                               | Valid until June 16, 2039      |

|                |                                                                                                               |                                                                                |                            |
|----------------|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|----------------------------|
|                | ERC Certificate No. CPCN-14-001 (ERC Decision dated December 9, 2019, ERC Case No. 2013-063 MC)               | 25 years, or from June 17, 2014 or until June 16, 2039                         |                            |
| SFELAPCO       | RA No. 9967                                                                                                   | 25 years from effectivity of RA No. 9967 (Lapsed into law on February 6, 2010) | Valid until March 23, 2035 |
|                | ERC Certificate No. CPCN-10-01 (ERC Decision dated August 31, 2010, ERC Case No. 2010-029 MC)                 | 25 years, or from March 24, 2010 to March 23, 2035                             |                            |
| Subic Enerzone | Distribution Management Service Agreement (DMSA) between Subic Enerzone and Joint Venture of AEV- Davao Light | Notarized on May 15, 2003. Term of the DMSA is 25 years.                       | Valid until May 15, 2028.  |

Mactan Enerzone, Balamban Enerzone, Lima Enerzone, and Malvar Enerzone which operate the power distribution utilities in MEPZ II, WCIP, LTC, and LISP IV respectively, are duly registered with PEZA as Ecozone Utilities Enterprises.

## RETAIL ELECTRICITY SUPPLY BUSINESS

Like power generation, the business of supplying electricity is not considered a public utility operation under the EPIRA, but is considered a business affected with public interest. As such, the EPIRA requires all suppliers of electricity to end-users in the contestable market, other than distribution utilities within their franchise areas, to obtain a license from ERC. With the implementation of Open Access in 2013, AboitizPower's RES Subsidiaries and Generation Companies with RES licenses, AESI, Adventenergy, APRI, SN Aboitiz Power – Magat, SN Aboitiz Power – RES, Prism Energy, and TLI, have all obtained separate licenses to act as RES.

### Trademarks

AboitizPower and its Subsidiaries own, or have pending applications for the registration of, intellectual property rights for various trademarks associated with their corporate names and logos. Please refer to **Annex "G-2"** to see trademark application that AboitizPower and its Subsidiaries have secured or have pending application with Philippine Intellectual Property Office (Philippine IPO) and intellectual property office abroad.

### (x) Government Approval

The discussion on the need for any government approval for any principal products or services of the company and its Subsidiaries, including COCs obtained by the Generation Companies and franchises obtained by the Distribution Utilities, is included in item (ix) Patents, Copyrights and Franchises.

### (xi) Effect of Existing or Probable Governmental Regulations

AboitizPower and its Subsidiaries are subject to the laws generally applicable to all Philippine corporations, such as corporation law, securities law, tax laws, data privacy law, and the Local Government Code. All Philippine corporations are also subject to labor laws and social legislation, including RA No. 11199 or the Social Security Act of 2018, RA No. 10606 or the National Health Insurance Act of 2013, RA No. 11223 or the Universal Health Care Act, RA No. 9679 or the Home Development Mutual Fund Law of 2009, The Philippine Labor Code and its implementing rules, and other labor-related laws, regulations, and DOLE mandated work-related programs.

The Aboitiz Group closely monitors its compliance with the laws and government regulations affecting its businesses. For a detailed discussion on the regulatory framework of the power industry, please refer to page 78 of AboitizPower's Information Statement on Existing or Probable Governmental Regulations.

**(xii) Amount Spent on Research and Development Activities**

AboitizPower and its Subsidiaries do not allot specific amounts or fixed percentages for research and development. All research and development activities are done by AboitizPower's Subsidiaries and Affiliates on a per project basis. The allocation for such activities may vary depending on the nature of the project.

**(xiii) Costs and Effects of Compliance with Environmental Laws**

AboitizPower's generation and distribution operations are subject to extensive, evolving, and increasingly stringent safety, health, and environmental laws and regulations. These laws and regulations address concerns relating to: (a) air quality and greenhouse gas (GHG) emissions; (b) wastewater discharges; (c) the generation, handling, storage, transportation, treatment and disposal of toxic or hazardous chemicals, materials, and wastes; (d) workplace conditions; (e) and employee's exposure to hazardous substances.

Standard laws and regulations that govern business operations include the Clean Air Act (RA No. 8749), Ecological Solid Waste Management Act (RA No. 9003), Clean Water Act (RA No. 9275), Toxic Substances and Hazardous and Nuclear Wastes Control Act (RA No. 6969), Philippine Environmental Impact Statement System (PD No. 1586), and Occupational Safety and Health Standards (RA No. 11058). The RE Law also added new and evolving measures that must be complied with. These laws usher in new opportunities for the AboitizPower and set competitive challenges for the businesses covered. Additional regulations such as DOE's Energy Regulation No. 1-94 ("ER 1-94") require companies to allocate funds for the benefit of host communities for the protection of the natural environment and for the benefit of the people living within the area. Further, funds are set for the management of carbon sinks and watershed areas through a nationwide reforestation program.

AboitizPower and its Subsidiaries have allocated budgets for environmental expenditures covering costs for waste disposal, remediation, pollution control, environmental initiatives and programs that support climate strategies along with its impact. All facilities are in compliance with regulatory requirements, thus noting zero spending for remediation costs.

AboitizPower and its Subsidiaries remain committed to align with international best practices in all power plants and distribution utilities consistent with its Safety, Health, and Environment Policy. This is exemplified with the attainment of 93% ISO certification for the management systems of Quality, Environment, Occupational Health and Safety. AboitizPower Subsidiaries under the Oil and Coal Business Units were recertified in 2022. Meanwhile, the AboitizPower Distribution Utilities, except for Malvar Enerzone, have maintained their certifications on ISO 9001:2015 Quality Management System, ISO 45001:2018 and ISO 14001:2015 Environmental Management System.

In 2023, continuous improvement in managing environmental impacts is evident, as seen in its increased total environmental management expenses at ₱109.1 mn and environment-related capital expenditure (CAPEX) of ₱22.6 mn. This consists of ₱50.3 mn for the Renewables Group, ₱62.3 mn for the Thermal Group, ₱19.2 mn for the Distribution Utilities. The distribution of the total expenses are as follows: (i) 49% for Internal Initiatives and Programs including compliance monitoring; (ii) 28% for External Initiatives; (iii) 19% for Waste Disposal; and (iv) the remaining 4% is other expenses such as permits and rentals. As the company is keen on ensuring compliance with Hazardous Waste Management regulations, a significant portion of the spending was on the renovation of waste holding facility, sound disposal of asbestos-containing material as well as the testing and disposal of polychlorinated biphenyls (PCB)-containing oils and equipment. The Coal Business Unit invested in purchasing contingency instruments to ensure continuity of real-time emissions monitoring in cases of unplanned unavailability of the Continuous Emissions Monitoring Systems (CEMS).

AboitizPower goes beyond mere compliance with environmental regulations by actively supporting various environmental initiatives. The company participated in programs such as Adopt an Estero/Waterbody and donated Continuous Ambient Air Monitoring Systems to the Environmental Management Bureau of the DENR. In 2023 alone, AboitizPower engaged in 45 environmental activities, contributing to the planting of 353,975 trees across approximately 3,100 hectares with the assistance of nearly 2,447 volunteers. Additionally, the company organized and conducted 61 coastal and river clean-up efforts, resulting in the collection of approximately 30,855 kilograms of waste and the mobilization of 3,374 volunteers.

Moreover, AboitizPower is committed to biodiversity conservation through initiatives like Davao Light's E-HINLO, Visayan Electric's Adopt Guadalupe River, Adopt Tigas River, Hedcor's Project Eagle Patroller, Therma Visayas' Coastal Resource Management Program, Therma Power Visayas' Adopt Pangdan River, Therma South's Adopt Macaring and Inawayan Creeks, and SN AboitizPower-Benguet's Adopt Agno-Ambalaga River. To promote responsible water use, SN AboitizPower-Benguet has implemented effluent reuse from its Sewage Treatment Plant as part of its water stewardship efforts.

AboitizPower and its Subsidiaries received a total of 34 awards, certifications, and citations in 2023 concerning Safety, Health, and Environmental Services (SHES). To highlight a few: (1) ECOalition Award for Therma South and Therma Visayas, (2) Gawad Kaligtasan at Kalusugan for SNAP Benguet (3) Gawad Kalasag National and Regional Champion for SN AboitizPower-Magat (4) National Awards (KAPAKANAN)-Kaagapay sa Pag-aalaga sa Kalikasan Natin Award for Therma Marine 2. These accolades underscore the dedication of AboitizPower and its Subsidiaries to upholding the highest standards of safety, health, environmental stewardship, and sustainability.

In 2023, AboitizPower and its Subsidiaries did not incur any major sanctions for violation of environmental standards and laws. AboitizPower continues to be cognizant of new opportunities to comply with regulatory requirements and improvement of systems to promote safety and prevent adverse impacts to the environment or affected ecosystems.

#### (xiv) Employees

At the parent company level, AboitizPower had a total of 617 employees as of January 31, 2024. These include executives, managers, supervisory, and rank-and-file staff employees. There is no existing Collective Bargaining Agreement (CBA) covering AboitizPower employees.

The following table provides a breakdown of total employee headcount on a per business group basis, according to employees' function, as of January 31, 2024:

| Business Group          | Number of Employees |            |          |             |             | Unionized Employees | Expiry of CBA                                                                |
|-------------------------|---------------------|------------|----------|-------------|-------------|---------------------|------------------------------------------------------------------------------|
|                         | Total               | Executives | Managers | Supervisors | Rank & File |                     |                                                                              |
| Aboitiz Power           | 617                 | 120        | 145      | 118         | 234         | 0                   | N/A                                                                          |
| Generation Companies    |                     |            |          |             |             |                     |                                                                              |
| Run-of-River Hydros     | 451                 | 12         | 23       | 93          | 323         | 74                  | September 19, 2028 (Hedcor)                                                  |
| Large Hydros            | 236                 | 23         | 50       | 87          | 76          | 0                   | N/A                                                                          |
| Geothermal              | 312                 | 12         | 33       | 64          | 203         | 0                   | N/A                                                                          |
| Solar                   | 6                   | 0          | 0        | 2           | 4           | 0                   | N/A                                                                          |
| Oil                     | 472                 | 11         | 42       | 105         | 314         | 0                   | N/A                                                                          |
| Coal*                   | 1,266               | 46         | 94       | 310         | 816         | 0                   | N/A                                                                          |
| RES                     | 4                   | 0          | 0        | 1           | 3           | 0                   | N/A                                                                          |
| Distribution Utilities* | 916                 | 16         | 67       | 143         | 690         | 331                 | December 31, 2026 (Visayan Electric) June 30, 2024 (Cotabato Light) June 16, |

|                                   |              |            |            |            |              |            |                                                       |
|-----------------------------------|--------------|------------|------------|------------|--------------|------------|-------------------------------------------------------|
|                                   |              |            |            |            |              |            | 2026<br>(Davao<br>Light)<br>May 9, 2024<br>(SFELAPCO) |
| <b>Total No. of<br/>Employees</b> | <b>4,280</b> | <b>240</b> | <b>454</b> | <b>923</b> | <b>2,663</b> | <b>405</b> |                                                       |

*\*Data for SPPC, WMPC, and SFELAPCO is as of February 28, 2023.*

AboitizPower does not anticipate any significant increase in manpower within the next 12 months unless new development projects and acquisitions would materially require an increase.

#### **(xv) Major Risk/s Involved in the Business**

An integral part of AboitizPower's Enterprise Risk Management (ERM) efforts is to anticipate, understand, and address the risks that the company may encounter in its businesses.

Risk management is integrated in the AboitizPower strategic and operational planning and decision-making processes to support intelligent risk-taking. Management and operating teams identify and assess the risk areas that may impact the company's strategic objectives and day-to-day business operations. In addition, the company develops key risk treatment plans to address the drivers of the company's top risks, as well as emerging risks that may also significantly impact its business and stakeholders. The risk management processes, which include ESG focus areas, business continuity management, and risk transfer strategies, are also embedded in the organizational planning and risk management processes. BCM, risk transfer, and financing are the other pillars of the ERM approach that are actively being implemented and continuously developed by AboitizPower.

Risk management planning in Aboitiz Power is an iterative process that is conducted at least semi-annually for strategic risks. Most of the top or strategic risks that are captured at the corporate or AboitizPower level originated from risks reported by the corporate support and business units. The AboitizPower business units review operational risks and implement mitigation measures as part of day-to-day operations. At the end of every review period, strategic and emerging risks are reported to the highest management committee and the Board Risk and Reputation Management Committee.

Following the completion of the 2023 year-end strategic risk consolidation at AboitizPower, the following top or strategic risks have been identified and reported to the senior management executives:

##### **1. Cyber and Information Security**

AboitizPower acknowledges the risks associated with global information security breaches, the rising frequency of industry driven cyber attacks, and the growing complexities posed by digital transformations. Management also recognizes the imperative to address information security threats to both prevent targeted and non-targeted attacks which can adversely disrupt business operations and customer services and result in serious impacts to the Company's bottom line and reputation.

In 2023, AboitizPower took significant steps to enhance its protection protocols, aiming to secure both its OT and IT environments from potential cyber threats. Specifically, within the realm of OT, the Power Generation and Distribution Utilities Business Groups of the company have initiated and are in the process of finalizing the implementation of a standardized, company-wide OT Security Minimum Standard. These initiatives reflect a dedicated effort to establish consistent and robust security measures across the organization's operational technology infrastructure.

AboitizPower aligns with the Aboitiz Group-wide Cyber Security Program, specific governance frameworks, standards, training and culture-building, and OT Security projects. Its Information Security Management System (ISMS) discipline is a central component of AboitizPower's Cybersecurity strategy and will continue to be embedded in all three fundamental pillars of Information and Operational Systems Security, namely, People, Process, and Technology. By embedding cybersecurity principles within these pillars, AboitizPower aims to fortify its defenses and ensure a holistic and resilient cybersecurity framework.

Further, AboitizPower has achieved successful implementation of various security measures. These include the deployment of Continuous Threat Detection (CTD), network segmentation, firewalls, critical endpoint protection, and Secure Remote Access (SRA), among other security measures. These proactive steps underscore the organization's dedication to maintaining a resilient cybersecurity posture and safeguarding its systems and data against emerging threats in the digital landscape. A cyber risk quantification study is under way to improve the company's in depth understanding of the potential consequences of a cyber attack.

In pursuit of attaining Level 4 in Cyber Security Maturity and fostering an information security risk-aware culture, the company has implemented robust Business Continuity Plans (BCPs) specifically designed for potential loss-of-technology scenarios. These plans are not only established but are also subjected to annual testing, thorough reviews, and continuous improvement processes. Simultaneously, a comprehensive Cyber-Security Incident Management Plan is in progress, highlighting the organization's commitment to effectively respond to cyber threats.

Cyber and Information Security risks will remain a critical item in the agenda of the company's Board Risk and Reputation Management Committee in years to come. This strategic focus underscores the organization's proactive stance in managing and mitigating risks associated with digitization and information security.

## **2. Regulatory**

The electric power industry is characterized by a constantly evolving regulatory environment. Any shortcoming in regulatory compliance poses negative consequences in both the net income and reputation of each Business Unit and the Group. Further, the company's results of operations and cash flow could be adversely affected by the inability to predict, influence, or respond appropriately to changes in law or regulations, including any inability or delay in obtaining expected or contracted increases in electricity tariff rates or tariff adjustments for increased expenses, or any inability or delay in obtaining or renewing permits for any facilities, could adversely impact results of operations and cash flow. The company's business could also be adversely affected by any changes in laws or regulations, or changes in the application or interpretation of laws or regulations in jurisdictions where power projects are located, could adversely affect the company's business, including, but not limited to:

- (a) adverse changes in tax laws including misinterpretation of statutory incentives granted to developers;
- (b) changes in the timing of tariff increases or in the calculation of tariff incentives;
- (c) change in existing subsidies and other changes in the regulatory determinations under the relevant concessions or grants;
- (d) other changes related to licensing or permitting which increase capital or operating costs or otherwise affect the ability to conduct business affecting both the generation and distribution utility business;
- (e) other changes that have retroactive effect and/or take account of revenues previously received and expose power projects to additional compliance costs or interfere with AboitizPower's existing financial and business planning; or
- (f) other changes in the performance-based regulations affecting the return of capital investments which will impact prospectively.

Any of the above events may result in lower margins for the affected businesses, which could adversely affect AboitizPower's business competitiveness.

For renewable assets, pricing is fixed by regulatory arrangements which operate instead of, or in addition to, contractual arrangements. To the extent that operating costs rise above the level approved in the tariff, the Business Units that are subject to regulated tariffs would bear the risk. During the life of a project, the relevant government authority may unilaterally impose additional restrictions on the project's tariff rates, subject to the regulatory frameworks applicable in each jurisdiction. Future tariffs may not permit the project to maintain current operating margins, which could have a material adverse effect on the Business Unit or the Group, financial condition, results of

operations and prospects. Withholding of adjustment in feed-in-tariff rates for qualified plants under the portfolio of AboitizPower are risks that are being monitored and addressed through active stakeholder engagement with similarly situated developers and the ERC.

Regulatory issues related to the delivery of transmission assets owned by the NGCP in order to dispatch capacity from newly commissioned plants of AboitizPower are also being managed. AboitizPower continues to work with NGCP to minimize delay in the delivery of transmission assets as new plants begin commercial operations.

To anticipate and proactively respond to changes in regulations, the Regulatory Affairs and External Relations teams of AboitizPower constantly collaborates with the DOE and the ERC to work towards a sound and sustainable regulatory and policy environment. Similarly, the AboitizPower SHES Team keeps abreast with environmental laws and coordinates with DENR on matters pertaining to environmental compliance.

These teams, among others, actively participate in consultative processes and public consultations to provide feedback and positions on proposed laws and regulations. The company's participation likewise ensures that its interpretation of such laws and regulations is aligned with the regulators. This is done in cooperation with organized power industry groups such as the Philippine Independent Power Producers Association (PIPPA) and Philippine Electric Plant Owners Association (PEPOA). Regular dialogues are conducted with host communities, media, non-government organizations, and the academe, to educate and update various groups about the power industry.

### **3. Operations**

The loss of, and/or damage to, facilities caused by natural calamities such as earthquakes, typhoons, and floods may result in significant business interruptions within AboitizPower. Interruptions may also be caused by other factors such as critical equipment breakdown, Information Technology (IT) and OT security breaches, fires and explosions, hazardous waste spills, workplace injuries and fatalities, terrorism, and other serious risks.

Planned maintenance and overall outage management of AboitizPower's generation facilities and its critical equipment and OT infrastructure and systems are governed by asset management standards based on global best practices. All of AboitizPower's operational generation facilities have achieved asset management certifications based on ISO 55001:2014 standard. Recently commissioned plants will also be lined up for certification.

On the other hand, distribution network availability and reliability targets have consistently been aligned with the performance-based standards set by the ERC.

All of the company's Business Units have also achieved OSHAS 18001 certification, a British standard which is focused on controlling occupational health and safety hazards. AboitizPower companies are also transitioning to the ISO 45001 standard to drive a risk-based culture with more proactive approaches toward mitigating risks before they happen. To further reinforce industrial fire safety, an annual in-house training program on Fixed Fire Fighting Systems of the U.S. National Fire Protection Association is conducted for operations, maintenance, and safety personnel.

The Business Units at AboitizPower regularly undertake a comprehensive development, review, updating, implementation, testing, and improvement of their BCPs. This dynamic approach ensures that the plans remain relevant to current business conditions and effectively address the uncertainties and challenges faced by the Company. Some of these key enhancements include: (a) site-specific threat assessment; (b) typhoon preparedness; (c) regular emergency drills and simulation exercises on various scenarios related to other natural and man-made calamities; and (d) post-event evaluations to ensure that employees are able to respond effectively and safely as planned.

As part of its continuous improvement efforts, AboitizPower is exploring the expansion of business continuity strategies on a geographic regional scale. This approach seeks to enhance coordination among several plants, fostering a more synchronized and efficient response to potential disruptions as aligned to the DOE Energy Resilience Plan.

Furthermore, to elevate the existing BCM framework and practices, AboitizPower has transitioned from a scenario-based approach to an impact-based approach. This shift aims to achieve organizational resilience by prioritizing the understanding and management of potential impacts on the business, ensuring a more comprehensive, adaptive and robust response to a variety of disruptive events.

AboitizPower has established group insurance programs that leverage the company's portfolio of generation and distribution assets, supported by robust risk modeling and quantification techniques, which are subjected to regular periodic reviews. The company is committed to ensuring that its Business Units have the most suitable insurance solutions in place, striking the optimal balance between retaining and transferring risks while effectively managing the Total Cost of Insurable Risk. As such, the company procures business interruption insurance to safeguard against potential losses in gross profits resulting from significant damage to critical plant assets. The company is undertaking a major initiative to explore alternative risk transfer strategies. This includes efforts to optimize loss indemnity and risk retention, aligning with the company's goal to enhance the efficiency and effectiveness of its risk management practices. By proactively managing risk through insurance solutions and exploring innovative risk transfer strategies, AboitizPower aims to strengthen its resilience against potential financial losses and disruptions, thereby ensuring the continuity and sustainability of its operation while preserving business competitiveness.

#### **4. Sustainability**

Investments are at risk if these are not able to sustain a viable economic return due to a combination of technology, regulatory, and/or market changes. Among these changes, ESG strategies continue to be the trend in the global community where investors are seeking to mitigate exposure to fossil-based fuel and diversifying portfolios to expand renewable energy capacity. In the event that future laws or contracts are enacted imposing restrictions on operations and refinancing, particularly in relation to power plants utilizing fossil fuels, certain capital expenditures or operating expenses or financing costs may not be fully recoverable.

The growing multi-sectoral negative action against coal has led many financial institutions to restrict investments in coal businesses and projects. The following are important considerations to the company's existing portfolio and strategic project pipeline, where coal concentration will significantly be reduced by the year 2030:

- a. Difficulty in insurance procurement or renewal, where insurers' policy on coal underwriting and investing are also aligned with the same global trends on sustainability and ESG issues. While insurers are still willing to cover coal plants, the resulting impact is significantly higher premium rates for coal insurance year on year. Inability to fill up 100% capacity due to the reluctance or withdrawal of some insurance markets to insure coal plants has prompted the Company to resort to alternative risk transfer strategies. Other noteworthy risk drivers are the hardening of the insurance market aggravated by economic uncertainties, natural catastrophe losses, and the current global geopolitical tensions;
- b. Financing and refinancing risks in terms of the company's inability to borrow money to fund future projects due to current investments in coal. While banks are still willing to lend, the cost of project financing will be less competitive;
- c. Withdrawal of technical support by critical contractors and suppliers from construction and/or maintenance thermal power plants in line with global trends on sustainability; and
- d. Sourcing of fuel (coal and oil) due to global price volatility because of supply and demand fundamental affected by pressure on the continued operation of mines.

The Philippines is a party to the 2015 Paris Agreement signed by almost 200 nations. The Paris Agreement aims to keep the increase in global average temperature to well below 2°C above pre-industrial levels and to limit the increase to 1.5°C, since this would substantially reduce the risks and effects of climate change. As a party to the agreement, the Philippines may impose more stringent regulations, particularly on coal-fired power plant emissions, requiring expensive pollution controls on coal-fired power plants, among other measures. These measures may significantly increase costs of

coal-fired power plants and, at the same time, increase the cost competitiveness of renewable energy.

Recently promulgated implementing rules and regulations by the DOE on “Renewable Portfolio Standards” also mandate electric power industry participants (such as generation companies, distribution utilities and electric cooperatives) to source or produce a portion of their electricity requirements from eligible renewable energy resources and undertake CSPs in sourcing renewable energy. Although unlikely, a significant portion of the captive market may shift away from coal and other hydrocarbon fuels, which may expose the coal-fired power plants of the company to stranded-asset risk (i.e., hazard of an asset suffering from an unanticipated write-down, devaluation, or conversion to liability).

AboitizPower is cognizant of the regulatory and market drivers in the shift towards green and sustainable business transformations. AboitizPower and its Subsidiaries are guided by its sustainability framework that looks into environmental, social and governance risks including climate-related risks of its value chains. Its strategy has long considered environmental sustainability as one of its key pillars and, to date, together with its partners, the Company is the largest private renewable energy operator in the Country with around 1,459 MW in installed capacity as of year end 2023.

AboitizPower’s growth strategy remains aligned with the energy trilemma – balancing the three pillars of energy security, energy equity, and environmental sustainability. Over the last decade, the growth in energy demand has necessitated a focus on energy security and energy equity - the provision of reliable, and affordable energy for a growing economy. Having addressed energy security and energy equity via the presence of sufficient baseload capacity, AboitizPower has begun to shift focus back to environmental sustainability, and rebalancing its energy portfolio. This transition is included in the company’s sustainability agenda, with the company targeting a mix of 50% thermal and 50% renewable energy capacity by 2030 from its current mix of 74% thermal (which are conventional or combustion power plants such as coal or fuel fired plants), and 26% renewable (which do not rely on fossil fuels).

Further, to properly assess the potential and extent of the above-mentioned risks, AboitizPower signed up to become the first Philippine supporters of the international Task Force on Climate-Related Financial Disclosures (“TCFD”) in early 2020. This is a voluntary commitment to adopt a defined governance structure on identifying and addressing physical and transition risks associated with climate change, as well uncovering opportunities, and improving disclosures to provide clear and reliable information to stakeholders. Under SEC Memorandum Circular No. 4, series of 2019 on the Sustainability Reporting Guidelines for Publicly-Listed Companies (“PLCs”), there is a three-year period under which PLCs can comply, which includes the adoption of the TCFD reporting template.

As a validation to AboitizPower’s ESG commitment to risk and crisis management, in the 2023 S&P Global Corporate Sustainability Assessment, AboitizPower was ranked seventh in the global ranking for risk and crisis management performance among 256 rated global companies and highest ranked among rated Philippine companies within the same industry. Good risk management is one of the ways AboitizPower is supporting its ESG performance in particular in the area of governance.

## **5. Financial**

In the course of its operations, AboitizPower and its Subsidiaries are exposed to the following financial risks:

- a. Interest rate risks resulting from the increasing cost to borrow money as a result of inflation; and
- b. Foreign exchange (forex) risks in terms of forex fluctuations that may significantly affect its foreign currency-denominated placements, transactions, and borrowings. This risk is currently driven by the global economic recession and geopolitical conflict, given the impact it has on general currency markets; and the amount of natural hedge flows which may decline.

These risks constrain any expansion and growth projects. Furthermore, defaulting on existing loans and other financial obligations will consequently put the Company’s reputation at risk.

To address these risks, the company carries out regular monitoring of the company's cash position and at the same time maintains good working relationships with the banks and financing institutions. AboitizPower is implementing the Group's Financial Risk Management Framework, which is a collaboration of the Group Risk and Treasury teams and designed to ensure a consistent approach in identifying, assessing, quantifying, and mitigating financial risks across the Group.

Other risks identified by AboitizPower include: Talent; Project Delivery; and Emerging Risks. A more detailed discussion on these risks can be found on page 95 of AboitizPower's Information Statement.

## II. FINANCIAL SERVICES

### *Overview of the Business*

Union Bank of the Philippines (UnionBank, or the "Bank"), originally known as Union Savings and Mortgage Bank, was incorporated in the Philippines on August 16, 1968. On January 12, 1982, it was given the license to operate as a commercial bank. UnionBank's common shares were listed on the PSE in June 1992 and shortly after, it was granted the license to operate as a universal bank on July 15, 1992. As of December 31, 2023, UnionBank's principal shareholders were AEV, the Social Security System of the Philippines (a government owned and controlled corporation that provides social security to workers in the private sector), and Insular Life Assurance Company, Ltd. (one of the leading and largest Filipino-owned life insurance companies in the Philippines).

UnionBank was among the first Philippine banks to embrace technological innovations to empower its customers. It embraces the future of banking and is committed to becoming the Philippines' leading digitally-transformed bank to best serve the growing needs of Filipinos everywhere. It distinguishes itself through technology and innovation, unique branch sales and service culture, and centralized backroom operations. The Bank leverages technology and its agile culture to meet the customers' changing and diverse needs and continuously enhance customer experience. Its unique branch sales and service culture ensure efficient and quality service as well as mitigates operational risk. The Bank's distinct centralized backroom operations enable it to provide responsive, scalable, and secure transaction processing.

UnionBank's core businesses are retail banking, consumer finance (comprising credit card services, mortgage and auto loans, personal and salary loans), corporate banking, commercial banking (comprising middle-market banking), SME banking, cash management, trust banking, treasury products distribution, funding and trading (involving management of UnionBank's liquidity and funding requirements and handling of transactions in the financial markets covering foreign exchange, fixed income trading and investments, and derivatives). In addition, UnionBank has a private banking unit which offers estate planning solutions and a global and diversified multi-asset fund to its high-net-worth and ultra-high-net-worth clients through its partnership with Lombard Odier & Co. (a Swiss global wealth asset manager), and various life insurance products through its bancassurance partnership with Insular Life. As of December 31, 2023, UnionBank and its Subsidiaries had 385 branches across the Philippines and a network of 602 ATMs.

As of December 31, 2023, UnionBank's key Subsidiaries and Affiliates include:

- (i) City Savings Bank, Inc., (CSB), a thrift bank that has ownership interests in various financial institutions together with UBP Investments Corporation (UIC), including: a) First Agro Industrial Rural (FAIR) Bank, b) Bangko Kabayan Private Development Bank (Bangko Kabayan), c) Progressive Bank, Inc. (PBI), and d) Petnet. Inc.(PETNET);
- (ii) UIC a holding company with the following Subsidiaries: a) First Union Plans, Inc. (FUPI), b) First Union Direct Corporation (FUDC), and c) First Union Insurance and Financial Agencies (FUIFAI);
- (iii) UBX PH, the Bank's innovation and technology company with ownerships in a holding company UBX Private Limited and Shiptek Solutions Corporation;

- (iv) UnionDigital, the Bank's digital banking arm licensed by the BSP and started commercial operations on July 18, 2022; and
- (v) UnionBank Investment Management and Trust Corporation (UBIMTC), in November 2023, UBP received from the BSP the Certificate of Authority to operate as a stand-alone trust corporation. UBIMTC is a wholly owned subsidiary of UnionBank.

On June 23, 2021, the Bank issued a seven-year US Dollar-denominated Social Bond (the "Social Bond") amounting to US\$150 mn with the International Finance Corporation (IFC) as sole investor. The proceeds of the Social Bond were allocated exclusively to qualified micro, small, and medium enterprises (MSME) loans that are screened against IFC's eligibility criteria and exclusion list. The issuance of the Social Bonds is part of the Bank's recognition and commitments to the United Nations Sustainable Development Goals, particularly on employment, the objective of Decent Work and Economic Growth. The social bonds carry an interest rate of 1.15% and are unsecured.

In July 2021, the BSP granted a digital banking license to UnionDigital. It is the only digital bank established by a universal bank among the six licensees approved by the BSP. UnionDigital was incorporated in November 2021 and started commercial operations on July 18, 2022. It is UnionBank's foray to penetrate the larger untapped retail segment in the country in a purely digital and cost-effective manner.

On October 24, 2021, the BSP approved the amendment to UnionBank's Articles of Incorporation whereby the authorized capital stock increased from ₱23.1 bn to ₱35.3 bn, divided into 2.5 billion common shares at par value of ₱10.00 and 100 million preferred shares at par value of ₱100.00. UnionBank, likewise, obtained BSP approval for the payment of 25% stock dividends, to comply with the required 25% subscription of the increase in authorized capital stock.

In December 2021, the Bank entered into a Share and Business Transfer Agreement with the subsidiaries of Citigroup Inc. ("Citi") to acquire Citi's consumer banking in the Philippines. The transaction includes Citi's credit card, personal loans, wealth management, and retail deposit businesses. The acquisition also includes Citi's real estate interests in relation to Citibank Square in Eastwood City located in Bagumbayan, Quezon City, three full-service bank branches, and five wealth centers. UnionBank's acquisition of Citi was approved by the BSP on July 18, 2022, and UnionBank became the legal owner of the business beginning August 1, 2022. The deal brought in almost 1 million new customers and ₱98.1 bn in total assets, ₱68.5 bn in loans and ₱67.1 bn in deposits. The acquisition is expected to accelerate UnionBank's objective of becoming a "Great Retail Bank" given Citi's market leadership in the credit cards, personal loans, and wealth management business segments. As of December 2023, the acquired Citi business has ₱96.6 bn in loans reflecting a 22.8% growth vs. previous year. The full-year impact of Citi contributed ₱17.2 bn in Net Revenues in 2023 compared to the 5-month Net Revenue share of ₱1.7 bn in 2022.

In May 2022, UnionBank raised ₱40 bn through a stock rights offering, with approximately 617.2 million common shares priced at ₱64.81 per share. The proceeds from the offering were deployed to partially fund the acquisition of the Citi consumer banking business.

On June 2, 2022, UnionBank successfully issued the first-ever digital peso bonds in the Philippines, raising an aggregate of ₱11 bn under its ₱39.0 bn bond program. UnionBank is the pilot user of PDTC's Proof of Concept Digital Registry & Digital Depository that uses Distributed Ledger or Blockchain Technology for registry and depository operations. The bonds, which have a tenor of 1.5 years and a fixed rate of 3.25% per annum, are listed on the PDEX for trading in the PDEX Fixed Income Market.

On November 25, 2022, UnionBank raised US\$358 mn from a three-year syndicated loan with 15 lenders. Due to positive market feedback, the size was raised from the original launch size of US\$150 mn. The proceeds will be used to refinance UnionBank's maturing US\$ loans and existing US\$ bonds, and fund its general corporate purposes.

UnionBank announced another stock rights offering in December 2022 for approximately 210.97 million shares for ₱56.88 each. The proceeds amounting to approximately ₱12 bn are mainly for the

expansion of the Bank's loan portfolio and for infusion into its digital banking arm, UnionDigital. The new shares were listed on the PSE on February 6, 2023.

In February 2023, UnionBank approved the increase in its authorized capital stock from ₱35,307,852,380.00 to ₱60,307,852,380.00. The proposed increase will be used to support growth and for general corporate purposes. The increase was approved by both the BSP in August 2023 and the SEC in December 2023, respectively.

In July 2023, the SEC authorized the tripartite merger between the Bank's Subsidiaries, Bangko Kabayan, FAIR Bank, and PBI, with Bangko Kabayan being the surviving entity.

In October 2023, UnionBank completed the increase of its Peso-Denominated Bonds Program increasing the Program size to ₱ 50 bn. UnionBank's Bonds Program was initially established on April 26, 2019 with an original size of ₱ 39 bn. In November 2023, UnionBank issued its 1.5-year Senior Fixed Rate Series F Bonds due 2025 and 3-year Senior Fixed Rate Series G Bonds due 2026 in the aggregate principal amount of ₱1 billion, with an oversubscription option. The public offer period ended on November 29, 2023.

In November 2023, the BSP issued the certificate of authority for UnionBank Investment Management and Trust Corporation (UBIMTC) to operate as a stand-alone trust corporation. UBIMTC is a wholly owned subsidiary of UnionBank.

In January 2024, UnionBank announced another stock rights offering amounting to ₱10.0 bn. The net proceeds will be used to fund the capital infusion to UnionDigital, projected retail loan availments, and/or for general corporate purposes.

As of the year ended December 31, 2023, UnionBank registered consolidated net profit of ₱9.2 bn, total consolidated resources of ₱1.145 trillion, total loan portfolio of ₱526 bn, and total deposits was ₱713 bn.

For the period ended December 31, 2023, Tier 1 capital adequacy ratio was 13.0% while total capital adequacy ratio was 15.7%. Tier 1 capital adequacy ratio is determined by dividing total qualifying Tier 1 capital by total risk-weighted assets. Total capital adequacy ratio is determined by dividing total qualifying Tier 1 and Tier 2 capital by total risk-weighted assets. Both Tier 1 and total capital adequacy ratios are computed using Basel 3 standards adopted by the BSP.

#### **(i) Products and Services**

UnionBank offers a broad range of products and services, which include deposit and related services, consumer finance (comprising credit card services, mortgage and auto loans, and personal/salary loans), corporate banking, commercial banking (comprising middle-market banking), micro, small and medium-sized enterprises (MSME) banking, cash management, trust and investment services, treasury products distribution, funding and trading (involving management of UnionBank's liquidity and funding requirements and handling of transactions in the financial markets covering foreign exchange, fixed income trading and investments, and derivatives).

In addition, UnionBank has a private banking unit that offers estate planning solutions and a global and diversified multi-asset fund to its high-net-worth and ultra-high-net-worth clients through its partnership with Lombard Odier & Co., a Swiss global wealth asset manager, and various life insurance products through its bancassurance partnership with Insular Life.

CitySavings offers salary loans to public school teachers under the DepEd's Automatic Payroll Deduction System (APDS) and to other government employees. The guidelines for the grant of salary loans to public school teachers are set out in a memorandum of agreement between the DepEd and City Savings. In 2016, CitySavings launched its Pensionado loans for GSIS and SSS pensioners. In 2019, CitySavings entered the motorcycle financing market through its acquisition of PR Savings Bank and it has substantially expanded its motorcycle loan business. It has also expanded its salary loan clientele to include employees of state and private schools, companies and government institutions. CitySavings' other thrift and rural bank subsidiaries also offer basic deposit and lending services which

range from individual to MSME loans. On the other hand, PETNET, more widely known by its retail brand name PERA HUB, offers a variety of cash-based services including remittance, currency exchange and bills payment.

UnionBank spun out UBX in 2018 to drive financial inclusion and business growth for underserved and unbanked communities by offering fintech capabilities and ecosystem investments. UBX is the Philippines' leading Open Finance platform, offering the most extensive range of financial services and solutions with a fully-onboarded network of the biggest and most reputable financial institutions and service providers, lenders, and payment channels in the country.

UBX has over 200 financial institutions and thousands of agents in its ecosystems. UBX has built award-winning and globally-recognized agnostic, open and interoperable platforms that serve as the future backbone of Open Finance in the Philippines. To date, UBX has over 230,000 business-to-business (B2B) Customers that serve millions of their own customers daily.

UnionDigital Bank, Inc. (Union Digital) is the digital bank subsidiary of UnionBank. It distinguishes itself as the sole digital bank in the country initiated by a private universal bank, holding a license from the BSP. It represents UnionBank's strategic approach to integrate the vast segments of unbanked and underbanked individuals within the financial system. As a crucial part of the Aboitiz Group, UnionDigital leverages the group's ecosystem and expertise, fostering collaborations that drive towards a vision of a financially inclusive nation. This effort also aligns with UnionBank's expansion goals, promoting inclusive growth and prosperity within the Filipino community.

UBIMTC is a wholly owned subsidiary of UnionBank and is one of the few trust departments of local banks to have been spun-off to a stand-alone corporation. Considering its roots as a trust department, the group has been in the trust business for more than 43 years and has been offering since then, a wide range of trust and investment management solutions catering to both individual and institutional clients. As a full-service trust corporation, UBIMTC offers bespoke trust and investment solutions such as trusted accounts, investment management services, escrow agency, custodianship, and other fiduciary services.

In addition to this, UBIMTC manages nine Unit Investment Trust Funds (UITF) to address the fast-growing investment needs of its retail customers. The funds are geared towards long-term capital appreciation and are largely invested in fixed income securities issued by the Philippine government and local corporations, as well as in equity securities of companies listed on the PSE.

## (ii) Distribution Methods

UnionBank primarily services its clientele through its well-trained relationship managers, as well as its strong digital footprint, including its website ([www.unionbankph.com](http://www.unionbankph.com)), its mobile/online banking apps, customer service chatbot, and various digital platforms. Its digital channels are complemented by strategically-located branch networks, partner outlets, ATMs, as well as a Customer Engagement Group that takes up voice and non-voice customer service-related concerns.

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Relationship Managers</i> | UnionBank's salesforce is trained to have expertise regarding the Bank's solutions-based financial services and are equipped with tools (e.g., MAX 5.0) that allow them to service clients remotely and enhance productivity. UnionBank's Relationship Managers and Financial Advisors are also licensed by the Insurance Commission to provide customers with bancassurance products.                                                                                                                       |
| <i>Branch Network</i>        | As of December 31, 2023, UnionBank has 198 branches strategically located within and outside Metro Manila to maximize visibility and expand customer reach. This includes UnionBank's digital and paperless branches called Arks which allow for straight-through processing of transactions over-the-counter or via self-service machines, and at the same time, houses branch ambassadors for product discovery and advisory services.<br><br>UnionBank also increased its presence nationwide through its |

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|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                 | <p>subsidiaries' physical network which consisted of 149 branches of CitySavings across the country, 38 combined branches of Bangko Kabayan, FAIRBank, and Progressive Bank (tripartite merger occurred in July 2023) and over 3,000 locations of PETNET nationwide.</p> <p>In addition, UnionBank has three mobile banking kiosks, also called "Bank on Wheels," which are vans equipped with 5G communication facilities to serve areas where branch access is limited by natural disasters, pandemics or geography, and/or high volume of ATM transactions are needed for a specific period.</p> <p>In 2020, UnionBank introduced agency banking cash deposit capability through its partnership with 7-Eleven and ECPay among others. As of December 31, 2023, UnionBank had more than 11,000 partner agents.</p>                                                                                                                                                                                                                                            |
| <i>ATM Networks</i>             | <p>As of December 31, 2023, UnionBank had 493 ATMs and CitySavings had 109 ATMs for a total of 602 ATMs, which are further categorized as 437 onsite and 165 off-site ATMs. UnionBank and its subsidiaries' network supplements its branch network in providing 24-hour banking services to its customers. UnionBank's interconnection with the Bancnet ATM consortium, allows its cardholders to access thousands of ATMs nationwide. In addition, UnionBank's ATM card functions as a VISA or Mastercard debit card that allows electronic purchase and payment transactions.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <i>Call Center</i>              | <p>UnionBank's Customer Engagement Group, which is responsible for retail customer relationship and consumer finance relationship and care, manages UnionBank's 24-hour call center, which caters to deposit and card product queries, among others. The call center utilizes a mix of voice and non-voice platforms (email, website, social media, etc.) as customer touch points. In handling customer complaints, it adheres to certain service-level agreements such as feedback or resolution of ATM-related concerns within five banking days and redelivery of card within Metro Manila after five days. Customer complaint handling is continuously improved through resolution tracking.</p> <p>UnionBank is currently enhancing other enabling channels capable of digital self-servicing and extended reach. The Customer Engagement Group is composed of the following units; (1) 24x7 Inbound Voice Customer Service; (2) Digital Engagement; (3) Business Support; (4) Quality Assurance and Training; and (5) Performance Management Support.</p> |
| <i>Customer Service Chatbot</i> | <p>UnionBank's "<i>Rafa</i>" is the country's first banking chatbot that delivers instant 24/7 customer service. <i>Rafa</i> is accessible through Facebook messenger. It can answer customer queries on, among others, the nearest ATM and branch, providing the latest foreign exchange rate of up to ten currencies, assisting customers who are exploring auto loans, and giving customers options to choose the credit card that best suits them. It is also capable of assisting in processing account opening and loan applications. UnionBank believes that <i>Rafa</i> provides a more personal and conversational customer experience compared to the interactive voice response or auto reply forms.</p>                                                                                                                                                                                                                                                                                                                                              |
| <i>Mobile and E-Banking</i>     | <p>UnionBank Online, launched in August 2017, is the online and mobile banking platform for UnionBank's retail customers. It is designed with an omni-channel user experience wherein the same look and feel applies to different touchpoints (websites and mobile applications), operating systems (Android or IOS) and device types. UnionBank Online enables UnionBank's customers to perform account</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

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|                     | <p>management and banking transactions such as account opening, deposit checks, fund transfer, bill payment without visiting a branch or contacting UnionBank’s call center. Customers may log in through fingerprint authentication, apart from password login. Customers can use UnionBank Online to send money to over 10,000 cash outlets nationwide and deposit checks simply by taking a photo with the application. It also enables real-time account opening via a digital application and thus facilitates customer onboarding process. UnionBank was the first Philippine universal bank to introduce such a function in the Philippines in 2019.</p> <p>UnionBank also introduced the upgraded version of its cash management platform for corporates called “The Portal”. It is a fully featured application which enables, among others, single sign-on for customers with multi-org access, real-time fund transfers and setting up business approval steps. It helps customers’ merchant acquisition, account management and lending activities.</p> <p>UnionBank also launched a cash management platform for MSME clients called MSME Business Banking in 2021. Its features include digital account opening for savings and checking account, mobile check deposit, local and international fund transfers, bills payment, payment gateway, and many more to help MSMEs manage financial operations.</p> <p>UnionBank also launched “UPAY” in 2021, an integrated payment acceptance hub for SME customers to support collection of funds through various payment channels including UnionBank Online, Gcash and GrabPay, over the counter, and debit and credit cards. In addition, UnionBank has launched “E-commerce Payment Gateway” with API connectivity via websites and mobile applications to enable merchants to accept major credit cards and alternative payment methods to support their customers’ buying behavior and to deliver a cross-channel experience. Recurring customers could experience faster and more convenient payments by securely tokenizing payment credentials.</p> |
| <i>EON</i>          | <p>EON was the first electronic money product in the Philippines with a “selfie banking” feature which employs facial recognition for account opening. UnionBank has merged the EON digital accounts into UnionDigital’s system and EON account holders have become customers of UnionDigital. The EON brand was first launched in 1999, and then re-launched in 2017 by UnionBank as its first digital bank account specially designed for tech savvy customers, mostly e-gig practitioners and e-commerce entrepreneurs.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <i>UnionDigital</i> | <p>UnionDigital, the Bank’s new digital banking arm, aims to provide low-cost digital banking services and make banking accessible to unbanked and underserved Filipinos. Its mobile app serves as a one-stop fully fledged platform offering community-based financial services. UnionDigital utilizes data analytics and machine learning in order to enhance cybersecurity and risk management.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <i>UBX</i>          | <p>UBX owns and operates four key digital platforms. First, “i2i” whose name refers to “island-to-island, institution-to-institution, individual-to-individual” is a fast-growing agency banking network and banking as a service solution provider that connects rural banks and non-banking financial institutions to each other and to the nation’s financial networks while providing a digital transformation package for these institutions including core banking technology and digital banking channels, powered by blockchain technologies;</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

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|  | <p>Second, “Sentro,” a homegrown eCommerce shop builder in the Philippines, with pre-integrated payment gateway and delivery services, is an online business-to-business marketplace for the MSME ecosystem, with business solutions to include BUX;</p> <p>Third, “BUX,” is a fast-growing payment gateway for e-commerce in the Philippines, and an all-in-one payment platform which enables end-to-end payments. Merchants of all sizes can accept various forms of payments including over-the-counter, online banking, cash on delivery, e-wallets, installments as well as debit and credit cards. BUX has launched universal QR payments enabling merchants to accept payment with a scan from their customers’ mobile devices. BUX also enables merchants to offer options of payment by installment and buy-now-pay-later. BUX was awarded “Best Digital Payment Facilitator – Philippines for 2021” by Global Brands Magazine.</p> <p>Lastly, “SeekCap” is a digital lending marketplace for MSMEs in the Philippines that offers fast and affordable financing options including same-day approvals and leverages blockchain technology. SeekCap studies customer behavior patterns by using alternative data such as digital platform usage and geographical metadata, making it possible for MSME borrowers to qualify for loans compared to just looking at traditional credit factors.</p> <p>UBX also invested in Shiptek Solutions Corporation to embed financial solutions into its shipping and logistics platform, XLOG.</p> <p>UBX also owns and operates a number of other digital platforms and fintech products including the below, among others. These are relatively new products and UnionBank is building momentum on their usage:</p> <p>“xpanse,” an open finance platform that enables banks, fintechs and startups to build new financial solutions through APIs and enables customer-controlled data sharing across hundreds of member institutions in the Philippines.</p> <p>“Vinne,” a money management mobile application powered by blockchain technologies, giving access to decentralized finance applications;</p> <p>“Assured,” an innovative embeddable insurance platform which business partners can embed into their platforms through APIs and embeddable user experience, and thus make their products accessible to consumers who have been previously underserved. Through Assured, insurance options are presented as a value-added feature in everyday experiences such as online shopping. Offerings are context-based. Examples of offerings include personal accident insurance at bill payment, item loss and delivery failure protection on e-commerce platforms, and insurance coverage embedded to MSMEs’ activities such as inventory management and payroll processing. UBX partners with insurtechs and selected companies to increase insurance penetration rate; and</p> <p>“AKIN,” a next-generation blockchain-based identity verification solution. In the AKIN management system, verified digital identities are shared across the platform for smoother and frictionless transactions such as leasing, loaning, and banking.</p> |
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| <p><i>Other Platforms and Digital Channels</i></p> | <p>UnionBank’s thrust for digital transformation prompted it to launch digital platforms and channels intended to deliver several products/services to various customer segments. UnionBank launched “GlobalLinker,” a virtual B2B community and network platform for SMEs, and UnionBank has partnered with Lazada by signing a memorandum of agreement on March 10, 2022, according to which the sellers at “GlobalLinker” and Lazada will be able to sell products at the other site, respectively. UnionBank also launched “Financial Supply Chain”, a blockchain-powered platform for supply chain financing and transactions, for corporate clients and their ecosystem of suppliers and dealers. UnionBank established the “Bonds.PH” application which facilitates blockchain-enabled distribution of sovereign retail treasury bonds in the Philippines.</p> <p>CitySavings also utilizes its own app for its Department of Education teacher community called “Loan Ranger Mobile” for account management and grant of reloans to accelerate the onboarding of teachers for faster turnaround and growth of loans. This complements the salesforce who are focused on searching for new leads and expanding in new regions.</p> |
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### (iii) Competition

The Bank faces competition in all its principal areas of business. Philippine domestic and foreign banks are the Bank’s main competitors, followed by finance companies, mutual funds and investment banks. Currently, the industry is dominated by the four largest universal banks, each with over ₱2 trillion in assets: BDO Unibank, Inc. (BDO), Land Bank of the Philippines (LBP), Bank of the Philippine Islands (BPI) and Metropolitan Bank and Trust Co (MBT). These banks have greater financial and other capital resources, and greater market share than UnionBank. Moreover, as a publicly-listed bank, UnionBank also monitors its performance against the ten largest publicly-listed universal banks in the country.

Based on preliminary data of BSP as of December 31, 2023, there were a total of 45 domestic and foreign universal and commercial banks operating in the Philippines, with total assets of ₱25.1 trillion, total loan portfolio (inclusive of Interbank Loans and RRP) of ₱13.4 trillion, and total deposits of ₱19.0 trillion. Among the universal banks, there are 13 private domestic universal banks, six branches of foreign universal banks and three government-controlled universal banks. On the other hand, the commercial banks comprise three private domestic commercial banks, 18 branches and two subsidiaries of foreign commercial banks. While mergers, acquisitions, and closures reduced the number of industry players, the entry of foreign banks under new and liberalized banking laws and regulations resulted in the growth of the number of universal and commercial banks. Corporate lending remained competitive resulting in even narrower spreads especially under a low interest rate environment. Pockets of growth were, however, seen in the middle corporate market, SMEs, and consumer segments.

According to the Ranking as to Total Assets as of December 31, 2023 published by the BSP, the industry is dominated by the four largest universal banks with over ₱2 trillion in assets, namely BDO Unibank, Inc., Land Bank of the Philippines, Metropolitan Bank and Trust Co. and Bank of the Philippine Islands.

The Bank also faces competition from financial technology firms and non-financial firms. In particular, non-financial firms pose a challenge to Philippine banks by offering digital products such as mobile payments or online services. Financial technology firms utilize software to provide financial services, and disrupt existing financial systems and corporations that rely less on software by offering faster, more convenient, and more efficient ways of transacting. In addition, purely digital financial technology or non-financial firms have no branches and thus have lower costs. The Bank seeks to gain a competitive advantage by continuing to implement its digital transformation strategies.

Amidst this operating environment, UnionBank leverages on its competitive advantages anchored on its use of superior technology, its unique sales and service culture, and centralized backroom operations, as well as its digital transformation roadmap geared towards strengthening its present business by repositioning itself into a digitally-transformed universal bank that achieves scale in a cost-efficient manner, while preparing for a future when embedded or decentralized banking becomes the dominant business model, all anchored on technology as the enabling factor.

As a result, UnionBank has been acknowledged as a leader in delivering superior customer experiences through innovation. UnionBank is among the top in the industry in terms of shareholder value, among the industry's lowest-cost producers, and one of the most profitable in terms of return on equity, return on assets, and absolute income.

**(iv) Major Customers**

The Financial Services Group's businesses are not dependent upon a single customer or a few customers that a loss of anyone would have a material adverse effect on the performance of its sales and distribution. It has no single customer that is expected to account for 20% or more of the group's total sale of goods and services.

**(v) Patents, Copyrights, and Franchises**

UnionBank owns, or has pending applications for the registration of intellectual property rights for various trademarks associated with their corporate names and logos. Please refer to **Annex "G-3"** to see the trademark applications which UnionBank has filed with the Philippine IPO.

**(vi) Government Approvals**

The BSP, SEC, Philippine Deposit Insurance Corporation (PDIC), PSE, and the BIR are the primary regulatory agencies that issue and enforce rules, regulations and guidelines relevant to the Bank's activities.

UnionBank ensures that its products, services and systems have the necessary regulatory approvals and are in compliance with existing rules prior to launch and continue to be compliant with prescribed rules and regulations.

**(vii) Effect of Existing or Probable Governmental Regulations**

***Keeping abreast of regulations affecting the business***

As a banking institution, UnionBank adheres to the provisions of the General Banking Law of 2000 (Republic Act No. 8791), as amended, and the regular issuances by the BSP as embodied in its Manual of Regulations for Banks (MORB). The regulatory issuances of the SEC, PDIC, PSE, PDEX, BIR, and other regulatory bodies are likewise monitored constantly for new developments

***Regulations on Digital Banks***

The BSP has given digital banks a distinct classification. Digital banks offer financial products and services that are processed end-to-end through a digital platform and/or electronic channels without any physical branch or sub-branch or branch-lite unit offering financial products and services. On December 2, 2020, the BSP issued BSP Circular No. 1105 which provides the guidelines on establishment of digital banks. While digital banks have no physical branch or sub-branch or branch-lite unit, digital banks are required to maintain a principal or head office in the Philippines to serve as the main point of contact for stakeholders, including the BSP and other regulators. Pursuant to the accelerated digitalization in the financial industry, the BSP issued Memorandum No. M-2022-016 on March 22, 2022, which provides the controls and processes supporting the operation, connectivity, and endpoint security of Application Programming Interface (API) and the good practices for API management.

As per existing BSP regulations, digital banks are required a minimum capital of ₱1 bn and are subject to the reportorial requirements under the Basel III risk-based capital as may be prescribed by the BSP. The reserve requirement ratios of digital banks under the MORB are as follows: (a) 8% against for demand deposits, savings deposits (excluding basic deposit accounts), time deposits and deposit substitutes, negotiable CTDs, Peso deposits lodged under due to foreign banks, Peso deposits lodged under due to head office/branches/agencies abroad (Philippine branch of a foreign bank), NOW accounts, long-term non- negotiable tax-exempt CTDs; (b) 3% against bonds; and (c) 0% against basic deposit accounts. Moreover, the equity investment of a digital bank in any single enterprise must be less than 50% of the voting shares in that enterprise.

UnionBank complies with the regulations imposed by the BSP Monetary Board on Digital Banks.

#### ***Anti-Money Laundering Laws and Know Your Customer Procedures***

UnionBank complies and is consistent with the provisions of Republic Act No. 9160, as amended by Republic Act Nos. 9194, 10167 and 10365, otherwise known as the “Anti-Money Laundering Act of the Philippines,” and other pertinent laws, rules, regulations, and circulars issued by the BSP, SEC and other regulatory agencies of the Philippines, including the Anti-Money Laundering Council (AMLC) and the Financial Action Task Force (FATF) on Money Laundering. UBP adheres to the Anti-Money Laundering (AML) laws and regulations that include the Know Your Customer (KYC) rules and customer due diligence at the inception of the bank-client relationship until its termination.

The Bank employs a third-party tool for screening customers during onboarding, subsequently, whenever there are updates to the sanctions and negative files and during periodic account reviews. A real-time transaction screening system is used to clear all transactions that pass through the SWIFT network. In July 2019, the Bank upgraded its AML system through the deployment of an internally developed, highly intuitive, and more flexible transaction monitoring and reporting system. In 2020, an in-house developed screening portal replaced the previous tool to assist in the namescreening of clients against the lists of sanctioned individuals and organizations, and persons convicted of AML predicate crimes, among other negative information.

Customer due diligence remains robust through documentation and upgrading of client information, understanding of client activity, review of customer risk rating, identification of ultimate beneficial owners, and obtaining senior management approval, where warranted.

Finally, on an annual basis, UnionBank, through its Compliance and Corporate Governance Office (CCGO), provides formal AML training to the members of the Board of Directors, Senior Management, and its Branches. In coordination with its HR Group, CCGO deploys the AML e-learning refresher module to all Bank employees; while Operations and Sales personnel are apprised of new BSP requirements during Compliance roadshows held throughout the year.

#### ***Capital Adequacy***

Per existing BSP regulations, the combined capital accounts of each commercial bank should not be less than an amount equal to 10% of its risk assets. Risk assets consist of total resources after exclusion of cash on hand, due from BSP, loans covered by holdout on or assignment of deposits, loans or acceptances under letters of credit to the extent covered by margin deposits and other non-risk items as determined by the Monetary Board of the BSP.

As of December 31, 2023, 2022, and 2021, the Bank’s CAR were at 15.7%, 13.0%, and 18.4%, respectively.

#### **(viii) Costs and Effects of Compliance with Environmental Laws**

Compliance with environmental laws increases a company’s operational costs, though in most cases the costs are only a small fraction of a firm’s total costs. For financial institutions like UnionBank, relevant environmental laws and regulations require the appointment of Pollution Control Officers, Managing Heads, installation of pollution control equipment, and incorporation of sustainable

practices in the Bank's operational processes. Compliance with these requirements has minimal effect on the Bank's operational cost and productivity.

Environmental laws influence the Bank's concept in designing its offices to ensure compliance as provided by relevant regulatory agencies. Compliance with the environmental laws has benefitted the organization in terms of illnesses averted through reduction of airborne particulates, hazardous waste disposal, and water potability. There were no reported incidents of non-compliance with environmental laws and regulations.

In addition, UnionBank has entered into partnerships with Plastic Bank and Humble Sustainability to recycle, upcycle, and recover plastic wastes and non-hazardous wastes as part of the Planet pillar and Inclusive Prosperity focus area of the Bank's sustainability program.

Finally, UnionBank is in the process of renewing its partnership with Globe Telecom to dispose of electronic waste via the One Phone program, where the bank collects old and unused electronic gadgets and equipment so they may be properly handled and avoided being dumped in landfills.

**(ix) Major Risk/s Involved in the Business**

Risks particular to the Financial Services Group are as follows:

***UnionBank's ability to identify, assess, monitor and manage risks inherent in its business is anchored on the quality and timeliness of available industry and internal risk data***

UnionBank, through its Enterprise Risk Management Group, monitors all risk exposures which include, among others, credit risk, market risk, operational risk, operational risk, liquidity risk, and IT risk. The effectiveness of UnionBank's risk management, particularly on the management of credit risk which is inherent in its core businesses, is bounded by the quality and timeliness of available data in the Philippines as well as internal risk data in relation to different factors such as, but not limited to, the proposed borrowers' credit history, loan exposures with other financial institutions and other external and market factors affecting overall credit. Insufficient or inaccurate risk and financial data and limitations of UnionBank's risk management systems, if any, may result in UnionBank granting loans that may expose UnionBank to significant credit risk, taking positions that may expose UnionBank to market and liquidity risks, or undertaking business activities that may result in operational, IT and other material risks.

Procedures to identify and assess the aforementioned risks are embedded in the Bank's various processes, including but not limited to, KYC procedures, loans evaluation, and underwriting and due diligence procedures. The group maintains a prudent risk management strategy to ensure its soundness and profitability. Strategies and limits are reviewed regularly and updated to ensure that risks are well-diversified and risk mitigation measures are in place. A system for managing and monitoring risks is in place so that all relevant issues are identified at an early stage and appropriate actions are taken on a timely basis. Risk reporting is done on a regular basis, either monthly or quarterly.

***UnionBank may face increasing levels of non-performing loans ("NPLs"), provisions for impairment losses and delinquencies in its credit card portfolio, which may adversely affect UnionBank's business, financial condition, results of operations, and capital adequacy***

UnionBank plans to continue to expand its SMEs and consumer loan operations, such as credit card services, mortgage loans, and salary loans. Such expansion plans will increase UnionBank's exposure to SMEs and consumer debt, and volatile economic conditions in the Philippines may adversely affect the future ability of UnionBank's borrowers, including SMEs and individual borrowers, to meet their obligations under their indebtedness and, as a result, UnionBank may experience an increase in the levels of NPLs and provisions for impairment losses in the future.

Volatile economic conditions in the Philippines, including volatile exchange and interest rates, may adversely affect many of UnionBank's customers, causing uncertainty regarding their ability to fulfill

obligations under UnionBank's loans and significantly increasing UnionBank's exposure to credit risk. These and other factors could result in an increased number of NPLs and delinquencies in UnionBank's loan portfolio in the future. Any significant increase in UnionBank's NPLs or delinquencies in UnionBank's loan portfolio would have a material adverse effect on its business, financial condition, results of operations, and capital adequacy.

The aforementioned risk is managed through strategies, policies, and limits that are approved on the Board level and in line with the Bank's risk appetite. The Bank has a well-structured and standardized credit approval process and credit scoring system for each of its business and/or product segments to assess the inherent risks. Business units are held accountable for all the risks and related returns and ensure that decisions are consistent with business objectives and risk tolerance.

***UnionBank may be unable to recover the assessed value of its collateral when its borrowers default on their obligations, which may expose UnionBank to significant losses***

UnionBank's secured loans have, historically, represented a significant portion of UnionBank's total loans. There can be no assurance that the collateral securing any particular loan will protect UnionBank from suffering a partial or complete loss if the loan becomes non-performing. The recorded values of UnionBank's collateral may not accurately reflect its liquidation value, which is the maximum amount UnionBank is likely to recover from a sale of collateral, less expenses of such sale. There can be no assurance that the realized value of the collateral would be adequate to cover UnionBank's loans.

In addition, some of the valuations in respect of UnionBank's collateral may also be out of date or may not accurately reflect the value of the collateral. In certain instances, where there are no purchasers for a particular type of collateral, there may be significant difficulties in disposing of such collateral at a reasonable price. Any decline in the value of the collateral securing UnionBank's loans, including with respect to any future collateral taken by UnionBank, would mean that its provisions for credit losses may be inadequate and UnionBank may need to increase such provisions. Any increase in UnionBank's provisions for credit losses could adversely affect its business, its financial condition, results of operations, and capital adequacy.

Furthermore, UnionBank may not be able to recover in full the value of any collateral or enforce any guarantee due, in part, to difficulties and delays involved in enforcing such obligations through the Philippine legal system. To foreclose on collateral or enforce a guarantee, banks in the Philippines are required to follow certain procedures specified by Philippine law. These procedures are subject to administrative and bankruptcy law requirements which may be more burdensome than in certain other jurisdictions. The resulting delays can last several years and lead to the deterioration in the physical condition and market value of the collateral, particularly where the collateral is in the form of inventory or receivables. In addition, such collateral may not be insured. These factors have exposed, and may continue to expose, UnionBank to legal liability while in possession of the collateral. These difficulties may significantly reduce UnionBank's ability to realize the value of its collateral and therefore the effectiveness of taking security for the loans it makes. UnionBank initially carries the value of the foreclosed properties at the lower of loan exposure or fair value of the properties at the time of foreclosure. Subsequently, the foreclosed properties are carried at the lower of the amount initially recognized or the fair value less cost to sell. While UnionBank, at each balance sheet date, provides for impairment losses on its foreclosed properties in accordance with PFRS, it may incur further expenses to maintain such properties and to prevent their deterioration. In realizing cash value for such properties, UnionBank may incur further expenses such as legal fees and taxes associated with such realization. There can be no assurance that UnionBank will be able to realize the full value, or any value, of any collateral on its loans. In realizing cash value for such properties, UnionBank may incur further expenses such as legal fees and taxes associated with such realization. There can be no assurance that UnionBank will be able to realize the full value, or any value, of any collateral on its loans.

Lending policies, including on collaterals, are reviewed regularly to align with market developments. Collaterals, both for current and repossessed loans, are appraised periodically.

***UnionBank's provisioning policies, which are based on Philippine Financial Reporting Standards expected credit loss standards and on other relevant Philippine regulations, may be more or less stringent than those in other countries***

The level of loan loss provisions that UnionBank recognizes are aligned with the PFRS 9 accounting standard. Subjective determinations of significant change in credit risk may increase the variation of application of such policies and affect UnionBank's results of operations. Moreover, regulations of the BSP require that Philippine banks classify loans into several categories corresponding to various levels of credit risk as follows: pass, loans especially mentioned, substandard, doubtful, and loss. These are considered in PFRS 9 expected credit loss stage determination, in addition to BSP Circular No. 941. Generally, the classification of loans depends on a combination of qualitative and quantitative factors, such as the number of months that payment is in arrears. Periodic examination by the BSP of these classifications in the future may also result in changes being made by UnionBank to such classifications and to the factors relevant thereto.

The BSP requirements in certain circumstances may be less or more stringent than those applicable to banks in other countries and may result in particular loans being classified as non-performing later or earlier than would be required in such countries or being classified in a category reflecting a lower or higher degree of risk. As a result, the amount of UnionBank's NPLs, as well as reserves, may be lower or higher than what would be required if UnionBank was located in such countries. Further, if UnionBank changes its provisioning policies to become more in line with international standards or practices or otherwise, UnionBank's results of operations may be adversely affected.

Certain accounting standards, including the PFRS 9 expected credit loss standards, have been adopted by the Bank to obtain unbiased and probability-weighted amount which is determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information about past events, current conditions and forecasts of future economic conditions with the objective of recognizing lifetime losses on all financial instruments which have experienced a significant increase in credit risk since their initial recognition. These assumptions are reviewed and updated at least monthly.

***UnionBank is subject to credit, market and liquidity risk which may have an adverse effect on its credit ratings and its cost of funds***

To the extent any of the instruments and strategies UnionBank uses to manage its exposure to market or credit risk is not effective, UnionBank may not be able to mitigate effectively its risk exposures, in particular to market environments or against particular types of risk. UnionBank's balance sheet growth will be dependent upon economic conditions, as well as upon its determination to securitize, sell, purchase or syndicate particular loans or loan portfolios. UnionBank's trading revenues and interest rate risk exposure are dependent upon its ability to properly identify and mark to market the changes in the value of financial instruments caused by changes in market prices or rates. UnionBank's earnings are dependent upon the effectiveness of its management of migrations in credit quality and risk concentrations, the accuracy of its valuation models and its critical accounting estimates and the adequacy of its allowances for credit losses. To the extent its assessments, assumptions or estimates prove inaccurate or not predictive of actual results, UnionBank could suffer higher than anticipated losses. The successful management of credit, market and operational risk is an important consideration in managing its liquidity risk because it affects the evaluation of its credit ratings by rating agencies. A failure by UnionBank to effectively manage its credit, market and liquidity risk could have a negative effect on its business, financial condition and results of operations.

***A downgrade of UnionBank's credit rating could have a negative effect on its business, financial condition and results of operations***

In the event of a downgrade of UnionBank by one or more credit rating agencies, UnionBank may have to accept terms that are not as favorable in its transactions with counterparties, including capital raising activities, or may be unable to enter into certain transactions. This could have a negative impact on UnionBank's treasury operations and also adversely affect its financial condition and results of operations. Rating agencies may reduce or indicate their intention to reduce the ratings at any time.

The rating agencies can also decide to withdraw their ratings altogether, which may have the same effect as a reduction in its ratings. Any reduction in UnionBank's ratings (or withdrawal of ratings) may increase its borrowing costs, limit its access to capital markets and adversely affect its ability to sell or market its products, engage in business transactions, particularly longer-term and derivatives transactions, or retain its customers. This, in turn, could reduce UnionBank's liquidity and negatively impact its operating results and financial condition.

### **III. FOOD MANUFACTURING**

#### *Overview of the Business*

AEV's integrated agribusiness and food company is operated in the Philippines primarily through Pilmico and its Subsidiaries, and its international feeds business through Pilmico International and its various Subsidiaries and Associates. The Food Group is composed of two segments: (1) Agribusiness and (2) Food and Nutrition. Agribusiness covers feed milling, pet food and specialty nutrition while Food and Nutrition includes flour milling, hog and layers farming, meat slaughter and fabrication and commodity trading.

The Food Group began the international expansion of its business in 2014 through Pilmico International's initial acquisition of a 70% equity interest in Pilmico Vietnam Company Limited (PVN formerly, Pilmico VHF Joint Stock Company and originally, Vin Hoan 1 Feed JSC), one of the largest aqua feeds producers in Vietnam. Pilmico International completed the acquisition of PVN through the additional purchase of a 15% equity stake in 2017 and the remaining 15% equity stake in 2019, making PVN a wholly-owned Subsidiary of Pilmico International.

The investment in PVN allowed the Food Group to gain a foothold in the Vietnamese aqua feeds business, and at the same time, build its reach to other aqua farm customers. This strategic move was also intended to establish a gateway to investments in other ASEAN countries like Thailand, Laos, and Cambodia, allowing the Food Group to expand its core feeds business internationally, and to diversify and gain competence in the aqua feeds product segment (currently not produced in the Philippines). The investment in Vietnam likewise paved the way for additional international investments of the Food Group and it also developed capabilities in aqua feed milling.

The Food Group continued to establish its presence in Vietnam through various acquisitions by Pilmico International: (i) a 100% equity interest in Pilmico Vietnam Trading, a company engaged in the wholesale of food products, beverages, and agricultural and forestry raw materials in October 2016; and (ii) an initial acquisition of a 70% equity interest in Pilmico Animal Nutrition Joint Stock Company (PAN-JSC, formerly Europe Nutrition Joint Stock Company), a joint stock company engaged in the business of producing animal feeds.

The Food Group eventually gained a wider foothold in ASEAN+China with its acquisition of GCMH and its Subsidiaries. In July 2018, Pilmico International initially acquired a 75% equity interest in GCMH, the parent company of the Gold Coin Group and one of Asia's largest multinational agri-business corporations with Subsidiaries operating in Singapore, Indonesia, Malaysia, Vietnam, Thailand, Sri Lanka, Myanmar, Pakistan, Brunei, the Philippines, Hong Kong, and China. Pilmico International completed its acquisition of the remaining 25% equity interest in GCMH in May 2019.

In 2019, PAN-JSC was folded into the Gold Coin Group as part of the ongoing integration between the businesses of Pilmico International and the Gold Coin Group and was renamed Gold Coin Feedmill (Binh Duong).

In 2021, GCMH increased its ownership stake in its Malaysia business through the buyout of minority partner, Koperasi Permodalan FELDA Malaysia, in Gold Coin Malaysia Group and Gold Coin Specialities Sdn. Bhd., increasing its stake from 70% to 100%.

In 2022, the Gold Coin Group completed the sale and disposition of its 100% equity interest in Gold Coin Feed Mills (Lanka) Limited (GCFL), a company engaged in the manufacturing and distribution of animal feed products in Sri Lanka. This marks the group's exit from Sri Lanka in accordance with its direction to grow its animal feeds business in other parts of the SouthEast Asia and China markets.

The Food Group believes that the Gold Coin Group enjoys leading positions in key Asian markets, with an established and loyal client base. Combined with the Gold Coin Group, Pilmico International expects to become a comprehensive animal nutrition platform across the Asia-Pacific region, with competitive advantages in terms of developing a stronger and multi-branded platform of animal nutrition and delivering scientifically balanced livestock and aqua feeds, and specialty nutrition products addressing the demands of a wide range of customers.

The Food Group is in continuous pursuit of innovative new products, product variants, and line extensions in the livestock, and aquaculture feeds segments.

**(i) Principal Products and Services**

***Feeds and Flour***

***Pilmico Foods Corporation***

Pilmico, a wholly-owned AEV Subsidiary, is primarily engaged in manufacturing and selling of flour, feeds, and their by-products. These by-products are largely wheat by-products, particularly wheat bran sold under the Pilmico Brand.

***Flour Products***

Through Pilmico, the Food Group produces premium quality hard wheat flour for bread and soft wheat flour for cookies and crackers. Hard wheat flour brands include: Sun Moon Star, Sunshine, Glowing Sun and Kutitap. Meanwhile, soft wheat flour brands include: Gold Star and Mega Star. The Food Group also produces a leading brand of specialty flours under the Wooden Spoon Brand. Some notable brands under the Food Group's specialty flour include: Wooden Spoon Cake Flour, Wooden Spoon All-Purpose Flour, Wooden Spoon Siopao Flour, and Wooden Spoon Whole Wheat Flour.

Pilmico has a wide network of distributors and dealers located in major cities of Metro Manila, Cebu, Davao, Iloilo, Bacolod, and Cagayan. As of January 31, 2024, it is one of the largest flour manufacturers in the country and is ranked among the top three domestic flour producers based on internal market data.

The Food Group has expanded its flour business internationally. Currently, Pilmico has a representative office in Ho Chi Minh City, Vietnam. Through this representative offices, Pilmico established its flour export business, successfully distributing its flour products to Hong Kong, Vietnam, Myanmar, Thailand, Malaysia, and Indonesia. The Food Group expects to take further efforts to strengthen the presence of its flour business in the ASEAN region.

***Feeds Products***

Feeds products offered by the Food Group include swine, poultry, rabbit, pet food as well as other species including aqua feeds for the different stages of growing pangasius, and tilapia, among others. The Food Group also offers animal healthcare products in the Philippines as part of its objective of becoming a total solutions provider for its feeds customers. It also sell raw materials for feeds through its commodity trading business.

***Hog and Layer Farms***

***Pilmico Animal Nutrition Corporation***

The Food Group's hog and layer farms operations are conducted through its Subsidiary, Pilmico Animal Nutrition Corporation (PANC). Pilmico and another wholly-owned Subsidiary, Filagri Holdings, Inc. (Filagri Holdings), owned a 100% equity interest in PANC. PANC operates farms and feed mill plants in Capas, Tarlac.

In January 1999, PANC began commercial operations of its feed mill plant in Capas, Tarlac to cater to the growing demand for feeds in Luzon. Since commencing its swine operations with 4,750 sow level in the second half of 1999, PANC had a 8,399 sow level as of January 31, 2024. PANC plans to increase its sow level to 10,800 by 2024, which is expected to translate to a monthly sales volume of 19,897 heads of market hogs.

In December 2015, PANC started its layer farms operations. The layer farm facility was completed and became fully-operational by December 2016. This layer farm facility can hold up to 173,000 egg-laying chickens that translates to 4 million eggs per month.

To support the growing Luzon commercial feeds volume as well as increased feeds requirements from its growing layer and swine operations, PANC completed the construction of a second feed mill ("Tarlac Feed Mill 2") and a third feed mill ("Tarlac Feed Mill 3"), resulting in an additional 124,800 MT each in feed mill capacity. Tarlac Feed Mill 3 was completed in August 2016.

### ***Agribusiness - International***

#### ***AEV International Pte. Ltd.***

Established on May 5, 2014, AEV International Pte. Ltd. (AEV International) is the holding company of AEV's investments outside the Philippines. It owns 100% of the equity interest in Pilmico International.

#### ***Pilmico International Pte. Ltd.***

Pilmico International, a company organized under the laws of Singapore, is the project vehicle of AEV's first international investment in the feeds business. It was established in June 2014 as a wholly-owned Subsidiary of the AEV through AEV International.

Pilmico International owns a 100% equity interest in PVN, a 100% equity interest of Pilmico Viet Nam Trading Company Ltd. (PVN Trading), and a 100% equity interest in GCMH, which controls the Gold Coin Group.

#### ***Pilmico Vietnam Company***

In 2014, AEV began its expansion into the Vietnamese market via the aqua feeds segment through Pilmico International. Pilmico International acquired 70% of the total outstanding shares in PVN (formerly, Pilmico VHF Joint Stock Company and originally, Vin Hoan 1 Feed JSC), one of Vietnam's largest aqua feeds producers. This acquisition allowed the Food Group to expand its feeds business in Vietnam and build its market base internationally. To date, Pilmico International owns 100% equity interest of PVN.

PVN's operations are in Dong Thap Province in Vietnam, approximately 165 kilometers from Ho Chi Minh City. It has a current capacity of 241,000 MT per year. This capacity has supported efforts to build a commercial market in Vietnam and export market, in addition to the long-term supply agreement with Vinh Hoan Corporation.

The investment in PVN allowed the Food Group to gain a foothold in the Vietnamese aqua feeds business, and at the same time, build its reach to other aqua farm customers. This strategic move was also intended to establish a gateway to investments in other ASEAN countries like Thailand, Laos, and Cambodia, allowing the Food Group to expand its core feeds business internationally, and to diversify and gain competence in the aqua feeds product segment currently not produced in the Philippines.

#### ***Pilmico Viet Nam Trading Company Ltd.***

PVN Trading was incorporated in July 2015 as a limited liability company operating in Vietnam and engaged in the wholesale of food products, beverages, agricultural and forestry raw materials, among others. It is currently the vehicle used for the importation and distribution of the Food Group's products within the Vietnam market.

Pilmico International owns a 100% interest in Pilmico VN Trading.

***Gold Coin Management Holdings Private Limited and the Gold Coin Group***

GCMH is an investment holding company incorporated under the laws of the British Virgin Islands in January 2000. Headquartered in Singapore, GCMH is the parent company of the Gold Coin Group.

In December 2022, GCMH, together with Glen Arbor Holdings (Singapore) Pte. Ltd. (a Subsidiary of Pilmico International Pte. Ltd.) completed the sale and disposition of its 100% equity interest in Gold Coin Feed Mills (Lanka) Limited (GCFL), a company engaged in the manufacturing and distribution of animal feed products in Sri Lanka. The sale of GCFL to New Anthoney's Farms (PVT) Ltd. marks the Gold Coin Group's exit from Sri Lanka to focus on growing its animal feeds business in other parts of the SouthEast Asia and China markets.

The Gold Coin Group is engaged in animal nutrition and manufacturing of animal feeds and is a leading brand in animal nutrition and, as of January 31, 2024, had more than 21 livestock and aqua feed mills across six countries in the Asia-Pacific with an installed milling capacity of 2.8 million MT per year. As of January 31, 2024, it also had two research facilities in China and Malaysia. In particular, the Gold Coin Group manufactures and sells animal feed and specialty nutrition products, including compound feed, pre-mix and additives for the livestock and aqua sectors in the Asia-Pacific region.

Gold Coin Group's products and services include: (i) livestock feed such as feed for poultry broiler/layer, swine, duck, other birds and fish; (ii) aqua feed or feeds for aquaculture produce such as shrimp and fish; and (iii) specialty nutrition or the premix and specialty concentrate complete feed. In 2018, the group introduced its entry to the young animal for its livestock portfolio, and enhanced nutritional specifications for shrimp feeds, and fish feed to grow its aqua portfolio.

**(ii) Distribution Methods**

Pilmico and PANC sell their feeds and flour products through a nationwide distribution network of dealers. Pilmico likewise exports its flour products to Hong Kong, Myanmar, and Vietnam. PANC's hog and meat products are sold to "viajeros" or small-scale distributors and institutional customers (such as hotels, restaurants, and caterers).

In addition to its existing presence through its representative offices, and through its acquisition of the Gold Coin Group, the Food Group gained access to a comprehensive platform with an extensive distribution and sales network spread across 8 countries in the Asia-Pacific region.

The Gold Coin Group has established relationships with customers, offering a number of brands of livestock and aqua feeds products with quality feed formulation across various key markets. Moreover, in 2018, the Gold Coin Group launched a sales optimization program to introduce a centrally designed sales program to integrate livestock operation, distribution, and sales channels to expand its specialty nutrition and aqua feeds. Taking advantage of this program, the Food Group is developing a stronger and multi-branded one-stop shop animal nutrition platform to address the demands of its customers across the Asia-Pacific region.

In the Philippines, the Farms business has expanded its market reach to end-consumers via "The Good Meat" business which offers fresh meat and egg products in both online and physical "The Good Meat" stores. As of January 31, 2024, the Food Group is operating five physical The Good Meat stores. The Good Meat's fresh pork offerings are sold in 71 supermarkets across the Philippines, 60 of which carry the "The Good Meat" Brand while the remainder are sold as the supermarket's house brand, while its growing Value-Added Meat segment (bacon, sisig, etc) are carried in over 220 supermarkets nationwide.

The Food Group's businesses are not dependent upon a single customer or a few customers such that a loss of any one would have a material adverse effect on the performance of its sales and distribution. The Food Group has no single customer that, based on existing orders, accounts for 20% or more of its total sale of goods and services.

### **(iii) New Products**

#### *International Animal Nutrition*

The Gold Coin Group provides nutritional solutions and onsite technical support to customers to optimize aquaculture and farm production across the Asia-Pacific Region. As of January 31, 2024, the group has an existing 18 livestock feed mills in five countries (China, Indonesia, Malaysia, Vietnam, and Brunei); four aqua feed mills in three countries (Indonesia, Malaysia, and Thailand); and offers specialty nutrition across six countries (Malaysia, Vietnam, Philippines, China, Pakistan, and Myanmar). Its production facilities are ISO 22000/HACCP certified.

The Gold Coin Group intends to introduce innovative new products, product variants, and line extensions in the livestock and aquaculture feeds segments. In 2018, the group introduced its entry to the young animal and pet food segment for its livestock portfolio, and enhanced nutritional specifications for shrimp feeds, and fish feed additives for its aquaculture portfolio. The group also relies on technological innovation and feed re-formulation in order to maximize profits. The capabilities of the Gold Coin Group will allow the Food Group to develop a stronger and multi-branded platform of animal nutrition products to address the demands of a wide range of customers across the Asia-Pacific Region.

### **(iv) Competition**

As an integrated food and agri-business company primarily engaged in the manufacture and sale of animal feeds, flour, flour by-products as well as the production of swine and table eggs, the Food Group operates in a competitive industry driven by global raw material prices with an increasing trend on process improvement and digitization. Moreover, with global food demand on the rise brought by rising income from a growing middle class in developing countries, industry growth has been supported by global and domestic expansions by a growing number of agri-business players.

The Food Group's business model is well positioned at the beginning of the food value chain with facilities in the Philippines located in Tarlac (feedmill and farms) and Iligan (flourmill and feedmill). The Food Group products are distributed through external distributors and dealers in major cities throughout the Philippines.

The Food Group believes that it competes through cost leadership and providing a better customer experience.

Pilmico believes that it is among the top three domestic flour, swine, and animal feed producers in the Philippines, which include San Miguel Food and Beverage, Inc. and Universal Robina Corporation for flour, B-MEG, and Unahco for feeds, and Monterey and Robina for farms, all of which leverage on strategic logistic hubs, competitive pricing and dedicated sales support teams to drive growth. The Gold Coin Group's competitors in international feeds include Charoen Pokphand Group, Japfa Comfeed, and CP Indonesia, with Cargill remaining the biggest feed miller in South East Asia with leading market share and capacity in Thailand, Vietnam, and Indonesia.

### **(v) Sources of Raw Materials**

The Food Group, through Pilmico and PANC, imports wheat, soybean meal and other grains mostly from various suppliers in the United States, Canada, and Australia. This exposes the Food Group to risks arising from currency fluctuations and volatile price movements of raw materials.

PVN imports soybean meal from Argentina and the United States, and cassava from Cambodia. Rice bran and other grains are sourced from various suppliers in Vietnam.

The Gold Coin Group requires a wide variety of raw materials to manufacture its livestock and aqua feeds products, including, but not limited to, corn grains, soya beans and meals, and wheat products.

Efficient sourcing of these materials requires a combination of local and import strategies. To optimize its position as one of the largest animal nutrition providers in the Asia-Pacific Region and take advantage of the synergies between related parties and Affiliates, the Gold Coin Group instituted a centralized commodity trading team for the Food Group that determines procurement and strategic sourcing activities.

**(vi) Major Customers**

The Food Group's businesses are not dependent upon a single customer or a few customers that a loss of anyone would have a material adverse effect on the performance of its sales and distribution. The Gold Coin Group has no single customer that, based on existing orders, will account for 20% or more of its total sale of goods and services.

**(vii) Transactions with and/or Dependence of Related Parties**

Transactions with and/or dependence on related parties are discussed at the holding company level.

Additionally, to unlock cost synergies and efficient sourcing of raw materials within the Food Group, the Gold Coin Group instituted a centralized commodity trading team that is tasked to identify and secure procurement and strategic sourcing activities. Transactions are made at arms-length, fair, and compliant with transfer pricing rules.

**(viii) Patents, Copyrights, and Franchises**

The Food Group owns, or has pending trademark applications for the registration of intellectual property rights for various trademarks associated with their corporate names and logos. These are filed or pending at local and international jurisdictions. Please refer to **Annex "G-4"** to see the trademark applications which the Food Group has filed with the Philippine IPO and intellectual property offices abroad.

**(ix) Government Approvals**

The Food Group secures various government approvals, such as the environmental compliance certificates, development permits, license to sell, business permits, import licenses, etc. as part of the normal course of its business.

**(x) Effect of Existing or Probable Governmental Regulations**

The laws and regulations that govern the Food Group's business operations in the Philippines include the: (i) Food Safety Act of 2013 (RA No. 10611); (ii) Food and Drug Administration Act of 2009 (RA No. 9711) and the established standards and quality measures by the Food and Drug Administration in relation to the manufacturing and branding of food products to ensure its safe supply; (iii) the Livestock and Poultry Feeds Act and its implementing rules and regulations on the manufacture, importation, labelling, advertising and sale of livestock and poultry feeds; (iv) the Meat Inspection Code of the Philippines (RA No. 9296) establishing measures on quality and safety standards for the slaughter of food animals and the processing, inspection, labelling, packaging, branding and importation of meat (including, but not limited to, pork, beef and chicken meat) and meat products; (v) Consumer Act of the Philippines (RA No. 7394) and the as enforced by the Department of Trade and Industry, and the quality and safety standards with respect to the composition, contents, packaging, labelling and advertising of food products and prohibits the manufacture for sale, offer for sale, distribution, or importation of food products which are not in conformity with applicable consumer product quality or safety standards; (vi) Price Act (RA No. 7581) on matters concerning price controls for basic and prime commodities on select circumstances of calamities and state of public emergency.

The Gold Coin Group, with companies and plant operations across several countries in the Asia-Pacific region, has secured the necessary registrations, permits, and licenses to allow it to do business in the applicable countries.

**(xi) Amount Spent on Research and Development**

The Food Group remains committed to the continued research and development of its feed, flour, and farm products. This is evidenced by the launch of new product offerings such as aqua feeds, petfood, new and improved shrimp formulation, mash conditioner feeds, pigeon feeds among others. These costs are inherently part of the research and development, nutrition, veterinary, and business development operating costs and amount to less than 1% of the Food Group's revenues.

**(xii) Costs and Effects of Compliance with Environmental Laws**

The Food Group is working with relevant Environmental regulators with a dedicated Quality, Safety, Health Environment and Process Department for both existing operations and future plans. Compliance to environmental laws is included in key decision points such as investing in new swine farms and new feed mills to include measures and build appropriate facilities that lessen the impact on the environment.

**(xiii) Major Risk/s Involved in the Business**

Risks particular to the Food Group are as follows:

***Ongoing Ukraine war can have several potential impacts on the Food Group, especially on our flour and feed business***

Ukraine is a major exporter of wheat and corn, which are essential ingredients for flour and feed production. The conflict may disrupt transportation routes, leading to delays, increased costs, or even a temporary halt in the supply of grains. Millers may face difficulties in sourcing an adequate amount of raw materials. This has translated to price fluctuations in grain markets. Increased demand, reduced supply, and speculation can cause sharp price increases, making it challenging for millers to procure grains at reasonable prices.

To address this risk, the Food Group has diversified sourcing channels by establishing new relationships with multiple suppliers and has strengthened its long-standing relationships with key suppliers. It sources its grains in North America (milling wheat, feed wheat, corn), South America (feed wheat, soybean meal and corn) and Australia. It does not source from Ukraine and Russia. Further, the Food Group stays updated with market information and collaborate closely with suppliers to anticipate potential price fluctuations. The Food Group continues to maintain buffer stock to ensure continuity of production during any disruptions.

In times of geopolitical uncertainty, and accelerating inflation, the value of currencies can fluctuate significantly. Currency devaluation or volatility can impact the cost of imported raw materials and equipment, potentially affecting the profitability of the Food Group.

The Food Group has established currency hedging strategies to minimize exposure to foreign exchange risks and use forwards to hedge currency positions and stabilize costs.

***Outbreak of diseases, food safety and foodborne illness concerns could adversely affect the Food Group's financial condition and results of operations***

Part of the inherent business risk of swine and poultry farms are animal diseases (e.g., African Swine Fever and Avian Influenza) which can impact demand and supply for certain products of the Food Group. A major outbreak can affect the entire industry, significantly affecting demand and supply. There can only be a certain level of assurance that the Food Group's internal controls and policies will be fully effective in preventing all food safety issues concerning the products it sells, including any occurrences of foodborne illnesses such as Salmonella, E. coli, and Hepatitis A. New illnesses resistant to current precautions may develop in the future, or diseases with long incubation periods could arise, that could give rise to claims or allegations on a retroactive basis. As part of taking on a proactive approach in managing this risk, the Food Group continually understands changes in the risk profile and context to better understand and manage this risk. This may come in the form of continuous testing

and evaluation of new lab tests or vaccine and medicine programs or new regulatory requirements to comply with.

Being in the food industry, food safety risks brought about by foodborne illness or illnesses related whether or not related to the Food Group's products, could negatively affect sales and reputation. Both could have a material adverse effect on the Food Group's business, financial condition, and results of operations. This risk exists even if it were later determined that the illness was wrongly attributed to its products. Quality assurance and quality control activities play an important role in managing this risk. Part of the Food Group's strategic plans include a robust implementation of quality across suppliers to the market value chain. Four quality areas include: (1) supplier quality; (2) process quality; (3) product quality; and (4) market quality.

- (a) Supplier Quality - focuses on the development and implementation of quality supplier accreditation process
- (b) Process Quality - focuses on the improvement of existing quality programs and processes such as but not limited to HACCP, Food Defense, and Food Fraud Program
- (c) Product Quality - focuses on the implementation of cost of poor quality management and new products development program
- (d) Market Quality - focuses on the improvement of existing programs and processes on handling customer complaints, product recall

***The Food Group's financial performance may be materially and adversely affected by disruptions in the supply of, or price fluctuations in, major raw materials***

Many of the Food Group's products depend on raw materials, most of which are procured from third parties, including purchases of some critical raw materials from both within and outside of the Philippines. These raw materials are subject to price volatility caused by a number of factors including changes in global supply and demand, foreign exchange rate fluctuations, shipping and other transport-related factors, weather conditions, quality of crop and yield and trade and tariff policies, and government regulations and controls. Moreover, the market prices of raw materials may increase significantly if there are material shortages due to, among others, competing usage or drastic changes in weather or natural disasters or shifts in demand from other countries such as China and India.

The ability to pass on higher costs through price increases is also influenced by competitive conditions and pricing methodologies used in the various markets in which the Food Group competes. As such, there is no assurance that all or significant increases in product costs will be passed on to consumers and that any price increases that are passed along to consumers will not have a material adverse effect on price competitiveness.

Key controls to manage this risk include leveraging on volume through strategic and centralized procurement of the Food Group's raw materials requirement. Another is the establishment of neutral positioning when buying raw materials which usually ranges from three weeks to four months. By having a neutral position, the Food Group can somehow mitigate the external factors affecting prices. Finally, focusing on optimizing its Low-Cost Formulation model through the use of substitutes, alternate proteins, and identification of regional/local sources is one of the key strategies that it employs to manage the impact of this risk.

Contributing to the supply chain disruption is the unavailability of supply of raw materials at the required quality and quantity that meet the needs of the Food Group. Ultimately, any shortages in raw materials may lead to delays in the supply of products to the Food Group's customers. Key controls to manage this include setting up multiple suppliers both international and local as backup. Establishing safety stock levels and even raising them on certain occasions to minimize shutdowns.

***The business and sales of the Food Group are affected by seasonality***

The business and sales of the Food Group are affected by the seasonality of customer purchase patterns. The Food Group's products generally experience increased sales during months leading to major holiday seasons, such as Christmas and Lunar New Year. Moreover, other inputs such as grains may be affected by planting and harvest seasons as well as other weather conditions. As a result,

performance for any one quarter is not necessarily indicative of what is to be expected for any other quarter or for any year and its financial condition and results of operations may fluctuate significantly from quarter to quarter.

To address this risk, the Food Group employs various sales tactical programs by means of promotions and discounts in the form of price, volume and/or cash payment discounts.

***The business and prospects of the Food Group may be materially and adversely affected by increased imports of lower-priced products as import duties are decreased or eliminated***

The Food Group may face increased competition from less expensive products imported to the Philippines as import duties on those products are decreased or eliminated. In particular, the Philippines is a signatory to several free trade agreements, including the ASEAN Trade in Goods Agreement ("ATIGA") and the ASEAN Free Trade Agreement. With the implementation of ATIGA, the Philippines eliminated intra-ASEAN import duties on 99.56% of its tariff lines including poultry, meat of bovine animals, flour, sausage, prepared or preserved meat, cereals, bread, pastry, cakes, biscuits, fruit juices, coffee, tea or maté, sauces and preparations, ice cream, beer, certain spirits, liqueurs, and spirituous beverages.

The Food Group has already experienced the effects of increased competition as a result of the elimination of these import duties, and expects that competition from imported products will continue to increase. In addition, any reduction in tariffs on imports from other ASEAN countries and from other countries party to a free trade agreement with the Philippines, such as China and Japan, could give rise to increased competition for the Food Group's products.

The Food Group also faces competition from other countries. If the Food Group is unable to compete effectively with lower-priced imports, its market share and sales may decrease, and its business, financial condition, results of operations, and prospects could be materially and adversely affected.

The Food Group leverages on industry associations or groups to lobby for certain barriers to entry in the form of imposition of duties and taxes on these imported goods.

***The Food Group engages in derivative and hedging transactions***

From time to time, the Food Group enters into various commodity derivative instruments, such as forward purchases, caps and collars for wheat and soybean meal, to manage price risks on strategic commodities. For hedging transactions, if prices decrease, hedging positions may result in mark-to-market losses, which are, in turn, expected to be offset by lower raw material costs. As its hedging transactions are mark-to-market, to the extent that the market price of the raw materials subject to such hedging transactions falls below the fixed price under futures contracts, the Food Group's net income will be lower had it not engaged in such transactions. Consequently, its financial performance could be adversely affected during periods in which prices of raw materials are volatile. A key control to manage this is outlined in the Food Group's Price Risk Management Framework that sets the price-risk decision matrix for any futures pricing of key commodities (i.e., wheat and soybean meal).

***Sales of certain products may be adversely affected if the Food Group's relationship with dealers and distributors deteriorate***

The products of the Food Group are primarily sold through dealers and distributors. There is no assurance that these dealers and distributors will continue to purchase and distribute the Food Group's products, or that these dealers and distributors can continue to effectively distribute its products without delays or interruptions. In addition, the financial instability of, contractual disputes with, or labor disruptions at its dealers and distributors could disrupt the distribution of its products and adversely affect its business.

The Food Group's dealer network is a key asset for the Food Group and it has taken steps to know more about its customers and their customers. Delivering consistent and quality products to customers is important to building a lasting relationship. Part of the strategic plans include building its own competencies for an ideal distribution center that will handle consolidation, repacking, and

logistics. Another key initiative is to provide a system to support its distributors in managing their customers, payments, fulfillment, and inventory management.

#### **IV. REAL ESTATE**

##### *Overview of the Business*

Incorporated on June 2, 1964, AboitizLand (formerly Central Visayan Warehousing Co., Inc.) is the real estate arm of the Aboitiz Group. Today, AboitizLand is mainly engaged in the development of real estate projects with a primary focus on residential communities, integrated industrial townships and commercial hubs. On September 1, 2020, the management of the industrial and commercial business units of AboitizLand was transferred to Aboitiz InfraCapital.

AboitizLand currently has 13 residential projects selling three different product types: lot only, house and lot, and condominiums.

AboitizLand's strategy has been to step up mid-market residential launches to capitalize on the growing provincial house and lot mid-market. It expects to grow its well-performing industrial business through the continued acquisition of land in key geographic corridors and the development of complementary recurring revenue businesses and residential communities within these areas. Through this approach, AboitizLand not only looks to expand its industrial footprint but also create thriving townships in the future.

AboitizLand is also capitalizing on the new and upcoming segment of vertical developments in urban zones through its wholly-owned Subsidiary, Point Blue, Inc. (Point Blue) which created the microstudio category in the Philippines. This joint venture looks to build microstudio buildings strategically located near Metro Manila's central business districts.

AboitizLand expects to actively explore complementary services from AEV's utilities, financial services, and infrastructure businesses, as it is doing at the Lima Technology Center.

##### **(i) Products and Services**

###### **(a) Residential Business**

###### **Aboitiz Land, Inc.**

AboitizLand is the real estate arm of the Aboitiz Group and is mainly engaged in the development of real estate projects with a primary focus on residential communities. Since the launch of its first residential development in 1994, AboitizLand's residential estate has now expanded to 13 residential projects selling three particular product types: lot only, house and lot, and condominiums.

In 1994, the Real Estate Group launched *North Town Homes* in Cebu, its first residential subdivision catering to upper-mid to high-end customers through horizontal (lot-only and house-and-lot) developments. Since then, the Real Estate Group has expanded its portfolio to include mid-market residential products. Through AboitizLand, the Real Estate Group has also introduced a number of product concepts to the Cebu real estate market: (i) the New Urbanism concept of live-work-play in the large master-planned community of *Pristina North*; (ii) Zen living, which takes off from the spa lifestyle trend, in *Kishanta*; (iii) the commercial and residential "Urban Village", such as *The Persimmon*; (iv) shophouses as a residential product in *Ajoya*; (v) fully-furnished affordable studio units, such as *The Persimmon Studios*; (vi) Asian Contemporary designed units in *Almiya*; and (vii) inspired by traditional Filipino residences in *Amoa*.

In 2017, the Real Estate Group launched *Seafront Residences*, a 43-hectare beachside community located in San Juan, Batangas, and *Foressa Mountain Town*, a 250-hectare mountain town community located in Balamban, Cebu.

In 2018, AboitizLand launched two additional residential projects in Luzon: *Ajoya Capas*, a 13-hectare community development in Tarlac, and *Ajoya Cabanatuan*, a 20-hectare community development in

Nueva Ecija. The *Ajoya* brand represents AboitizLand's flagship mid-market residential product, featuring modern housing units inspired by contemporary Filipino architecture, and amenities such as a town plaza, a clubhouse, and pocket parks, among others.

In 2019, AboitizLand further strengthened its position in the Luzon region through the launch of two new residential projects: *Ajoya Pampanga*, a 21-hectare development in Mexico, Pampanga, and *The Villages* at Lipa, a 50-hectare development in Batangas to support the industrial township strategy for LIMA Technology Center.

On September 1, 2020, the management of the Industrial and Commercial Business Units of AboitizLand was transferred to Aboitiz InfraCapital.

Additionally, AboitizLand offers property management services to support not only its own business units, but also those of the other companies within the Aboitiz Group. These services cover community security, site and infrastructure maintenance, village activities and policy administration.

AboitizLand is a wholly-owned Subsidiary of AEV.

## **(ii) Distribution Methods**

AboitizLand's residential projects currently target a diverse base of customers, ranging from the middle to upper-income brackets. AboitizLand now also caters to young urban professionals working in and around central business districts given its partnership with E360, Inc. to co-develop microstudio developments since 2019.

AboitizLand's industrial segment aims to serve various locators from different industries and countries with significant interests in the Philippines.

In January 2020, AboitizLand invested in a proprietary mobile application called the AboitizLand Vecino app, the backbone of its digitalized home-buying service. Through the app, vecinos (i.e., residents) are now able to track monthly payments and download Statement of Accounts (SOAs) and receipts in a timelier manner, follow construction progress, make online payments, apply for a housing loan, schedule acceptance and turnovers, as well as reach out to customer service.

In April 2020, AboitizLand launched the Contactless Home Buying service which allowed investors and aspiring buyers to acquire property in a more convenient, safer, and worry-free process.

AboitizLand continues to develop various features to make its systems timelier and more relevant across all aspects of the business. It has added new features such as digitized documentation and digital home loan applications.

## **(iii) New Products and Services**

In September 2019, AboitizLand and Point Blue partnered to co-develop microstudio rental apartments, an innovative new category in the real estate residential sector. Thereafter, AboitizLand acquired full ownership of Point Blue in 2023. These microstudio apartments are leased ready for move-in and all units are equipped with a bed, ample storage space, a desk and chair, roller blinds, air-conditioner, microwave, free high-speed internet, and within walking distance of Metro Manila's central business districts.

In 2022, AboitizLand launched 2 new phases of its existing projects: Foressa Light B in Balamban, Cebu and Meadow Village at the Villages at Lipa in Batangas. AboitizLand has also embarked on several initiatives and partnerships to strengthen operations, including partnerships with precast construction technology providers and online mortgage brokers, and the launching of new customer service and property management platforms.

## **(iv) Competition**

AboitizLand considers Ayala Land and Vista Land as its main competitors in the residential business. They currently enjoy market dominance in the locations where they compete and are considered as brand leaders in the market because of their presence in both primary and secondary cities nationwide. Both competitors target the same market that falls within their sub-brands that cater from the high-end A market to the broad C market. AboitizLand also caters to the same markets depending on the location and type of product that it offers.

In terms of the commercial business, AboitizLand looks to strategically develop commercial spaces that will enhance its current communities. By doing so, AboitizLand aims to maximize the value footprint in these areas while servicing the needs of the community. Furthermore, the continued relevance of AboitizLand's successful track record in traditional retail formats provide a positive outlook for its largest commercial project to date, The Outlets at Lipa. Although relatively new in this segment, it was able to successfully implement new retail formats in locations it already serves. However, traditional big-box retail companies such as SM and Vista Land remain market leaders in the commercial business and are considered as its main competitors in this segment. While SM caters to all market classes, AboitizLand caters to the broad C to the upper B market currently focusing on the latter for its offerings at The Outlets.

Lastly, the industrial parks continue to serve as key hubs for economic activity. With its expertise, AboitizLand looks to further capitalize on these hubs not only by expanding its industrial footprint, but also through the development of recurring revenue businesses and residential communities adjacent to its industrial areas. Through this approach, AboitizLand looks to transform these industrial spaces into thriving townships. Among the national developers in the country, Ayala Land, Vista Land, and Megaworld are the main proponents of township developments. With their years of experience and land banks around the country, they remain AboitizLand's competitors in this segment. Similar to the residential and commercial business, AboitizLand caters to several markets that encompass its township developments. For example, The Villages at Lipa caters to mid – to upper-mid-market residents, *The Outlets* at Lipa serves retail customers, while Lima Technology Center is home to industrial locators and soon, BPO offices.

**(v) Sources of Raw Materials**

AboitizLand and its Subsidiaries have a broad base of suppliers, both local and foreign. They are not dependent on one or a limited number of suppliers.

**(vi) Major Customers**

AboitizLand's residential projects currently target a diverse base of customers, ranging from the middle to upper-income bracket. The Group's industrial division serves various locators, with the slight exception of its industrial segment operated through CIPDI, which has commitments to Tsuneishi Holdings Corporation (THC) of Japan.

The Real Estate Group's businesses are not dependent upon a single customer or a few customers that a loss of anyone would have a material adverse effect on the performance of its sales and distribution. It has no single customer that will account for 20% or more of the group's total sale of goods and services.

**(vii) Patents, Copyrights, and Franchises**

The Real Estate Group owns, or has pending trademark applications for the registration of intellectual property rights for various trademarks associated with their corporate names and logos. These are filed or pending at local jurisdictions. Please refer to **Annex "G-5"** to see the trademark applications which the Real Estate Group has filed with the Philippine IPO.

**(viii) Government Approvals**

AboitizLand and its Subsidiaries secure various government approvals such as the environmental compliance certificate, development permits, license to sell, business permits, etc. as part of the normal course of its business.

**(ix) Effect of Existing or Probable Governmental Regulations**

The laws and regulations that govern the Real Estate Group's business operations include:

- (i) The Subdivision and Condominium Buyer's Protective Decree (P.D. 957) which outlines the necessary approvals and permits required for subdivision and condominium development projects. The Housing and Land Use Regulatory Board (HLURB) is the administrative agency of the government which, together with local government units, enforces these decrees and has jurisdiction to regulate the real estate trade and business;
- (ii) The Urban Development and Housing Act of 1992 (RA No. 7279), as amended recently by Republic Act No. 10884, requiring developers of proposed subdivision projects to develop an area for socialized housing equivalent to at least fifteen percent (15%) of the total subdivision area or total subdivision project cost, and at least five percent (5%) of condominium area or project cost, at the option of the developer, within the same city or municipality whenever feasible, and in accordance with the standards set by HLURB and other existing laws. Alternatively, the developer may opt to buy socialized housing bonds issued by various accredited government agencies or enter into joint venture arrangements with other developers engaged in socialized housing development;
- (iii) The Condominium Act (RA No. 4726), as amended, providing additional regulation on the development and sale of condominium projects. The Condominium Act requires the annotation of the master deed or the declaration of restrictions on the title of the land on which the condominium project shall be located. The declaration of restrictions shall constitute a lien upon each condominium unit in the project, and shall bind all condominium owners in the project; and
- (iv) On January 29, 2021, the Anti-Money Laundering Act of 2001, as amended, was further amended by Republic Act No. 11521. Republic Act No. 11521 expanded the scope of the law to include real estate developers and brokers as covered persons. AboitizLand and its relevant subsidiaries engaged in the sale and/or lease of real properties are now considered covered persons under the amended law and are required to register with the AMLC, as well as to report single cash transaction involving an amount in excess of ₱7.5 mn and other suspicious transactions. The relevant Business Units under the Real Estate Group have taken steps to ensure compliance with the rules and regulations of the AMLC.

**(x) Major Risk/s Involved in the Business**

Risks particular to the Real Estate Group are as follows:

***AboitizLand may not be able to lease its properties in a timely manner or collect rent at profitable rates or at all***

AboitizLand's ability to sell or lease sites in its development projects could be affected by a number of factors including consumer confidence resulting to slow down on sales, changing customer needs, entry of key players, more aggressive competitors (for pricing, payments, incentives, offers etc.) competition for tenants, changes in market rates, the inability to renew leases, the bankruptcy of tenants, the increase in operating expenditures, and efficiency in collection, property management, tenant relations, and loss of market.

For residential development, strategies and possible solutions are the expansion of digital initiatives in Sales and Marketing, broadening digital platforms outside existing social media and property listing platforms, offering special discounts to *Vecinos*, improving marketing communication, and more strategic target market segmentation.

***AboitizLand may not be able to complete its development projects within budgeted project costs or on time or at all***

Property development projects require substantial capital expenditures prior to and during the construction period for, among other things, land acquisition and construction. The construction of property projects may take a year or longer before generating positive net cash flow through sales or pre-sales. As a result, AboitizLand's cash flows and results of operations may be significantly affected by its project development schedules and any changes to those schedules. The schedules of AboitizLand's projects depend on a number of factors, including the performance and efficiency of its third-party contractors and its ability to finance construction. Other factors that could adversely affect AboitizLand's project development schedules include:

- (i) natural catastrophes and adverse weather conditions and/or a Pandemic;
- (ii) changes in market conditions, economic downturns, and decreases in business and consumer sentiment in general;
- (iii) delays in obtaining government approvals and permits;
- (iv) changes in relevant regulations and government policies;
- (v) relocation of existing residents and/or demolition of existing constructions;
- (vi) shortages of materials, equipment, contractors and skilled labor;
- (vii) labor disputes;
- (viii) construction accidents;
- (ix) errors in judgment on the selection and acquisition criteria for potential sites;
- (x) Cyber Attacks and/or leaked of personal and sensitive information;
- (xi) Internal contractor issues;
- (xii) Unforeseen geographic situations; and
- (xiii) other unforeseen problems or circumstances

Construction delays or failure to complete the construction of a project according to its planned specifications, schedule and budget may harm AboitizLand's reputation as a property developer or lead to cost overruns or loss of or delay in recognizing revenues and lower margins. If a property project is not completed on time, the purchasers of pre-sold units within the project may be entitled to compensation for late delivery. If the delay extends beyond a certain period, the purchasers may be entitled to terminate their pre-sale agreements and claim damages. There is no assurance that AboitizLand will not experience any significant delays in the completion or delivery of its projects in the future or that it will not be subject to any liabilities for any such delays.

The occurrence of these risks and the consequence of AboitizLand's ability to develop, will only be highly likely if a project is mis-scoped. In order to mitigate these risks, AboitizLand's project development and operations plans have been and are continuously being updated. By taking lessons learned from older projects, creating standards for processes, implementing policies, and execution of the company's scope of work all the way from the acquisition stage, through the planning, launch, construction, and turn-over stages, AboitizLand is able to mitigate these risks. A consistent review of the company's project risks and management plans at each milestone project point allows the risk treatment plans to be updated in order to keep up with the market and regulatory changes, as well as manage internal stakeholder or third-party engagement, while maintaining project health.

## V. INFRASTRUCTURE

### *Overview of the Business*

The infrastructure and infrastructure-related investments of the Aboitiz Group are primarily undertaken through Aboitiz InfraCapital and AEV CRH, the holding company of RCBM.

On March 17, 2015, Apo Agua Infraestructura, Inc. (Apo Agua), a Joint Venture company with J.V. Angeles Construction Company (JVACC), entered into a Joint Venture Agreement (JVA) and Bulk Water Purchase Agreement (BWPA) with Davao City Water District (DCWD). The Joint Venture includes the construction of both a hydroelectric-powered bulk water treatment facility and the conveyance system needed to deliver treated bulk water to numerous DCWD delivery points in Davao City. The EPC contract with JVACC was executed on February 6, 2018. In July 2022, Apo Agua took over the construction of the Davao City Water District's Bulk Water Supply Project from JVACC in response to the delays in the project's construction timeline, which was aggravated by the pandemic. Apo Agua completed construction of the facilities in the later part of 2023 and it commenced full commercial operations of delivering bulk water to DCWD in February 2024.

On September 15, 2015, the Company and CRH plc through their investment vehicles, AEV CRH and CRH Aboitiz Holdings, Inc. (CRH Aboitiz), completed the acquisition of the Lafarge S.A.'s Philippine assets, which included four Luzon-based cement manufacturing plants located in Bulacan, Rizal, and Batangas; an integrated plant in Iligan, Mindanao; a cement grinding mill in Danao City, Cebu; and associated limestone quarries. CRH plc is a global leader in the manufacture and supply of a diverse range of building materials and products for the modern built environment. It has leadership positions in Europe and North America as well as established strategic positions in numerous countries worldwide.

On August 1, 2017, Aboitiz InfraCapital acquired 100% ownership and took full operational control of LIMA Water Corporation (LIMA Water) from LIMA Land. LIMA Water, with a capacity of 8 million liters per day, is the exclusive water and wastewater services provider in LIMA Estate, the Philippines' largest privately-owned and top-selling industrial park.

On August 3, 2017, Aboitiz InfraCapital signed an agreement to acquire 11% stake in Balibago Waterworks System, Inc. (BWSI) from SFELAPCO. In April 2019, the company increased its ownership stake to 16% through the acquisition of shares from individual shareholders. BWSI is currently operating 68 water distribution franchises across the country.

Aboitiz InfraCapital was granted original proponent status for its unsolicited proposals for the operations, maintenance, and expansion of the new Bohol-Panglao International Airport (BPIA) on September 3, 2018 and the Laguindingan Airport on February 26, 2019, by the Department of Transportation (DOTr) and the Civil Aviation Authority of the Philippines (CAAP), respectively. On November 29, 2019, Aboitiz InfraCapital obtained the approval of the NEDA Board for the Bohol unsolicited proposal, while the Investment Coordination Committee-Cabinet Committee ("ICC-CabCom") approved the proposal for Laguindingan Airport on December 20, 2019.

On December 2, 2022, in accordance with the Revised 2022 Implementing Rules and Regulations of Republic Act No. 6957, as amended, and pursuant to the instructions of DOTr and CAAP, Aboitiz InfraCapital submitted updated unsolicited proposals for BPIA and Laguindingan Airport. The NEDA Board approved the foregoing projects and the parameters, terms, and conditions for negotiation on July 19, 2023 with respect to the Laguindingan Airport and on October 13, 2023 with respect to the BPIA. Results of the negotiations on the Laguindingan Airport project, which concluded on November 17, 2023, were submitted to the NEDA Board for approval and validation on November 24, 2023. As of January 31, 2024, negotiations on the BPIA project are ongoing.

On February 7, 2019, Aboitiz InfraCapital signed a Memorandum of Understanding with the Department of Information and Communications Technology (DICT). In line with the DICT's Department Circular No. 8, Aboitiz InfraCapital received a provisional registration as an Independent Tower Company from the DICT on September 10, 2020.

On September 1, 2020, the management of the Aboitiz Integrated Economic Centers – consisting of LIMA Estate in Batangas, the Mactan Economic Zone II in Lapu-Lapu City, Cebu, and West Cebu Industrial Park in Balamban, Cebu – was transferred to Aboitiz InfraCapital. The estates consist of over 1,000 hectares of industrial-anchored mixed-used estates that are home to almost 200 locators and nearly 100,000 employees. The Aboitiz Integrated Economic Centers have since rebranded to Aboitiz InfraCapital Economic Estates, and individually as LIMA Estate, MEZ2 Estate, and West Cebu Estate.

The Aboitiz InfraCapital Economic Estates has been widely recognized in the Philippines and abroad for its leadership in industrial anchored mixed-use development as well as sustainable industrial development. On August 3, 2022, the Philippine Green Building Council (PhilGBC) awarded Aboitiz InfraCapital with the 5-Star Building for Ecologically Responsive Design Excellence (BERDE)-District Certification for its LIMA Estate in Batangas - the first industrial estate and the largest project in the country to achieve this certification. Aboitiz Infra Capital was also awarded the Sustainable Design and Performance Award - making it the Philippines' official entry to the WorldGBC Asia Pacific Leadership in Green Building Awards for 2022.

On October 7, 2020, Aboitiz InfraCapital launched its small cell sites business to help boost the country's connectivity and network quality. To date, it has deployed more than 350 small cell sites with Globe Telecom and DITO Telecommunity across Cebu, Davao, and Subic. The business was later sold to Unity Digital Infrastructure, Inc., a joint venture described below.

On April 28, 2021, Aboitiz InfraCapital partnered with the leading global private markets firm, Partners Group, acting on behalf of its clients, through its portfolio company Terra Digital Philippines Corporation, to establish a telecommunications infrastructure platform called Unity Digital Infrastructure, Inc. (Unity Digital). Through Unity Digital, Aboitiz InfraCapital and Terra Digital Philippines builds and operates passive telecommunication tower infrastructure across the country. This supports the Government's vision to improve the country's internet connectivity in local communities by increasing the number of cell sites of mobile network operators (MNOs). As of January 31, 2024, Unity Digital has around 1,072 macro towers and 536 small cells poles in key cities nationwide.

On September 7, 2021, Aboitiz InfraCapital was granted original proponent status for its unsolicited proposal to operate and maintain Bicol International Airport. On December 2, 2022, in accordance with the Revised 2022 Implementing Rules and Regulations of Republic Act No. 6957, as amended, and pursuant to the instructions of DOTr and CAAP, Aboitiz InfraCapital submitted an updated unsolicited proposal for the Bicol International Airport. On June 30, 2023, the unsolicited proposal for the Bicol International Airport was elevated to the ICC-CabCom for decision.

On September 2, 2022, Aboitiz InfraCapital entered into a share subscription and transfer agreement with Megawide Construction Corporation (Megawide) and GAIBV Airports International, B.V. (GAIBV) for Aboitiz InfraCapital to acquire a 33 and 1/3% minus 1 share equity ownership interest in GMR-Megawide Cebu Airport Corporation (GMCAC), the developer and operator of the Mactan Cebu International Airport (MCIA). In the same agreement, Megawide and GAIBV issued exchangeable notes for the remaining 66 and 2/3 % plus 1 shares in GMCAC's outstanding capital stock, which will mature on October 30, 2024. This transaction is aligned with Aboitiz InfraCapital's strategic direction to build on its presence in the airport sector.

On October 5, 2022, Aboitiz InfraCapital partnered with EdgeConneX (ECX), a pioneer in global hyperlocal to hyperscale data center solutions based in the United States. The joint venture aims to address the rising data usage in the Philippines by developing a data center platform that will house cloud service providers' IT equipment, enabling them to better support the Philippine market. As of January 31, 2024, the proposed data center business has not yet commenced operations and is still subject to the fulfillment of certain closing conditions.

## **(i) Products and Services**

### **A. Aboitiz InfraCapital**

Incorporated on January 13, 2015, Aboitiz InfraCapital is the investment vehicle of the Aboitiz Group for all infrastructure-related investments. Aboitiz InfraCapital's current portfolio consists of investments in (i) water infrastructure, (ii) digital infrastructure (iii) regional airports, and (iv) and economic estates.

#### **Water Infrastructure**

Aboitiz InfraCapital established itself as a provider of water supply, water distribution, wastewater treatment, and water-related infrastructure in the country through its acquisition of equity interests in (i) Apo Agua in 2015, (ii) Lima Water in 2017, and (iii) BWSI in 2017.

##### ***Apo Agua Infraestructura, Inc. (Apo Agua)***

Incorporated on August 8, 2014, Apo Agua is a Joint Venture between AEV and JVACC. The overall objective of Apo Agua is to provide a sustainable, reliable, and safe supply of bulk water to the DCWD.

On March 17, 2015, Apo Agua entered into a Joint Venture Agreement and Bulk Water Purchase Agreement with DCWD for the Davao City Bulk Water Supply Project (DCBWSP). A unique component of the project is a pioneering innovation that utilizes the "water-energy nexus" concept. The bulk water treatment facility is powered by its own run-of-river hydroelectric power plant. The project is also designed to prevent irreversible and damaging environmental effects such as salt-water intrusion, drying-up of wells, and land subsidence brought about by over-extraction of groundwater.

In February 2024, Apo Agua's bulk water treatment facility commenced full commercial operations and delivery of bulk water to DCWD.

As January 31, 2024, AEV and its wholly-owned Subsidiary, Aboitiz InfraCapital, collectively owned a 70% equity interest in Apo Agua.

##### ***LIMA Water Corporation (Lima Water)***

LIMA Water was incorporated on May 28, 1999. LIMA Water provides industrial and potable water to over 130 industrial locators at the Lipa, Batangas-based LIMA Estate. LIMA Water has a daily water capacity of 8,800 cubic meters. LIMA Water also operates its own centralized wastewater treatment plant with a capacity of over 20,000 cubic meters to ensure the proper treatment of wastewater generated within the LIMA Estate. On August 1, 2017, Aboitiz InfraCapital acquired and took full operational control of LIMA Water from its Affiliate, AboitizLand.

In 2022, LIMA Water introduced the SMART Water Network technology in LIMA Estate to actively managed non-revenue water (NRW) or leakages in the water distribution system. Having resulted in a significant reduction in NRW in LIMA Estate, the same technology will be implemented in MEZ 2 and West Cebu economic estates in Cebu.

Aboitiz InfraCapital owns a 100% equity interest in LIMA Water.

##### ***Balibago Waterworks System, Inc. (BWSI)***

BWSI was incorporated on May 20, 1958 with the primary purpose to acquire, establish, develop, manage, and operate an effective waterworks utility system within its franchise area of 900 hectares. Its franchise area includes Barangay Balibago in Angeles City and Barangay Dau in the town of Mabalacat. BWSI is currently operating 75 water distribution franchises across the country.

On August 3, 2017, Aboitiz InfraCapital acquired a minority stake in BWSI previously held by SFELAPCO. Additional purchases of BWSI shares were made by Aboitiz InfraCapital in 2019. As of January 31, 2024, Aboitiz InfraCapital owned a 16% equity interest in BWSI.

## ***Regional Airports***

Aboitiz InfraCapital was granted original proponent status by the DOTr for its unsolicited proposal to expand, operate, and maintain the new Bohol-Panglao International Airport on September 3, 2018. Aboitiz InfraCapital believes this international airport located on the island of Panglao has significant growth prospects given Bohol's strong tourism potential, especially with the international market. The new Bohol-Panglao International Airport replaced the old Tagbilaran Airport and was inaugurated on November 28, 2018 with an estimated capacity of 2 mn passengers per annum.

On August 10, 2018, Aboitiz InfraCapital also submitted an unsolicited proposal for the upgrade, expansion, operations and maintenance of the Laguindingan Airport in Misamis Oriental, which is the gateway to the Northern Mindanao Development Corridor. On February 26, 2019, Aboitiz InfraCapital was granted original proponent status by the CAAP for its unsolicited proposal on Laguindingan Airport. The proposal involves the operations and maintenance, including the much-needed upgrade works, of the Laguindingan Airport. The airport has been operational since 2013 with a design capacity of 1.6 mn passengers per annum. According to CAAP, in 2018, the Laguindingan Airport served more than 2 mn passengers.

On October 7, 2019, Aboitiz InfraCapital submitted an unsolicited proposal to operate and maintain Bicol International Airport located in Daraga, Albay. The new gateway is expected to serve up to 2 mn passengers per year.

On December 2, 2022, in accordance with the Revised 2022 Implementing Rules and Regulations of Republic Act No. 6957, as amended, and pursuant to the instructions of DOTr and CAAP, Aboitiz InfraCapital submitted updated unsolicited proposals for the Bohol-Panglao International Airport and Laguindingan Airport. The NEDA Board approved the foregoing projects and the parameters, terms, and conditions for negotiation on July 19, 2023 with respect to the Laguindingan Airport and on October 13, 2023 with respect to the Bohol-Panglao International Airport. Results of the negotiations on the Laguindingan Airport project, which concluded on November 17, 2023, were submitted to the NEDA Board for approval and validation on November 24, 2023. As of January 31, 2024, negotiations on the Bohol-Panglao International Airport project are ongoing.

The company received original proponent status for its proposal to operate and maintain the Bicol International Airport on September 7, 2021. The newly constructed airport will replace Legazpi Airport. On December 2, 2022, in accordance with the Revised 2022 Implementing Rules and Regulations of Republic Act No. 6957, as amended, and pursuant to the instructions of DOTr and CAAP, Aboitiz InfraCapital submitted an updated unsolicited proposal for the Bicol International Airport. On June 30, 2023, the unsolicited proposal for the Bicol International Airport was elevated to the ICC-CabCom for decision.

On September 2, 2022, Aboitiz InfraCapital entered into a share subscription and transfer agreement with Megawide and GAIBV for Aboitiz InfraCapital to acquire a 33 and 1/3% minus 1 share equity ownership interest in GMCAC, the developer and operator of the MCIA. In the same agreement, Megawide and GAIBV issued exchangeable notes for the remaining 66 and 2/3 % plus 1 shares in GMCAC's outstanding capital stock, which will mature on October 30, 2024. The transaction was completed on December 16, 2022 for a total consideration of ₱9.5 bn. Simultaneously, Megawide and GAIBV have issued exchangeable notes to AIC for the aggregate amount of ₱15.5 bn. This transaction is aligned with Aboitiz InfraCapital's strategic direction to build on its presence in the airport sector.

On May 4, 2023, GMCAC, executed an Amended and Restated Omnibus Loan and Security Agreement (the "AROLSA") with Megawide Construction Corporation (MCC) and GMR Airports International B.V (GAIB), as Sponsors, and BDO Unibank, Inc., Bank of the Philippine Islands, Land Bank of the Philippines, and Metropolitan Bank & Trust Company, as Lenders.

The AROLSA is an amendment and restatement of the Omnibus Loan and Security Agreement dated December 17, 2014, as further amended and restated in 2015, and amended in 2018 and 2021 (the "Existing OLSA"). The AROLSA amends certain commercial terms of the Existing OLSA and extends enhanced credit facilities to the GMCAC in the amount of up to ₱27.3 bn.

## **Digital Infrastructure**

### **Towers**

On February 7, 2019, Aboitiz InfraCapital signed a Memorandum of Understanding with the DICT. The Memorandum of Understanding recognized Aboitiz InfraCapital as a potential common tower provider with the necessary financial and operational capability to build and efficiently power its cell sites, and will also allow Aboitiz InfraCapital to secure contracts with telco operators. Aboitiz InfraCapital signed separate MOUs with Globe Telecom, Smart Communications, Dito Telecommunity, and NOW Telecom.

Aboitiz InfraCapital has also entered into partnership agreements with Globe Telecom and DITO Telecommunity for the deployment of small cells in key cities nationwide. The sites are readily available in high-density urbanized areas like Cebu and Davao where improving network quality and services is difficult due to congestion and availability of sites. The sites will serve as complementary offerings to the macro tower sites. Together with Globe Telecom and DITO Telecommunity, the company has deployed over 500 sites as of January 31, 2024.

On April 28, 2021, Aboitiz InfraCapital partnered with leading global private markets firm, Partners Group, acting on behalf of its clients through its portfolio company Terra Digital Philippines Corporation, to establish a telecommunications infrastructure platform called Unity Digital. Through Unity Digital, Aboitiz InfraCapital and Terra Digital Philippines will build and operate passive telecommunication towers and supporting infrastructure across the country. This supports the Government's vision to improve the country's internet connectivity in local communities by increasing the number of cell sites of MNOs. Unity secured its Certificate of Registration as an Independent Tower Company from the DICT in February 2021.

On December 15, 2022, Unity Digital signed a sale and purchase agreement and a master services agreement with PLDT Inc. (PLDT), through its subsidiaries Smart Communications, Inc. (Smart) and Digitel Mobile Philippines (Digitel), for the acquisition of 650 telecommunications towers and related passive telecommunications infrastructure for PHP ₱9.2 bn, through a sale and leaseback transaction.

On May 7, 2023, Unity Digital Infrastructure Inc. signed an Asset Sale and Purchase Agreement and a Master Lease Agreement with Globe Telecom, Inc., for the acquisition of 447 telecommunications towers and related passive telecommunications infrastructure for ₱5.4 billion, through a sale and leaseback transaction.

Through this acquisition, Unity Digital expects to continue to grow and scale, further improving its services by providing safe, fast and reliable communication to its growing number of customers. The telecom towers that will be purchased are situated in the Visayas and Mindanao areas, which provides Unity Digital a high-quality portfolio of strategic locations across the country.

As of January 31, 2024, it had rolled out five operating sites with approximately 50 sites under construction.

### **Data Centers**

On October 5, 2022, Aboitiz InfraCapital partnered with ECX, a pioneer in global hyperlocal to hyperscale data center solutions based in the United States. The joint venture aims to address the rising data usage in the Philippines by developing a data center platform that will house cloud service providers' IT equipment, enabling them to better support the Philippine market. As of January 31, 2024, the proposed data center business has not yet commenced operations and is still subject to the fulfillment of certain closing conditions.

### **Economic Estates**

On September 1, 2020, the management of the Industrial and Commercial Business Units of AboitizLand was transferred to Aboitiz InfraCapital. The Aboitiz Group believes that the future of large scale fully integrated economic centers will be built on advanced, robust, and seamless infrastructure

facilities and services. By moving the management to Aboitiz InfraCapital, the development and implementation of the integrated economic center strategy will be harmonized, which will ultimately strengthen the Aboitiz Group's competitive advantage in current and future developments and projects. Since then, the Integrated Economic Centers have rebranded to the Aboitiz InfraCapital Economic Estates.

The industrial developments include three economic zones: (a) the LIMA Technology Center, a 794-hectare industrial zone in Malvar, Batangas; (b) the Mactan Economic Zone 2, a 63-hectare economic zone in Lapu-Lapu City, Cebu; and (c) the West Cebu Industrial Park, a 283-hectare industrial zone in Balamban, Cebu.

Meanwhile, the commercial projects include: (i) The Outlets at Lipa in Lipa, Batangas; (ii) LIMA Exchange in Lipa, Batangas; (iii) Lima Square in Lipa, Batangas; (iv) Pueblo Verde, Lapu-Lapu City, Cebu; (v) The Outlets at Pueblo Verde, Lapu-Lapu City, Cebu; (vi) the iMez Building, Lapu-Lapu City, Cebu; (vii) The Persimmon Plus in Mabolo, Cebu City; and (viii) build-to-rent micro-studio developments in various locations in Makati and Taguig Cities through AllRise Development Corp.

On July 27, 2022, LIMA Land, Inc. broke ground on LIMA Tower One, a PEZA-certified building which boasts 34,000 square meters of gross floor area. It is the first of its planned seven-tower office park at the heart of LIMA's CBD, which aims to capitalize on the anticipated boom of business process outsourcing (BPO) companies outside the National Capital Region. LIMA Tower One is expected to be completed by the end of the second quarter of 2024. As of February 28, 2023, there are 2.6 hectares of available commercial lot inventory up for sale. With its growing 30-hectare Central Business District (CBD) – the first to rise in Batangas – LIMA has emerged as more than just a leading industrial estate, but also the center for commerce in the Batangas province. It currently houses various commercial components such as The Outlets at Lipa, LIMA Exchange, LIMA Park Hotel, LIMA Square, and LIMA Transport Hub.

On December 8, 2023, LIMA Land, Inc. entered into an agreement with a wholly-owned subsidiary of Central Azucarera de Tarlac to acquire a 200-hectare property situated in Tarlac City, subject to certain closing conditions. The proposed acquisition is intended to boost AboitizInfraCapital's growing portfolio of Economic Estates for a total combined footprint of over 1,600 hectares.

Aboitiz InfraCapital remains committed to participating in the Philippine infrastructure space and contributing to the nation's economic development.

## **B. Republic Cement Group**

### ***AEV CRH Holdings, Inc. and CRH Aboitiz Holdings, Inc.***

Incorporated in July 2015, AEV CRH and CRH Aboitiz are investment vehicles of AEV, in partnership with CRH plc. CRH Aboitiz acquired equity interests in Republic Cement Services, (Philippines) Inc. (RCSI) (formerly Lafarge Cement Services Philippines, Inc.) on September 15, 2015.

AEV CRH acquired a total of 99.09% equity interest in RCBM (formerly Lafarge Republic, Inc.) through (i) a private sale from its major shareholder representing 88.85% of RCBM's outstanding capital stock, and (ii) and a mandatory tender offer to acquire the remaining shares from the minority shareholders in compliance with the requirements of the Securities Regulation Code. On September 9, 2015, AEV CRH accepted from the public a total of 596,494,186 shares representing 10.24% of the outstanding shares of RCBM, which was then listed on the PSE. The tendered shares brought up AEV CRH's total shares in RCBM to 99.09% as of February 29, 2016. RCBM voluntarily delisted from the PSE in April 2016.

As of January 31, 2024, AEV CRH owned 99.40% of RCBM's outstanding capital stock and as of January 31, 2024, AEV owned a 60% and a 45% equity interests in its Associates, AEV CRH and CRH Aboitiz, respectively.

***Republic Cement & Building Materials, Inc.***

Incorporated on May 3, 1955, RCBM is primarily engaged in the manufacture, development, exploitation, and sale of cement, marble and a number of other building materials, and the processing or manufacture of materials for a range of industrial or commercial purposes.

RCBM's operating cement manufacturing plants are located in the following sites: (a) Barangay Minuyan, Norzagaray, Bulacan (Bulacan Plant); (b) Bo. Bigte, Norzagaray, Bulacan (Norzagaray Plant); (c) Bo. Mapulo, Taysan, Batangas (Batangas Plant); and (d) Barangay Dulumbayan, Teresa, Rizal (Teresa Plant). RCBM also has a cement grinding facility located in Bo. Dungo-an, Danao, Cebu (Danao Plant). RCBM serves a broad market in both the public and private sectors, including institutional cement customers, developers and contractors as well as distributors, dealers and retailers.

As of January 31, 2024, AEV CRH owned 99.40% of RCBM's total outstanding capital stock.

***Republic Cement Mindanao, Inc. and Republic Cement Iligan, Inc.***

RCMI was incorporated on May 25, 1957 to engage and deal in the production, purchase and sale of cement, concrete and allied products; quarrying, crushing and dealing in limestone in all its forms; and mixing, processing and sale of limestone with binder of any description.

On April 6, 2018, RCMI ceased to be a public company with the grant by the SEC of its Petition for Voluntary Revocation of Registration of Securities and Certificate of Permit to Sell Securities.

Since 1999, RCMI's business operations have been concentrated mainly on cement distribution and the contracting for the manufacture of cement by its former Affiliate, RCII. RCMI serves a broad market in both the public and private sectors, including institutional cement customers, developers and contractors as well as distributors, dealers and retailers.

RCBM owns a 99.97% equity interest in Republic Cement Mindanao, Inc. (RCMI) (formerly Lafarge Mindanao, Inc.). On October 1, 2020, the SEC approved the merger of RCMI and Republic Cement Iligan, Inc. (RCII), with RCMI as the surviving entity. On December 31, 2021, the SEC approved the increase in the authorized capital stock of RCMI, with RCMI issuing 20,000 redeemable preferred shares of the par value of ₱100,000.00 each to RCBM.

RCII was incorporated on June 1, 1967 and, prior to its merger into RCMI on October 1, 2020, had the primary purpose of: to acquire, own, construct, manage and operate a cement plant for the manufacture and production of a range of cement and cement products or by-products, including any derivatives thereof, for its former Affiliate, RCMI. RCII's (now RCMI's) operating cement manufacturing plant is located in Barangay Kiwalan, Iligan City.

As of January 31, 2024, RCBM owned a 99.97% equity interest in RCMI.

***Republic Cement Land & Resources, Inc. (formerly: Luzon Continental Land Corporation)***

Republic Cement Land & Resources, Inc. (RCLR) was incorporated on October 26, 1998 primarily to acquire, develop and operate land, quarries, mining rights, buildings and other real or personal property used for mining, and process a range of ore and cement materials. RCLR was acquired by AEV CRH from Calumbayan Holdings, Inc. on September 15, 2015. It currently leases land and supplies limestone and other raw materials to its Affiliate, RCBM.

AEV CRH owns a 100% equity interest in RCLR.

***Republic Cement Services, Inc.***

RCSI, incorporated on August 21, 2001, is the managing company of the non-nationalized businesses of RCBM and RCMI. CRH Aboitiz owns a 100% equity interest in RCSI.

**(ii) Distribution Methods**

**A. Aboitiz InfraCapital**

***Water Infrastructure***

LIMA Water, with a daily water capacity of 8 mn liters per day, provides industrial and potable water to over 100 industrial locators at the Lipa, Batangas-based LIMA Estate. Meanwhile, Apo Agua delivers bulk water to DCWD pursuant to a Bulk Water Purchase Agreement.

**B. Republic Cement Group**

The cement sales of the Republic Cement Group are primarily made through distributors and dealers, with other sales made directly to contractors, developers, precast manufacturers and ready-mix concrete companies. RCBM Group's products are sold nationwide, with a majority of its sales coming from the Luzon region.

**(iii) New Products and Services**

**A. Aboitiz InfraCapital**

Aboitiz InfraCapital is currently undertaking project development activities in relation to its various infrastructure projects.

**B. Republic Cement Group**

The Republic Cement Group continues to develop high quality cement products for the builder's ease, efficiency, and flexibility.

**(iv) Competition**

**A. Aboitiz InfraCapital**

The principal competitors of Aboitiz InfraCapital are the companies that participate in the proposals and bids for infrastructure projects and sectors it pursues. These include Metro Pacific Investments Corporation, San Miguel Corporation, and Filinvest Development Corporation.

In terms of the commercial business, traditional big-box retail companies such as SM and Vista Land remain market leaders in the commercial business and are considered Aboitiz InfraCapital's main competitors in this segment.

In terms of economic estates, the national developers in the country, Ayala Land, Vista Land, and Megaworld are the main proponents of township developments. With their years of experience and land banks around the country, they remain Aboitiz InfraCapital's competitors in this segment.

**B. Republic Cement Group**

While market shares change constantly, the main competitors of the Republic Cement Group for its cement products consist of the cement manufacturers in the Philippines, such as Holcim Philippines, Inc., Eagle Cement Corporation, Cemex Philippines, and Taiheiyo Cement Philippines, Inc., as well as traders who import cement into the Philippines.

The Republic Cement Group's brand names and product lines have long been respected in the local construction industry, enabling it to effectively compete in the market. The Republic Cement Group continuously innovates and improves its product lines and production efficiency, to respond to the growing needs of the quality-conscious Filipino builder.

**(v) Sources of Raw Materials**

**A. Aboitiz InfraCapital**

Aboitiz Infracapital Group is not dependent upon one or a limited number of suppliers for essential raw materials and has supply transactions for goods and services with multiple suppliers.

**B. Republic Cement Group**

The principal raw materials for the manufacture of cement consist of minerals such as limestone, silica sand and shale, which are quarried from the Republic Cement Group's or RCLR's sites, mining claims, or purchased from local suppliers or Affiliates. Cement manufacture is the result of a definite process – the crushing of minerals, grinding, mixing, calcining/sintering, cooling and adding of retarder or gypsum. Other raw materials, slag, coal, other fuel and spare parts are obtained locally and abroad.

The Republic Cement Group is not dependent upon one or a limited number of suppliers for essential raw materials.

*Energy Requirements*

Cement manufacture is an energy-intensive process requiring reliable and affordable power supply for uninterrupted production. The operating plants source their power requirements from the following power providers:

| Company | Location                                                      | Power Provider                                 |
|---------|---------------------------------------------------------------|------------------------------------------------|
| RCBM    | Bulacan, Norzagaray, Teresa and Batangas Plants               | AESI and Masinloc Power Partners Co. Ltd.      |
|         | Danao Plant                                                   | AESI                                           |
| RCMI    | Barangay Kiwalan, City of Iligan, Province of Lanao del Norte | PSALM and PowerSource Philippines Energy, Inc. |

The Republic Cement Group has its own generator sets in most of its operating plants to provide back-up power in case of power shortage or interruptions or poor power quality. In November 2014, RCII (now merged with RCMI) entered into a Power Supply Agreement with PowerSource Philippines Energy, Incorporated (PSPEI), wherein RCII invested in PSPEI as a minority shareholder.

**(vi) Major Customers**

**A. Aboitiz InfraCapital**

Aboitiz InfraCapital is not dependent upon a single customer or a few customers that a loss of anyone would have a material adverse effect on the performance of its sales and distribution. It has no single customer that will account for 20% or more of the group's total sale of goods and services.

**B. Republic Cement Group**

RCBM and its Subsidiaries are not dependent on any single or major customer. At present, the Republic Cement Group caters to diverse types of customers, including but not limited to, wholesalers, traders, ready mix companies, concrete products manufacturers, international and local contractors and real estate developers.

**(vii) Patents, Copyrights, and Franchises**

The Infrastructure Group owns, or has pending trademark applications for the registration of intellectual property rights for various trademarks associated with their corporate names and logos. These are filed Philippine IPO. Please refer to **Annex "G-6"** to see the trademark applications which the Infrastructure Group has filed with the Philippine IPO.

**(viii) Government Approval**

Aboitiz InfraCapital and its Subsidiaries and the Republic Cement Group secure numerous government approvals such as (but not limited to) environmental compliance certificates, development permits, licenses to sell, and business permits as part of the ordinary course of its business.

**A. Aboitiz InfraCapital**

***LIMA Water Corporation***

In 2020, LIMA Water received its laboratory accreditation from the Department of the Environment and Natural Resources. The recognition authorizes the company's Laboratory Services Unit to generate environmental data in connection with the Environmental Impact Assessment system and monitoring to support the implementation of policies and guidelines.

In November of the same year, Lima Water secured PEZA approval on its tariff adjustment application. The shift to a new progressive structure tariff structure will encourage more efficient use of water among the locators.

**B. Republic Cement Group**

The Bureau of Product Standards of the Department of Trade and Industry granted RCBM the license to use the Philippine Standard Quality Certification Mark for its principal products. All other necessary licenses and permits required for the continuous production and sale of RCBM products have been secured, including new licenses as well as those that have to be renewed periodically.

**(ix) Costs and Effects of Compliance with Environmental Laws**

**A. Aboitiz InfraCapital**

***LIMA Water Corporation***

Upholding strict compliance with existing environmental laws is of high value to LIMA Water's operations. These laws aim to pursue economic growth in a manner in which the environment is not compromised. As a consequence of the current status of the country's environment, standards set by the DENR are becoming more stringent, as set forth by DENR Administrative Order ("DAO") 08 series of 2016. Capital and operational expenditures are provisioned to comply with the parameters set forth in the new DAO.

Aside from water quality, DENR standards on air quality, hazardous and solid wastes are constantly adhered to as part of the Environmental Impact Assessment System. Through environmental monitoring, assessment and evaluation in line with existing standards and regulations, pollution mitigation is improved.

With LIMA Water fully committed to its environmental compliance, more initiatives and innovations are carried out to continuously adapt and further address the vulnerability of the environment due to economic advances.

**B. Republic Cement Group**

RCBM and its Subsidiaries are committed to a policy of sustainable development, protection of the environment, and preservation of natural resources and energy. All the manufacturing plants are ISO 14001 certified, embracing environmental management system as a way of life.

Each quarry site has set up a Mine Rehabilitation Fund as a reasonable environmental deposit to ensure availability of funds for the satisfactory compliance with the commitments and performance of the activities stipulated in the Environmental Protection and Enhancement Program or the Annual Environmental Protection and Enhancement Program during each project phase, for the physical and

social rehabilitation of areas and communities affected by the quarrying activities and for research on the social, technical and preventive aspects of rehabilitation.

Aligned with the Republic Cement Group's commitment to environmental protection, the upkeep and maintenance of dust control devices at the manufacturing sites are given top priority. In fact, three of the Republic Cement Plants recently invested in the state-of-the-art Baghouse System, which replaced the conventional Electrostatic Precipitators. These Baghouse Systems significantly lowers the dust emission to <50 mg/Nm<sup>3</sup>, which not only passed but is significantly below the Philippine standard limit of 150 mg/Nm<sup>3</sup>. Enhancing the Republic Cement Group's alternative fuels program has also lessened the group's dependence on fossil fuels such as coal and bunker fuel, thereby decreasing the Republic Cement Group's carbon footprint.

To ensure that the Republic Cement Group's continuing manufacturing activities do not result in added negative environmental impact, such as increase in emissions, the Republic Cement Group continues to invest their resources in housekeeping activities and periodic stationary sampling of air and water quality around the manufacturing sites. Continuous Emissions Monitoring Systems have also been installed in every manufacturing site to ensure that air emissions are kept within Philippine standard limits.

Moreover, under the Philippine Mining Act and its implementing rules and regulations, each of the Companies shall: (a) assist in the development of the host and neighboring communities in accordance with the Social Development and Management Program approved by the Mines and Geosciences Bureau to promote the general welfare of the inhabitants living thereat; and (b) assist in the development of mining technology and geosciences as well as the corresponding manpower training and development.

The Republic Cement Group's reforestation project have already reached to 1,291 hectares planted to 1,038,210 seedlings or about 951,244 grown saplings consists of various endemic forest trees including mangroves, fruit-bearing trees, and bamboo across all operating sites since its launching in 2013 in support of the National Greening Program of the government which aimed to foster sustainable development for environment stability, food sufficiency, poverty reduction, biodiversity conservation, and climate change mitigation and adaptation. In addition, about 182 hectares of the group's Mineral Production Sharing Agreement area planted to 116,504 seedlings or about 106,000 surviving saplings/ grown trees across all of its operating quarry sites have already been progressively rehabilitated under the Mining Forest Program. The group's progressive rehabilitation involves not only the planting of forest trees and fruit-bearing trees but also incorporates the principles of agricultural farming systems within the mining tenement wherein areas devoid of mineral resources are converted into agricultural production. Cultivation of agricultural crops such as vegetables, different kinds of fruits, rice and corn within the mining tenement in the Bulacan, Teresa, and Batangas Plants is on-going. This endeavor could be seen as an alternative pathway to contribute to food security at the local level, at the very least. Further, the Republic Cement Group also embraces biodiversity conservation as all of its operating cement and quarry sites across the country have completed biodiversity assessment and continuously being monitored and reported to the Multi-partite Monitoring Team and the Mine Rehabilitation Fund Committee of the DENR.

#### **(x) Effect of Existing and Probable Governmental Regulations on the Business**

##### ***Amended Public Service Act***

The Amended PSA provides for an enumeration of public services that are considered as public utilities and further states that no other person or entity shall be deemed a public utility unless otherwise subsequently provided by law. Accordingly, business activities of AIC that do not fall under the current enumeration of public utilities in the Amended PSA are not considered as such and the nationality requirements imposed on public utilities under the Constitution do not apply, subject to other nationality requirements under applicable laws.

Further, passive telecommunications tower infrastructure and components, such as poles, fiber ducts, dark fiber cables, and passive telecommunications tower infrastructure as defined by the Department of Information and Communications Technology have been excluded from the coverage of

telecommunications, as defined in the Amended PSA, and are also not considered critical infrastructure under the Amended PSA. The Amended PSA provides for restrictions on ownership by foreign governments or foreign state-owned enterprises of public services classified as critical infrastructure. Consequently, the development and operation of telecommunication towers undertaken by Unity Digital may not be considered as an operation of a critical infrastructure under the Amended PSA.

#### **CREATE Act**

Pursuant to the sunset provision of the CREATE Act three companies under the Infrastructure group, namely LimaLand, CIPDI and LWC, will continue enjoying the incentives granted by the PEZA, including 5% GIE, for ten years from July 1, 2022. The existing locators of LimaLand and CIPDI have the same option to enjoy their current incentives under the sunset provision.

#### **Public-Private Partnership (PPP) Code**

On December 23, 2023, the PPP Code took effect and repealed the Build-Operate-Transfer Law, the applicable law at the time Aboitiz InfraCapital's unsolicited proposals for its PPP regional airport projects were submitted. The PPP Code will affect the conduct of the approval and comparative challenge process of AIC's unsolicited proposals pursuant to its applicable transitory provisions. The implementing rules and regulations (IRR) of the PPP Code, which must be promulgated within 90 calendar days from the effectivity of the PPP Code, may also affect the processing of the unsolicited proposals. As of January 31, 2024, the PPP Code IRR has not yet been promulgated.

#### **(xi) Major Risk/s Involved in the Business**

Risks that are particular to Aboitiz InfraCapital and its Subsidiaries include:

##### ***Aboitiz InfraCapital may not be able to fully realize the benefits of implementing its infrastructure business***

Aboitiz InfraCapital's ability to successfully grow and operate its infrastructure business is subject to various risks, uncertainties and limitations, including:

- (a) the need to procure materials, equipment and services at reasonable costs and in a timely manner;
- (b) reliance on the performance of third-party providers and consultants which have an impact on the overall operating performance of Aboitiz InfraCapital's business units;
- (c) the possible need to raise additional financing to fund infrastructure projects, which Aboitiz InfraCapital may be unable to obtain on satisfactory commercial terms or at all;
- (d) deficiencies or delays in the design, engineering, construction, installation, inspection, commissioning, management or operation of projects where applicable;
- (e) penalties if concession requirements are not satisfied;
- (f) the timely delivery by the Government of any rights of way for its projects;
- (g) its ability to complete projects according to budgeted costs and schedules;
- (h) market risks;
- (i) non-implementation of toll or fare adjustments provided under its concession;
- (j) regulatory risks; and
- (k) delays or denials of required approvals, including required concessional and environmental approvals.

Occurrence of any of the foregoing or a failure by Aboitiz InfraCapital to successfully operate its infrastructure business could have a material adverse effect on its business, financial condition and results of operations.

These risks are mitigated through a combination of (i) developing and implementing the appropriate plans and procedures covering relevant areas such as stakeholder management, procurement and operations; and (ii) engaging the appropriate experts and suppliers where necessary.

### ***Aboitiz InfraCapital may not be successful in securing new concessions or projects***

Aboitiz InfraCapital's future plans in relation to the infrastructure business contemplate the continued acquisition of new concessions and projects, successful participation in bids for projects as well as exploring opportunities in other sectors. Aboitiz InfraCapital's ability to expand its business and increase operating profits is dependent on many external factors and events that are outside of Aboitiz InfraCapital's control, including changes in governmental laws and policies, such as the current "Build Build Build" initiative of the President Duterte administration.

## **Item 2. Properties**

The Company's head office is located at 32nd Street, Bonifacio Global City, Taguig City, Metro Manila, Philippines. The office space occupied by AEV is leased from a third party. As a holding company, the Company does not utilize a significant amount of office space.

As of the date of this Information Statement, there are no definite plans of acquiring properties in the next 12 months. Nonetheless, the Company plans to continually participate in future projects that become available to it and will disclose the same in accordance with the applicable disclosure rules under the SRC.

On a consolidated basis, the Property, Plant and Equipment of the Group had a carrying value of ₱228.8 bn, and ₱224.71 bn, as of December 31, 2023, and 2022, respectively. The breakdown of the Company's Property, Plant and Equipment is as follows:

| Property, Plant and Equipment<br>as of December 31  | 2023                | 2022                |
|-----------------------------------------------------|---------------------|---------------------|
| Power Plant Equipment and Steam Field Assets        | ₱136,798,617        | ₱132,660,266        |
| Construction in progress                            | 23,432,225          | 16,046,138          |
| Buildings, Warehouses and Improvements              | 69,371,171          | 67,286,922          |
| Transmission, Distribution and Substation Equipment | 30,965,981          | 27,750,107          |
| Machinery & Equipment                               | 12,670,060          | 11,968,898          |
| Office Furniture, Fixtures and Equipment            | 18,776,352          | 16,985,009          |
| Leasehold Improvements                              | 3,635,196           | 3,417,209           |
| Land and Land Improvements                          | 4,767,149           | 4,105,228           |
| Transportation Equipment                            | 3,879,935           | 3,550,821           |
| Tools and Others                                    | 2,372,538           | 2,293,821           |
|                                                     |                     |                     |
| Less: Accumulated Depreciation and Amortization     | 103,569,602         | 91,891,452          |
| Accumulated Impairment                              | 4,567,946           | 4,317,975           |
| <b>TOTAL PPE</b>                                    | <b>198,531,675</b>  | <b>189,854,993</b>  |
|                                                     |                     |                     |
| Right-Of-Use Assets                                 | 30,288,448          | 34,856,727          |
|                                                     |                     |                     |
| <b>TOTALS</b>                                       | <b>₱228,820,123</b> | <b>₱224,711,720</b> |

*Note: Values for the above table are in thousand Philippine Pesos.*

Property, Plant and Equipment with carrying amount of ₱48.1 bn and ₱64.4 bn as of December 31, 2023 and 2022, respectively, are used to secure the Group's long-term debts. For further details refer to Note 19 (disclosure on Long-term Debts) of AEV's consolidated financial statements.

## **Item 3. Legal Proceedings**

AEV and its Subsidiaries are currently involved in various legal proceedings in the ordinary conduct of their businesses. The Company believes that the results of these actions will not have a material effect on the Company's financial position and results of operations.

**Item 4. Submission of Matters to a Vote of Security Holders**

There were no matters submitted to a vote of security holders during the fourth quarter of the fiscal year covered by this report.

## PART II – OPERATIONAL AND FINANCIAL INFORMATION

### Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

#### (1) Market Information

AEV's common shares are traded on the PSE.

The high and low stock prices of AEV's common shares for each quarter for the past three years were as follows:

|                | 2023  |       | 2022  |       | 2021  |       |
|----------------|-------|-------|-------|-------|-------|-------|
|                | High  | Low   | High  | Low   | High  | Low   |
| First Quarter  | 60.00 | 47.25 | 65.15 | 52.35 | 47.60 | 34.50 |
| Second Quarter | 57.45 | 50.45 | 60.00 | 44.85 | 43.70 | 34.00 |
| Third Quarter  | 56.00 | 45.70 | 61.95 | 45.95 | 54.20 | 37.00 |
| Fourth Quarter | 50.15 | 44.60 | 58.45 | 57.40 | 59.05 | 46.70 |

The closing price of AEV common shares, as of January 31, 2024 was ₱48.50 per share.

#### (2) Holders

As of January 31, 2024, AEV had 8,238 stockholders of record, including PCD Nominee Corporation (Filipino) and PCD Nominee Corporation (Foreign). Common shares outstanding as of the same date were 5,619,785,757 shares.

The top 20 stockholders of AEV as of January 31, 2024 were as follows:

|    | Stockholder                                    | Nationality  | Common Shares | % of Total Common Shares Issued |
|----|------------------------------------------------|--------------|---------------|---------------------------------|
| 1  | Aboitiz & Company, Inc.                        | Filipino     | 2,735,600,915 | 48.68%                          |
| 2  | PCD Nominee Corporation (Filipino)             | Filipino     | 1,067,129,746 | 18.99%                          |
| 3  | Ramon Aboitiz Foundation Inc.                  | Filipino     | 426,804,093   | 7.59%                           |
| 4  | PCD Nominee Corporation (Non-Filipino)         | Non-Filipino | 324,733,989   | 5.78%                           |
| 5  | Sanfil Management Corporation                  | Filipino     | 120,790,211   | 2.15%                           |
| 6  | Windemere Management & Development Corporation | Filipino     | 49,666,352    | 0.88%                           |
| 7  | Donya 1 Management & Development Corporation   | Filipino     | 43,136,359    | 0.77%                           |
| 8  | Bauhinia Management Inc.                       | Filipino     | 41,148,120    | 0.73%                           |
| 9  | Morefund Management & Development Corporation  | Filipino     | 40,000,000    | 0.71%                           |
| 10 | Anso Management Corporation                    | Filipino     | 30,369,707    | 0.54%                           |
| 11 | MYA Management & Development Corporation       | Filipino     | 22,494,414    | 0.40%                           |
| 12 | Luis Miguel O. Aboitiz                         | Filipino     | 20,092,133    | 0.36%                           |
| 13 | Guada Valley Holdings Corporation              | Filipino     | 17,688,445    | 0.31%                           |
| 14 | Parraz Development Corporation                 | Filipino     | 14,483,067    | 0.26%                           |
| 15 | Dominus Capital Inc.                           | Filipino     | 11,600,000    | 0.21%                           |
|    | FMK Capital Partners                           | Filipino     | 11,600,000    | 0.21%                           |

|    |                                            |          |                      |                |
|----|--------------------------------------------|----------|----------------------|----------------|
| 16 | Arrayanes Corporation                      | Filipino | 10,750,070           | 0.19.%         |
| 17 | UnionBank TISG For IMA#PH3Q201692          | Filipino | 8,709,900            | 0.15%          |
| 18 | Les Folatieres Holdings Inc.               | Filipino | 8,056,119            | 0.14%          |
| 19 | Ramjay Management & Dev. Corp              | Filipino | 7,826,493            | 0.14%          |
| 20 | Era Management and Development Corporation | Filipino | 7,697,658            | 0.14%          |
|    | <b>SUB-TOTAL</b>                           |          | <b>5,020,377,791</b> | <b>89.33%</b>  |
|    | <b>Other Stockholders</b>                  |          | <b>599,407,966</b>   | <b>10.67%</b>  |
|    | <b>TOTAL SHARES</b>                        |          | <b>5,619,785,757</b> | <b>100.00%</b> |
|    | <b>NET ISSUED AND OUTSTANDING SHARES</b>   |          | <b>5,619,785,757</b> | <b>100.00%</b> |

### (3) Dividends

The cash dividends declared by AEV to common stockholders for the first quarter of 2024, 2023, and 2022 are shown in the table below:

| Year           | Cash Dividend Per Share | Declaration Date | Total Declared | Record Date | Payment Date |
|----------------|-------------------------|------------------|----------------|-------------|--------------|
| 2024 (regular) | ₱1.40                   | 03/05/2024       | ₱7.87 billion  | 03/19/2024  | 03/26/2024   |
| 2023 (regular) | ₱1.47                   | 03/03/2023       | ₱8.28 billion  | 03/17/2023  | 03/30/2023   |
| 2022 (regular) | ₱1.62                   | 03/04/2022       | ₱9.12 billion  | 03/18/2022  | 03/30/2022   |

There are no restrictions that limit the payment of dividends on common shares to stockholders of record as of January 31, 2024.

### (4) Recent Sales of Unregistered or Exempt Securities including Recent Issuances of Securities Constituting an Exempt Transaction

AEV does not have any recent sales of unregistered or exempt securities including recent issuances of securities constituting an exempt transaction.

## Item 6. Management's Discussion and Analysis or Plan of Action

### MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis of the financial condition and results of operations of AEV (the "Parent Company") and its Subsidiaries (collectively, the "Group") should be read in conjunction with the audited consolidated financial statements and accompanying disclosures set forth elsewhere in this report.*

*The critical accounting policies section discloses certain accounting policies and management judgments that are material to the Company's results of operations and financial condition for the periods presented in this report. The discussion and analysis of the Company's results of operations is presented in three comparative sections: the year ended December 31, 2023 compared with the year ended December 31, 2022, the year ended December 31, 2022 compared with the year ended December 31, 2021, the year ended December 31, 2021 compared with the year ended December 31, 2020.*

### TOP FIVE KEY PERFORMANCE INDICATORS

Management uses the following indicators to evaluate the performance of AEV and its Subsidiaries:

### **1. EQUITY IN NET EARNINGS OF INVESTEEES**

Equity in net earnings (losses) of investees represents the Group's share in the undistributed earnings or losses of its Associates and Joint Ventures for each reporting period subsequent to the acquisition of the said investment. This account reflects the result of the operating performance of an Associate or a Joint Venture and indicates its contribution to the Group's consolidated net income.

Manner of Computation: Investee's Net Income (Loss) x Investor's % ownership – Goodwill Impairment Cost.

### **2. EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA)**

The Company computes EBITDA as earnings before extraordinary items, net finance expense, income tax provision, depreciation and amortization. It provides management and investors with a tool for determining the ability of the Group to generate cash from operations to cover financial charges and income taxes. It is also a measure to evaluate the Group's ability to service its debts and to finance its capital expenditure and working capital requirements.

### **3. CASH FLOW GENERATED**

Using the Statement of Cash Flows, management determines the sources and usage of funds for the period and analyzes how the Group manages its profit and uses its internal and external sources of capital. This aids management in identifying the impact on cash flow when the Group's activities are in a state of growth or decline, and in evaluating management's efforts to control the impact.

### **4. CURRENT RATIO**

Current Ratio is a measurement of liquidity, calculated by dividing total current assets by total current liabilities. It is an indicator of the Group's short-term debt-paying ability. The higher the ratio, the more liquid the Group.

### **5. DEBT-TO-EQUITY RATIO**

Debt-to-Equity Ratio indicates how leveraged the Group is. It compares assets provided by creditors to assets provided by shareholders. It is determined by dividing total debt by total equity.

## **YEAR ENDED DECEMBER 31, 2023 COMPARED TO YEAR ENDED DECEMBER 31, 2022**

## **OUTLOOK FOR THE UPCOMING YEAR/ KNOWN TRENDS, EVENTS, AND UNCERTAINTIES WHICH MAY HAVE MATERIAL IMPACT ON THE REGISTRANT**

## YEAR ENDED DECEMBER 31, 2022 COMPARED TO YEAR ENDED DECEMBER 31, 2021

### KEY PERFORMANCE INDICATORS

(Amounts in thousands except financial ratio data)

|                                                    | JAN-DEC 2022             | JAN-DEC 2021             |
|----------------------------------------------------|--------------------------|--------------------------|
| EQUITY IN NET EARNINGS OF INVESTEEES               | <b>₱20,781,865</b>       | ₱17,245,643              |
| EBITDA                                             | <b>71,175,770</b>        | 67,241,938               |
| CASH FLOW GENERATED:                               |                          |                          |
| Net cash flows from operating activities           | <b>30,180,674</b>        | 36,319,034               |
| Net cash flows used in investing activities        | <b>(75,969,859)</b>      | (10,078,385)             |
| Net cash flows from (used in) financing activities | <b>(4,364,764)</b>       | 52,988,973               |
| Net Increase (Decrease) in Cash & Cash Equivalents | <b>(48,661,719)</b>      | 79,229,622               |
| Cash & Cash Equivalents, Beginning                 | <b>147,534,035</b>       | 65,966,411               |
| Cash & Cash Equivalents, End                       | <b>101,526,260</b>       | 147,534,035              |
|                                                    | <b>DECEMBER 31, 2022</b> | <b>DECEMBER 31, 2021</b> |
| CURRENT RATIO                                      | <b>1.9</b>               | 2.3                      |
| DEBT-TO-EQUITY RATIO                               | <b>0.7</b>               | 0.6                      |

Equity earnings in investees increased by 21% from ₱17.2 bn during 2021 to ₱20.8 bn during 2022. The increase was due to: (i) fresh contributions from GNPD, and (ii) higher earnings of UnionBank. This was partly offset by lower earnings of RCBM) due to weaker demand for cement caused by the pre-election construction ban and post-election transition, global commodity price increase of steel, other construction materials and higher input costs of fuel and electricity. RCBM also benefited in 2021 from a one-time gain from the CREATE Act which reduced its deferred tax liabilities.

Consolidated EBITDA translated into substantial cash inflows coming from the Subsidiaries' operations. These inflows, coupled with dividends received from Associates and Joint Ventures are the main source of internally-generated funds, which are then used to finance capital expenditures, additional investments into associates, dividends and debt service payments.

With net debt increasing more than total equity during the 12 months of 2022, Net Debt-to-Equity ratio as of December 31, 2022 increased to 0.7x from end-2021's 0.6x. The Current Ratio as of December 31, 2022 was at 1.9x, a decline from the end-2021 level of 2.3x as the increase in current liabilities outpaced the increase in current assets.

## REVIEW OF JANUARY-DECEMBER 2022 OPERATIONS COMPARED TO JANUARY-DECEMBER 2021

### RESULTS OF OPERATIONS

For the 12-month period ended 31 December 2022, AEV and its Subsidiaries posted a net income attributable to the equity holders of Parent Company ("Net Income to Equity Holders of AEV") of ₱24.8 bn, a 9% decrease year-on-year ("YoY"). This translated to earnings per share of ₱4.41 for the period in review. The Power Group accounted for the bulk of the income contributions to AEV at 62%, followed by the Banking and Financial Services, Real Estate, Food, and Infrastructure Groups at 27%, 11%, 0%, and -1%, respectively.

During 2022, the Group generated non-recurring gains of ₱3.5 bn primarily due to the foreign exchange gains from the revaluation of dollar-denominated assets, compared to ₱527 mn non-recurring gains recorded in 2021. Without these one-off losses, the Group's core net income for 2022 was ₱21.3 bn, 21% lower YoY. AEV recorded a 6% increase in consolidated EBITDA for 2022 compared to 2021, from ₱67.2 bn to ₱71.1 bn.

## MATERIAL CHANGES IN LINE ITEMS OF REGISTRANT'S STATEMENTS OF INCOME AND OF COMPREHENSIVE INCOME

The following discussion describes material changes in the line items of the Company's statement of income and of comprehensive income for 2022 compared to 2021.

### Revenues

#### *Sale of Power*

The Group's revenue from sale of power by Power Group increased by 44% or ₱59.6 bn, from ₱134.0 bn in 2021 to ₱193.6 bn in 2022. The increase was primarily attributable to higher availability of AboitizPower's generation units. The Group's sale of power comprised 60% and 63% as a percentage of total revenues in 2021 and in 2022, respectively.

#### *Sale of Goods*

The Group's revenue from sale of goods increased by 25% or ₱20.5 bn, from ₱83.1 bn in 2021 to ₱103.6 bn in 2022. The increase was primarily due to higher feeds selling prices. The Group's sale of goods comprised 37% and 34% as a percentage of total revenues in 2021 and in 2022, respectively.

#### *Real Estate*

The Group's revenue from real estate increased by 48% or ₱2.4 bn, from ₱4.9 bn in 2021 to ₱7.3 bn in 2022. The increase was attributable to Lima Land's higher industrial lot sales and AboitizLand's higher revenue recognition following increased construction activity for its residential business, significant site development completion, as well as increased sales with high spot cash payments. As a percentage of total revenues, the Group's revenue from real estate comprised 2% in both 2021 and in 2022.

#### *Other Revenues*

The Group's combined revenue from the sale of swine, service fees and other sources increased by 19% or ₱0.4 bn, from ₱1.9 bn in 2021 to ₱2.2 bn in 2022. This increase was mainly due to higher service fees. As a percentage of total revenues, the Group's other revenues comprised 1% in both 2021 and in 2022.

### Costs and Expenses

#### *Cost of Generated and Purchased Power*

The Group's cost of generated and purchased power increased by 73% or ₱55.0 bn, from ₱75.0 bn in 2021 to ₱130.0 bn in 2022. The increase was primarily attributable to higher volume of power generated and purchased power rates driven by higher WESM prices. As a percentage of total costs and expenses, the Group's cost of generated and purchased power comprised 39% and 48% in 2021 and in 2022, respectively.

#### *Cost of Goods Sold*

The Group's cost of goods sold increased by 27% or ₱19.8 bn, from ₱73.6 bn in 2021 to ₱93.4 bn in 2022. The increase was mainly attributable to higher raw materials cost of the Food Group. As a percentage of total costs and expenses, the Group's cost of goods sold comprised 39% and 34% in 2021 and in 2022, respectively.

#### *Operating Expenses*

The Group's operating expenses increased by 11% or ₱4.4 bn, from ₱39.9 bn in 2021 to ₱44.3 bn in 2022. The increase was primarily attributable to higher personnel costs, higher depreciation and

amortization expense, higher expenses for insurance and repairs and maintenance of the Group's power plants. As a percentage of total costs and expenses, the Group's operating expenses comprised 21% and 16% in 2021 and in 2022, respectively.

#### *Cost of Real Estate Sales*

For 2022, the Group's cost of real estate sales increased by 73% or ₱1.7 bn, from ₱2.3 bn in 2021 to ₱4.1 bn in 2022. The increase was mainly driven by higher real estate sales. As a percentage of total costs and expenses, the Group's cost of real estate sales comprised 1% in both 2021 and in 2022.

### **Operating Profit**

As a result of the foregoing, the Group's operating profit increased by 6% or ₱1.9 bn, from ₱33.1 bn in 2021 to ₱35.0 bn in 2022.

### **Income Before Income Tax**

The Group's income before income tax increased by 19% or ₱7.0 bn, from ₱37.0 bn in 2021 to ₱44.0 bn in 2022. The increase was mainly due to higher operating profit, higher equity earnings and foreign exchange gains.

### **Net Income**

Net income attributable to non-controlling interests (NCI) for 2022 increased to ₱15.4 bn from ₱6.9 bn in 2021. This was primarily due to the increase in NCI as a result of the sale of shares of AboitizPower.

As a result of the foregoing, the Group's Net Income to Equity Holders of AEV decreased by 9% or ₱2.5 bn, from ₱27.3 bn in 2021 to ₱24.8 bn in 2022.

## **STRATEGIC BUSINESS UNITS**

The following discussion describes the performance of the Group's SBUs for 2022 compared to 2021.

### **Power**

For 2022, the Power Group's contribution to Net Income to Equity Holders of AEV, before elimination of transactions within the Group, was ₱14.3 bn, an 11% decrease from ₱16.0 bn in 2021.

Before elimination of transactions within the Group, the combined contribution of AboitizPower's Power Generation and Retail Electricity Supply businesses to Net Income to Equity Holders of AEV decreased by 12%, from ₱16.9 bn in 2021 to ₱14.8 bn in 2022. The variance was primarily due the lower equity ownership of AEV in AboitizPower, which offset the impact of fresh contributions from GNPD, higher availability across its portfolio, higher water inflow, and gains from commodity hedges.

Capacity sold increased from 3,742 MW for 2021 to 4,034 MW for 2022. Energy sold in 2022 increased by 16% to 30,251 GWh from 26,031 GWh in 2021.

Before elimination of transactions within the Group, the contribution to Net Income to Equity Holders of AEV of AboitizPower's Power Distribution Group decreased by 29% from ₱3.1 bn in 2021 to ₱2.2 bn in 2022. This decrease was mainly driven by the lower equity ownership of AEV in AboitizPower, which offset the impact of higher energy consumption resulting from recoveries in demand. Energy sales increased by 4% to 5,785 GWh during 2022 from 5,583 GWh in 2021.

### **Banking & Financial Services**

UnionBank's contribution to Net Income to Equity Holders of AEV was ₱6.3 bn in 2022, which is flat YoY. UnionBank sustained the same net income level YoY due to the strong growth of its core revenues in 2022, which offset that fact that the Bank experienced extraordinary non-recurring trading

gains during the first half of 2021. Net interest income increased YoY due to higher margins and volume, and fees-based income likewise grew largely due to the consolidation of the acquired Citi consumer business, as well as growing digital customer transactions.

## **Food**

Before elimination of transactions within the Group, the contribution to Net Income to Equity Holders of AEV from the Food Group decreased to ₱14 mn loss in 2022, compared to ₱2.0 bn income in 2021.

The Food and Nutrition segment, which consists of the flour, farms, meats, and trading divisions, recorded a net loss of ₱416 mn in 2022, 153% lower YoY. The decrease was primarily due to (i) the impact of the African Swine Fever to the farms division, (ii) lower income tax holiday incentives recognized by the farms division in 2022 compared to the previous year, (iii) weaker margins in the flour division, and (iv) higher foreign exchange losses due to the depreciation of the Peso impacting its US Dollar denominated payables from raw material purchases.

The Agribusiness segment, which consists of the regional animal nutrition businesses (feed, petfood, and specialty nutrition), reported a net loss of ₱78 mn in 2022, 107% lower YoY. The decrease was due to the recognition of unrealized foreign exchange losses from the devaluation of the Sri Lankan Rupee and goodwill impairment of the Sri Lanka and Thailand operations.

## **Real Estate**

The contribution of AboitizLand and Lima Land to Net Income to Equity Holders of AEV in 2022, before elimination of transactions within the Group, amounted to ₱2.6 bn in 2022, which is flat YoY. The residential business had a significant increase in its revenue contribution YoY due to increased house construction activity, significant site development completion, and strong sales with spot cash payments, which offset the gains from asset monetization and fair valuation gains on investment properties in 2021.

## **Infrastructure**

Before elimination of transactions within the Group, the Infrastructure Group recorded a contribution to Net Income to Equity Holders of AEV amounting to ₱144 mn loss in 2022, compared to ₱1.4 bn income in 2021. The decrease was mainly due to the lower contribution of the RCBM Group which amounted to a loss of ₱323 mn in 2022 compared to income of ₱1.6 bn in 2022. This was mainly due to weaker demand for cement caused by the pre-election construction ban and post-election transition, global commodity price increase of steel, other construction materials and higher input costs of fuel and electricity. RCBM also benefited from a one-time gain brought about by the CREATE Act which reduced its deferred tax liabilities in 2021.

## **CHANGES IN REGISTRANT'S RESOURCES, LIABILITIES AND SHAREHOLDERS' EQUITY**

### **Assets**

Consolidated assets (as of December 31, 2022 compared to December 31, 2021) increased by 10% to ₱808.0 bn, due to the following:

- Trade and other receivables (current and noncurrent) increased by 27% (₱61.6 bn as of December 31, 2022 compared to ₱48.4 bn as of December 31, 2021) mainly due to higher receivables from customers of the Power, Food, and Real Estate Groups as a result of higher revenues.
- Inventories increased by 44% (₱46.2 bn as of December 31, 2022 compared to ₱32.0 bn as of December 31, 2021) mainly due to higher spare parts, supplies and fuel inventory of the Power Group, higher raw materials inventory of the Food Group, and higher real estate inventory.

- Investment Property increased by 18% (₱14.4 bn as of December 31, 2022 compared to ₱12.2 bn as of December 31, 2021) mainly due to improvements in land and ongoing construction in the properties for leasing operations, and upward fair valuation adjustments on investment properties.
- Investments in and Advances to Associates and Joint Ventures increased by ₱41.0 bn (₱195.9 bn as of December 31, 2022 compared to ₱154.8 bn as of December 31, 2021) mainly due to (i) ₱20.2 bn additional investment in UnionBank, (ii) ₱9.5 bn investment in GMCAC, (iii) ₱1.0 bn investment in other Associates, and (iv) the recording of ₱20.8 bn share in net earnings of Associates and Joint Ventures. This increase was partially reduced by the ₱5.1 bn other comprehensive losses and ₱5.3 bn dividends from Associates and Joint Ventures.
- Other Current Assets increased by 82% (₱46.3 bn as of December 31, 2022 compared to ₱25.4 bn as of December 31, 2021) primarily due to the increase in short-term cash deposits, insurance assets, restricted cash and prepaid expenses.
- Derivative Assets (net of Derivative liabilities, current and noncurrent) increased by 2191% (₱2.4 bn as of December 31, 2022 compared to ₱105 mn as of December 31, 2021) mainly due to the Power Group's hedging gains.
- Intangible Assets increased by 10% (₱78.4 bn as of December 31, 2021 compared to ₱74.3 bn as of December 31, 2021) mainly due to the forex revaluation of goodwill and additions to service concession rights relating to Apo Agua Bulk Water project, partly offset by amortization of existing assets.
- Other Noncurrent Assets increased by 123% (₱33.7 bn as of December 31, 2022 compared to ₱15.1 bn as of December 31, 2021) primarily due increase in exchangeable notes as part of the GMCAC purchase, financial assets at fair value through other comprehensive income (FVOCI), and advances to contractors and projects.

The above increases were offset by the 31% decrease in cash and cash equivalents (₱101.5 bn as of December 31, 2022 compared to ₱147.5 bn as of December 31, 2021) mainly due to the movement of cash to short-term cash deposits, investments in Associates, debt servicing, and dividend payments.

## Liabilities

Total Liabilities (as of December 31, 2022 compared to December 31, 2021) increased by 12% to ₱455.8 bn due to the following:

- Bank loans increased by 28% (₱45.4 bn as of December 31, 2022 compared to ₱35.4 bn as of December 31, 2021) mainly due to short-term debt availments by the Power and Food Groups during 2022.
- Long-term debt, which includes both current and noncurrent portions, increased by 12% (₱303.5 bn as of December 31, 2022 compared to ₱271.7 bn as of December 31, 2021) mainly due to the following: (i) issuance of retail bonds by AEV and AboitizPower amounting to ₱30.0 bn, and (ii) ₱35.6 bn of loan availments by Subsidiaries. This was partly offset by the prepayment of US Dollar loan of AEV International and AboitizPower, and principal payments made on existing loans during 2022.
- Long-term obligation on Power Distribution System, which includes current and noncurrent portions, decreased by 12% (₱145 mn as of December 31, 2022 compared to ₱166 mn as of December 31, 2021) as regular annual payments were made.
- Lease liabilities, which includes current and noncurrent portions, decreased by 19% (₱27.9 bn as of December 31, 2022 compared to ₱34.3 bn as of December 31, 2021) due to TLI's payment on its obligation to PSALM during 2022.
- Trade and other payables, inclusive of noncurrent portion, increased by 29% (₱60.5 bn as of December 31, 2022 compared to ₱46.8 bn as of December 31, 2021) mainly due the

increase of trade and fuel purchases in the Power Group.

- Income tax payable increased by 45%, from ₱382 mn as of December 31, 2021 to ₱556 mn as of December 31, 2022 mainly due to higher taxable income.
- Customers' deposits increased by 13%, from ₱7.4 bn as of December 31, 2021 to ₱8.3 bn as of December 31, 2022, mainly due to the Power Group's receipt of bill deposits from new customers.
- Deferred Income Tax Liabilities (net of Deferred income tax assets) increased by 154% (₱746 mn as of December 31, 2022 compared to ₱294 mn as of December 31, 2021) due to forex gains of AEV Parent.
- Pension Liabilities (net of Pension assets) increased by 35% (₱269 mn as of December 31, 2022 compared to ₱200 mn as of December 31, 2021) mainly due to actuarial gains.

### Equity

Equity attributable to equity holders of the parent (as of December 31, 2022 compared to December 31, 2021) increased by ₱11.5 bn from ₱244.7 bn to ₱256.2 bn, due to the ₱24.8 bn net income recorded during the year.

These are partly offset by the following:

- ₱9.1 bn cash dividends paid during 2022, and
- ₱4.2 bn in cumulative translation adjustments and other comprehensive losses.

### MATERIAL CHANGES IN LIQUIDITY AND CASH RESERVES OF REGISTRANT

For 2022, the Group continued to support its liquidity mainly from cash generated from operations, additional loans availed, dividends received from Associates and Joint Ventures

Compared to the cash inflow during 2021, consolidated cash generated from operating activities for 2022 decreased by ₱6.1 bn to ₱30.2 bn. The decrease was mainly due to higher working capital requirements partly offset by higher earnings before interest, depreciation and amortization.

As of December 31, 2022, ₱74.5 bn net cash was used in investing activities compared to ₱10.1 bn during 2021. For the current period, cash was used for the following: (i) ₱13.9 bn was invested in short-term cash deposits to maximize interest income, (ii) ₱30.7 bn was invested in Associates, (iii) ₱15.5 bn was used for the exchangeable notes issued and, (iv) ₱16.2 bn was spent for property, plant and equipment and investment properties.

Net cash used in financing activities was ₱4.4 bn for 2022 compared to ₱53.0 bn generated in 2021. This was largely attributed to higher dividends paid in 2022, compared to receipt of proceeds from the sale of non-controlling interest in AboitizPower to JERA during 2021.

For 2022, net cash outflows surpassed cash inflows, resulting in a 31% decrease in cash and cash equivalents from ₱147.5 bn as of year-end 2021 to ₱101.5 bn as of December 31, 2022.

### FINANCIAL RATIOS

AEV's Current Ratio as of December 31, 2022 stood at 1.9x compared to end-2021's 2.3x as the increase in current liabilities outpaced the increase in current assets. Net Debt-to-Equity ratio increased to 0.7:1 as of December 31, 2022 from year-end 2021's 0.6:1, as the rise in net debt was more than the growth in equity.

**YEAR ENDED DECEMBER 31, 2021 VERSUS YEAR ENDED DECEMBER 31, 2020****KEY PERFORMANCE INDICATORS****(Amounts in thousands except financial ratio data)**

|                                                    | <b>JAN-DEC 2021</b>      | <b>JAN-DEC 2020</b>      |
|----------------------------------------------------|--------------------------|--------------------------|
| EQUITY IN NET EARNINGS OF INVESTEEs                | <b>₱17,245,643</b>       | ₱9,019,033               |
| EBITDA                                             | <b>67,241,938</b>        | 57,720,482               |
| CASH FLOW GENERATED:                               |                          |                          |
| Net cash flows from operating activities           | <b>36,319,034</b>        | 36,334,748               |
| Net cash flows used in investing activities        | <b>(10,078,385)</b>      | (11,618,066)             |
| Net cash flows from (used in) financing activities | <b>52,988,973</b>        | (4,345,939)              |
| Net Increase in Cash & Cash Equivalents            | <b>79,229,622</b>        | 20,370,743               |
| Cash & Cash Equivalents, Beginning                 | <b>65,966,411</b>        | 46,424,663               |
| Cash & Cash Equivalents, End                       | 147,534,035              | 65,966,411               |
|                                                    | <b>DECEMBER 31, 2021</b> | <b>DECEMBER 31, 2020</b> |
| CURRENT RATIO                                      | <b>2.3</b>               | 1.6                      |
| DEBT-TO-EQUITY RATIO                               | <b>1.2</b>               | 1.7                      |

Equity earnings in investees increased by 91% from ₱9.0 bn during 2020 to ₱17.2 bn during 2021. The increase was due to: (i) commissioning revenue from GNPd Unit 1, (ii) higher output of SN Aboitiz Power-Magat, Inc.'s and SN Aboitiz Power-Benguet, Inc.'s hydro power plants resulting from higher water inflows, (iii) higher earnings of UnionBank, (iv) recognition of income from liquidated damages for delays in the construction of GNPd's power plant, and (v) higher earnings of RCBM due to stronger demand, increased overall efficiency, and tax adjustments resulting from the CREATE Act.

Consolidated EBITDA translates into substantial cash inflows from the Subsidiaries' operations. These inflows, coupled with dividends received from Associates and Joint Ventures are the main source of internally-generated funds, which are then used to finance capital expenditures, additional investments into Associates, dividends and debt service payments.

With equity increasing more than total liabilities during the 12 months of 2021, Debt-to-Equity ratio as of December 31, 2021 decreased to 1.2x from end-2020's 1.7x. Current Ratio as of December 31, 2021 (compared to end-2020's 1.6x) increased to 2.3x mainly due to higher cash balances.

**REVIEW OF JANUARY-DECEMBER 2021 OPERATIONS COMPARED TO JANUARY-DECEMBER 2020****RESULTS OF OPERATIONS**

For the 12-month period ended December 31, 2021, AEV and its Subsidiaries posted a net income attributable to the equity holders of parent Company ("Net Income to Equity Holders of AEV") of ₱27.3 bn, a 77% increase YoY. This translated to earnings per share of ₱4.85 for the period in review. The Power Group accounted for the bulk of the income contributions to AEV at 57%, followed by the Banking and Financial Services, Real Estate, Food, and Infrastructure Groups at 23%, 9%, 7%, and 5%, respectively.

During 2021, the Group generated non-recurring gains of ₱527 mn primarily due to the revaluation of dollar-denominated assets, compared to ₱477 mn non-recurring losses recorded in 2020. Without these one-off losses, the Group's core net income for 2021 was ₱26.8 bn, 68% higher YoY. AEV recorded a 16% increase in consolidated EBITDA for 2021 compared to 2020, from ₱57.7 bn to ₱67.2 bn.

## MATERIAL CHANGES IN LINE ITEMS OF REGISTRANT'S STATEMENTS OF INCOME AND OF COMPREHENSIVE INCOME

The following discussion describes material changes in the line items of the Company's statement of income and of comprehensive income for 2021 compared to 2020.

### Revenues

#### *Sale of Power*

The Group's revenue from the Power Group's sale of power increased by 22% or ₱24.2 bn, from ₱109.9 bn in 2020 to ₱134.0 bn in 2021. The increase was primarily attributable to (i) higher availability of TLI, TSI, and TVI facilities during 2021, and (ii) higher WESM dispatch in compliance with the must-offer rule. The Group's sale of power comprised 59% and 60% as a percentage of total revenues in 2020 and in 2021, respectively.

#### *Sale of Goods*

The Group's revenue from sale of goods increased by 17% or ₱12.2 bn, from ₱71.3 bn in 2020 to ₱83.1 bn in 2021. The increase was primarily due to higher feeds selling prices. The Group's sale of goods comprised 38% and 37% as a percentage of total revenues in 2020 and in 2021, respectively.

#### *Real Estate*

The Group's revenue from real estate increased by 48% or ₱1.7 bn, from ₱3.5 bn in 2020 to ₱5.2 bn in 2021. The increase was primarily attributable to AboitizLand's higher revenue recognition following increased construction activity for its residential business, as well as increased sales with higher spot down payments. As a percentage of total revenues, the Group's revenue from real estate comprised 2% in both 2020 and in 2021.

#### *Other Revenues*

The Group's combined revenue from the fair value of swine, service fees, and other sources decreased by 22% or ₱0.4 bn, from ₱2.0 bn in 2020 to ₱1.6 bn in 2021. This decrease was mainly due to the decrease in live hogs sold. As a percentage of total revenues, the Group's other revenues comprised 1% in both 2020 and in 2021.

### Costs and Expenses

#### *Cost of Generated and Purchased Power*

The Group's cost of generated and purchased power increased by 37% or ₱20.1 bn, from ₱54.9 bn in 2020 to ₱75.0 bn in 2021. The increase was primarily attributable to higher purchased power rates driven by higher WESM prices, and higher fuel cost. As a percentage of total costs and expenses, the Group's cost of generated and purchased power comprised 35% and 39% in 2020 and in 2021, respectively.

#### *Cost of Goods Sold*

The Group's cost of goods sold increased by 20% or ₱12.1 bn, from ₱61.5 bn in 2020 to ₱73.6 bn in 2021. The increase was mainly attributable to higher raw materials cost of the Food Group. As a percentage of total costs and expenses, the Group's cost of goods sold comprised 40% and 39% in 2020 and in 2021, respectively.

#### *Operating Expenses*

The Group's operating expenses increased by 7% or ₱2.8 bn, from ₱37.1 bn in 2020 to ₱39.9 bn in 2021. The increase was primarily attributable to higher expenses for insurance and repairs and

maintenance of the Group's power plants. As a percentage of total costs and expenses, the Group's operating expenses comprised 24% and 21% in 2020 and in 2021, respectively.

#### *Cost of Real Estate Sales*

For 2021, the Group's cost of real estate sales increased by 34% or ₱0.6 bn, from ₱1.7 bn in 2020 to ₱2.3 bn in 2021. The increase was mainly driven by higher real estate sales. As a percentage of total costs and expenses, the Group's cost of real estate sales comprised 1% in both 2020 and in 2021.

#### **Operating Profit**

As a result of the foregoing, the Group's operating profit increased by 5% or ₱1.6 bn, from ₱31.5 bn in 2020 to ₱33.1 bn in 2021.

#### **Income Before Income Tax**

The Group's income before income tax increased by 30% or ₱8.6 bn, from ₱28.4 bn in 2020 to ₱37.0 bn in 2021. The increase was mainly due to higher operating profit and equity earnings.

#### **Net Income**

As a result of the foregoing, coupled with the application of the provisions of the CREATE Act, the Group's Net Income to Equity Holders of the Parent increased by 77% or ₱11.9 bn, from ₱15.4 bn in 2020 to ₱27.3 bn in 2021.

Net income attributable to non-controlling interests for 2021 increased to ₱6.9 bn from ₱5.4 bn in 2020. This was primarily due to the increase in consolidated net income of AboitizPower in 2021.

### **STRATEGIC BUSINESS UNITS**

The following discussion describes the performance of the Group's SBUs for 2021 compared to 2020.

#### **Power**

For 2021, the Power Group's contribution to Net Income to Equity Holders of AEV, before elimination of transactions within the Group, was ₱16.0 bn, a 66% increase from ₱9.7 bn in 2020.

Before elimination of transactions within the Group, the combined contribution of AboitizPower's Power Generation and Retail Electricity Supply businesses to Net Income to Equity Holders of AEV increased by 84%, from ₱9.2 bn in 2020 to ₱16.9 bn in 2021. The variance was primarily due to (i) commissioning revenue from GNPD Unit 1, (ii) higher water inflows for the Power Group's hydro plants, higher availability of TLI, TSI, and TVI facilities, (iii) higher WESM dispatch, and (iv) other income from liquidated damages for the delay in the construction of GNPD Units 1 and 2 and business interruption claims resulting from GMEC and APRI outages in previous years. These gains were partially offset by lower margins resulting from the GMEC outage during 2021.

Capacity sold increased from 3,417 MW for 2020 to 3,753 MW for 2021. Energy sold in 2021 increased by 14% to 26,031 GWh from 22,754 GWh in 2020.

Before elimination of transactions within the Group, the contribution to Net Income to Equity Holders of AEV of AboitizPower's Power Distribution Group increased by 13% from ₱2.7 bn in 2020 to ₱3.1 bn in 2021. This increase was mainly driven by higher energy consumption resulting from recoveries in demand. Energy sales increased by 4% to 5,584 GWh during 2021 from 5,368 GWh in 2020.

#### **Banking & Financial Services**

UnionBank's contribution to Net Income to Equity Holders of AEV increased by 9% YoY, from ₱5.9 bn in 2020 to ₱6.4 bn in 2021. The increase was due to higher net interest income, which grew to ₱29.8 bn, 4% higher YoY due to the sustained increase in net interest margins. Non-interest income in

2021 was ₱15.3 bn, up 14% YoY, due to higher fees, service charges, foreign exchange income and trading gains.

## Food

Before elimination of transactions within the Group, the contribution to Net Income to Equity Holders of AEV from the Food Group decreased by 10% to ₱2.0 bn in 2021, compared to ₱2.2 bn in 2020.

The Food Group's Agribusiness segment, which consists of the regional animal nutrition businesses (feed, petfood, and specialty nutrition), reported net income of ₱1.3 bn in 2021, 44% lower than the ₱2.3 bn in 2020. This is due to a decline in margins resulting from the sharp increase in raw material costs.

The Food Group's Food and Nutrition segment, which consists of the flour, farms, meats, and trading divisions, recorded net income of ₱934 mn in 2021, 365% higher YoY. This was primarily due to increased income from the Farm business as pork prices increased due to lack of supply in the market during 2021, supported by incremental income coming from commodity trading. These offset the decline in income from the Flour business stemming from the increase in raw material costs, in addition to decreased by-product margins.

## Real Estate

The contribution of AboitizLand to Net Income to Equity Holders of AEV in 2021, before elimination of transactions within the Group, amounted to ₱2.6 bn, a 658% increase from ₱338 mn in 2020. The increase was mainly due to higher revenue recognition from increased construction and site development activities for AboitizLand's residential business, and an increase in sales performance with higher spot down payments, coupled with asset monetization and fair valuation gains on investment properties.

## Infrastructure

Before elimination of transactions within the Group, the contribution to Net Income to Equity Holders of AEV from the Infrastructure Group increased by 203% to ₱1.4 bn in 2021, compared to ₱457 mn in 2020. The increase was mainly due to the higher contribution of the RCBM Group which increased by 164% from ₱590 mn in 2020 to ₱1.6 bn in 2021. The increase was mainly due to stronger market demand from the residential and infrastructure segments during 2021, as well as increased overall efficiency resulting from capital investments. RCBM also benefited in 2021 from a one-time gain brought about by the CREATE bill which reduced its deferred tax liabilities.

## CHANGES IN REGISTRANT'S RESOURCES, LIABILITIES AND SHAREHOLDERS' EQUITY

### Assets

Consolidated assets (as of December 31, 2021 compared to December 31, 2020) increased by 20% to ₱733.6 bn, due to the following:

- Cash & Cash Equivalents increased by 124% (₱147.5 bn as of December 31, 2021 compared to ₱66.0 bn as of December 31, 2020) mainly due to proceeds from the sale non-controlling interest in December 2021 arising from the sale by AEV of a 25.01% ownership interest in AboitizPower to JERA Asia.
- Trade and other receivables (current and noncurrent) increased by 23% (₱48.4 bn as of December 31, 2021 compared to ₱39.4 bn as of December 31, 2020) mainly due to increased receivables of the Power and Real Estate Groups as a result of higher revenues.
- Inventories increased by 34% (₱29.1 bn as of December 31, 2021 compared to ₱21.6 bn as of December 31, 2020) mainly due to higher spare parts, supplies and fuel inventory of the Power Group, and higher raw materials inventory of the Food Group.

- Investment Property increased by 12% (₱12.2 bn as of December 31, 2021 compared to ₱10.9 bn as of December 31, 2020) mainly due to the fair valuation gain on revaluation of real estate properties during 2021.
- Investments in and Advances to Associates and Joint Ventures increased by ₱9.4 bn (₱154.8 bn as of December 31, 2021 compared to ₱145.4 bn as of December 31, 2020) mainly due to ₱994 mn infusion into Unity Digital Infrastructure, Inc., AboitizPower's ₱952 mn additional infusion into GNPD, ₱310 mn other comprehensive income, and the recording of ₱17.2 bn share in net earnings of Associates and Joint Ventures. This increase was partially reduced by the ₱10.2 bn dividends from Associates and Joint Ventures.
- Other Current Assets increased by 36% (₱25.4 bn as of December 31, 2021 compared to ₱18.7 bn as of December 31, 2020) primarily due to the increase in short-term cash deposits and prepaid expenses.
- Net Derivative Assets and Liabilities (current and noncurrent) changed from ₱2.0 bn net derivative liability as of December 31, 2020 to ₱105 mn net derivative asset as of December 31, 2021 mainly due to the Power Group's hedging gains.
- Intangible Assets increased by 10% (₱74.3 bn as of December 31, 2021 compared to ₱67.8 bn as of December 31, 2020) mainly due to the forex revaluation of goodwill and additions to service concession rights relating to Apo Agua Bulk Water project.

The above increases were offset by the 5% decrease in land and improvements (₱2.9 bn as of December 31, 2021 compared to ₱3.0 bn as of December 31, 2020) caused by the reclassification of newly launched project by the Real Estate Group to inventory.

## Liabilities

Total Liabilities (as of December 31, 2021 compared to December 31, 2020) increased by 5% to ₱405.8 bn due to the following:

- Bank loans increased by 21% (₱35.4 bn as of December 31, 2021 compared to ₱29.3 bn as of December 31, 2020) mainly due to new loan availments during 2021 by the Power and Food Groups.
- Long-term debt, which includes both current and noncurrent portions, increased by 4% (₱271.7 bn as of December 31, 2021 compared to ₱261.0 bn as of December 31, 2020) mainly due to the following: (i) issuance of retail bonds by AboitizPower amounting to ₱26.0 bn, (ii) issuance of retail bonds by AEV amounting to ₱10.0 bn, and (iii) ₱11.8 bn of new loan availments by subsidiaries. This was partly offset by the prepayment of AEV's seven-year 2015 Series B and ten-year 2013 Series B retail bonds and AboitizPower's partial prepayment of the US\$ 300 mn syndicated bridge loan facility availed in 2019 to finance the AA Thermal, Inc. acquisition, and principal payments made on existing loans during 2021.
- Long-term obligation on Power Distribution System, which includes current and noncurrent portions, decreased by 10% (₱166 mn as of December 31, 2021 compared to ₱183 mn as of December 31, 2020) as regular annual payments were made.
- Lease liabilities, which includes current and noncurrent portions, decreased by 14% (₱34.3 bn as of December 31, 2021 compared to ₱39.8 bn as of December 31, 2020) due to TLI's payment on its obligation to PSALM during 2021.
- Trade and other payables, inclusive of noncurrent portion, increased by 25% (₱46.8 bn as of December 31, 2021 compared to ₱37.3 bn as of December 31, 2020) mainly due the increase of trade and fuel purchases in the Power Group, and raw materials purchases of the Food Group.
- Income tax payable decreased by 62%, from ₱1.0 bn as of December 31, 2020 to ₱0.4 bn as of December 31, 2021 mainly due to the reduction in income tax rates from 30% in 2020 to 25% in 2021.

- Customers' deposits increased by 6%, from ₱7.0 bn as of December 31, 2020 to ₱7.4 bn as of December 31, 2021, mainly due to the receipt of bill deposits from new customers.
- Decommissioning liability increased by 14%, from ₱5.0 bn as of December 31, 2020 to ₱5.7 bn as of December 31, 2021, mainly due to the recognition of additional decommissioning provisions on power plant assets.
- Deferred Income Tax Liabilities decreased by 5% (₱2.3 bn as of December 31, 2021 compared to ₱2.4 bn as of December 31, 2020) due to the reduction in income tax rates.
- Pension Liabilities (net of Pension assets) decreased to ₱200 mn as of December 31, 2021 compared to ₱459 mn as of December 31, 2020 mainly due to actuarial gains.

## Equity

Equity attributable to equity holders of the parent (as of December 31, 2021 compared to December 31, 2020) increased by ₱61.6 bn from ₱183.1 bn to ₱244.7 bn, due to the following:

- ₱27.3 bn net income recorded during the year;
- ₱35.0 bn additional equity reserve from the sale of non-controlling interest; and,
- ₱4.4 bn in other comprehensive income

These are partly offset by the ₱5.1 bn cash dividends paid during 2021.

Non-controlling interests increased 105%, from ₱40.5 bn as of December 31, 2020 to ₱83.1 bn as of December 31, 2021 mainly due to the sale of shares of AboitizPower.

## MATERIAL CHANGES IN LIQUIDITY AND CASH RESERVES OF REGISTRANT

For 2021, the Group continued to support its liquidity mainly from cash generated from operations, additional loans availed, dividends received from Associates and Joint Ventures, and sale of non-controlling interest.

Compared to the cash inflow during 2020, consolidated cash generated from operating activities for 2021 increased by ₱98 mn to ₱36.3 bn. The increase was mainly due to higher earnings before interest, depreciation and amortization, and lower taxes paid, partly offset by higher working capital requirements.

As of December 31, 2021, ₱10.1 bn net cash was used in investing activities compared to ₱11.5 bn during 2020. This was mainly due to higher cash dividends received from associates and joint ventures compared to 2020. Out of the cash usage for the current period, ₱6.0 bn was invested in short-term cash deposits to maximize interest income.

Net cash from financing activities was ₱53.0 bn for 2021 compared to ₱4.3 bn used in 2020. This was largely attributed to the proceeds from the sale of non-controlling interest and new debt availments.

For 2021, net cash inflows surpassed cash outflows, resulting in a 124% increase in cash and cash equivalents from ₱66.0 bn as of year-end 2020 to ₱147.5 bn as of December 31, 2021.

## FINANCIAL RATIOS

AEV's Current Ratio as of December 31, 2021 increased to 2.3x compared to end-2020's 1.6x mainly due to higher cash balances. Debt-to-Equity ratio decreased to 1.2:1 as of December 31, 2021 from year-end 2020's 1.7:1, as the increase in equity outpaced the increase in total liabilities.

**Item 7. Financial Statements**

The audited consolidated financial statements of AEV will be incorporated herein by reference. The schedules listed in the accompanying Index to Supplementary Schedules will be filed as part of the Information Statement.

**Item 8. Information on Independent Accountant and Other Related Matters****(A) External Audit Fees**

The following table sets out the aggregate fees paid by the Company for each of the last two years for professional fees rendered by SGV:

| Fee Type                              | Year ended December 31, 2023 | Year ended December 31, 2022 |
|---------------------------------------|------------------------------|------------------------------|
| <b>Audit Fees</b>                     |                              |                              |
| Audit Fees                            | ₱632,500.00                  | ₱632,500.00                  |
| Audit-Related Fees                    | 11,200,000.00                | 12,264,000.00                |
| Other Assurance Fees                  | 3,480,935.00                 | -                            |
| <b>Total</b>                          | <b>₱15,313,435.00</b>        | <b>₱12,896,500.00</b>        |
| <b>Non-Audit Fees</b>                 |                              |                              |
| Consultancy Fees                      | ₱53,195.00                   | ₱54,208.00                   |
| <b>Total</b>                          | <b>₱53,195.00</b>            | <b>₱54,208.00</b>            |
| <b>Total Audit and Non-Audit Fees</b> | <b>₱15,366,630.00</b>        | <b>₱12,950,708.00</b>        |

The audit-related fees include assurance and services that are related to the review of AEV's financial statements pursuant to its bond issuances. The non-audit fees were paid for AEV's transfer pricing study and assistance in preparation of tax forms.

As a policy, the Board Audit Committee makes recommendations to the Board concerning the choice of external auditor and pre-approves audit plans, scope, and frequency before the audit is conducted.

Audit services of external auditors for the years 2023 and 2022 were pre-approved by the Board Audit Committee. The Committee had also reviewed the extent and nature of these services to ensure that the independence of the external auditors is preserved.

**(B) Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

The Company has engaged the services of SGV during the two most recent fiscal years. There are no disagreements with SGV on accounting and financial disclosure.

### PART III – CORPORATE GOVERNANCE

In 2023, the Aboitiz Group propelled itself into a new era, navigating the unfolding chapters of its rich history with an unwavering commitment *to drive change for a better world by advancing business and communities*. As the organization embraced the challenges of the *Great Transformation*, it strategically steered towards shaping a future where innovation stands as the cornerstone of its growth trajectory, aspiring to emerge as the Philippines' first *techglomerate*.

Leading this transformation is AEV's Board of Directors, all of whom firmly believe that a sound framework of corporate governance creates a path towards the realization of the Group's strategic goals and growth aspirations.

Notable accomplishments of the AEV Board for the year 2023 are as follows:

- Onboarded Mr. Peter D. Maquera as its new Independent Director
- Continued to assess the Group's short-term and long-term business strategies to operationalize and direct its growth aspirations towards its story of the Great Transformation
- Reviewed and ensured the sufficiency of the internal controls system and enterprise risk management framework of AEV.
- Authorized and held AEV's Virtual Annual Stockholders' Meeting for the third consecutive year.
- Approved the amendments to the Board and Committee Charters.
- Reviewed and implemented changes to the Board's governance mechanism in alignment with global best practices and the demands of the current business environment.
- In addition to the Annual Corporate Governance Seminar, conducted regular virtual learning sessions to strengthen the continuous learning program for the Company's directors and officers.

#### ***Stockholders Rights and Equitable Treatment***

The protection of the rights of its stockholders is of paramount importance to the Company. The goal is to ensure the free exercise of stockholder rights, regardless of the number of shares he or she owns.

Among the rights of the Company's stockholders are to: (i) receive notices of and to attend stockholders' meetings; (ii) participate and vote on the basis of the one-share, one-vote policy; (iii) call for a special board meeting and propose a meeting agenda; (iv) participate and vote on the basis of the one-share, one-vote policy; (v) vote in person, *in absentia*, or through proxy; (vi) ratify corporate actions; (vii) nominate, elect, remove, and replace Board members (including via cumulative voting); (viii) inspect corporate books and records; (ix) receive dividends; and (x) be informed in a timely and regular manner of the state of the Company's businesses.

#### ***Right to Actively Participate at Stockholders Meetings***

AEV remains steadfast in its commitment to conducting Annual and Special Stockholders' Meetings (ASMs) with transparency and fairness, facilitating stockholders' access to accurate and timely information crucial for making well-informed decisions.

Detailed financial, non-financial, and operational performance summaries of AEV, its Subsidiaries and Associates are included in its Information Statements and Annual Reports. These essential documents, distributed prior to ASMs and readily available on the Company's website. Additionally, profiles of both new and returning directors, alongside a concise summary of the Board and Board Committee's performance assessments, attendance records, compensation details, and notable achievements for the year, are transparently shared.

To bolster accessibility, notices for AEV ASMs, complete with quick response (QR) codes linking to the Definitive Information Statements, are published in two widely circulated newspapers at least 21 days before the meetings.

The dedication to stockholder engagement is palpable in the meticulous planning of stockholder meetings, with notices disseminated a minimum of 28 days ahead of time, outlining all agenda items for discussion. No new

agenda items are introduced during the meeting, and the rationale behind each item is explicitly included in the notices.

AEV prioritizes providing accessible venues for shareholders to exercise their right to attend and participate in stockholder meetings. For the fourth consecutive year in 2023, AEV conducted a fully digital stockholders' meeting, providing stockholders with options to cast votes through non-traditional means such as remote communication or via an online voting portal.

During stockholder meetings, an open forum enables stockholders to voice concerns, pose questions, and provide feedback on the state of the business through the ASM online portal or live interaction if time permits. There are no barriers hindering stockholders from communicating with each other, directors, or the Corporate Secretary.

AEV's commitment to transparency is underscored by the prompt publication of meeting minutes, including questions, answers, issues, motions, agreements, and voting results, which are made publicly available on the company's website under the Investor Relations page by the next working day. AEV promptly discloses all approved items to the PSE, the PDEX, and the SEC by the following business day.

Continuing its unwavering commitment, AEV actively seeks to expand communication channels with both institutional and individual stockholders through its Investor Relations Office and external stock transfer service provider, Stock Transfer Service, Inc.

#### *Right to Receive Dividends*

The right to receive dividends is a basic stockholder right. The Company promotes this basic stockholder right by adopting a clear and transparent dividend policy.

Every year, the Company pays dividends in an equitable and timely manner. All stockholders are treated equally, receiving an amount of dividends per share that is proportionate to their shareholdings. The period for payment of dividends is based on trading requirements or constraints of the SEC and PSE.

In the last three years, the Company has paid the following dividends:

|     |      | Declaration Date | Record Date    | Payment Date   | Dividends per Share | Total   |
|-----|------|------------------|----------------|----------------|---------------------|---------|
| AEV | 2024 | March 5, 2024    | March 19, 2024 | March 26, 2024 | ₱1.40 (regular)     | ₱7.87bn |
|     | 2023 | March 3, 2023    | March 17, 2023 | March 30, 2023 | ₱1.47 (regular)     | ₱8.28bn |
|     | 2022 | March 4, 2022    | March 18, 2022 | March 30, 2022 | ₱1.62 (regular)     | ₱9.12bn |

AEV's Board Secretariat has also adopted certified Board protocols and procedures under the ISO 9001:2015 Management Board and System to ensure the effectiveness of Board and stockholders' commitments. This includes coordination with stock transfer agents to ensure appropriate responses to and timely resolution of shareholders' queries and requests.

For a more detailed discussion on the rights of the stockholders of the Company, please refer to the 2023 Consolidated Annual and Sustainability Report, the 2023 Integrated Annual Corporate Governance Report (IACGR), and the Governance page of the AEV website, which will become available at [www.aboitz.com](http://www.aboitz.com) on or before May 30, 2024.

## BOARD MATTERS

### Board of Directors

The Board leads the Group's corporate governance framework. Independent from management, its members are committed to serve and promote long-term success, and to secure the Group's sustained growth, competitiveness and sustainability. The Directors perform the crucial role of articulating and assessing the Group's purpose, vision and mission, and strategies to carry out its objectives. They ensure that the strategic business direction of the Group's businesses are soundly established and are in line with the overall Group's goals and strategy. In line with best practices, the members of the Board are responsible in establishing and monitoring the Group's commitment to the principles embodied in ESG. In performing these functions, the members of the AEV Board, individually and collectively, are expected to act consistently with the Aboitiz core values.

The AEV Board is composed of nine members, all of whom come from diverse professional backgrounds. They are composed of legal and finance professionals, engineers, former or current Chief Executive Officers/Chief Operating Officers, auditors, and accountants. Many of them have management experience in the private and Government sectors, as well as in multilateral agencies. In 2023, the AEV Board had three Independent Directors, five Non-Executive Directors, and one Executive Director. The Chairman of the AEV Board, Mr. Enrique M. Aboitiz, is a highly experienced Non-Executive Director. As a Non-Executive Director, he is not involved in the Company's day-to-day operations, which enables him to focus on ensuring that the AEV Board properly discharges its duties and responsibilities. In 2023, the AEV Board appointed Mr. Romeo L. Bernardo as Lead Independent Director, who resigned in September 2023 upon his appointment as a member of the BSP Monetary Board, a highly qualified professional who is familiar with the operations of AEV, and the industries it does business in. On November 24, 2023, the members of the Board appointed Mr. Cesar G. Romero as Lead Independent Director, to serve the unexpired term of his predecessor. Mr. Romero is currently the Chairman of the Board Audit Committee and a highly qualified professional who is familiar with the operations of AEV, and the industries it does business in.

The members of the AEV Board are the following:

| ABOITIZ EQUITY VENTURES INC.'S BOARD OF DIRECTORS       |                                   |                    |        |                                                                                             |                                                                                   |
|---------------------------------------------------------|-----------------------------------|--------------------|--------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Director<br>(Age, Nationality)                          | Designation<br>/Directorship      | Year First Elected | Tenure | Board and Committee<br>Memberships and %<br>of Attendance for<br>2023                       | Directorships in Other Listed Philippine<br>Companies Outside the Aboitiz Group   |
| <b>ENRIQUE M. ABOITIZ</b><br>70 years old<br>Filipino   | Chairman of<br>the Board<br>(NED) | May 10, 1999       | 24     | (C) BOD (100%)<br>(M) ExCom (n.a)<br>(M) ESCG (100%)<br>(M) Cyber (100%)                    | None                                                                              |
| <b>MIKEL A. ABOITIZ</b><br>69 years old<br>Filipino     | Vice-Chairman<br>(NED)            | May 15, 2017       | 6      | (VC) BOD (100%)<br>(M) ExCom (n.a)                                                          | None                                                                              |
| <b>ERRAMON I. ABOITIZ</b><br>67 years old<br>Filipino   | Director (NED)                    | May 9, 1994        | 29     | (M) BOD (94%)<br>(C) Risk (100%)<br>(M) ExCom (n.a)<br>(M) AudCom (100%)                    | None                                                                              |
| <b>SABIN M. ABOITIZ</b><br>59 years old<br>Filipino     | President and<br>CEO (ED)         | May 21, 2018       | 5      | (M) BOD (100%)<br>(C) ExCom (n.a)<br>(M) ESCG (100%)<br>(M) Risk (80%)                      | None                                                                              |
| <b>ANA MARIA A. DELGADO</b><br>43 years old<br>Filipino | Director (NED)                    | Dec 11, 2018       | 5      | (M) BOD (94%)<br>(M) AudCom (100%)                                                          | None                                                                              |
| <b>JUSTO A. ORTIZ</b><br>66 years old<br>Filipino       | Director (NED)                    | May 9, 1994        | 26     | (M) BOD (100%)<br>(C) Cyber (100%)<br>(M) ExCom (n.a)                                       | None                                                                              |
| <b>CESAR G. ROMERO*</b><br>58 years old<br>Filipino     | Lead<br>Independent<br>Director   | Apr 26, 2021       | 1      | (M) BOD (100%)<br>(C) AudCom (100%)<br>(C) ESCG (100%)<br>(M) Risk (100%)<br>(M) RPT (100%) | <ul style="list-style-type: none"> <li>Robinsons Retail Holdings, Inc.</li> </ul> |

|                                                      |                         |              |   |                                                                                                                 |                                                    |
|------------------------------------------------------|-------------------------|--------------|---|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| <b>JOANNE G. DE ASIS</b><br>73 years old<br>Filipino | Independent<br>Director | Apr 26, 2021 | 2 | (M) BOD (100%)<br>(C) RPT (100%)<br>(M) AudCom (100%)<br>(M) ESCG (100%)<br>(M) Risk (100%)<br>(M) Cyber (100%) | • EasyCall Communications<br>Philippines Inc. (ID) |
| <b>PETER D. MAQUERA</b><br>61 years old<br>Filipino  | Independent<br>Director | Apr 25, 2022 | 0 | (M) BOD (100%)<br>(M) Cyber (100%)<br>(M) AudCom (n.a.)<br>(M) ESCG (n.a.)<br>(M) Risk (n.a.)<br>(M) RPT (n.a.) | None                                               |

Legend: C- Chairman; VC – Vice Chairman; M – Member; –D - Independent Director; NED - Non-Executive Director; Ex - Executive Director; BOD - Board of Directors; ESCG - Board Environmental, Social, and Corporate Governance Committee; ExCom - Board Executive Committee; AudCom - Board Audit Committee; Risk - Board Risk and Reputation Management Committee; RPT - Board Related Party Transactions Committee; Cyber - Board Cyber and Information Security Committee

\* Mr. Cesar G. Romero was elected as an Independent Director in the Company's 2022 Annual Stockholders' Meeting and was appointed as Lead Independent Director in November 2023.

### Board Performance

In 2023, the Chairman of the AEV Board led the conduct of the following performance review and assessment:

| Type of Assessment                                                                  | Respondents and Scope                                                                                                                                                           | Criteria                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1. Director Self-Assessment</b><br><i>Completed: October 2023</i>                | <b>Respondents:</b> Members of the Board<br><br><b>Scope:</b> Individual and the collective performance of the members of the Board and Board committees.                       | (1) compliance with best governance practices and principles;<br>(2) participation and contribution to the Board and committee meetings; and                                                                                                                                |
| <b>2. Key Officers Evaluation</b><br><i>Completed: October 2023</i>                 | <b>Respondents:</b> Members of the Board<br><br><b>Scope:</b> Chairman, Chief Executive Officer, Internal Audit Head, Risk Officer, Corporate Secretary, and Compliance Officer | (3) performance of their duties and responsibilities as provided in the company's Revised Manuals, Charters, Amended Articles, and Amended By-Laws.                                                                                                                         |
| <b>3. Director Evaluation</b><br><i>Completed: October 2023</i>                     | <b>Respondents:</b> Executive Officers<br><br><b>Scope:</b> Members of the Board and Board Committees                                                                           | (1) business acumen, (2) independent judgment, (3) familiarity with the business, (4) active participation and effective challenge, (5) professional expertise and network, (6) value contribution, (7) embodiment of Aboitiz core values, and (8) goodwill and reputation. |
| <b>4. Board and Committee Charter Assessment</b><br><i>Completed: December 2023</i> | <b>Respondents:</b> Board and Committee Members                                                                                                                                 | (1) Membership and composition, (2) duties and responsibilities, (3) conduct of meetings, (4) support and resources                                                                                                                                                         |

In addition, the Corporate Governance Code requires that at least once in every three years, the conduct of the Board performance assessment must be supported by an independent third-party facilitator. AEV complied with this requirement in 2023 with the engagement of Complete Coherence, a leadership development and coaching company based in the United Kingdom. The results of the assessment, as well as the recommendations from Complete Coherence, were presented and discussed at the Board meeting on December 12, 2023.

## Board Committees

The different Board committees - Audit, Environmental, Social, and Corporate Governance (now Sustainability, Governance and Related Party Transactions), Risk and Reputation Management, Executive Committee, and the Cyber and Information Security Committee - report regularly to the Board and are crucial in maintaining Board oversight in key management areas.

The mandate of each Board committee, including key accomplishments in 2023, are described below:

- a. The **Board Environmental, Social, and Corporate Governance Committee** plays a pivotal role in spearheading the creation and oversight of a robust governance mechanism. This mechanism is specifically designed to champion sustainability practices, encompassing responsible environmental stewardship, meaningful social development, and the implementation of sound corporate governance principles. In addition to these core responsibilities, the ESCG Committees also fulfill the essential functions of the Nomination and Remuneration Committees. In carrying out its duties and responsibilities, the ESCG Committee is supported by *Ex-Officio* Members consisting of executive heads of relevant corporate services units such as compliance, human resources, sustainability, and external relations. These officers regularly attend committee meetings to act as resource persons. The chairman of the ESCG Committee is the Lead Independent Director.

### Key Areas of Focus in 2023

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Environmental and Social</b>    | <ul style="list-style-type: none"> <li>Discussed the potential business and stakeholders impact of COP26 outcomes and the subsequent policy and regulatory actions of the country</li> <li>Monitored the progress of the ongoing Climate Value at Risk study</li> <li>Monitored and discussed the dynamic progress of Sustainability Disclosure Standards including the most recent progress on the International Sustainability Standards Board Scope 1 and Scope 2 Standards</li> <li>Developed and cascaded the OneNewAboitiz Sustainability Playbook and monitored the progress of the Group-wide ESG Materiality Re-assessment.</li> <li>Accomplishment of the 1st External Assurance of the Aboitiz Integrated Report and necessary milestones aligned with the 10-year ESG Agenda.</li> <li>Ensured that the company's ESG programs were implemented.</li> <li>Amended the Code of Ethics and Business Conduct, and the Whistleblowing Policy to further strengthen the company's commitment to corporate governance, particularly on sustainability and ethical corporate citizenship.</li> </ul> |
| <b>Compliance</b>                  | <ul style="list-style-type: none"> <li>Reviewed and monitored AEV's compliance with new laws and regulations</li> <li>Reviewed and monitored the status of whistleblowing reports</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Corporate Governance</b>        | <ul style="list-style-type: none"> <li>Reviewed and revised AEV's General Trading Policy to align with market practice</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Nomination and Compensation</b> | <ul style="list-style-type: none"> <li>Ensured that the nomination, selection, election, remuneration, and assessment of each company's directors and officers are aligned with the Revised Manuals</li> <li>Approved the final list of nominees for directors for election after reviewing all the qualifications as provided in the Amended By-Laws, Revised Manuals, and other relevant SEC rules</li> <li>Reviewed the qualifications of all persons nominated to appointed positions by the Board</li> <li>Reviewed and approved the 2023 Group-wide merit increase guidelines</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

- b. The **Board Audit Committee** represents the Board in discharging its responsibility related to audit matters for the Group. Independent Directors comprise the majority of the members of the Board Audit Committee, including its Chairman. The Company's Chief Financial Officer and Internal Audit Head, who performs the functions of a Chief Audit Executive, are regular attendees and resource persons at each committee meeting. At the end of every Audit Committee meeting, Committee Members meet without the presence of any executives.

### Key Areas of Focus in 2023

|                          |                                                                                                                                                                                                                                                                                                                    |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Financial Reports</b> | <ul style="list-style-type: none"> <li>Reviewed, discussed, and approved for public disclosure the quarterly unaudited consolidated financial statements in 2023</li> <li>Endorsed for approval by the full Board the 2022 annual audited financial statements of AEV, its Subsidiaries and Affiliates.</li> </ul> |
| <b>External Auditors</b> | <ul style="list-style-type: none"> <li>Reviewed the performance of SGV as AEV's external auditor.</li> </ul>                                                                                                                                                                                                       |

|                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                          | <ul style="list-style-type: none"> <li>• Endorsed to the Board the appointment of SGV as AEV's External Auditor for 2023.</li> <li>• Reviewed and approved the overall scope and audit plan of SGV.</li> <li>• Reviewed and approved the audit plan, fees, and terms of engagement, which covers audit and non-audit services provided by SGV.</li> </ul>                                                                                                                                                                                          |
| <b>Internal Auditors</b> | <ul style="list-style-type: none"> <li>• Reviewed and approved the annual audit program for 2023 which also covers the adequacy of resources, qualifications and competency of the staff, and independence of the internal auditor.</li> <li>• Reviewed sample CAPEX transactions to help ensure process integrity and promote continuous improvement.</li> <li>• Confirmed that the internal audit function is executed effectively and internal auditors have conducted their responsibilities objectively and in an unbiased manner.</li> </ul> |
| <b>Committee Charter</b> | <ul style="list-style-type: none"> <li>• Updated the Board Audit Committee and Internal Audit Charters to improve the Company's control performance by having an adequate and effective internal control system</li> </ul>                                                                                                                                                                                                                                                                                                                         |

- c. The **Board Risk and Reputation Management Committee** exercise oversight functions over the Company's enterprise risk management and reputation management, including their respective corporate brands and communication strategies. The committee ensures the establishment and maintenance of a robust risk management framework and the requisite supporting governance mechanism within AEV. In 2023, the Risk and Reputation Management Committee of AEV was composed of all the three Independent Directors, one Executive Director, and one Non-Executive director who also acted as the chairman of the committee. The chairman on the Risk and Reputation Management Committee of AEV is not the Chairman of the Board or any other Board Committees.

#### Key Areas of Focus in 2023

|                                   |                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Governance</b>                 | <ul style="list-style-type: none"> <li>• Discussed the results of the Aon Risk Management Program Review and the KPMG Risk Management Framework and Process Effectiveness Audit.</li> <li>• Reviewed and updated the Board Risk and Reputation Committee Charter.</li> </ul>                                                                          |
| <b>Enterprise Risk Management</b> | <ul style="list-style-type: none"> <li>• Reviewed and discussed AEV's Mid Year and Year-End Top Risks report where Regulatory and Cyber risks respectively took the top spot. Portfolio Risk and Implementation Risk were introduced among the new top risks of AEV as it takes on a more active portfolio and investment management role.</li> </ul> |
| <b>Business Continuity</b>        | <ul style="list-style-type: none"> <li>• Updated the Business Continuity Policy to reflect the minimum guardrails for Strategic Business Units in light of the Group's federalization.</li> <li>• Monitored Business Continuity Plan Testing of Aboitiz businesses.</li> </ul>                                                                        |
| <b>Risk Finance</b>               | <ul style="list-style-type: none"> <li>• Reviewed proposed structure and utilization of AEV's captive insurance vehicle.</li> </ul>                                                                                                                                                                                                                   |
| <b>Reputation</b>                 | <ul style="list-style-type: none"> <li>• Updated the committee on the annual reputation management plans, result of brand and reputation surveys of the company.</li> <li>• Discussed the Reputation Strategy &amp; ESG Synergy framework.</li> </ul>                                                                                                 |

- d. The **Board Related Party Transaction Committee** represents the Board in discharging its responsibility to ensure that related party transactions are taken on an arms' length basis and within market rates, with sufficient documentation, and coursed through all appropriate levels of approval necessary. In 2023, the RPT Committee of AEV consisted of all three Independent Directors, including the chairman.

#### Key Areas of Focus in 2023

|                                         |                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>RPT Policy and Committee Charter</b> | <ul style="list-style-type: none"> <li>• Reviewed the RPT Committee Charter</li> </ul>                                                                                                                                                                                                                                                                                                                                     |
| <b>Completion of RPT Certification</b>  | <ul style="list-style-type: none"> <li>• Updated and monitored compliance with the submission of the RPT Certification by Directors and Key Officers of AEV to comply with relevant BIR regulations on the reporting guidelines for transactions of individuals and juridical entities with related parties</li> <li>• Monitored the compliance of AEV with BIR's reportorial requirements and SEC requirements</li> </ul> |
| <b>Fairness of RPTs</b>                 | <ul style="list-style-type: none"> <li>• Continued to ensure that RPTs are on an arm's length basis and within market rates, with sufficient documentation, and coursed through the appropriate levels of approval</li> </ul>                                                                                                                                                                                              |

- e. The **Executive Committee** assists the Board in overseeing the Company's day-to-day operations of the Company. The Committee ensures agility in the management of the Company and in strategic decision-making, as well as compliance with the Company's governance policies, during the intervening period between Board meetings. Because the Board met monthly in 2023, no Executive Committee meetings were held.
- f. The **Board Information Security and Cybersecurity Committee** assists the Board in providing strategic direction and ensuring the establishment of a system of governance (processes, policies, controls and management) for the Company and its strategic business units on matters relating to information security and cybersecurity.

#### Key Areas of Focus in 2023

|                                                   |                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Cybersecurity Manual and Committee Charter</b> | <ul style="list-style-type: none"> <li>Reviewed and amended the Committee Charter and the Group-wide Cyber Security Manual</li> </ul>                                                                                                                                                                                                        |
| <b>Organizational</b>                             | <ul style="list-style-type: none"> <li>Established the AEV Cyber and Information Security Organizations.</li> </ul>                                                                                                                                                                                                                          |
| <b>Cybersecurity Strategy</b>                     | <ul style="list-style-type: none"> <li>Reviewed the security programs and initiative supporting the Aboitiz Group cybersecurity programs and its maturity roadmap, and their respective implementation strategies</li> <li>Published and approved the Group-wide Cyber &amp; Information Security Principles and Minimum Controls</li> </ul> |
| <b>Cybersecurity Risks</b>                        | <ul style="list-style-type: none"> <li>Reviewed the cybersecurity risk map and key risk treatment plans to include the quantification of cybersecurity risks that justified the need for the IT.</li> <li>Decentralization to reduce and segment the impact of a cyber security incident or event.</li> </ul>                                |

For a more detailed discussion on the AEV Board and Board Committees matters, please refer to the 2023 Consolidated Annual and Sustainability Report, the 2023 IACGR, and the Governance page of the AEV website, which will become available at [www.aboitiz.com](http://www.aboitiz.com) on or before May 30, 2024.

## GOVERNANCE PRACTICES

### *Compliance with Governance Policies*

AEV has a Revised Manual and a Code of Ethics and Business Conduct ("Code of Ethics") to guide the attainment of its corporate goals and the implementation of its strategies. The Revised Manual is generally aligned to the principles and recommendations laid down by the SEC under the Corporate Governance Code for Publicly-Listed Companies to further strengthen the Company's corporate governance practices. The Board regularly reviews the Revised Manual to ensure that the same remains relevant and responsive to the needs of the organization. Any amendments to the Revised Manual are promptly submitted to the SEC for confirmation and approval.

The Revised Manual is supported by various company policies that are regularly reviewed and issued by the Board including the Code of Ethics. AEV ensures that its Code of Ethics is cascaded to new team members as part of their onboarding processes. Team members are also required to review the Code of Ethics and to sign an affirmation that they have read and understood the same. In order to support this annual exercise, an e-learning module on the Group's Code of Ethics was developed and is rolled out every year. As part of the Group's commitments in the Code of Ethics, all team members are expected to act professionally, fairly, and with integrity in all of their business dealings, and to comply with all applicable laws and regulations, including those against bribery and corruption.

The Chief Compliance Officer, together with the Human Resources Department, regularly monitors and evaluates compliance by the Board, management, and employees with the Revised Manual, the Code of Ethics, other company policies, and existing laws and regulations. The Chief Compliance Officer also ensures the implementation of AEV's policy against conflicts of interests and the misuse of confidential and proprietary information throughout the organization.

The Chief Compliance Officer regularly reports the Company's compliance status with existing laws and regulations, as well as the Board's, management's and employees' compliance with internal governance policies to the Board ESCG Committee.

In addition, the Company has a Whistleblowing Policy to support the implementation of the Revised Manual and the Code of Ethics. Through this policy, allegations of violations of the Revised Manual, the Code of Ethics, or of other illegal conduct can be reported through a whistleblowing portal that is managed by an independent third party. Matters reported through the whistleblowing platform are discussed by the Board ESCG Committee and, if necessary, escalated to the entire Board.

There are no major deviations from the Revised Manual and other governance-related policies as of the date of this report. There were also no corruption-related incidents reported in 2023.

For a full discussion on the Company's corporate governance initiatives, please refer to the 2023 Consolidated Annual and Sustainability Report, the 2023 IACGR, and the Governance page of the AEV website, which will become available at [www.aboitiz.com](http://www.aboitiz.com) on or before May 30, 2024.

## **DISCLOSURE AND TRANSPARENCY**

Pursuant to its commitment to transparency and accountability, AEV's website, [www.aboitiz.com](http://www.aboitiz.com) has its own dedicated corporate governance webpage which serves as a resource center and library for its stakeholders. AEV also publishes a consolidated Annual and Sustainability Report and IACGR on its website at [www.aboitiz.com](http://www.aboitiz.com).

## ANNEX “A”

### EXPLANATION OF AGENDA ITEMS (including Agenda Items requiring Stockholders’ Approval)

**ITEM NO. 1:** The Chairman will formally open the meeting at approximately 11:00 A.M.

**ITEM NO. 2:** **Proof of Notice of Meeting and Determination of Quorum**

**RATIONALE:** *To inform the stockholders that notice requirements for the 2024 Annual Stockholders’ Meeting (“2024 ASM”) have been complied with in accordance with the Company’s Amended By-Laws and the Revised Corporation Code of the Philippines, and that quorum exists for the transaction of business.*

The Corporate Secretary will certify the date when notices for the 2024 ASM were sent out to the stockholders of record, including the dates of publication and the newspapers where the notice was published. The Corporate Secretary will also certify to the existence of a quorum, as verified and confirmed by Luis Cañete & Co., an independent auditing firm. Stockholders representing at least a majority of the outstanding capital stock, present in person or by proxy, shall constitute a quorum for the transaction of business.

Voting shall be through proxy or remote communication or *in absentia*. Pursuant to Section 4, 5 and 6 of the Company’s Amended By-Laws and Sections 23 and 57 of the Revised Corporation Code which allow voting through remote communication or *in absentia*, stockholders may access the link: <https://abotiz.com/2024asm/> (the “ASM Portal”), to register and vote on the matters at the meeting beginning on March 25, 2024. A stockholder voting *in absentia* shall be deemed present for the purpose of quorum.

Votes may be cast by registered stockholders until 08:00 a.m. of April 22, 2024, which will be tabulated and presented during the 2024 ASM. Stockholders may still vote after the cut-off time, and the final total votes received through proxy and through the ASM Portal will be included in the minutes of the 2024 ASM.

The following are the rules of conduct and procedures for voting and participation in the meeting through remote communication:

1. Stockholders may register and vote at the Company’s ASM Portal beginning March 25, 2024 until 08:00 a.m. on April 22, 2024. Only stockholders as of the record date who registered before the cut-off time will be counted for quorum purposes.
2. Votes cast by registered stockholders until 08:00 a.m. of April 22, 2024 will be tabulated and presented during the 2024 ASM. Stockholders may still vote after the cut-off time, and the final total votes received through proxy and through the ASM Portal will be included in the minutes of the 2024 ASM.
3. The conduct of the 2024 ASM will be livestreamed and registered stockholders may participate through the Company’s ASM Portal.
4. Stockholders may send in their remarks or questions in advance, or during the meeting, through the ASM Portal. The moderator shall read out the remarks or questions, and direct them to the relevant director or officer.
5. Each of the proposed resolutions for approval will be shown on screen at the time they are being taken up at the meeting.
6. All votes received within the cut-off shall be tabulated by the Office of the Corporate Secretary and the results shall be validated by Luis Cañete & Company, an independent auditing firm.
7. The Corporate Secretary shall report the votes received and inform the stockholders if the particular agenda item is carried or disapproved. The total number of votes cast for all items for approval, as of the cut-off time, will be flashed on the screen.

**ITEM NO. 3: Reading and Approval of the Minutes of the Annual Stockholders' Meeting held on April 24, 2023**

**RATIONALE:** *To allow the stockholders to confirm that the proceedings during the ASM were recorded accurately and truthfully.*

The minutes of the stockholders' meetings held on April 24, 2023 was posted at AEV's website, [www.aboitiz.com](http://www.aboitiz.com), on April 25, 2023. Copies of the minutes will also be part of the Information Statement provided to the stockholders.

A resolution approving the minutes of the April 24, 2023 will be presented to the stockholders for approval.

**ITEM NO. 4: Presentation of the President's Report.**

**RATIONALE:** *To apprise the stockholders of the Company's operating performance, financial condition and outlook.*

The Company's President and Chief Executive Officer, Mr. Sabin M. Aboitiz, shall deliver a report to the stockholders on the 2023 operating and financial performance of the Company, as well as its outlook for 2024.

**ITEM NO. 5: Approval of the 2023 Annual Report and Financial Statements.**

**RATIONALE:** *To present to the stockholders the results of the Company's operations in 2023, in accordance with Section 74 of the Revised Corporation Code.*

The Company's audited financial statements as of December 31, 2023 will be integrated and made part of the Company's Information Statement that will be sent to the stockholders at least 15 business days prior to the 2024 ASM. The Information Statement and the Company's 2023 Annual Report will be posted on the Company's website at [www.aboitiz.com](http://www.aboitiz.com).

A resolution approving the 2023 Annual Report and Audited Financial Statements shall be presented to the stockholders for approval.

**ITEM NO. 6: Appointment of the Company's External Auditor for 2024.**

**RATIONALE:** *To appoint an auditing firm which can best provide assurance to the directors and stockholders on the integrity of the Company's financial statements and adequacy of its internal controls. The Board Audit Committee and the Board of Directors will endorse an external auditor for 2024 for the stockholders to appoint.*

The Company's Board Audit Committee endorsed, and the Board of Directors approved for the stockholders' consideration the election of Sycip Gorres Velayo & Co. (SGV) as the Company's external auditor for 2024.

The accounting firm of SGV has been AEV's Independent Public Accountant for the last 29 years. Ms. Jhoanna Feliza C. Go is AEV's audit partner from SGV since 2022. Ms. Go replaced Ms. Maria Veronica R. Pore who previously served as AEV's audit partner from 2017 to 2021. AEV 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.

There was no event in the past 29 years wherein AEV and SGV or its handling partner had any disagreement regarding any matter relating to accounting principles or practices, financial statement disclosures or auditing scope or procedures.

A resolution for the appointment of the Company's external auditor for 2024, and ratifying the fees shall be presented to the stockholders for approval.

**ITEM NO. 7: Election of the Members of the Board of Directors.**

**RATIONALE:** *To allow stockholders to elect the Company's Board of Directors in accordance with Section 24 of the Revised Corporation Code and the Company's Amended By-Laws.*

Under the Amended Guidelines for the Nomination and Election of Independent Directors, the period for nominations for Independent Directors started on January 1, 2024 and the table of nominations closed on February 15, 2024, unless the Board Sustainability, Governance, and Related Party Transactions (SGRPT) Committee, acting as the Nominations Committee, unanimously agrees to extend the deadline for meritorious reasons. The stockholders who nominated the Independent and other Directors are disclosed in the Company's Information Statements. The Board SGRPT Committee assesses and evaluates the nominees before submitting the final list of qualified nominees to the stockholders for approval. The profiles of all the nominees are (i) disclosed to the Securities and Exchange Commission (SEC), the Philippine Stock Exchange (PSE), and the Philippine Dealing Exchange (PDEX), (ii) included in the Company's Information Statements, and (iii) uploaded in the Company's website for examination by the stockholders.

Article 6 of the Company's Amended Articles of Incorporation provides that the number of directors of AEV shall be nine who are to serve until their successors are elected and qualified as provided in the Company's Amended By-Laws.

To vote, a stockholder may distribute his shares for as many nominees as there are directors to be elected, or he may cumulate his shares and give one candidate as many votes as the number of directors to be elected, provided that the total number of votes cast does not exceed his shares in the Company. The nine nominees receiving the highest number of votes will be declared elected as directors of the Company.

**ITEM NO. 8: Ratification of the Acts, Resolutions and Proceedings of the Board of Directors, Corporate Officers and Management from April 24, 2023 up to April 21, 2024.**

**RATIONALE:** The acts and resolutions of the Board of Directors, Corporate Officers and Management to be ratified were those taken and adopted during the period since the conclusion of the Company's 2023 ASM last April 24, 2023 until April 21, 2024. These included the approval of contracts and agreements and other transactions in the ordinary course of business. A summary of these acts and resolutions are enumerated in the Information Statement. The Company also regularly discloses material transactions approved by the Board of Directors. These disclosures are available for viewing and download at the Company's website at [www.aboitiz.com](http://www.aboitiz.com).

A resolution ratifying the acts and proceedings of the Board of Directors, Corporate Officers and Management will be presented to the stockholders for approval.

**ITEM NO. 9: Other Business**

The Chairman will open the floor for comments or queries by the stockholders. Stockholders are given the opportunity to address the members of the Board, ask questions, and raise matters which may be properly taken up during the 2024 ASM.

---end---

**ANNEX “B-1” – Certification of Independent Directors – Cesar G. Romero**

**CERTIFICATION OF INDEPENDENT DIRECTORS**

I, **CESAR G. ROMERO**, Filipino, of legal age, with business address at 314 Madrigal Avenue, Ayala Alabang Village, Muntinlupa City, Philippines, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of Aboitiz Equity Ventures Inc. (“AEV”).
2. I am currently affiliated with the following publicly listed companies:

| <b>Company/Organization</b> | <b>Position/Relationship</b>   | <b>Period of Service</b> |
|-----------------------------|--------------------------------|--------------------------|
| Independent Director        | Aboitiz Power Corporation      | 2022 to present          |
| Independent Director        | Robinson Retail Holdings, Inc. | 2022 to present          |

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of AEV, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to any director/officer/substantial shareholder of AEV and its subsidiaries and affiliates.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. No conflict of interest exists between my being an Independent Director of AEV and my other affiliations as defined and stated in the AEV Guidelines for the constitution of the Nomination Committee (now referred to as “Board Environmental, Social, and Corporate Governance Committee”) and the nomination and election of the independent directors.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of AEV of any changes in the abovementioned information within five (5) days from its occurrence.

*[Signature page follows]*

Done, this February 15, 2024 at Taguig City.



**CESAR G. ROMERO**  
Affiant

**SUBSCRIBED AND SWORN** to before me this February 15, 2024 at Taguig City. Affiant, who is personally known to me, personally appeared before me and exhibited to me his Philippine Passport No. P8923979B issued at DFA MANILA on February 11, 2022.

Doc. No. 59;  
Page No. 13;  
Book No. VII;  
Series of 2024.



**ATTY. CZAR AUGUSTUS C. COLINA**  
Notary Public for Taguig City  
Notarial Commission No. 76 (2023-2024)  
Until 31 December 2024  
NAC Tower, 32nd Street, Bonifacio Global City, Taguig City  
Roll No. 70362, Admitted to the Bar 02 June 2017  
PTR No. A-6155015, 09 January 2024, Taguig City  
IBP No. 414728, 10 January 2024, Makati City  
MCLE Compliance No. VII-0011495

**CERTIFICATION OF INDEPENDENT DIRECTORS**

I, **JOANNE G. DE ASIS**, Filipino, of legal age and a resident of Regent Parkway, 21<sup>st</sup> Drive, Bonifacio Global City, Taguig City, after having been duly sworn to in accordance with law, do hereby declare that:

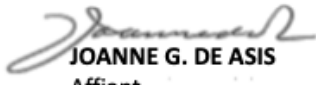
1. I am a nominee for Independent Director of Aboitiz Equity Ventures Inc (AEV) and have been its independent director since April 26, 2021.
2. I am currently affiliated with the following companies or organizations:

| <b>Company/Organization</b>                       | <b>Position/Relationship</b> | <b>Period of Service</b> |
|---------------------------------------------------|------------------------------|--------------------------|
| Morgan Stanley & Co.                              | Senior Adviser               | 2010 to present          |
| Globe Capital Partners LLC                        | Founder and Chairman         | 1998 to present          |
| Easycall Communications Philippines, Inc.         | Independent Director         | 2017 to present          |
| Anneberg Foundation Trust at Sunnylands, U.S.A    | Advisory Board Member        | 2011 to present          |
| The International Institute for Strategic Studies | Advisory Council Member      | 2012 to present          |
| APEC Business Advisory Council                    | Advisor                      | 2017 to present          |

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of AEV, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to any director/officer/substantial shareholder of AEV and its subsidiaries and affiliates.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. No conflict of interest exists between my being an Independent Director of AEV and my other affiliations as defined and stated in the AEV Guidelines for the constitution of the Nomination Committee (now referred to as “Board Environmental, Social, and Corporate Governance Committee”) and the nomination and election of the independent directors.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of AEV of any changes in the abovementioned information within five (5) days from its occurrence.

*[Signature page follows]*

Done, this February 15, 2024 at Taguig City, Philippines.

  
**JOANNE G. DE ASIS**  
Affiant

**SUBSCRIBED AND SWORN** to before me this February 15, 2024 at Taguig City. Affiant, who is personally known to me, personally appeared before me and exhibited to me her Philippine Passport No. P7043286B issued at DFA MANILA on June 24, 2021.

Doc. No. 58;  
Page No. 13;  
Book No. VII;  
Series of 2024.



  
**ATTY. CZAR AUGUSTUS C. COLINA**  
Notary Public for Taguig City  
Notarial Commission No. 76 (2023-2024)  
Until 31 December 2024  
NAC Tower, 32nd Street, Bonifacio Global City, Taguig City  
Roll No. 70362, Admitted to the Bar 02 June 2017  
PTR No. A-6155015, 09 January 2024, Taguig City  
IBP No. 414728, 10 January 2024, Makati City  
MCLE Compliance No. VII-0011495

**ANNEX “B-3” – Certification of Independent Directors – Peter D. Maquera**

**CERTIFICATION OF INDEPENDENT DIRECTORS**

I, **PETER D. MAQUERA**, Filipino, of legal age, with business address at Kirov Tower Proscenium, JP Rizal corner Estrella Sts., Makati City, Metro Manila, 1211, after having been duly sworn to in accordance with law do hereby declare that:

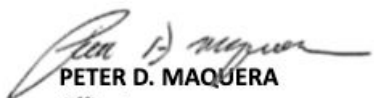
1. I am a nominee for Independent Director of Aboitiz Equity Ventures Inc. (“AEV”).
2. I am currently affiliated with the following companies or organizations:

| Company/Organization                    | Position/Relationship | Period of Service |
|-----------------------------------------|-----------------------|-------------------|
| Microsoft Philippines                   | President and CEO     | 2022 to present   |
| Makati Business Club                    | Board Member          | 2023 to present   |
| American Chamber of Commerce            | Board Member          |                   |
| Advanced Nutritional Technologies, Ltd. | Board Member          |                   |
| FPS Tech Philippines, Inc.              | Board Member          |                   |

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of AEV, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to any director/officer/substantial shareholder of AEV and its subsidiaries and affiliates.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. No conflict of interest exists between my being an Independent Director of AEV and my other affiliations as defined and stated in the AEV Guidelines for the constitution of the Nomination Committee (now referred to as “Board Environmental, Social, and Corporate Governance Committee”) and the nomination and election of the independent directors.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of AEV of any changes in the abovementioned information within five (5) days from its occurrence.

*[Signature page follows]*

Done, this February 15, 2024 at Taguig City.

  
**PETER D. MAQUERA**  
Affiant

**SUBSCRIBED AND SWORN** to before me this February 15, 2024 at Taguig City Affiant, who is personally known to me, personally appeared before me and exhibited to me his Philippine Driver's License No. X01-03-000054 issued on April 6, 2022.

Doc. No. 57;  
Page No. 13;  
Book No. VII;  
Series of 2024.



  
**ATTY. CZAR AUGUSTUS C. COLINA**  
Notary Public for Taguig City  
Notarial Commission No. 76 (2023-2024)  
Until 31 December 2024  
NAC Tower, 32nd Street, Bonifacio Global City, Taguig City  
Roll No. 70362, Admitted to the Bar 02 June 2017  
PTR No. A-6155015, 09 January 2024, Taguig City  
IBP No. 414728, 10 January 2024, Makati City  
MCLE Compliance No. VII-0011495

## ANNEX “C”

### SUMMARY OF THE MINUTES OF THE 2023 ANNUAL STOCKHOLDERS’ MEETING (2023 ASM)

The meeting was called to order on April 24, 2023 at 2:30 p.m. by the Company’ Lead Independent Director, Mr. Romeo L. Bernardo, who acted as Chairman of the Meeting pursuant to the authority granted by the Board of Directors. The Corporate Secretary, Mr. Manuel Alberto R. Colayco, recorded the minutes of the meeting. The Corporate Secretary certified that notices for the 2023 ASM of Aboitiz Equity Ventures Inc. were distributed to stockholders as follows: (i) disclosed to the Securities and Exchange Commission (SEC), Philippine Stock Exchange (PSE), and Philippine Depository & Trust Corporation (PDTC) (ii) uploaded on the Company’s website, (iii) published in the business section of the Manila Times and Manila Bulletin on March 28 and 29, 2023, (iv) sent to stockholders electronically and through private courier on March 28, 2023, and (v) broadcasted through the PDTC platform for the stockholders under PCD/Broker accounts. As an additional measure, Quick Response (QR) code of the company’s Definitive Information Statement was also published on March 28 and 29, 2023 in the business section of two newspapers of general circulation.

The Corporate Secretary certified that the Notice and Agenda were sent out on March 3, 2023, or 52 calendar days prior to the ASM, in accordance with the requirements of the Revised Corporation Code and SEC regulations. The Notice informed the stockholders that the Company would not conduct a physical annual stockholders meeting. Instead, the 2023 ASM will be streamed live from the Company’s principal address in Taguig City. Stockholders were also notified that if they wish to cast their votes, they may vote through Proxy or in absentia through the ASM Portal. The Stockholders were also informed of the rationale for each Agenda Item that will be put to a vote today. Mr. Colayco also informed the stockholders attending the meeting that they could still cast their votes online until the adjournment of the meeting.

The Corporate Secretary certified to the existence of a quorum, there being a total Four Billion Seven Hundred Seventy-Five Million Eight Hundred Thirty-Three Thousand One Hundred Eighty-Seven (4,775,833,187) shares represented by proxy, Three Million Nine Hundred Thirty-Nine Thousand Two Hundred Sixty-Seven (3,939,267) shares attending through remote communication or livestream and *in absentia*, or a total of Four Billion Seven Hundred Seventy-Nine Million Seven Hundred Seventy-Two Thousand Four Hundred Fifty-Four (4,779,772,454) shares entitled to vote. The shares constituted 84.89% of the Company’s total outstanding shares of Five Billion Six Hundred Thirty Million Two Hundred Twenty Five Thousand Four Hundred Fifty Seven (5,630,225,457) entitled to vote, which is more than a majority of the Company’s total outstanding shares entitled to vote. The Corporate Secretary informed the stockholders that the Company engaged the services of the accounting firm Luis Cañete & Company as its Board of Election Inspectors to verify, canvass, and validate the shareholder’s vote for the Company’s 2023 ASM.

There were 41 viewers of the live webcast of the 2023 ASM through the Company’s ASM Platform, <https://youtu.be/2X7szWsnSis>

Upon motion duly made and seconded, the minutes of the previous Annual Stockholders’ Meeting last April 25 2022 was approved.

The body passed the following resolutions:

- 1) Approval of the 2022 Annual Report and Audited Financial Statements
- 2) Appointment of the Company's External Auditor for 2023
- 3) Election of the Members of the Board of Directors
- 4) Ratification of the Acts, Resolutions and Proceedings of the Board of Directors, Corporate Officers and Management from April 25, 2022 up to April 24, 2023

After the approval of the proposed resolutions and the questions from the body were asked and answered, the meeting was duly adjourned.

A Copy of the Minutes of the 2022 ASM is also available at the Company’s website at: <https://aboitizcom-uploads.s3.ap-southeast-1.amazonaws.com/wp-content/uploads/2023/02/25153716/AEV-Minutes-2023-04.24.2023-Annual-Stockholders-Meeting.pdf>

## ANNEX "C-1"


**ABOITIZ EQUITY VENTURES INC.  
Annual Stockholders Meeting**

1430H to 1530H, April 24, 2023

live from NAC Tower, 32nd Street, BGC, Taguig City, 1634 Philippines

through a secure video conference facility at:

<https://youtu.be/2X7szWsnSis>**DRAFT**
*Subject for Approval in the 2024 Annual  
Stockholders' Meeting*

|                                                                                                                                                |                      |
|------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Total No. of Shares Outstanding                                                                                                                | <b>5,630,225,457</b> |
| Stockholders Represented by Proxy*                                                                                                             | 4,775,833,187        |
| Percentage of Shares of Stockholders represented by Proxy                                                                                      | 84.82%               |
| Total No. of Shares of Stockholders present through Remote Participation (Livestream) or <i>in Absentia</i>                                    | 3,939,267            |
| Percentage of Shares of Stockholders present through Remote Participation (Livestream) or <i>in Absentia</i>                                   | 0.07%                |
| Total No. of Shares of Stockholders Represented by Proxy, Present through Remote Communication (Livestream) or <i>in Absentia</i>              | <b>4,779,772,454</b> |
| Percentage of Shares of Stockholders Represented by Proxy, Present through Remote Communication (Livestream), and by Voting <i>in Absentia</i> | <b>84.89%</b>        |
|                                                                                                                                                |                      |
| Total No. of Shares Not Represented                                                                                                            | 850,453,003          |
| Percentage of Shares Not Represented                                                                                                           | <b>15.11%</b>        |

\*Shares represented by proxies exclude those represented by proxies that are submitted beyond the deadline of April 17, 2023

| Name                 | Designation                                                                                                                                                                                                                                             |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Enrique M. Aboitiz   | Chairman, Board of Directors/ Member, Board Environmental, Social, and Corporate Governance (ESCG) Committee / Member, Board Executive Committee/ Member, Board Cyber and Information Security Committee                                                |
| Mikel A. Aboitiz     | Vice Chairman, Board of Directors/ Member, Board Executive Committee                                                                                                                                                                                    |
| Erramon I. Aboitiz   | Chairman, Board Risk and Reputation Management Committee / Member, Board Executive Committee/ Member, Board Audit Committee                                                                                                                             |
| Sabin M. Aboitiz     | President and Chief Executive Officer/ Chairman, Board Executive Committee/ Member, Board Risk and Reputation Management Committee/ Member, Board ESCG Committee                                                                                        |
| Ana Maria A. Delgado | Member, Board Audit Committee                                                                                                                                                                                                                           |
| Justo A. Ortiz       | Chairman, Board Cyber and Information Security Committee/ Member, Board Executive Committee                                                                                                                                                             |
| Romeo L. Bernardo    | Lead Independent Director/ Chairman, Board ESCG Committee / Member, Board Related Party Transactions Committee/ Member, Board Audit Committee/ Member, Board Risk and Reputation Management Committee                                                   |
| Joanne G. De Asis    | Independent Director/ Chairman, Board Related Party Transactions Committee/ Member, Board Audit Committee/ Member, Board ESCG Committee/ Member, Board Risk and Reputation Management Committee/ Member, Board Cyber and Information Security Committee |
| Cesar G. Romero      | Independent Director/ Chairman, Board Audit Committee/ Member, Board ESCG Committee/ Member, Board Risk and Reputation Management Committee/ Member, Board Related Party Transactions Committee                                                         |

The list of Company officers present and other attendees during the meeting is attached as **Annex "A"**.

Before the official start of the meeting, Mr. Francis Victor Salas, the Company's Investor Relations Officer, read the House Rules and Procedures for Voting for the 2023 Annual Stockholders Meeting (ASM), as follows:

1. Only Stockholders who registered through the Company's ASM Portal at ([aboitiz.com/2023asm](http://aboitiz.com/2023asm)) (the "ASM Portal") may participate and vote in the ASM;
2. For proper order, the moderator will read out questions and comments received before the cut-off during the question-and-answer (Q&A) session scheduled at the end of the meeting. Questions that were not taken up during the meeting may be directed to the Company representatives whose details were flashed on the screen;
3. For transparency, the language of the proposed resolutions and the number of votes received for each agenda item will be shown on the screen;
4. Voting in *absentia* through the ASM Portal will remain open until the meeting is adjourned. Votes received through proxy and votes cast through the voting portal as of 11:30 am today, April 24, 2023, will be shown on the screen for each agenda item, as verified by the Board of Election Inspectors;
5. The final voting results will be reflected in the minutes of this meeting, which will be posted on the Company's website, tomorrow, April 25, 2023; and
6. The proceedings of the 2023 ASM will be recorded.

#### **I. CALL TO ORDER**

---

Mr. Romeo L. Bernardo (R. Bernardo), the Company's Lead Independent Director, acted as the Chairman of the 2023 ASM (the "Chairman") pursuant to the authority granted by the Board of Directors. The Corporate Secretary, Mr. Manuel Alberto R. Colayco (MAC), recorded the minutes of the meeting.

#### **II. PROOF OF NOTICE OF MEETING**

---

The Corporate Secretary certified that notices for the 2023 ASM were distributed to stockholders as follows: (i) disclosed to the Securities and Exchange Commission (SEC), Philippine Stock Exchange (PSE), and Philippine Depository & Trust Corporation (PDT) on March 3, 2023 (ii) uploaded on the Company's website on March 3, 2023, (iii) published in the business section of the Manila Times and Manila Bulletin, both online and print format, for two consecutive days on March 28 and 29, 2023, (iv) sent to stockholders electronically beginning March 28, 2023, and (v) broadcasted through the PDT platform for the stockholders under PCD/Broker accounts. As an additional measure, a Quick Response (QR) code of the company's Definitive Information Statement was also published in the business section of the Manila Times and Manila Bulletin, both online and print format, for two consecutive days on March 28 and 29, 2023.

The Corporate Secretary certified that the Notice and Agenda were sent out at least 21 days prior to the ASM, in accordance with the requirements of the Revised Corporation Code and SEC regulations. The Notice informed the stockholders that the Company would not conduct a physical annual stockholders meeting. Instead, the 2023 ASM will be streamed live from the Company's principal address in Taguig City. Stockholders were also notified that if they wish to cast their votes, they may vote through Proxy or *in absentia* through the ASM Portal. The Stockholders were also informed of the rationale for each Agenda Item that will be put to a vote during the 2023 ASM. Lastly, MAC also informed the stockholders attending the meeting that they could still cast their votes online until the adjournment of the meeting.

#### **III. DETERMINATION OF QUORUM**

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Upon the Chairman's request, the Corporate Secretary certified that, as of 11:30 A.M., there was a quorum to conduct business, there being a total of Four Billion Seven Hundred Seventy-Five Million Eight Hundred Thirty-Three Thousand One Hundred Eighty-Seven (4,775,833,187) shares represented by proxy, Three Million Nine Hundred Thirty-Nine Thousand Two Hundred Sixty-Seven (3,939,267) shares attending through remote communication (via livestream) or *in Absentia*, or a total of Four Billion Seven Hundred Seventy-Nine Million Seven Hundred Seventy-Two Thousand Four Hundred Fifty-Four (4,779,772,454) shares entitled to vote. The shares constituted 84.89% of the Company's total outstanding shares of Five Billion Six Hundred Thirty Million Two Hundred Twenty Five Thousand Four Hundred Fifty Seven (5,630,225,457) entitled to vote, which is more than a two-thirds of the Company's total outstanding shares entitled to vote.

The Corporate Secretary informed the stockholders that the Company engaged the services of the accounting firm Luis Cañete & Company as its Board of Election Inspectors to verify, canvass, and validate the proxies received, as well as the shareholders' votes for the Company's 2023 ASM.

There were 41 attendees of the live webcast of the 2023 ASM through the Company's ASM Portal, <https://youtu.be/2X7szWsnSis>.

#### IV. READING AND APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL STOCKHOLDERS' MEETING HELD ON APRIL 25, 2022

The Chairman proceeded to the next item on the agenda, which was the reading and approval of the minutes of the previous annual stockholders' meeting on April 25, 2022. Upon motion duly made and seconded, the reading of the minutes of the previous annual stockholders' meeting on April 25, 2022 was dispensed with and the stockholders approved the minutes of the previous stockholders' meeting.

Upon motion duly made and seconded, the stockholders approved the following resolutions:

##### **ASM Resolution No. 2023-1**

"**RESOLVED**, that the stockholders of Aboitiz Equity Ventures Inc. (the "Company") approve, as they hereby approve, the minutes of the previous Annual Stockholders' Meetings held on April 25, 2022."

The Corporate Secretary recorded the following votes for this item, the results of which were verified by the representatives from Luis Cañete & Company.

| Vote         | Number of Votes<br>(One Share-One vote) | Percentage of shares<br>represented |
|--------------|-----------------------------------------|-------------------------------------|
| In favor     | 4,779,772,454                           | 100%                                |
| Against      | 0                                       | 0.00%                               |
| Abstain      | 0                                       | 0.00%                               |
| <b>Total</b> | <b>4,779,772,454</b>                    | <b>100.00%</b>                      |

The voting process complied with the one-share, one-vote, and cumulative voting requirements under the Revised Corporation Code. The votes submitted through proxy documents were counted and added to the votes of the stockholders attending via livestream or *in absentia* through the ASM Portal.

#### V. PRESENTATION OF THE PRESIDENT'S REPORT

Sabin M. Aboitiz (SMA), as President and Chief Executive Officer, provided the stockholders with the highlights of the financial and operating performance of the Company and its Strategic Business Units (SBU) for the year 2022. In particular, his report included the following:

- 5.1 2022 Philippine GDP;
- 5.2 Great Transformation 2025 as the Country's First *Techglomerate*
- 5.3 2022 Financial and Operating Highlights;
- 5.4 Dividend Policy and Stock Performance;
- 5.5 Power SBU Financial and Operating Results, Highlights, and Outlook;
- 5.6 Banking and Financial Services SBU Financial and Operating Results, Highlights, and Outlook;
- 5.7 Food SBU Financial and Operating Results and Outlook;
- 5.8 Land SBU Financial and Operating Results and Outlook;
- 5.9 Infrastructure SBU Financial and Operating Results and Outlook;
- 5.10 AEV Balance Sheet (as of December 31, 2022);
- 5.11 2023 Capital Expenditures (with partners);
- 5.12 Aboitiz Risk Management;
- 5.13 Environmental Social, and Governance Performance and Sustainability Initiatives;
- 5.14 Aboitiz Foundation Inc. Outlook and Ambition;
- 5.15 Aboitiz Data Innovation Outlook and Ambition; and
- 5.16 *Techglomerate* Premium.

*(A copy of the President's report to the stockholders is attached to the minutes and made an integral part of the minutes of the Annual Stockholders' Meeting. The presentation materials will also be uploaded on the Company's website together with the minutes of the Annual Stockholders Meeting.)*

## VI. APPROVAL OF THE 2022 ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

The Chairman informed the stockholders that the next item on the agenda was the approval of the Company's Annual Report and its Audited Financial Statements as of December 31, 2022.

MAC certified that the Company's Annual Report and its Audited Financial Statements were included in (i) the Definitive Information Statement that was uploaded to the Company's website and disclosed to the SEC, PSE, and PDTC on March 28, 2023, and (ii) the 2022 Annual Report (SEC Form 17-A) that was uploaded to the Company's website and disclosed to the SEC, PSE, and PDTC on April 14, 2023. As an added measure, a QR code of the Definitive Information Statement was also published in the business section of two newspapers of general circulation, the Manila Times and Manila Bulletin, both online and print format, for two consecutive days on March 28 and 29, 2023.

The Corporate Secretary also certified that the following information were included in the Company's 2022 Annual Report and Information Statements:

- a) the draft minutes of the 2022 Annual Stockholders Meetings dated April 25, 2022;
- b) the security ownership of the Company's top 20 stockholders, as well as security ownership of its directors and officers;
- c) the attestation and verification from the Company's President and Internal Audit Head that its systems of risk management, internal controls, and compliance and governance processes provide reasonable assurance that the Company's risks are managed to an acceptable level;
- d) the Company's audited financial statements for the period as of and for the period ending December 31, 2022, as audited by the Company's independent external auditor, SyCip Gorres Velayo & Co. (SGV);
- e) dividends declared and paid for by the Company, for the past three years, as well as the Company's dividend policy;
- f) a statement on the external audit and non-audit fees;
- g) the profiles of the Company's directors and officers, as well as the profiles of nominees to be elected to the Board of Directors. Their profiles include their qualifications, experience, length of service in the Company, educational background, and their board and committee membership in the Company and in other organizations, including other listed companies or government positions, if any;
- h) the attendance report for the Company's directors, indicating their attendance at each Board meeting, committee meeting, and special or regular stockholder meetings;
- i) the appraisal and performance reports for the member of the Board and the criteria and procedure for assessment;
- j) a report on the annual compensation of each director, as well as the aggregate compensation of the President/Chief Executive Officer, and the Company's top four most highly compensated officers; and
- k) disclosures on related party transactions, including dealings with directors.

Upon motion duly made and seconded, the stockholders approved the following resolutions:

### **ASM Resolution No. 2023-2**

**"RESOLVED**, that the stockholders of Aboitiz Equity Ventures Inc. (the "Company") approve, as they hereby approve, the 2022 Annual Report and Audited Financial Statements of the Company as of December 31, 2022."

Upon the Chairman's request, the Corporate Secretary recorded the following votes for this agenda item and as witnessed and verified by the representatives from Luis Cañete & Company.

| <b>Vote</b>  | <b>Number of Votes<br/>(One Share-One vote)</b> | <b>Percentage of shares<br/>represented</b> |
|--------------|-------------------------------------------------|---------------------------------------------|
| In favor     | 4,779,678,914                                   | 99.98%                                      |
| Against      | 0                                               | 0.00%                                       |
| Abstain      | 1,093,540                                       | 0.02%                                       |
| <b>Total</b> | <b>4,779,772,454</b>                            | <b>100.00%</b>                              |

The voting process complied with the principles of one-share, one-vote, and cumulative voting requirements under the Revised Corporation Code. Based on the Requirements and Procedures for Voting in the 2023 ASM, the votes submitted through proxy documents were counted and added to the votes of the stockholders *in absentia* through the ASM Portal.

## VII. APPOINTMENT OF THE COMPANY'S EXTERNAL AUDITOR FOR 2023

The Chairman informed the stockholders that, after careful deliberation and evaluation, the Board Audit Committee recommended the re-appointment of SGV as the Company's external auditor for 2023. The members of the Board considered the Board Audit Committee's recommendation and resolved to re-appoint SGV as the Company's external auditor for the year 2023. On behalf of the Board of Directors of the Company, the Chairman endorsed to the stockholders for approval the appointment of SGV as the Company's external auditor for the year 2023.

Upon motion made and duly seconded, the following resolution was approved by the stockholders:

### **ASM Resolution No. 2023-3**

**"RESOLVED**, that the stockholders of Aboitiz Equity Ventures Inc. (the "Company") approve, as they hereby approve, the appointment of SyCip Gorres Velayo & Company as the Company's external auditor for the year 2023 based on the recommendation of the Board Audit Committee and the Board of Directors."

The Corporate Secretary recorded the following votes for this item, the results of which were verified by the representatives from Luis Cañete & Company.

| <b>Vote</b>  | <b>Number of Votes<br/>(One Share-One vote)</b> | <b>Percentage of shares<br/>represented</b> |
|--------------|-------------------------------------------------|---------------------------------------------|
| In favor     | 4,765,413,695                                   | 99.70%                                      |
| Against      | 14,358,759                                      | 0.30%                                       |
| Abstain      | 0                                               | 0.00%                                       |
| <b>Total</b> | <b>4,779,772,454</b>                            | <b>100.00%</b>                              |

The voting process complied with the principles of one-share, one-vote, and cumulative voting requirements under the Revised Corporation Code. Based on the Requirements and Procedures for Voting in the 2023 ASM, the votes submitted through proxy documents were counted and added to the votes of the stockholders *in absentia* through the ASM Portal.

## VIII. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The Chairman announced that the next order of business was the election of the members of the Board of Directors for the term 2023-2024. He called on the Corporate Secretary to explain the procedure for the nomination and election of directors.

The Corporate Secretary informed the stockholders that pursuant to Section 1, Article II of the Company's Amended By-Laws:

*"Nominations for the election of directors for the ensuing year must be received by the Corporate Secretary no less than fifteen (15) working days prior to the Annual Meeting of stockholders, except as may be provided by the Board of Directors in appropriate guidelines that it may promulgate from time to time in compliance with law."*

Based on the foregoing, the Corporate Secretary explained that the deadline to nominate candidates to the Board of Directors was on March 29, 2023, and that all stockholders have been given the opportunity to submit their nominees for membership to the Board of Directors. He clarified that since the deadline had already passed, additional nominations will not be allowed to be made on the floor.

As for the nomination of the Independent Directors, the Corporate Secretary explained that the Amended Guidelines for the Nomination and Election of Independent Directors state that:

*"Nominations for independent directors are accepted from all stockholders starting January 1 up to February 15 of the year in which such nominee director is to serve."*

The Corporate Secretary advised the body that the stockholders who nominated the Independent Directors and other directors were disclosed in the Company's Definitive Information Statement, which was previously distributed to all stockholders through disclosures to the PSE and PDTC on March 28, 2023, and uploaded to the

Company's website. A QR code of the Definitive Information Statement was also published in two newspapers of general circulation in print and online format.

He further reiterated that (a) directors are elected at each annual stockholders' meeting by stockholders entitled to vote; and (b) each director holds office until the next annual election, or for a term of one (1) year and until his successor is duly elected, or unless he resigns, dies or is removed prior to such election.

The Corporate Secretary reported that after proper screening and approval by the Board ESCG Committee, in its capacity as the Nomination and Compensation Committee, the following were determined to be qualified for nomination as members of the Board of Directors of the Company:

Mr. Enrique M. Aboitiz  
 Mr. Mikel A. Aboitiz  
 Mr. Erramon I. Aboitiz  
 Mr. Sabin M. Aboitiz  
 Mr. Justo A. Ortiz  
 Ms. Ana Maria A. Delgado  
 Mr. Romeo L. Bernardo (*Independent Director*)  
 Ms. Joanne De Asis (*Independent Director*)  
 Mr. Cesar G. Romero (*Independent Director*)

The Corporate Secretary advised the stockholders that the profiles of the nominees to the Board of Directors were part of the Definitive Information Statement which were uploaded to the Company's website and distributed to the stockholders beginning March 28, 2023.

Upon motion duly made and seconded, the stockholders moved to elect the nine (9) nominees as directors of the Company for the year 2023-2024. Since no objection was made, the motion was carried and all the nine (9) nominees were elected as directors based on votes of stockholders represented in person and by proxy.

The Chairman announced that the nine (9) named nominees have been duly elected as members of the Board of Directors to serve for a term of one (1) year until their successors will have been qualified and elected. He requested the Corporate Secretary to record the votes for this agenda item.

The following were the votes on the directors as verified by Luis Cañete & Company.

|                        | Vote         | Number of Votes      | Percentage of shares represented |
|------------------------|--------------|----------------------|----------------------------------|
| Mr. Enrique M. Aboitiz | In favor     | 4,757,751,498        | 99.50%                           |
|                        | Abstain      | 23,749,589           | 0.50%                            |
|                        | <b>Total</b> | <b>4,779,772,454</b> | <b>100.00%</b>                   |
| Mr. Mikel A. Aboitiz   | In favor     | 4,774,563,282        | 99.85%                           |
|                        | Abstain      | 6,937,805            | 0.15%                            |
|                        | <b>Total</b> | <b>4,779,772,454</b> | <b>100.00%</b>                   |
| Mr. Erramon I. Aboitiz | In favor     | 4,752,877,557        | 99.40%                           |
|                        | Abstain      | 28,623,530           | 0.60%                            |
|                        | <b>Total</b> | <b>4,779,772,454</b> | <b>100.00%</b>                   |
| Mr. Sabin M. Aboitiz   | In favor     | 4,754,772,373        | 99.43%                           |
|                        | Abstain      | 27,294,805           | 0.57%                            |

|                                                     |              |                      |                |
|-----------------------------------------------------|--------------|----------------------|----------------|
|                                                     | <b>Total</b> | <b>4,779,772,454</b> | <b>100.00%</b> |
| Ms. Ana Maria A. Delgado                            | In favor     | 4,755,472,503        | 99.52%         |
|                                                     | Abstain      | 23,028,584           | 0.48%          |
|                                                     | <b>Total</b> | <b>4,779,772,454</b> | <b>100.00%</b> |
| Mr. Justo A. Ortiz                                  | In favor     | 4,774,563,282        | 99.85%         |
|                                                     | Abstain      | 6,937,805            | 0.15%          |
|                                                     | <b>Total</b> | <b>4,779,772,454</b> | <b>100.00%</b> |
| Ms. Joanne G. De Asis <i>(Independent Director)</i> | In favor     | 4,767,973,355        | 99.89%         |
|                                                     | Abstain      | 5,465,838            | 0.11%          |
|                                                     | <b>Total</b> | <b>4,779,772,454</b> | <b>100.00%</b> |
| Mr. Romeo L. Bernardo <i>(Independent Director)</i> | In favor     | 4,702,761,056        | 98.52%         |
|                                                     | Abstain      | 70,678,137           | 1.48%          |
|                                                     | <b>Total</b> | <b>4,779,772,454</b> | <b>100.00%</b> |
| Mr. Cesar G. Romero <i>(Independent Director)</i>   | In favor     | 4,764,816,880        | 99.65%         |
|                                                     | Abstain      | 16,684,207           | 0.35%          |
|                                                     | <b>Total</b> | <b>4,779,772,454</b> | <b>100.00%</b> |

The voting process complied with the principles of one-share, one-vote, and cumulative voting requirements under the Revised Corporation Code. Based on the Requirements and Procedures for Voting in the 2023 ASM, the votes submitted through proxy documents were counted and added to the votes of the stockholders *in absentia* through the ASM Portal.

On behalf of the Company and his colleagues on the AEV Board, the Chairman expressed his gratitude to the Company's shareholders for their continued trust and confidence.

#### **IX. RATIFICATION OF THE ACTS, RESOLUTIONS AND PROCEEDINGS OF THE BOARD OF DIRECTORS, CORPORATE OFFICERS AND MANAGEMENT FROM APRIL 25, 2022 UP TO APRIL 24, 2023**

The Chairman informed the stockholders that the next item on the agenda was the ratification of all corporate acts, resolutions, business judgments, management proceedings, any and all succession, compensation, management, and performance-related decisions entered into or done by the Board of Directors, Corporate Officers and Management from April 25, 2022, up to April 24, 2023.

The Corporate Secretary explained to the stockholders that the acts, resolutions, and proceedings requested to be ratified are the regular corporate acts performed by the Board, Officers, and Management in the ordinary course of the Company's business and that a list of resolutions approved by the Board of Directors for the period covered have been enumerated in the Definitive Information Statements distributed to the stockholders ahead of the meeting. In addition, the Company has regularly disclosed material transactions approved by the Board of Directors, which are available for viewing and download at the Company's website and at [pse.edge.com.ph](https://pse.edge.com.ph) as well as on the Company's website at <https://aboitiz.com>.

Upon motion duly made and seconded, the stockholders approved the following resolution:

**ASM Resolution No. 2023-5**

**“RESOLVED**, that the stockholders of Aboitiz Equity Ventures Inc. (the “Company”) approve, ratify and confirm, as they hereby approve, ratify and confirm, corporate acts, resolutions, business judgments, management proceedings, any and all decisions entered into or done by the Board of Directors, Corporate Officers, and Management of the Company from April 25, 2022, including all acts up to April 24, 2023.”

The Corporate Secretary recorded the following votes for this item, the results of which were verified by the representatives from Luis Cañete & Company.

| <b>Vote</b>  | <b>Number of Votes<br/>(One Share-One vote)</b> | <b>Percentage of shares<br/>represented</b> |
|--------------|-------------------------------------------------|---------------------------------------------|
| In favor     | 4,778,204,564                                   | 99.97%                                      |
| Against      | 0                                               | 0%                                          |
| Abstain      | 1,567,890                                       | 0.03%                                       |
| <b>Total</b> | <b>4,779,772,454</b>                            | <b>100.00%</b>                              |

The voting process complied with the principles of one-share, one-vote, and cumulative voting requirements under the Revised Corporation Code. Based on the Requirements and Procedures for Voting in the 2023 ASM, the votes submitted through proxy documents were counted and added to the votes of the stockholders *in absentia* through the ASM Portal.

**X. OTHER BUSINESS AND ADJOURNMENT**

---

The Chairman then asked the stockholders if there were any matters they wished to raise.

The moderator of the meeting, Mr. Francis Victor G. Salas, Investor Relations Officer, read out the questions received in advance:

**Question #1 was addressed to Mr. Sabin M. Aboitiz, President and CEO**

*Congratulations on being the lead convenor of the Private Sector Advisory Council. As a shareholder, I feel proud that our company is working closely with the government to promote economic progress. May I know what priority projects are and why?*

SMA informed the Company’s shareholders that the Private Sector Advisory Council (PSAC) have made recommendations and assistance on the following industry sectors: (i) agriculture, (ii) digital infrastructure and digitization government services, (iii) health care, (iv) infrastructure, (v) tourism, and (vi) employment. SMA provided specific examples of PSAC’s accomplishments for each sector.

**Question #2 addressed to SMA:**

*Last February, we read in the news about our company signing an MOU with JERA to assess the feasibility of ammonia co-fired power generation and further development of the ammonia and hydrogen value chains in the Philippines. May we ask how this aligns with your overall decarbonization strategy?*

SMA discussed with the Company’s shareholders that the Power Group will continue its decarbonization journey by exploring cleaner alternatives to fossil fuels such as ammonia and hydrogen, and other clean energy technologies such as solar, wind, and hydro based energy production.

**Question #3 addressed to Mr. Edwin R. Bautista, President and Chief Executive Officer of Union Bank of the Philippines (UnionBank):**

*Congratulations on your acquisition of the Citi Philippines consumer banking business. How is the integration doing? And when will it start contributing to the bottom line?*

Mr. Bautista informed the Company’s shareholders that the ongoing Citibank acquisition by UnionBank is proceeding very well. In terms of customer retention, UnionBank retained 99% of Citibank’s customer base. In terms of credit card acquisition, Citibank continued with its record high credit card customer acquisition. In terms of talent, Unionbank retained 100% of Citibank’s executives and 93% of its team members. According to Mr. Bautista, all systems will be completely migrated to Unionbank.

In terms of Citibank's contribution to UnionBank's bottom line, Mr. Bautista explained that Citibank is already contributing to UnionBank earnings (in the interim). A complete picture of Citibank's contribution will be available by the end of the year.

**Question #4 addressed to Ms. Cosette V. Canilao (CVC), President and Chief Executive Officer of Aboitiz InfraCapital, Inc. (AIC):**

*Congratulations on your successful acquisition of MCIA. I have 3 questions for you. First, when can we expect this to be in our bottom line, second, what needs to happen for passenger traffic to reach pre-pandemic levels, and third, may I know the status of the other unsolicited proposals that you mentioned to us last year?*

CVC explained to the Company's shareholders that local passenger traffic has reached 80% to 90% of pre-pandemic levels. Key to complete recovery is tied to macro economic factors such as inflation that adversely impacts discretionary spending such as travel. In addition, international passenger traffic has reached 50% of pre-pandemic levels. Primary levers are key markets - Korea, Japan, and China.

According to CVC, AIC is optimistic that passenger traffic will come back soon as the Department of Tourism is pushing for tourism and easing traffic restrictions such as the issuance of e-visas.

As regards the impact to the bottom line, AIC expects that MCIA will achieve NIAT positive by 2024 or earlier should passenger traffic recover faster.

In terms of the other unsolicited proposals, additional documentary requests have been submitted to the respective proponents for the Bohol, Laguindingan, and Bicol airport projects. Currently, AIC is awaiting their response.

**Question #5 addressed to Ms. Cosette V. Canilao:**

*According to news articles we have read, the Philippines has about 16,000 cell sites against 67 million Internet users, giving it the lowest cell site density in Asia, and that the country needs at least 50,000 more cell towers to improve telecommunication services. Last December, we read that PLDT sold 650 towers to Aboitiz. May we know the status of this transaction, your thoughts on how best to compete in this space, and the overall size of your ambition?*

Unity Digital Infrastructure Inc. (Unity Digital) (the Aboitiz Group's independent tower company) is working with PLDT to complete the transfers of the 650 towers. Unity Digital positions itself as a trusted partner to the mobile network operators in meeting their macro tower rollouts and utility cell towers for their 5G rollout.

CVC explained that given the Aboitiz Group's unique value proposition, Unity Digital expects to further increase its market share in the coming years.

Mr. Salas explained that there were other questions sent by shareholders and attendees to which the Company will respond separately via email. He also invited the stockholders to direct their queries to the Company's representatives, depending on their queries and concerns and flashed their contact details on the screen.

Thus, upon motion duly made and seconded, the meeting was adjourned.

The Chairman then asked the Corporate Secretary to flash on the screen the votes cast by the stockholders for each agenda item approved, including the votes cast in the election of directors.

The Chairman thanked the stockholders who participated in the stockholders' meeting today.

The next Annual Stockholders' Meeting will be on April 22, 2024, the 4th Monday of April, in accordance with the Company's By Laws.

**MANUEL ALBERTO R. COLAYCO**  
Corporate Secretary <sup>SAS</sup>

ATTESTED:

**ROMEO L. BERNARDO**

Chairman of the Meeting/  
Lead Independent Director

*NOTED:*

**LUIS CAÑETE**

Board of Election Inspector, Luis Cañete & Company

**NOEL PETER CAÑETE**

Board of Election Inspector, Luis Cañete & Company

|                                 |                                                                                                     |
|---------------------------------|-----------------------------------------------------------------------------------------------------|
| Jose Emmanuel U. Hilado         | - <i>Senior Vice President/Chief Financial Officer/ Corporate Information Officer</i>               |
| Manuel Alberto R. Colayco       | - <i>Senior Vice President and Chief Legal Officer/Corporate Secretary/Chief Compliance Officer</i> |
| Ana Margarita Hontiveros-Malvar | - <i>First Vice President and Chief Reputation and Sustainability Officer</i>                       |
| Marlita M. Villacampa           | - <i>First Vice President - Group Controller</i>                                                    |
| Timothy Joseph P. Abay          | - <i>Vice President – Financial Planning &amp; Analysis</i>                                         |
| Mailene M. de la Torre          | - <i>Vice President - Governance and Compliance / Assistant Corporate Secretary</i>                 |
| Francisco Victor G. Salas       | - <i>Vice President – Investor Relations Head</i>                                                   |
| Sammy Dave A. Santos            | - <i>Assistant Corporate Secretary</i>                                                              |
| <b>Others:</b>                  |                                                                                                     |
| Emmanuel V. Rubio               | - <i>President and Chief Executive Officer, Aboitiz Power Corporation</i>                           |
| Liza Luv T. Montelibano         | - <i>Chief Financial Officer, Aboitiz Power Corporation</i>                                         |
| Trista Roberto R. Aboitiz       | - <i>President and Chief Executive Officer, Pilmico Foods Corporation</i>                           |
| Eric Nojac                      | - <i>President and Chief Executive Officer, Food Group International</i>                            |
| David L. Rafael                 | - <i>President and Chief Executive Officer, Aboitiz Land Inc.</i>                                   |
| Edwin R. Bautista               | - <i>President and Chief Executive Officer, Union Bank of the Philippines</i>                       |
| Cosette V. Canilao              | - <i>President and Chief Executive Officer, Aboitiz InfraCapital, Inc.</i>                          |
| Margarita G. Villanueva         | - <i>Vice President for Transformation and Strategy, Aboitiz InfraCapital, Inc.</i>                 |
| Lennie S. Magnaye               | - <i>Chief Financial Officer, Aboitiz Infracapital, Inc.</i>                                        |
| Jhoanna Feliza C. Go            | - <i>Audit Partner for 2022, Sycip Gorres Velayo &amp; Co.</i>                                      |
| Ma Veronica Andresa R. Pore     | - <i>Sycip Gorres Velayo &amp; Co.</i>                                                              |
| Wilson P. Tan                   | - <i>Sycip Gorres Velayo &amp; Co.</i>                                                              |
| Maria Vivian C. Ruiz            | - <i>Sycip Gorres Velayo &amp; Co.</i>                                                              |
| Martin C. Guantes               | - <i>Sycip Gorres Velayo &amp; Co.</i>                                                              |
| Genghis O. Grospe               | - <i>Sycip Gorres Velayo &amp; Co.</i>                                                              |
| Frecy Catadman                  | - <i>Sycip Gorres Velayo &amp; Co.</i>                                                              |
| Mary Jane A Claveria            | - <i>Sycip Gorres Velayo &amp; Co.</i>                                                              |
| Luis Cañete                     | - <i>Board of Election Inspector, Luis Cañete &amp; Company</i>                                     |
| Noel Peter Cañete               | - <i>Board of Election Inspector, Luis Cañete &amp; Company</i>                                     |
| Michael C. Capoy                | - <i>Stock Transfer Service Inc., Stock and Transfer Agent</i>                                      |
| Vincent Michael G. Mendoza      | - <i>Stock Transfer Service Inc., Stock and Transfer Agent</i>                                      |

**Registration Report**

| All Shareholders                                                                                                     |               |
|----------------------------------------------------------------------------------------------------------------------|---------------|
| Total No. of Shares Outstanding                                                                                      | 5,630,225,457 |
| Shares Present in Person                                                                                             | 0             |
| Shares Represented by Proxy                                                                                          | 4,775,833,187 |
| Stockholders Present through Remote Communication (livestream) or in Absentia                                        | 3,939,267     |
| Total No. of Shares Represented by Proxy, Present through Remote Communication (livestream), and Voting in absentia  | 4,779,772,454 |
| Percentage of Shares Represented by Proxy, Present through Remote Communication (livestream), and Voting in absentia | 84.89%        |
| Total Shares Not Represented                                                                                         | 850,453,003   |
| Percentage of Shares Not Represented                                                                                 | 15.11%        |

*Luís A. Cañete*  
LUIS A. CAÑETE  
April 24, 2023

*Diana R. Cullido*  
DIANA R. CULLIDO  
April 24, 2023

*Luís A. Cañete*  
LUIS A. CAÑETE

**2023 Annual Stockholders' Meeting**

**SUMMARY OF VOTES**

| Matter for Approval                                                                         | YES           |         | NO            |       | ABSTAIN       |       |
|---------------------------------------------------------------------------------------------|---------------|---------|---------------|-------|---------------|-------|
|                                                                                             | No. of Shares | %       | No. of Shares | %     | No. of Shares | %     |
| Approval of the minutes of the previous Annual Stockholders' meeting held on April 25, 2022 | 4,779,772,454 | 100.00% | 0             | 0.00% | 0             | 0.00% |
| Approval of the 2022 Annual Report and Financial Statements                                 | 4,778,678,914 | 99.98%  | 0             | 0.00% | 1,093,540     | 0.02% |
| Appointment of the Company's External Auditor for 2023                                      | 4,765,413,695 | 99.70%  | 14,358,759    | 0.30% | 0             | 0.00% |

### SUMMARY OF VOTES

| Matter for Approval:<br>Election of Directors | YES           |
|-----------------------------------------------|---------------|
| Mr. Erramon I. Aboitiz                        | 4,752,877,557 |
| Mr. Mikel A. Aboitiz                          | 4,774,563,282 |
| Mr. Enrique M. Aboitiz                        | 4,757,751,498 |
| Mr. Sabin M. Aboitiz                          | 4,754,772,373 |
| Mr. Justo A. Ortiz                            | 4,774,563,282 |
| Ms. Ana Maria A. Delgado                      | 4,755,472,503 |

### SUMMARY OF VOTES

| Matter for Approval:<br>Election of Independent Directors | YES           |
|-----------------------------------------------------------|---------------|
| Mr. Romeo L. Bernardo                                     | 4,702,761,056 |
| Ms. Joanne G. De Asis                                     | 4,767,973,355 |
| Mr. Cesar G. Romero                                       | 4,764,816,880 |

*Luis A. Cañete*  
LUIS A. CAÑETE

## 2023 Annual Stockholders' Meeting

### SUMMARY OF VOTES

| Matter for Approval                                                                                                                               | YES           |        | NO            |       | ABSTAIN       |       |
|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------|---------------|-------|---------------|-------|
|                                                                                                                                                   | No. of Shares | %      | No. of Shares | %     | No. of Shares | %     |
| Ratification of the Acts, Resolutions and Proceedings of the Board of Directors, Corporate Officers and Management from 2022 up to April 24, 2023 | 4,778,204,564 | 99.97% | 0             | 0.00% | 1,567,890     | 0.03% |
| Other Business                                                                                                                                    | 4,455,157,212 | 93.21% | 231,524,706   | 4.84% | 93,090,536    | 1.95% |

## ANNEX “D”

As of December 31, 2023

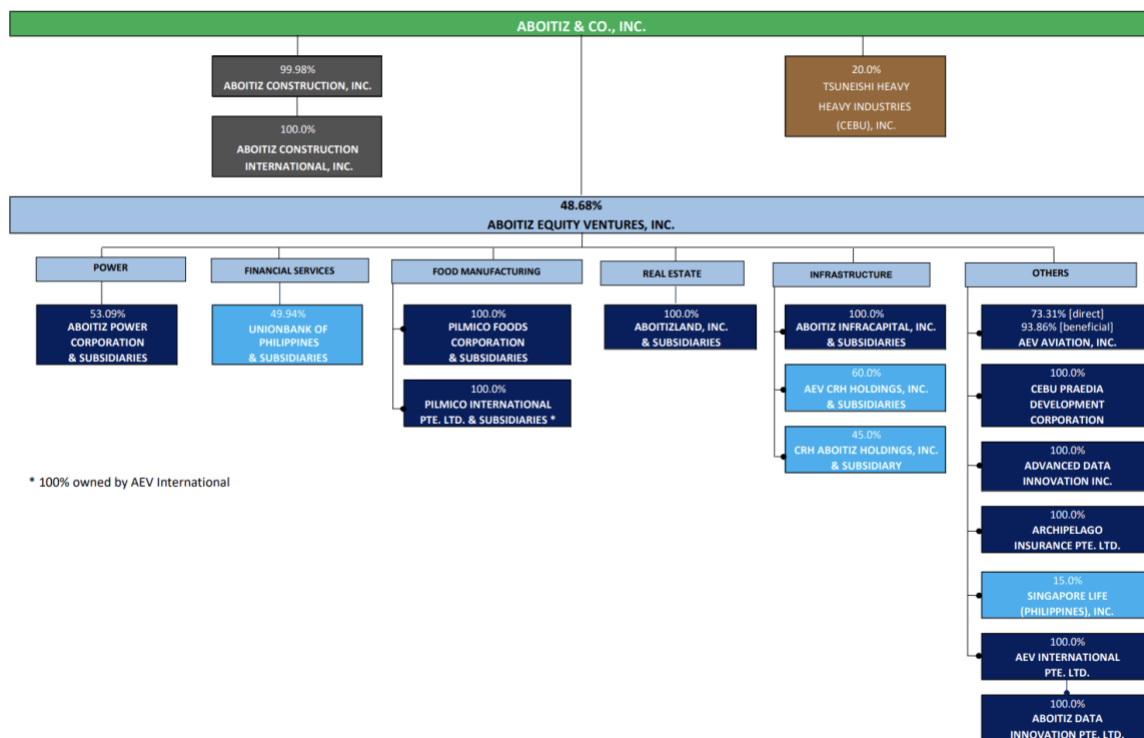
### ABOITIZ EQUITY VENTURES, INC. AND SUBSIDIARIES

#### CONGLOMERATE MAPPING

As of December 31, 2023

#### Legend:

- Parent Company
- Reporting Company
- Co-Subsidiary
- Subsidiary
- Associate or Joint Venture
- Other Related Parties



**ABOITIZ EQUITY VENTURES, INC. - POWER**  
**CONGLOMERATE MAPPING**  
As of December 31, 2023

**Legend:**

- Reporting Company
- Subsidiary
- Associate or Joint Venture
- Other Related Parties



\*\* Joint Operations

\*\*\* Engages in retail electricity supply business

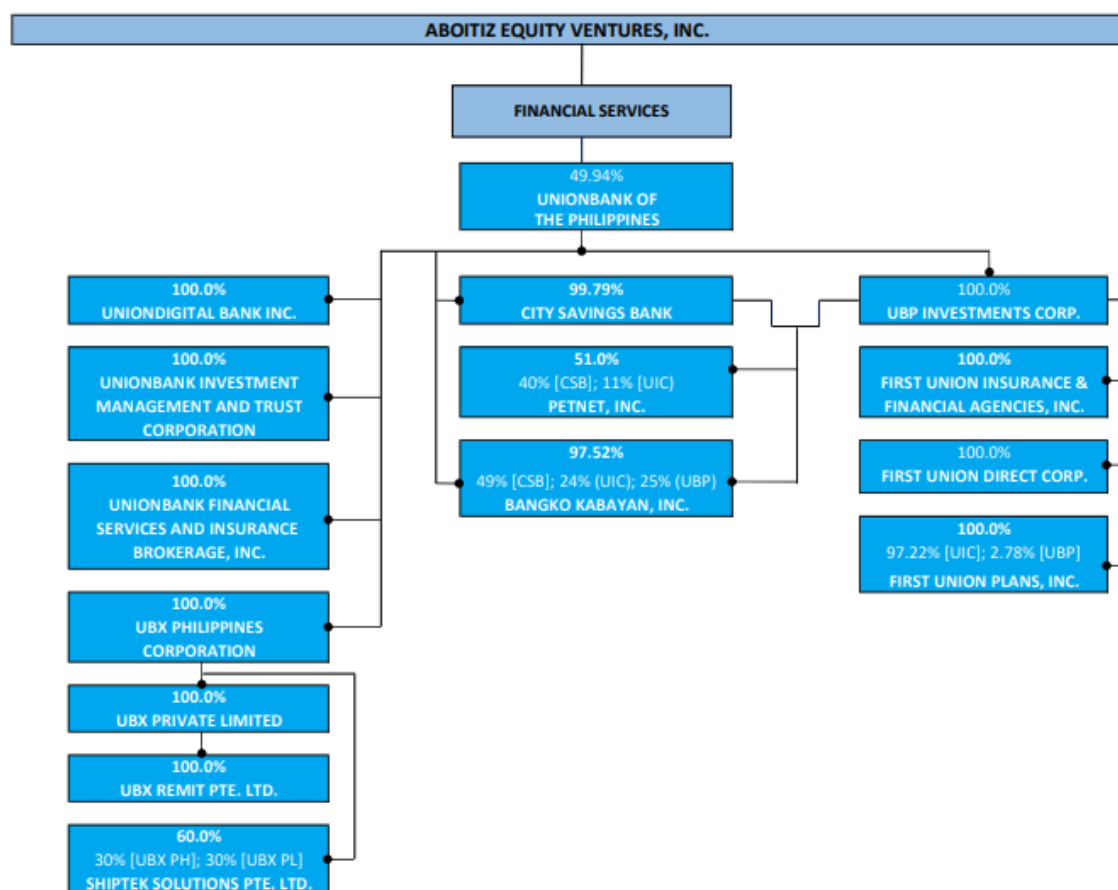
## ABOITIZ EQUITY VENTURES, INC. - FINANCIAL SERVICES

### CONGLOMERATE MAPPING

As of December 31, 2023

#### Legend:

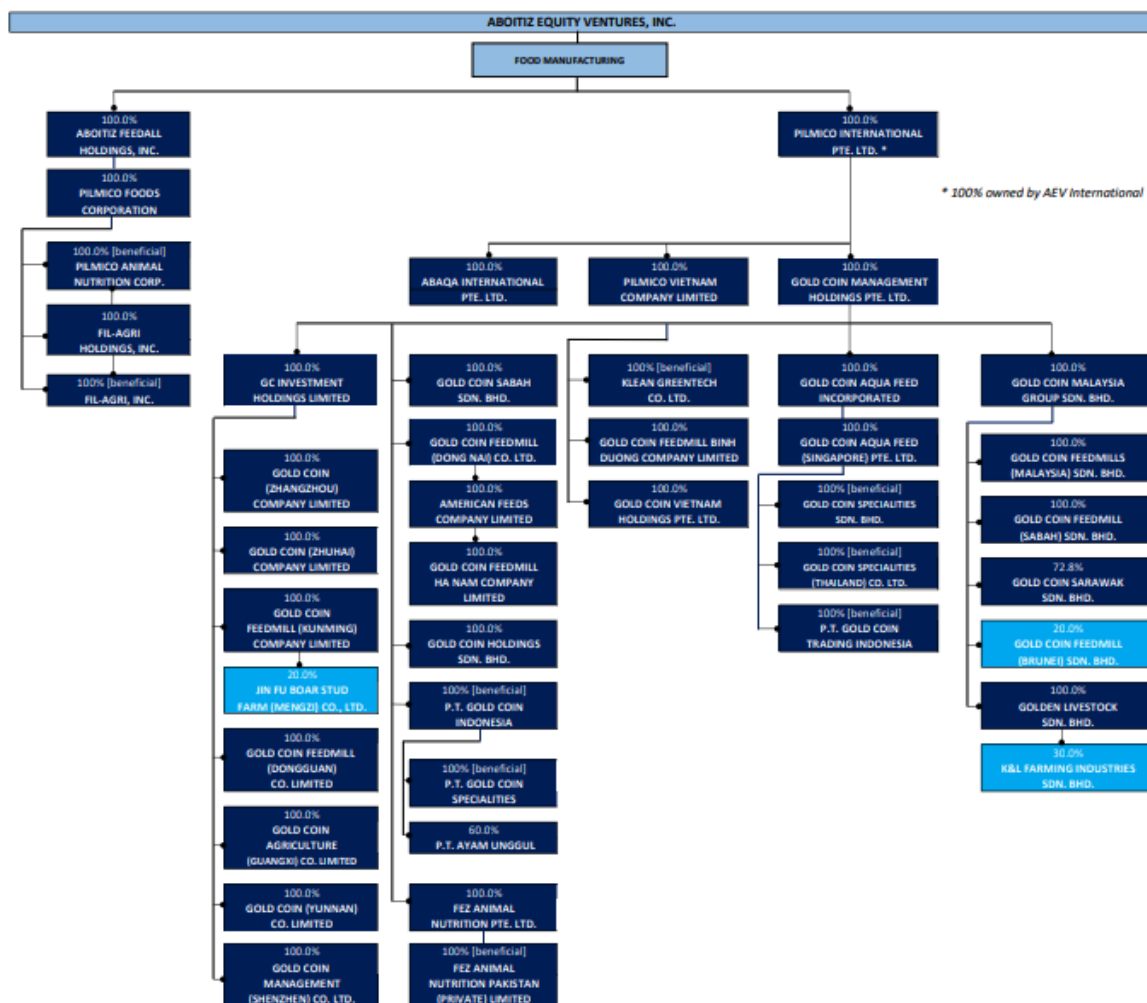
- Reporting Company
- Subsidiary
- Associate or Joint Venture



**ABOITIZ EQUITY VENTURES, INC. - FOOD MANUFACTURING**  
**CONGLOMERATE MAPPING**  
As of December 31, 2023

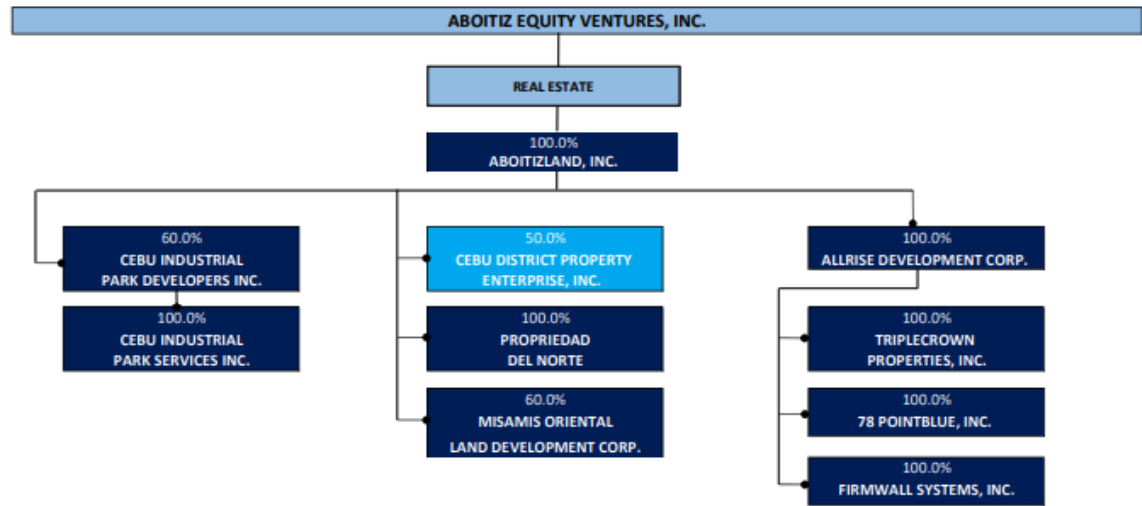
**Legend:**

Reporting Company  
Subsidiary  
Associate or Joint Venture



**ABOITIZ EQUITY VENTURES, INC. - REAL ESTATE**  
**CONGLOMERATE MAPPING**  
As of December 31, 2023

**Legend:**  
Reporting Company  
Subsidiary  
Associate or Joint Venture



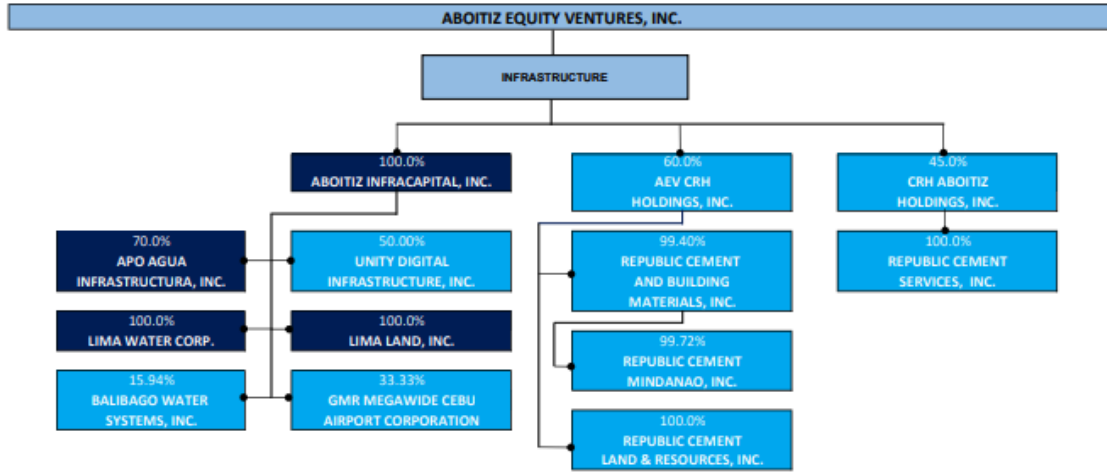
# **ABOITIZ EQUITY VENTURES, INC. - INFRASTRUCTURE**

## **CONGLOMERATE MAPPING**

As of December 31, 2023

### **Legend:**

- Reporting Company
- Subsidiary
- Associate or Joint Venture





## **The Board Audit Committee Report to the Board of Directors**

**Aboitiz Equity Ventures Inc.**  
(AEV, or the "Company")

The Board Audit Committee is pleased to present its report for the financial year ended December 31, 2023.

### **Audit Committee Responsibility**

In giving effect to its duly approved charter, the Audit Committee assisted the Board of Directors in fulfilling its oversight responsibility to the public, governmental and/or regulatory bodies and other stakeholders in helping:

- a) Ensure the integrity of the Company's financial reporting processes, including ensuring the integrity of financial reports and other financial information provided by the Company to the public, governmental and/or regulatory bodies;
- b) Ensure excellence in the Company's control performance by having an adequate and effective 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 and independence;
- 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.

The Committee has established a constructive and collaborative relationship with the Company's senior leadership to give support, but not to pre-empt any responsibility in making final audit-related decisions.

### **Committee Membership**

The Audit Committee is composed of five (5) members, three (3) of whom are Independent Directors including its Chairman.

Cesar G. Romero, Independent Director, is the Chairman of the Committee. Other members of the Committee are Joanne De Asis (Independent Director), Peter D. Maquera (Independent Director), Erramon I. Aboitiz (Non-Executive Director) and Ana Maria A. Delgado (Non-Executive Director).

In the disclosure to the SEC dated November 23, 2023, Cesar G. Romero was appointed as AEV's Lead independent director and Peter D. Maquera as the incoming independent director replacing Romeo L. Bernardo upon the latter's appointment as a member of the Monetary Board, the policy-making body of the Bangko Sentral ng Pilipinas.

## Meetings and Attendance

The Audit Committee carried out its function through its meetings with management, internal auditors, independent external auditors, advisers, and others where appropriate.

The audit charter provides for the Committee to hold at least four (4) regular meetings a year, with the authority to convene special meetings when deemed required.

In 2023, four (4) meetings were held. The attendance by each member of the Committee is as indicated below:

| Member                                                                     | Mar 2, 2023<br>Regular<br>Meeting<br>(Virtual) | Apr 27, 2023<br>Regular<br>Meeting<br>(Virtual) | July 26, 2023<br>Regular<br>Meeting<br>(Virtual) | Oct 25, 2023<br>Regular<br>Meeting<br>(Virtual) |
|----------------------------------------------------------------------------|------------------------------------------------|-------------------------------------------------|--------------------------------------------------|-------------------------------------------------|
| <b>CESAR G. ROMERO</b><br>Chairman, Independent Director                   | ✓                                              | ✓                                               | ✓                                                | ✓                                               |
| <b>ROMEO L. BERNARDO</b><br>Independent Director<br>(until September 2023) | ✓                                              | ✓                                               | ✓                                                | N/A                                             |
| <b>JOANNE DE ASIS</b><br>Independent Director                              | ✓                                              | ✓                                               | ✓                                                | ✓                                               |
| <b>ERRAMON I. ABOITIZ, JR.</b><br>Non-Executive Director                   | ✓                                              | ✓                                               | ✓                                                | ✓                                               |
| <b>ANA MARIA A. DELGADO</b><br>Non-Executive Director                      | ✓                                              | ✓                                               | ✓                                                | ✓                                               |

Attendees to these Committee meetings also include the Group Internal Audit Head and, by invitation, the Chief Risk Officer, the Chief Financial Officer, Controller and other key leaders whenever deemed appropriate and necessary.

Executive sessions, without the presence of management, are scheduled after every regular Committee meeting as part of the meeting agenda to allow for open and candid discussions.

One-on-one sessions between the Board Audit Committee Chairman and the AEV Group Internal Audit head are also held regularly as needed.

## Financial Reports

The Board Audit Committee reviewed, discussed, and approved for public disclosure the 2022 quarterly unaudited consolidated financial statements. The Committee endorsed for approval by the full Board the 2023 annual audited financial statements of AEV, its Subsidiaries and Associates. Included in the review were the Management Discussion and Analysis of Financial Condition and Results of Operations following prior review and discussion with Management, accounting, and the Company's independent external auditor, Sycip Gorres Velayo & Co. (SGV)—member practice of Ernst & Young (EY) in the Philippines.

The activities of the Audit Committee are performed in the context—

- That Management has the primary responsibility for the financial statements and the financial reporting process; and
- That the Company's independent external auditor is responsible for expressing an

unqualified opinion on the conformity and consistency of application of the Company's audited financial statements with Philippine Financial Reporting Standards.

### **External Auditors**

The 2023 overall scope and audit plan of SGV were reviewed and approved during the October 25, 2022 regular Audit Committee meeting. The audit plan, fees and terms of engagement which covers audit-related services provided by SGV were also reviewed and found to be reasonable.

The results of the SGV audits and its assessment of the overall quality of the financial reporting process were presented and discussed during the first Audit Committee meeting the following year, March 4, 2024.

Non-audit services (NAS) were provided by SGV in 2023. The bulk of the fees were related to the Aboitiz Infracapital Inc and AboitizPower. Minimal fees were paid for financial, tax and transfer pricing consulting activities including the conduct of trainings with regard to the adoption of new accounting standards and regulations.

All NAS provided by SGV has been approved in compliance with the new IESBA requirement for pre-concurrence for all proposed NAS before it is entered into or the provision of the services begin from those charged with governance, which in the case of AEV is its Board Audit Committee.

The Board Audit Committee, after evaluation of the performance of the external auditor in 2023 and finding it to be in accordance with the Standards, favorably endorsed to the full Board the re-appointment of SGV as external auditor for 2024. The full board, in its special meeting held March 5, 2024 approved the re-appointment of SGV with Jhoanna Feliza C. Go as the signing partner for AEV.

This re-appointment of SGV as the independent external auditor is subject to the final approval of the stockholders of AEV during the Annual General Stockholders meeting scheduled on April 22, 2024.

### **Internal Auditors**

The Committee is satisfied with the internal audit function and has assessed that it is operating effectively and generally covers the risks pertinent to the Company in its audits. The Committee has reviewed and approved the annual audit program for the year which also covers the adequacy of resources, qualifications and competency of the staff and independence of the internal auditor.

With reference to the IPPF Attribute Standard 1100 which states that *"The Internal Audit Activity must be independent, and internal auditors must be objective in performing their work."*, the Committee confirms that the function is executed effectively and internal auditors have conducted their responsibilities objectively and in an unbiased manner. The Committee further confirms that, to the best of its knowledge and belief, the auditors have no personal or other impediments that would prevent them from objectively planning, conducting, reporting, or otherwise participating and reaching independent conclusions in their audit assignments in 2023. Internal audit is organizationally positioned to be independent— functionally reporting to the Committee and administratively to the President and Chief Executive Officer.

The Committee is satisfied with the content and quality of reports prepared and issued by the internal auditors during the year under review.

The Group Internal Audit team (GIA) remains to be the single-point-of-contact for the Audit Committee. It takes the lead in setting the standards, initiatives and overall direction of the group audit teams which, in turn, focus their reviews on the top risks of their respective business units. Except for the banks and other financial business units, information systems and technology-related risks however, still remain to be an area covered by AEV information systems auditors including the management of its outsourcing/co-sourcing activities.

Based on audit reports and highlights presented to the Committee and with the contribution provided by Management and other key leaders on the issues raised to their attention, the Committee concurs with internal audit's assessment that, generally, there is reasonable assurance that the existing system of internal controls, risk management and governance allow for a generally adequate management of identified risks and effectively supports the improvement of the management of the Company as a whole.

With cybersecurity risk still considered as one of the top risks of the Company, continuous focus is given to continuously improve and further strengthen governance and controls over the implementation of security standards for information systems and related technologies. Internal audit prioritized business unit compliance reviews to the minimum information technology and operational technology security standards set and agreed upon at corporate level.

### **External Quality Assessment**

After undergoing an External Quality Assessment (EQA) review by the Institute of Internal Auditors (IIA) Philippines, the duly accredited validators of the Institute of Internal Auditors (IIA) International, the Internal Audit team of AEV "Generally Conforms" to the International Standards for the Professional Practice of Internal Auditing and the Code of Ethics for Internal Audit Practitioners. Generally Conforms is the highest rating awarded in connection with an EQA and the Internal Audit Team has been commended for this achievement.

The EQA, much like any global certification is not required. Obtaining the EQA certification not only helps build the reputation of the Internal Audit Team but also of Aboitiz as a company. It gives credibility that AEV not only conforms, complies and follows but adopts and implements the standards and best practices of the internal audit function. The EQA certification, received in 2017, is valid for 5 years or until 2022.

EQA was not done in 2023 in view of the ongoing federalization in the internal audit function. The focus in 2023 was on setting-up a new resident internal audit team for Aboitiz InfraCapital Inc. and assisting in building the audit team of One Food Group. Transitioning was also done for the information technology audit function for the Aboitiz Power's internal audit group.

The AEV Internal Audit Team continually works on its Internal Quality Assurance Improvement Program and encourages its adoption especially to the newly organized resident internal audit teams.

### **Review of the Audit Charters**

Annual review of the audit charters—Board Audit Committee charter and Internal Audit charter—was conducted. Proposed changes to the charters were presented, discussed and endorsed for full board approval during the October 25, 2023 Board Audit Committee meeting.

Proposed revisions to the Board Audit Committee charter were subsequently approved during the full board meeting dated January 24, 2024. An update on page 6, Section B.1. under Independent External Auditors was added as follows: *The SEC Oversight Assurance Review (SOAR) results at the firm level shall be disclosed to the Audit Committee including the remediation updates. This will be part of the independent auditor's annual evaluation.* Further, on page 6, Section B.2. it was made clear that all non-audit services shall be disclosed *and approved by the Committee.* This is in accordance with the new IESBA requirement of pre-approval of all NAS as earlier mentioned under the section on "External Auditors".

### **Self-Assessment**

The Committee conducted its annual self-assessment in accordance with the guidelines of SEC Memo Cir. No. 19, series of 2016 and the Company's Revised Manual. The assessment result showed that it fully complied with the requirements set forth in the Audit Charter and met the necessary and most important requirements set by global standards and best practices.

### **Risk Management**

The partnership between the risk management team and internal audit has remained solid and vital in continuously providing objective assurance to the board on the effectiveness of the risk management function in the Company.

The top strategic risks, emerging risks and project risks are key inputs in the preparation and prioritization of internal audit's master plan for the following year. The risk management plan, presented, discussed and approved by the Board Risk and Reputation Committee empowers the business to adequately identify and address the risks to ensure that the organization's plans, strategies and business objectives are achieved.

The internal audit team presents to the Board Risk and Reputation Committee the results of the annual Strategic Risk Management Plan validation reviews conducted across the different business units. The reviews give an assurance to management and the Board on the existence status and effectiveness assessment, where verifiable, of the risk treatments plans to address the identified risks for the year.

After considering, analyzing and reviewing all pertinent information on the integrity of financial reporting, effectiveness of internal controls, risk management, governance and compliance within the Aboitiz group of companies, the Committee is of the view that, in all material aspects, the duties and responsibilities as so outlined in its Charter have been satisfactorily performed.

In behalf of the Board Audit Committee,

**(SGD)**

**Cesar G. Romero**

Independent Director

Board Audit Committee Chairman

## Internal Control Compliance and Attestation



### Internal Control and Compliance System Attestation For the year ended, December 31, 2023

Aboitiz Equity Ventures Inc.'s (AEV) corporate governance system includes a combination of internal and external mechanisms such as the structure of the board of directors and our committees, the oversight it exercises over management, and the formulation of sound policies and effective controls.

- The Board of Directors is responsible for providing governance and overseeing the implementation of adequate internal control mechanisms and risk management processes;
- Management is primarily responsible for designing and implementing an adequate (effective and efficient) internal control system and risk management processes as well as in ensuring compliance with statutory and regulatory requirements of the law;
- Management is responsible for developing a system to monitor and manage risks;
- SGV & Co., the Company's external auditor is responsible for assessing and expressing an opinion on the conformity of the audited financial statements with the Philippine Financial Reporting Standards and the overall quality of the financial reporting process;
- Internal Audit adopts a risk-based audit approach in developing an annual audit master plan and conducts reviews to assess the adequacy of the Company's internal control system; and
- The Company's Group Internal Audit Head that acts as the equivalent of a Chief Audit Executive reports functionally to the Board Audit Committee to ensure independence and objectivity, allowing Internal Audit to fulfill its responsibilities.

Based on the above assurance provided by the internal auditors as well as the external auditors as a result of their reviews, we attest that AEV's internal control and compliance system, which covers governance, risk management, and control processes, are generally adequate.

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**Sabin M. Aboitiz**  
President & Chief Executive Officer

DocuSigned by:  
  
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**Connie G. Chu**  
SVP Chief Legal and Compliance Officer

DocuSigned by:  
  
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**Maria Lourdes Y. Tanate**  
VP Group Internal Audit Head

DocuSigned by:  
  
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**Christine C. Kempeneers**  
AVP Risk Management

## ANNEX “E”

### Requirements and Procedures for Voting and Participation in the 2024 Annual Stockholders’ Meeting (ASM) of Aboitiz Equity Ventures Inc. (the “Company”)

The Company will conduct a virtual ASM on April 22, 2024, Monday at 11:00 a.m. (“2024 ASM”). The meeting will be conducted *via* livestream at the link provided in the Company’s website at <https://aboitiz.com/2024asm/> (the “ASM Portal”) beginning on March 25, 2024.

Stockholders of record as of March 21, 2024 are entitled to participate and vote in the 2024 ASM.

The following procedures and requirements provide the ways in which the Company’s stockholders can participate and vote in the 2024 ASM..

#### I. VOTING BY PROXY

1. *For Individual stockholders holding certificated shares in the Company* - Download the file [Proxy Form for Individual Stockholder](#). For the Special Power of Attorney (“SPA”), refer to the Sample SPA uploaded in the ASM Portal.
2. *For stockholders holding ‘scripless’ shares, or shares held under a PCD Participant/Broker* - Download the file [Proxy Form for PCD Participant/Broker](#). Stockholders must coordinate with their brokers for the execution of this type of proxy. A stockholder may instruct his broker to directly send a scanned copy of the executed proxy to the Company, or he may send the scanned copy of the executed proxy
3. *For Corporate Stockholders* - Download the file [Proxy Form for Corporate Stockholder](#). For the secretary’s certificate, refer to the [Sample Secretary’s Certificate](#) uploaded in the SSM Portal
4. General instructions on Voting through Proxy:
  - a. Download and fill up the appropriate Proxy Form. The Chairman of the meeting, by default, is authorized to cast the votes pursuant to the instructions in the proxy.
  - b. Send a scanned copy of the executed proxy through email to [AEV\\_BoardSecretariat@aboitiz.com](mailto:AEV_BoardSecretariat@aboitiz.com).
  - c. Deadline for the submission of proxies is on April 15, 2024, to give time for the Proxy Validation Committee to review and validate the proxies received in accordance with the Company’s Amended By-Laws.

#### II. ELECTRONIC VOTING OR VOTING IN ABSENTIA

1. Instead of voting by proxy, stockholders as of the record date may choose to vote for the matters set out in the Agenda for the 2024 ASM (including casting votes in the election of directors) through the online voting platform available at the SSM Portal. Votes cast until 08:00 a.m. on April 22, 2024 will be tabulated and presented during the 2024 ASM. Stockholders may still vote after the cut-off time, and the final votes received through proxy and through the ASM Portal after the adjournment of the meeting will be included in the minutes of the 2024 ASM. Stockholders must provide the information required and upload the documents needed to complete their registration and to cast their votes, which are then subject to verification and validation by the Office of the Corporate Secretary.
2. Stockholders will need the following documents to register at the online voting platform:
  - (a) Individual Stockholders
    - i. Valid email address and active contact number (landline or cellphone);
    - ii. Any valid government-issued identification card (ID);

- iii. Any valid stock certificate issued by the Company in the name of the individual stockholder, or stock certificate number that matches with the name provided in the registration form, if such stock certificate is lost.
- (b) Stockholders with Joint Accounts
  - i. An authorization letter signed by other stockholders indicating the person among them authorized to cast the votes;
  - ii. Documents required under Items 2.a.(i) and 2.a.(ii) for the authorized stockholder; and
  - iii. Any valid stock certificate issued by the Company in the name of the joint stockholders, or stock certificate number that matches with the name provided in the registration form, if such stock certificate is lost.
- (c) Stockholder under PCD Participant/Brokers Account or “Scripless Shares”
  - i. Coordinate with the broker, and request for your broker’s full account name and PDTC broker identification number or account number they provided to the Company; and
  - ii. Items 2.a.(i) and 2.a.(ii) above.
- (d) Corporate Stockholders
  - i. Secretary’s certificate attesting to the authority of the representative to vote the shares on behalf of the corporate stockholder;
  - ii. Any valid stock certificate in the name of the corporate stockholder; and
  - iii. Documents required under Items 2.a.(i) and 2.a.(ii) above for the authorized representative.
- 3. The ASM Portal contains the Agenda items for approval as set out in the Notice and Agenda for the 2024 ASM.
  - (a) For items other than the election of directors, stockholders have the option to vote: In Favor of, Against, or Abstain.
  - (b) For the election of Directors, stockholders have the option to vote his shares for all nominees, not vote for any nominees, or vote for one or some nominees only, in such number of shares as the stockholder prefers, provided that the total number of votes cast shall not exceed the number of shares owned as of the record date, multiplied by the number of directors to be elected. The system will automatically compute the total number of votes the stockholder is allowed to cast, based on the number of shares he owns.
  - (c) Once the stockholder finalizes his votes, he can proceed to submit the accomplished form by clicking the ‘Submit’ button.
  - (d) After the ballot has been submitted, the stockholder may no longer change his/her vote.
- 4. Thereafter, the Office of the Corporate Secretary will send a confirmation email to the stockholder once his/her account has been verified and his/her vote has been recorded.
 

If the registration cannot be verified due to lacking, incomplete, or unreadable documents or information, the stockholder will be notified through an system-generated email from the ASM Portal. The Company shall send a subsequent email to inform the stockholder of the actions or documentations needed to complete the registration. Stockholders may contact [AEV\\_BoardSecretariat@aboitiz.com](mailto:AEV_BoardSecretariat@aboitiz.com) for queries regarding the online voting and registration.

If the account of a stockholder cannot be verified, then the votes cast by the non-verified stockholder shall not be recorded.
- 5. The Office of the Corporate Secretary shall tabulate all valid and confirmed votes cast through the ASM Portal, together with the votes cast through proxies. The Board of Election Inspectors will thereafter validate the results.

6. Votes cast until 08:00 a.m. of April 22, 2024, will be tabulated and presented during the ASM. Stockholders as of the record date may still vote at <https://aboitiz.com/2024asm/> after the cut-off time and the final votes received through the proxy and through the SSM Portal after the adjournment of the meeting will be included in the minutes of the 2024 ASM.

### III. ATTENDANCE IN THE 2024 ASM BY REMOTE COMMUNICATION

1. Stockholders who intend to participate in the 2024 ASM remotely may register using the link <https://aboitiz.com/2024asm/> until 08:00 a.m. of April 22, 2024.
2. To register, stockholders will need the requirements under Item II.2 above, depending on the type of ownership. Stockholders will also need to upload a valid ID as proof of identity.
3. Upon successful registration, the stockholder will receive an email confirmation and a unique link which can be used to log in and view the 2024 ASM livestream.

If the registration cannot be verified due to lacking, incomplete, or unreadable documents or information, the stockholder will be notified through an system-generated email notification from the ASM Portal. The Company shall send a subsequent email to inform the stockholder of the actions and documentations needed to complete the registration. Stockholders may contact [AEV\\_BoardSecretariat@aboitiz.com](mailto:AEV_BoardSecretariat@aboitiz.com) for queries regarding the online voting and registration.

4. Stockholders may send questions or remarks through the ASM Portal upon registration until the adjournment of the 2024 ASM.
5. The proceedings during the 2024 ASM will be recorded.

*For more questions and clarifications, stockholders may visit the Company's website at <https://aboitiz.com/> or contact:*

The Corporate Secretary at [AEV\\_BoardSecretariat@aboitiz.com](mailto:AEV_BoardSecretariat@aboitiz.com)  
Sammy Dave A. Santos at [sammy.santos@aboitiz.com](mailto:sammy.santos@aboitiz.com)  
Michael Capoy - (632) 8403-3798 or [mccapoy@stocktransfer.com.ph](mailto:mccapoy@stocktransfer.com.ph)

## DEFINITION OF TERMS

|                                                       |                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Aboitiz Foundation</b>                             | Aboitiz Foundation, Inc.                                                                                                                                                                                                                                                                       |
| <b>Aboitiz Group</b>                                  | ACO and the companies or entities in which ACO has beneficial interest and over which ACO, directly or indirectly, exercises management control, including, without limitation, AEV, AboitizPower, AboitizLand, Pilmico, Aboitiz InfraCapital and their respective Subsidiaries and Affiliates |
| <b>Aboitiz InfraCapital</b>                           | Aboitiz InfraCapital, Inc. (formerly: AEV Infracapital, Inc.)                                                                                                                                                                                                                                  |
| <b>AboitizLand</b>                                    | Aboitiz Land, Inc.                                                                                                                                                                                                                                                                             |
| <b>AboitizPower</b>                                   | Aboitiz Power Corporation                                                                                                                                                                                                                                                                      |
| <b>AboitizPower Group or Power Group</b>              | Aboitiz Power Corporation and its Subsidiaries                                                                                                                                                                                                                                                 |
| <b>Abovant</b>                                        | Abovant Holdings, Inc.                                                                                                                                                                                                                                                                         |
| <b>ACO</b>                                            | Aboitiz & Company, Inc.                                                                                                                                                                                                                                                                        |
| <b>AdventEnergy</b>                                   | Adventenergy, Inc.                                                                                                                                                                                                                                                                             |
| <b>AESI</b>                                           | Aboitiz Energy Solutions, Inc.                                                                                                                                                                                                                                                                 |
| <b>AEV Aviation</b>                                   | AEV Aviation, Inc. (formerly Davco Holdings, Inc.; Spin Realty Corporation)                                                                                                                                                                                                                    |
| <b>AEV CRH</b>                                        | AEV CRH Holdings, Inc.                                                                                                                                                                                                                                                                         |
| <b>AEV Group or the Group</b>                         | AEV and its Subsidiaries                                                                                                                                                                                                                                                                       |
| <b>AEV International</b>                              | AEV International Pte. Ltd.                                                                                                                                                                                                                                                                    |
| <b>AEV, the Company, the Issuer or the Registrant</b> | Aboitiz Equity Ventures Inc.                                                                                                                                                                                                                                                                   |
| <b>Affiliate</b>                                      | With respect to any Person, any other Person directly or indirectly Controlled or is under common Control by such Person                                                                                                                                                                       |
| <b>Ambuklao-Binga Hydroelectric Power Complex</b>     | Refers to SN Aboitiz Power-Benguet's 105-MW Ambuklao Hydroelectric Power Plant located in Bokod, Benguet and 140-                                                                                                                                                                              |

|                              |                                                                                                                                                                                                                                                |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                              | MW Binga Hydroelectric Power Plant in Itogon, Benguet                                                                                                                                                                                          |
| <b>Amended Guidelines</b>    | AEV's Amended Guidelines for the Nomination and Election of Independent Directors                                                                                                                                                              |
| <b>Apo Agua</b>              | Apo Agua Infraestructura, Inc.                                                                                                                                                                                                                 |
| <b>APRI</b>                  | AP Renewables Inc.                                                                                                                                                                                                                             |
| <b>APX1</b>                  | Aboitiz Power Distributed Energy, Inc.                                                                                                                                                                                                         |
| <b>APX2</b>                  | Aboitiz Power Distributed Renewables, Inc.                                                                                                                                                                                                     |
| <b>Archipelago Insurance</b> | Archipelago Insurance Pte. Ltd.                                                                                                                                                                                                                |
| <b>ARI</b>                   | Aboitiz Renewables, Inc. (formerly: Philippine Hydropower Corporation)                                                                                                                                                                         |
| <b>AS</b>                    | Ancillary Services                                                                                                                                                                                                                             |
| <b>ASPA</b>                  | Ancillary Services Procurement Agreement                                                                                                                                                                                                       |
| <b>Associate</b>             | Refers to an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies |
| <b>ATM</b>                   | Automated Teller Machine                                                                                                                                                                                                                       |
| <b>ATSC</b>                  | Aboitiz Transport System (ATSC) Corporation (now 2GO Group, Inc.)                                                                                                                                                                              |
| <b>Bakun AC Hydro Plant</b>  | Refers to Luzon Hydro Corporation's 70-MW Bakun run-of-river hydropower plant located in Amilongan, Alilem, Ilocos Sur                                                                                                                         |
| <b>Balamban Enerzone</b>     | Balamban Enerzone Corporation                                                                                                                                                                                                                  |
| <b>BCM</b>                   | Business Continuity Management                                                                                                                                                                                                                 |
| <b>BCQ</b>                   | Bilateral Contract Quantity                                                                                                                                                                                                                    |
| <b>BIR</b>                   | Bureau of Internal Revenue                                                                                                                                                                                                                     |
| <b>BOI</b>                   | The Philippine Board of Investments                                                                                                                                                                                                            |

|                                          |                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>BOT</b>                               | Build-Operate-Transfer                                                                                                                                                                                                                                                                                                                                  |
| <b>BPIA</b>                              | Bohol Panglao International Airport                                                                                                                                                                                                                                                                                                                     |
| <b>BPO</b>                               | Business Process Outsourcing                                                                                                                                                                                                                                                                                                                            |
| <b>BSP</b>                               | Bangko Sentral ng Pilipinas                                                                                                                                                                                                                                                                                                                             |
| <b>Bunker C</b>                          | A term used to designate the thickest residual fuels that is produced by blending any oil remaining at the end of the oil refining process with a lighter oil                                                                                                                                                                                           |
| <b>Business Unit</b>                     | A Subsidiary or an Affiliate of AEV                                                                                                                                                                                                                                                                                                                     |
| <b>CA</b>                                | Court of Appeals                                                                                                                                                                                                                                                                                                                                        |
| <b>CAAP</b>                              | Civil Aviation Authority of the Philippines                                                                                                                                                                                                                                                                                                             |
| <b>CBA</b>                               | Collective Bargaining Agreement                                                                                                                                                                                                                                                                                                                         |
| <b>CDPEI</b>                             | Cebu District Property Enterprise, Inc.                                                                                                                                                                                                                                                                                                                 |
| <b>Cebu Coal Project</b>                 | Refers to the construction and operation of the 3x82-MW coal-fired power plant of Cebu Energy Development Corporation located in Toledo City, Cebu.                                                                                                                                                                                                     |
| <b>Cebu Energy</b>                       | Cebu Energy Development Corporation                                                                                                                                                                                                                                                                                                                     |
| <b>CFB</b>                               | Circulating Fluidized Bed                                                                                                                                                                                                                                                                                                                               |
| <b>CIPDI</b>                             | Cebu Industrial Park Developers, Inc.                                                                                                                                                                                                                                                                                                                   |
| <b>CitySavings</b>                       | City Savings Bank, Inc.                                                                                                                                                                                                                                                                                                                                 |
| <b>Cleanergy</b>                         | Cleanergy, Inc. (formerly Northern Mini-Hydro Corporation)                                                                                                                                                                                                                                                                                              |
| <b>Coal Group or Coal Business Units</b> | Composed of the following Business Units: Therma Luzon, Inc., Therma South, Inc., Therma Visayas, Inc., GNPowr Mariveles Coal Plant Ltd. Co., GNPowr Dinginin Ltd. Co., Pagbilao Energy Corporation, Redondo Peninsula Energy, Inc., STEAG State Power, Inc., and Cebu Energy Development Corporation, which own and/or operate coal-fired power plants |
| <b>COC</b>                               | Certificate of Compliance                                                                                                                                                                                                                                                                                                                               |
| <b>Code of Ethics</b>                    | Refers to the Company's Code of Ethics and Business Conduct                                                                                                                                                                                                                                                                                             |

|                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Contestable Customer/ Contestable Market</b>           | Refers to the electricity end-users who have a choice of a supplier of electricity, as may be determined by the ERC in accordance with Sec. 4(h) of the EPIRA                                                                                                                                                                                                                                                                                                                                               |
| <b>Contracted Capacity</b>                                | Refers to the total capacity sold to customers at a given point in time                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Control</b>                                            | A term which refers to possession, directly or indirectly, by a Person of the power to direct or cause the direction of the management and policies of another Person whether through the ownership of voting securities or otherwise; provided, however, that the direct or indirect ownership of over 50% of the voting capital stock, registered capital or other equity interest of a Person is deemed to constitute control of that Person; "Controlling" and "Controlled" have corresponding meanings |
| <b>Cotabato Light</b>                                     | Cotabato Light & Power Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>CPDC</b>                                               | Cebu Praedia Development Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>CPPC</b>                                               | Cebu Private Power Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>CRH Aboitiz</b>                                        | CRH Aboitiz Holdings, Inc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>CSEE</b>                                               | Contract for the Supply of Electric Energy                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>CSP</b>                                                | Competitive Selection Process                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Davao Light</b>                                        | Davao Light & Power Company, Inc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>DENR</b>                                               | Department of Environment and Natural Resources                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Dependable Capacity or Sellable Capacity</b>           | Refers to the capacity of a power plant, excluding station use and fuel constraints                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>DICT</b>                                               | Department of Information and Communications Technology                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Distribution Utilities or Power Distribution Group</b> | Refers to the companies within the AboitizPower Group engaged in Power Distribution, such as Balamban Enerzone,                                                                                                                                                                                                                                                                                                                                                                                             |

|                                                  |                                                                                                                                                                                                                        |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                  | Cotabato Light, Davao Light, Lima Enerzon, Malvar Enerzone, Subic Enerzone, SFELAPCO and Visayan Electric.<br>“Distribution Company” or “Distribution Utility” may refer to any one of the foregoing companies.        |
| <b>DOE</b>                                       | Department of Energy                                                                                                                                                                                                   |
| <b>DOLE</b>                                      | Department of Labor and Employment                                                                                                                                                                                     |
| <b>DOTr</b>                                      | Department of Transportation                                                                                                                                                                                           |
| <b>EAUC</b>                                      | East Asia Utilities Corporation                                                                                                                                                                                        |
| <b>ECC</b>                                       | Environmental Compliance Certificate                                                                                                                                                                                   |
| <b>Enerzone Group or Enerzone Business Units</b> | A term collectively referring to Balamban Enerzone, Lima Enerzone, Mactan Enerzone, Malvar Enerzone, Subic Enerzone and other Distribution Utilities of the AboitizPower Group operating within special economic zones |
| <b>EO</b>                                        | Executive Order                                                                                                                                                                                                        |
| <b>EPC</b>                                       | Engineering, Procurement and Construction                                                                                                                                                                              |
| <b>EPIRA</b>                                     | RA 9136, otherwise known as the “Electric Power Industry Reform Act of 2001,” as amended from time to time, and including the rules and regulations issued thereunder                                                  |
| <b>ERC</b>                                       | Energy Regulatory Commission                                                                                                                                                                                           |
| <b>ESG</b>                                       | environment, social, and governance                                                                                                                                                                                    |
| <b>FIA</b>                                       | Foreign Investments Act of 1991                                                                                                                                                                                        |
| <b>Filagri Holdings</b>                          | Filagri Holdings, Inc.                                                                                                                                                                                                 |
| <b>FIT</b>                                       | Feed-in-Tariff                                                                                                                                                                                                         |
| <b>FIT-All</b>                                   | Feed-in-Tariff Allowance                                                                                                                                                                                               |
| <b>Food Group</b>                                | A term collectively referring to Pilmico and its Subsidiaries and Pilmico International and Subsidiaries, which includes GCMH, the parent company of the Gold Coin Group; the Company’s                                |

|                                                       |                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                       | Business Units engaged in the food business                                                                                                                                                                                                                                                                                |
| <b>GCMH</b>                                           | Gold Coin Management Holdings, Pte. Ltd.                                                                                                                                                                                                                                                                                   |
| <b>Generation Companies or Power Generation Group</b> | Refers to the companies within the AboitizPower Group engaged in Power Generation; “Generation Companies” may refer to any one of these companies.                                                                                                                                                                         |
| <b>GEOP</b>                                           | Green Energy Option Program                                                                                                                                                                                                                                                                                                |
| <b>GMEC</b>                                           | GNPower Mariveles Energy Center Ltd. Co. (formerly GNPower Mariveles Coal Plant Ltd. Co. or GMCP)                                                                                                                                                                                                                          |
| <b>GNPD</b>                                           | GNPower Dinginin Ltd. Co.                                                                                                                                                                                                                                                                                                  |
| <b>Gold Coin Group</b>                                | GCMH and its Subsidiaries                                                                                                                                                                                                                                                                                                  |
| <b>Government</b>                                     | The Government of the Republic of the Philippines                                                                                                                                                                                                                                                                          |
| <b>Greenfield</b>                                     | Refers to power generation projects that are developed from inception on previously undeveloped sites                                                                                                                                                                                                                      |
| <b>Grid</b>                                           | As defined in the Implementing Rules and Regulations of the EPIRA, it is the high voltage backbone system of interconnected transmission lines, substations and related facilities located in each of Luzon, Visayas, and Mindanao or as may be otherwise determined by the ERC in accordance with Section 45 of the EPIRA |
| <b>GRSSA</b>                                          | Geothermal Resources Supply and Services Agreement                                                                                                                                                                                                                                                                         |
| <b>GWh</b>                                            | Gigawatt-hour, or 1,000,000 kilowatt-hours                                                                                                                                                                                                                                                                                 |
| <b>Hedcor</b>                                         | Hedcor, Inc.                                                                                                                                                                                                                                                                                                               |
| <b>Hedcor Group or Hedcor Business Units</b>          | Refers to the companies within the AboitizPower Group engaged in hydroelectric power generation, such as Hedcor, Inc., Hedcor Bukidnon, Inc., Hedcor Sabangan, Inc., Hedcor Sibulan, Inc., and Hedcor Tudaya, Inc.                                                                                                         |
| <b>Hedcor Sabangan</b>                                | Hedcor Sabangan, Inc                                                                                                                                                                                                                                                                                                       |
| <b>Hedcor Sibulan</b>                                 | Hedcor Sibulan, Inc.                                                                                                                                                                                                                                                                                                       |
| <b>Hedcor Tudaya</b>                                  | Hedcor Tudaya, Inc.                                                                                                                                                                                                                                                                                                        |
| <b>HEPP</b>                                           | Hydroelectric Power Plant                                                                                                                                                                                                                                                                                                  |

|                                                        |                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>IEMOP</b>                                           | Independent Electricity Market Operator of the Philippines Inc.                                                                                                                                                                                                                                                                                               |
| <b>Installed Generating Capacity or Gross Capacity</b> | Refers to the registered capacity of a power plant in WESM, inclusive of the power plant's station use                                                                                                                                                                                                                                                        |
| <b>IPO</b>                                             | Initial Public Offering                                                                                                                                                                                                                                                                                                                                       |
| <b>IPP</b>                                             | Independent Power Producers                                                                                                                                                                                                                                                                                                                                   |
| <b>IPPA</b>                                            | Independent Power Producer Administrator                                                                                                                                                                                                                                                                                                                      |
| <b>IRR</b>                                             | Implementing Rules and Regulations                                                                                                                                                                                                                                                                                                                            |
| <b>ISMS</b>                                            | Information Security Management System                                                                                                                                                                                                                                                                                                                        |
| <b>ISO</b>                                             | International Organization for Standardization                                                                                                                                                                                                                                                                                                                |
| <b>IT</b>                                              | Information Technology                                                                                                                                                                                                                                                                                                                                        |
| <b>Joint Venture</b>                                   | Refers to a type of joint agreement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually-agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities require anonymous consent of the parties sharing control |
| <b>JVACC</b>                                           | J.V. Angeles Construction Company                                                                                                                                                                                                                                                                                                                             |
| <b>kV</b>                                              | Kilovolt, or 1,000 volts                                                                                                                                                                                                                                                                                                                                      |
| <b>kW</b>                                              | Kilowatt, or 1,000watts                                                                                                                                                                                                                                                                                                                                       |
| <b>kWh</b>                                             | Kilowatt-hour, the standard unit of energy used in the electric power industry. One kilowatt-hour is the amount of energy that would be produced by a generator producing 1,000 watts in one hour                                                                                                                                                             |
| <b>Land Group</b>                                      | refers to AboitizLand and the Company's Business Units engaged in the real estate                                                                                                                                                                                                                                                                             |
| <b>LGC</b>                                             | Local Government Code of 1991                                                                                                                                                                                                                                                                                                                                 |
| <b>LGU</b>                                             | Local Government Unit                                                                                                                                                                                                                                                                                                                                         |
| <b>LHC</b>                                             | Luzon Hydro Corporation                                                                                                                                                                                                                                                                                                                                       |
| <b>Lima Enerzone</b>                                   | Lima Enerzone Corporation                                                                                                                                                                                                                                                                                                                                     |

|                                        |                                                                                                                                                                    |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Lima Water</b>                      | Lima Water Corporation                                                                                                                                             |
| <b>LimaLand</b>                        | Lima Land, Inc.                                                                                                                                                    |
| <b>LTC</b>                             | LIMA Technology Center                                                                                                                                             |
| <b>Maaraw San Carlos</b>               | Maaraw Holdings San Carlos, Inc.                                                                                                                                   |
| <b>Mactan Enerzone</b>                 | Mactan Enerzone Corporation                                                                                                                                        |
| <b>Magat Plant</b>                     | Refers to the 360-MW HEPP of SN Aboitiz Power - Magat, located at the border provinces of Isabela and Ifugao                                                       |
| <b>Malvar Enerzone</b>                 | Malvzar Enerzone Corporation                                                                                                                                       |
| <b>Maris Plant</b>                     | The 8.5 MW run-of-river Maris Main Canal 1 Hydroelectric Power Plant                                                                                               |
| <b>MCIAA</b>                           | Mactan - Cebu International Airport Authority                                                                                                                      |
| <b>MEPZ I</b>                          | Mactan Export Processing Zone I                                                                                                                                    |
| <b>MEPZ II</b>                         | Mactan Export Processing Zone II                                                                                                                                   |
| <b>Meralco</b>                         | Manila Electric Company                                                                                                                                            |
| <b>MOA</b>                             | Memorandum of Agreement                                                                                                                                            |
| <b>MORE</b>                            | Manila – Oslo Renewable Enterprise, Inc.                                                                                                                           |
| <b>MT</b>                              | Metric Tons                                                                                                                                                        |
| <b>MVA</b>                             | Megavolt Ampere                                                                                                                                                    |
| <b>MW</b>                              | Megawatt, or one mn watts                                                                                                                                          |
| <b>MWh</b>                             | Megawatt-hour                                                                                                                                                      |
| <b>MWP</b>                             | Megawatt-peak                                                                                                                                                      |
| <b>Net Attributable Capacity</b>       | Refers to the capacity attributed to a company's ownership in the power plant, excluding station use and fuel constraints                                          |
| <b>NGCP</b>                            | National Grid Corporation of the Philippines                                                                                                                       |
| <b>NIA</b>                             | National Irrigation Authority                                                                                                                                      |
| <b>NPC</b>                             | National Power Corporation                                                                                                                                         |
| <b>NPPC</b>                            | Naga Power Plant Complex, the 55 MW land-based gas turbine power plant located in Colon, Naga City, Cebu                                                           |
| <b>NWRB</b>                            | National Water Resources Board                                                                                                                                     |
| <b>Oil Group or Oil Business Units</b> | Refers to the following companies: East Asia Utilities Corporation, Cebu Private Power Corporation, Therma Marine, Inc., Therma Mobile, Inc., Southern Philippines |

|                       |                                                                                                                                                                           |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                       | Power Corporation, and Western Mindanao Power Corporation, which own and operate Bunker C-fired power plants                                                              |
| <b>Open Access</b>    | Retail Competition and Open Access                                                                                                                                        |
| <b>ORR</b>            | Operational Readiness Review                                                                                                                                              |
| <b>OT</b>             | Operations Technology                                                                                                                                                     |
| <b>Pagbilao Plant</b> | Refers to the 700-MW (2x350 MW) coal-fired thermal power plant located in Pagbilao, Quezon                                                                                |
| <b>PAN-JSC</b>        | Pilmico Animal Nutrition Joint Stock Company (formerly: Eurofeed) which was folded into the Gold Coin Group and renamed Gold Coin Feedmill (Binh Duong)                   |
| <b>PANC</b>           | Pilmico Animal Nutrition Corporation (formerly Fil-Am Foods, Inc.)                                                                                                        |
| <b>PAO</b>            | Provisional Authority to Operate                                                                                                                                          |
| <b>PBI</b>            | Progressive Bank, Inc.                                                                                                                                                    |
| <b>PBR</b>            | Performance-Based Rate-Setting Regulation                                                                                                                                 |
| <b>PCC</b>            | Philippine Competition Commission                                                                                                                                         |
| <b>PCRM</b>           | Pricing and Cost Recovery Mechanism                                                                                                                                       |
| <b>PDEx</b>           | Philippine Dealing & Exchange Corp., the fixed-income securities market which provides an electronic trading platform of exchange for fixed-income securities             |
| <b>PDNI</b>           | Propiedad del Norte, Inc.                                                                                                                                                 |
| <b>PEC</b>            | Pagbilao Energy Corporation                                                                                                                                               |
| <b>PEMC</b>           | Philippine Electricity Market Corporation                                                                                                                                 |
| <b>Person</b>         | Means an individual, corporation, partnership, association, joint stock company, trust, any unincorporated organization, or a government or political subdivision thereof |
| <b>PETNET</b>         | PETNET, Inc.                                                                                                                                                              |
| <b>PEZA</b>           | Philippine Economic Zone Authority                                                                                                                                        |
| <b>PGC</b>            | Philippine Grid Code                                                                                                                                                      |

|                                    |                                                                                                                                                                                                                                                                               |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PGPC</b>                        | Philippine Geothermal Production Company, Inc.                                                                                                                                                                                                                                |
| <b>Philippine IPO</b>              | Philippine Intellectual Property Office                                                                                                                                                                                                                                       |
| <b>Philippine Pesos or ₱</b>       | The lawful currency of the Republic of the Philippines                                                                                                                                                                                                                        |
| <b>PhilRatings</b>                 | Philippine Rating Services Corporation                                                                                                                                                                                                                                        |
| <b>Pilmico</b>                     | Pilmico Foods Corporation                                                                                                                                                                                                                                                     |
| <b>Pilmico International</b>       | Pilmico International Pte. Ltd.                                                                                                                                                                                                                                               |
| <b>Pmax or Maximum Stable Load</b> | The maximum demand in MW that a generating unit or generating block or module in the case of a combined cycle power plant, can reliably sustain for an indefinite period of time, based on the generator capability tests. It also refers to the registered maximum capacity. |
| <b>Pmin or Minimum Stable Load</b> | The minimum demand in MW that a generating unit or generating block or module in the case of a combined cycle power plant, can reliably sustain for an indefinite period of time, based on the generator capability tests. It also refers to the registered minimum capacity. |
| <b>PPA</b>                         | Power Purchase Agreement                                                                                                                                                                                                                                                      |
| <b>Prism Energy</b>                | Prism Energy, Inc.                                                                                                                                                                                                                                                            |
| <b>PSA</b>                         | Power Supply Agreement                                                                                                                                                                                                                                                        |
| <b>PSALM</b>                       | Power Sector Assets and Liabilities Management Corporation                                                                                                                                                                                                                    |
| <b>PSE</b>                         | The Philippine Stock Exchange, Inc.                                                                                                                                                                                                                                           |
| <b>PV</b>                          | Photovoltaic                                                                                                                                                                                                                                                                  |
| <b>PVN</b>                         | Pilmico Vietnam Company Limited                                                                                                                                                                                                                                               |
| <b>PVN Trading</b>                 | Pilmico Viet Nam Trading Company Ltd.                                                                                                                                                                                                                                         |
| <b>PV Sinag</b>                    | PV Sinag Power, Inc.                                                                                                                                                                                                                                                          |
| <b>QMS</b>                         | Quality Management System                                                                                                                                                                                                                                                     |
| <b>RA</b>                          | Republic Act                                                                                                                                                                                                                                                                  |
| <b>RCBM</b>                        | Republic Cement and Building Materials, Inc.                                                                                                                                                                                                                                  |
| <b>RCII</b>                        | Republic Cement Iligan, Inc.                                                                                                                                                                                                                                                  |
| <b>RCLR</b>                        | Republic Cement Land &                                                                                                                                                                                                                                                        |

|                                         |                                                                                                                                                                          |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                         | Resources, Inc.                                                                                                                                                          |
| <b>RCMI</b>                             | Republic Cement Mindanao, Inc.                                                                                                                                           |
| <b>RCSI</b>                             | Republic Cement Services, (Philippines) Inc.                                                                                                                             |
| <b>RE Law</b>                           | RA 9513, otherwise known as the Renewable Energy Act of 2008                                                                                                             |
| <b>REC</b>                              | Renewable Energy Certificates                                                                                                                                            |
| <b>REPA</b>                             | Renewable Energy Payment Agreement                                                                                                                                       |
| <b>RES</b>                              | Retail Electricity Supplier                                                                                                                                              |
| <b>RESA</b>                             | Renewable Energy Supply Agreement                                                                                                                                        |
| <b>RESC</b>                             | Renewable Energy Service Contracts                                                                                                                                       |
| <b>Revised Corporation Code</b>         | Republic Act No. 11232 or the Revised Corporation Code of the Philippines                                                                                                |
| <b>Revised Manual</b>                   | Refers to the Company's Revised Manual on Corporate Governance                                                                                                           |
| <b>RORB</b>                             | Return-on-Rate base                                                                                                                                                      |
| <b>RP Energy</b>                        | Redondo Peninsula Energy, Inc.                                                                                                                                           |
| <b>RPS</b>                              | Renewable Portfolio Standards                                                                                                                                            |
| <b>RPT</b>                              | Related Party Transactions                                                                                                                                               |
| <b>RTC</b>                              | Regional Trial Court                                                                                                                                                     |
| <b>Run-of-river hydroelectric plant</b> | Refers to a hydroelectric power plant that generates electricity from the natural flow and elevation drop of a river                                                     |
| <b>Sacasun</b>                          | San Carlos Sun Power Inc.                                                                                                                                                |
| <b>Sacasun Plant</b>                    | Refers to the 59 MWp Greenfield, stand-alone solar power generation project of Sacasun located at San Carlos Ecozone, Barangay Punao, San Carlos City, Negros Occidental |
| <b>SBFZ</b>                             | Subic Bay Freeport Zone                                                                                                                                                  |
| <b>SBMA</b>                             | Subic Bay Metropolitan Authority                                                                                                                                         |
| <b>SBU</b>                              | Strategic Business Units                                                                                                                                                 |
| <b>SEC</b>                              | The Securities and Exchange Commission of the Philippines                                                                                                                |
| <b>SFELAPCO</b>                         | San Fernando Electric Light and Power Co., Inc.                                                                                                                          |
| <b>SME</b>                              | small and medium sized enterprises                                                                                                                                       |

|                                   |                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SN Aboitiz Power - Benguet</b> | SN Aboitiz Power - Benguet, Inc. (formerly SN Aboitiz Power Hydro, Inc.)                                                                                                                                                                                                                                                                                        |
| <b>SN Aboitiz Power - Magat</b>   | SN Aboitiz Power - Magat, Inc.                                                                                                                                                                                                                                                                                                                                  |
| <b>SN Aboitiz Power Group</b>     | Refers to the group of companies formed out of the strategic partnership between AboitizPower and SN Power, and refers to MORE and its Subsidiaries, including, SN Aboitiz Power-Benguet, Inc., SN Aboitiz Power-Gen, Inc., SN Aboitiz Power-RES, Inc., and SN Aboitiz Power-Magat, Inc.                                                                        |
| <b>Scatec ASA</b>                 | Renewable Power Company recently acquired SN Power, a leading hydro power developer and IPP                                                                                                                                                                                                                                                                     |
| <b>SN Power</b>                   | SN Power AS, a consorti between Statkraft AS and Norfund of Norway                                                                                                                                                                                                                                                                                              |
| <b>SN Power Group</b>             | Refers to the group formed by Statkraft AS and Norfund, and is composed of, among others, SN Power AS and Agua Imara AS. It is the leading Norwegian hydropower group with operations in Asia, Africa and Latin America                                                                                                                                         |
| <b>SPPC</b>                       | Southern Philippines Power Corporation                                                                                                                                                                                                                                                                                                                          |
| <b>SRC</b>                        | RA 8799 or the Securities Regulation Code of the Philippines                                                                                                                                                                                                                                                                                                    |
| <b>SSS</b>                        | Social Security System                                                                                                                                                                                                                                                                                                                                          |
| <b>STEAG Power</b>                | STEAG State Power Inc.                                                                                                                                                                                                                                                                                                                                          |
| <b>Subic Enerzone</b>             | Subic Enerzone Corporation                                                                                                                                                                                                                                                                                                                                      |
| <b>Subsidiary</b>                 | In respect of any Person, refers to any entity: (i) who has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) ability to use its power over the investee to affect its returns |
| <b>Systems Loss or</b>            | Refers to the Electric Energy                                                                                                                                                                                                                                                                                                                                   |

|                                          |                                                                                                                                                       |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>DSL</b>                               | Input minus the Electric Energy Output, as defined in ERC Resolution No. 10-2018                                                                      |
| <b>TCIC</b>                              | Taiwan Cogeneration International Corporation                                                                                                         |
| <b>TeaM Energy</b>                       | Team Energy Corporation                                                                                                                               |
| <b>THC</b>                               | Tsuneishi Holdings (Cebu), Inc.                                                                                                                       |
| <b>Tiwi-MakBan Geothermal Facilities</b> | Refers to the geothermal facilities composed of twelve geothermal plants and one binary plant, located in the provinces of Batangas, Laguna and Albay |
| <b>TLI</b>                               | Therma Luzon, Inc.                                                                                                                                    |
| <b>TMI</b>                               | Therma Marine, Inc.                                                                                                                                   |
| <b>TMO</b>                               | Therma Mobile, Inc.                                                                                                                                   |
| <b>TPI</b>                               | Therma Power, Inc.                                                                                                                                    |
| <b>TPVI</b>                              | Therma Power - Visayas, Inc.                                                                                                                          |
| <b>TransCo</b>                           | National Transmission Corporation and, as applicable, the National Grid Corporation of the Philippines or NGCP which is the Transco concessionaire    |
| <b>TSA</b>                               | Transmission Service Agreements                                                                                                                       |
| <b>TSI</b>                               | Therma South, Inc.                                                                                                                                    |
| <b>TVI</b>                               | Therma Visayas, Inc. (formerly Vesper Industrial and Development Corporation)                                                                         |

|                              |                                                                                                                                                                                                                                                                                                                            |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>UBPIC</b>                 | UBP Investments Corporation                                                                                                                                                                                                                                                                                                |
| <b>UBX PH</b>                | UBX Philippines Corporation                                                                                                                                                                                                                                                                                                |
| <b>UnionBank or the Bank</b> | Union Bank of the Philippines                                                                                                                                                                                                                                                                                              |
| <b>Unviable Area</b>         | refers to a geographical area within the franchise area of a DU where the immediate extension of the distribution line is not feasible, as defined by Rule 4 (ssss) of the EPIRA-IRR. Areas that are currently served by the DUs but are deemed unviable on account of huge operating costs shall also mean Unviable Areas |
| <b>UPE</b>                   | Ultimate Parent Entity                                                                                                                                                                                                                                                                                                     |
| <b>US\$</b>                  | The lawful currency of the United States of America                                                                                                                                                                                                                                                                        |
| <b>VAT</b>                   | Value Added Tax                                                                                                                                                                                                                                                                                                            |
| <b>Visayan Electric</b>      | Visayan Electric Company, Inc.                                                                                                                                                                                                                                                                                             |
| <b>Vivant Group</b>          | Refers to Vivant Corporation and its subsidiaries                                                                                                                                                                                                                                                                          |
| <b>WCIP</b>                  | West Cebu Industrial Park, Inc.                                                                                                                                                                                                                                                                                            |
| <b>WCIP-SEZ</b>              | West Cebu Industrial Park-Special Economic Zone                                                                                                                                                                                                                                                                            |
| <b>WESM</b>                  | Wholesale Electricity Spot Market                                                                                                                                                                                                                                                                                          |
| <b>WIPO</b>                  | World Intellectual Property Office                                                                                                                                                                                                                                                                                         |
| <b>WMPC</b>                  | Western Mindanao Power Corporation                                                                                                                                                                                                                                                                                         |

## ANNEX “G-1”

### AEV Patents, Copyrights and Franchises

AEV and its Subsidiaries own, or have pending applications for the registration of intellectual property rights for various trademarks associated with their corporate names and logos.

The following table sets out information regarding the trademark applications which AEV and its Subsidiaries have filed with the Philippine Intellectual Property Office (“Philippine IPO”) and intellectual property offices abroad

#### Philippine IPO

| Trademarks                                                                  | Owner                        | Registration No. / Date Issued                                                                             | Description                                                                                      | Status      |
|-----------------------------------------------------------------------------|------------------------------|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------|
| Aboitiz word mark<br>(Class Nos. 30, 35, 36, 37, 39, 40 and 42)             | Aboitiz Equity Ventures Inc. | 04-2018-018635<br>March 17, 2019                                                                           | Application for the word mark “Aboitiz”.                                                         | Registered. |
| Aboitiz word mark<br>(Additional activities under Class Nos. 36, 37)        | Aboitiz Equity Ventures Inc. | 04-2019-000086<br>August 8, 2019                                                                           | Application for the word mark “Aboitiz” to cover additional services under Class Nos. 36 and 37. | Registered. |
| Advancing Business and Communities Logo<br>(Class Nos. 35 and 36)           | Aboitiz Equity Ventures Inc. | 04-2018-021743<br>November 7, 2019                                                                         | Application for the device mark “Advancing Business and Communities”, with color claim.          | Registered. |
| Aboitiz Equity Ventures word mark<br>(Class Nos. 35 and 36)                 | Aboitiz Equity Ventures Inc. | 04-2018-021492<br>March 3, 2020                                                                            | Application for the word mark “Aboitiz Ventures”.                                                | Registered. |
| Aboitiz Equity Ventures Logo<br>(Class Nos. 35 and 36)                      | Aboitiz Equity Ventures Inc. | 04-2018-021742<br>October 6, 2019                                                                          | Application for the device mark “Aboitiz Equity Ventures”, with color claim.                     | Registered. |
| A Future Built By You<br>(Class No. 35)                                     | Aboitiz Equity Ventures Inc. | 4-2019-003834<br>August 8, 2019                                                                            | Application for the mark “A Future Built By You”.                                                | Registered. |
| Aboitiz & Device – Black<br>(Class Nos. 30, 36, 37, 39, 40 and 42)          | Aboitiz & Co., Inc.          | 4-2005-012408<br>September 24, 2007<br>(Trademark has been renewed and will expire on September 24, 2027.) | Application for the device mark “Aboitiz (Black)”.                                               | Registered. |
| Aboitiz & Device – Red<br>(Class Nos. 30, 36, 37, 39, 40 and 42)            | Aboitiz & Co., Inc.          | 4-2005-012409<br>September 24, 2007<br>(Trademark has been renewed and will expire on September 24, 2027.) | Application for the device mark “Aboitiz (Red)”.                                                 | Registered. |
| Passion for better ways word mark<br>(Class Nos. 30, 36, 37, 39, 40 and 42) | Aboitiz & Co., Inc.          | 4-2005-012413<br>September 24, 2007<br>(Trademark has been renewed and will expire on September 24, 2027.) | Application for the word mark “Passion for better ways”.                                         | Registered. |

|                                                        |                              |                                      |                                                        |             |
|--------------------------------------------------------|------------------------------|--------------------------------------|--------------------------------------------------------|-------------|
|                                                        |                              | 2027.)                               |                                                        |             |
| Techglomerate word mark (Class No. 35)                 | Aboitiz Equity Ventures Inc. | 4-2022-00518217<br>October 15, 2022  | Application for the word mark "Techglomerate".         | Registered. |
| Techglomerate Premium word mark (Class Nos. 35 and 36) | Aboitiz Equity Ventures Inc. | 4-2022-00518342<br>December 12, 2022 | Application for the word mark "Techglomerate Premium". | Registered. |

#### **International Trademarks Application (Non-Madrid)**

| Trademarks                         | Owner                         | Country of Application | Status      |
|------------------------------------|-------------------------------|------------------------|-------------|
| Aboitiz (Word Mark) (Class No. 30) | Aboitiz Equity Ventures, Inc. | Malaysia               | Registered. |
| Aboitiz (Word Mark) (Class No. 35) | Aboitiz Equity Ventures Inc.  | Malaysia               | Registered. |
| Aboitiz (Word Mark) (Class No. 36) | Aboitiz Equity Ventures Inc.  | Malaysia               | Registered. |
| Aboitiz (Word Mark) (Class No. 37) | Aboitiz Equity Ventures Inc.  | Malaysia               | Registered. |
| Aboitiz (Word Mark) (Class No. 39) | Aboitiz Equity Ventures Inc.  | Malaysia               | Registered. |
| Aboitiz (Word Mark) (Class No. 40) | Aboitiz Equity Ventures Inc.  | Malaysia               | Registered. |
| Aboitiz (Word Mark) (Class No. 42) | Aboitiz Equity Ventures Inc.  | Malaysia               | Registered. |
| Aboitiz (Class No. 42)             | Aboitiz Equity Ventures Inc.  | Sri Lanka              | Pending.    |
| Aboitiz (Class No. 40)             | Aboitiz Equity Ventures Inc.  | Sri Lanka              | Pending.    |
| Aboitiz (Class No. 39)             | Aboitiz Equity Ventures Inc.  | Sri Lanka              | Pending.    |
| Aboitiz (Class No. 37)             | Aboitiz Equity Ventures Inc.  | Sri Lanka              | Pending.    |
| Aboitiz (Class No. 36)             | Aboitiz Equity Ventures Inc.  | Sri Lanka              | Pending.    |
| Aboitiz (Class No. 35)             | Aboitiz Equity Ventures Inc.  | Sri Lanka              | Pending.    |
| Aboitiz (Class No. 30)             | Aboitiz Equity Ventures Inc.  | Sri Lanka              | Pending.    |

#### **International Trademarks Application (Madrid Protocol)**

| Trademarks                                                                 | Owner                        | Country of Application | Status      |
|----------------------------------------------------------------------------|------------------------------|------------------------|-------------|
| Aboitiz (Word Mark) (#1504418) (Class Nos. 30, 35, 36, 37, 39, 40, and 42) | Aboitiz Equity Ventures Inc. | WIPO                   | Registered. |
| Aboitiz (Word Mark) (Class Nos. 30, 35, 36, 37, 39, 40, and 42)            | Aboitiz Equity Ventures Inc. | Laos                   | Registered. |
| Aboitiz (Word Mark) (Class Nos. 30, 35, 36, 37, 39, 40, and 42)            | Aboitiz Equity Ventures Inc. | Singapore              | Registered. |
| Aboitiz (Word Mark) (Class Nos. 30, 35, 36, 27, 29, 40 and 42)             | Aboitiz Equity Ventures Inc. | Brunei                 | Registered. |

AEV and its Subsidiaries have other pending trademark applications under the Madrid Protocol for the following countries: Brunei, China, Indonesia, Cambodia, Laos, Singapore, Thailand, and Vietnam

## ANNEX “G-2”

### AboitizPower Patents, Copyrights and Franchises

AboitizPower and its Subsidiaries own, or have pending applications for the registration of, intellectual property rights for various trademarks associated with their corporate names and logos. The following table sets out information regarding the trademark applications AboitizPower and its Subsidiaries have filed with the Philippine Intellectual Property Office (Philippine IPO), and their pending trademark applications abroad.

#### Philippine IPO

| Trademarks/ Description                                                                        | Owner                      | Registration No./<br>Date Issued                                                | Status     |
|------------------------------------------------------------------------------------------------|----------------------------|---------------------------------------------------------------------------------|------------|
| “A Better Future” word mark<br>(Class Nos. 39, 40 and 42)                                      | Aboitiz Power Corporation  | 4-2010-004383/ November 11, 2010<br>Trademark was renewed on November 11, 2020. | Registered |
| “Better Solutions” word mark<br>(Class Nos. 39, 40 and 42)                                     | Aboitiz Power Corporation  | 4-2010-004384/ November 11, 2010<br>Trademark was renewed on November 11, 2020. | Registered |
| “AboitizPower” word mark<br>(Class Nos. 39, 40 and 42)                                         | Aboitiz Power Corporation  | 4-2010-004385/ November 11, 2010<br>Trademark was renewed on November 11, 2020. | Registered |
| “AboitizPower Spiral and Device”<br>device mark with color claim<br>(Class Nos. 39, 40 and 42) | Aboitiz Power Corporation  | 4-2010-004380/ February 10, 2011<br>Trademark was renewed on February 10, 2021. | Registered |
| “Cleanergy” word mark (Class No. 40)                                                           | Aboitiz Power Corporation  | 4-2001-007900/ January 13, 2006<br>Trademark was renewed on January 13, 2016.   | Registered |
| “Cleanergy” word mark for the<br>additional goods and services (Class<br>Nos. 39 and 42)       | Aboitiz Power Corporation  | 4-2019-000850/ June 9, 2019                                                     | Registered |
| “Cleanergy Get It and Device”<br>device mark with color claim<br>(Class Nos. 39, 40 and 42)    | Aboitiz Power Corporation  | 4-2010-004381/ November 11, 2010<br>Trademark was renewed on November 11, 2020. | Registered |
| “Cleanergy Got It and Device”<br>device mark (Class Nos. 39, 40 and 42)                        | Aboitiz Power Corporation  | 4-2010-004382/ November 11, 2010<br>Trademark was renewed on November 11, 2020. | Registered |
| “AboitizPower and Device” device<br>mark with color claim (Class Nos. 39, 40 and 42)           | Aboitiz Power Corporation  | 4-2010-004379/ February 10, 2011<br>Trademark was renewed on February 10, 2021. | Registered |
| Subic EnerZone Corporation and<br>Logo trademark (Class No. 39)                                | Subic EnerZone Corporation | 4-2006-007306/ August 20, 2007<br>Trademark was renewed on August 20, 2017.     | Registered |
| Subic EnerZone Corporation and<br>Logo<br>Word mark and device (Class No. 39)                  | Subic EnerZone Corporation | 4-2006-007305/ August 20, 2007<br>Trademark was renewed on August 20, 2017.     | Registered |
| “Subic EnerZone Corporation” word<br>mark (Class No. 39)                                       | Subic EnerZone Corporation | 4-2006-007304/ June 4, 2007<br>Trademark was renewed on June 4,                 | Registered |

|                                                                                             |                                                                                                          |                                    |            |
|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------------------|------------|
|                                                                                             |                                                                                                          | 2017.                              |            |
| "Cotabato Light" Logo (Class No. 39)                                                        | Cotabato Light and Power Corporation                                                                     | 4-2019-502915/ October 20, 2019    | Registered |
| "Davao Light" Logo (Class No. 39)                                                           | Davao Light and Power Corporation                                                                        | 4-2019-502917/ October 20, 2019    | Registered |
| "Balamban Enerzone" Logo (Class No. 39)                                                     | Balamban Enerzone Corporation                                                                            | 4-2019-502910/ February 10, 2020   | Registered |
| "Mactan Enerzone" Logo (Class No. 39)                                                       | Mactan Enerzone Corporation                                                                              | 4-2019-502911/ February 20, 2020   | Registered |
| "Lima Enerzone" Logo (Class No. 39)                                                         | Lima Enerzone Corporation                                                                                | 4-2019-502912/ February 10, 2020   | Registered |
| "Malvar Enerzone" Logo (Class No. 39)                                                       | Malvar Enerzone Corporation                                                                              | 4-2019-502913/ February 10, 2020   | Registered |
| "Subic Enerzone" Logo (Class No. 39)                                                        | Subic Enerzone Corporation                                                                               | 4-2019-502914/ October 20, 2019    | Registered |
| "Visayan Electric" Logo (Class No. 39)                                                      | Visayan Electric Company, Inc.                                                                           | 4-2019-015288/ December 29, 2019   | Registered |
| "MORE" Logo (Class 35)                                                                      | Manila-Oslo Renewable Enterprise, Inc.                                                                   | 4-2018-00018077/February 21, 2019  | Registered |
| "SN ABOITIZ POWER" Logo GROUP (Class 35 & 40)                                               | Manila-Oslo Renewable Enterprise, Inc., SN Aboitiz Power-Magat, Inc., and SN Aboitiz Power-Benguet, Inc. | 4-2018-00018076/ February 5, 2019  | Registered |
| "SN ABOITIZ POWER-BENGUET, INC." Logo                                                       | SN Aboitiz Power-Benguet, Inc.                                                                           | 4-2014-00005209/ December 29, 2016 | Registered |
| "SNAP ABOITIZ POWER-MAGAT, INC." Logo                                                       | SN Aboitiz Power-Magat, Inc.                                                                             | 4-2014-00005208/ March 9, 2017     | Registered |
| <br>Logo | SN Aboitiz Power-Magat, Inc.                                                                             | 4-2017-00018969/ June 7, 2018      | Registered |

#### International Trademarks (Madrid Protocol)

AboitizPower has the following registered international trademarks:

| Trademarks                              | Country of Application |
|-----------------------------------------|------------------------|
| Cleanergy                               | Indonesia              |
| AboitizPower                            | Myanmar                |
| Aboitiz Power and Device                | Myanmar                |
| Cleanergy                               | Myanmar                |
| Cleanergy Get It Device                 | Myanmar                |
| Cleanergy Got It Device                 | Myanmar                |
| AboitizPower (class 39, 40, 42)         | Malaysia*              |
| AboitizPower device (class, 39, 40, 42) | Malaysia*              |

|                                            |           |
|--------------------------------------------|-----------|
| Cleanergy (class 39, 40, 42)               | Malaysia* |
| Cleanergy Got It device (class 39, 40, 42) | Malaysia* |
| Cleanergy Get it device (class 39, 40, 42) | Malaysia* |

\*In the process of being registered.

#### International Trademarks Application (Madrid Protocol)

AboitizPower has the following registered international trademarks from applications under the Madrid Protocol:

| Trademarks                                           | Country of Application                      |
|------------------------------------------------------|---------------------------------------------|
| AboitizPower Word Mark (Class Nos. 39, 40, 42)       | World Intellectual Property Office ("WIPO") |
| AboitizPower Word Mark (Class Nos. 39, 40, 42)       | Indonesia                                   |
| AboitizPower A Better Future (Class Nos. 39, 40, 42) | WIPO                                        |
| AboitizPower A Better Future (Class Nos. 39, 40, 42) | Vietnam                                     |
| AboitizPower A Better Future (Class Nos. 39, 40, 42) | Indonesia                                   |
| Cleanergy Word Mark (Class Nos. 39, 40, 42)          | WIPO                                        |
| Cleanergy Word Mark (Class Nos. 39, 40, 42)          | Vietnam                                     |
| Cleanergy Get It Device (Class Nos. 39, 40, 42)      | WIPO                                        |
| Cleanergy Get It Device (Class Nos. 39, 40, 42)      | Vietnam                                     |
| Cleanergy Get It Device (Class Nos. 39, 40, 42)      | Indonesia                                   |
| Cleanergy Got It Device (Class Nos. 39, 40, 42)      | WIPO                                        |
| Cleanergy Got It Device (Class Nos. 39, 40, 42)      | Vietnam                                     |
| Cleanergy Got It Device (Class Nos. 39, 40, 42)      | Indonesia                                   |

AboitizPower also has the following pending international trademark applications under the Madrid Protocol.

| Trademarks                                     | Country of Application |
|------------------------------------------------|------------------------|
| AboitizPower Word Mark (Class Nos. 39, 40, 42) | Vietnam                |
| AboitizPower Device (Class Nos. 39, 40, 42)    | Vietnam                |
| AboitizPower Device (Class Nos. 39, 40, 42)    | Indonesia              |

## ANNEX “G-3”

### Financial Services Group Patents, Copyrights and Franchises

UnionBank owns, or has pending applications for the registration of intellectual property rights for various trademarks associated with their corporate names and logos.

|    | Trademark                                                                           | Registration Date | Expiration Date   |
|----|-------------------------------------------------------------------------------------|-------------------|-------------------|
| 1  | UNIONBANK                                                                           | December 19, 2005 | December 19, 2025 |
| 2  | UNIONBANK LOGO                                                                      | October 21, 2010  | October 21, 2030  |
| 3  | UNIONBANK EON                                                                       | December 5, 2013  | December 5, 2023  |
| 4  | UBP                                                                                 | August 7, 2014    | August 7, 2024    |
| 5  | UNIONBANK OF THE PHILIPPINES                                                        | August 7, 2014    | August 7, 2024    |
| 6  | UREKA                                                                               | November 10, 2016 | November 10, 2026 |
| 7  | SELFIE BANKING                                                                      | December 22, 2019 | December 22, 2029 |
| 8  | DIGITAL ME                                                                          | June 29, 2017     | June 29, 2027     |
| 9  | EON FOR THE DIGITAL ME                                                              | July 30, 2017     | July 20, 2027     |
| 10 | EON                                                                                 | July 30, 2017     | July 30, 2027     |
| 11 | EON CYBER                                                                           | November 2, 2017  | November 2, 2027  |
| 12 | THE ARK                                                                             | April 5, 2018     | April 5, 2028     |
| 13 | THE ARK                                                                             | April 5, 2018     | April 5, 2028     |
| 14 | THE ARK                                                                             | April 5, 2018     | April 5, 2028     |
| 15 | THE ARK                                                                             | April 5, 2018     | April 5, 2018     |
| 16 | I2I                                                                                 | May 30, 2019      | May 30, 2029      |
| 17 | THE FUTURE BEGINS WITH U.                                                           | October 24, 2019  | October 24, 2029  |
| 18 | CYBERSURE                                                                           | January 12, 2020  | January 12, 2030  |
| 19 | 1U HUB                                                                              | February 6, 2020  | February 6, 2030  |
| 20 | 1U HUB                                                                              | February 6, 2020  | February 6, 2030  |
| 21 | THE FIRST FINANCIAL SUPPLY BLOCKCHAIN IN THE PHILIPPINES - POWERED BY UNIONBANK     | February 6, 2020  | February 6, 2030  |
| 22 | UB                                                                                  | February 24, 2020 | February 24, 2030 |
| 23 |  | February 24, 2020 | February 24, 2030 |
| 24 |  | February 24, 2020 | February 24, 2030 |
| 25 | THE EDGE BY UB UNIONBANK                                                            | July 31, 2020     | July 31, 2030     |

|    |                                                                                   |                   |                   |
|----|-----------------------------------------------------------------------------------|-------------------|-------------------|
| 26 | UB UNIONBANK                                                                      | August 14, 2020   | August 14, 2030   |
| 27 | UB UNIONBANK                                                                      | October 16, 2020  | October 16, 2030  |
| 28 | THE FIRST DIGITAL ACCOUNT OPENING FOR BUSINESS BY UNIONBANK                       | January 17, 2021  | January 17, 2031  |
| 29 | THE FIRST MOBILE CHECK DEPOSIT FOR BUSINESSES BY UNIONBANK                        | February 19, 2021 | February 19, 2031 |
| 30 | BANK THE WAY YOU LIVE                                                             | March 29, 2021    | March 29, 2031    |
| 31 | SITH SYSTEM FOR INTEGRATED TRACING OF HUMANS                                      | March 29, 2021    | March 29, 2031    |
| 32 |  | April 16, 2021    | April 16, 2031    |
| 33 |  | April 16, 2021    | April 16, 2031    |
| 34 | UNIONBANK ONLINE                                                                  | April 16, 2021    | April 16, 2031    |
| 35 | UB ONLINE                                                                         | April 16, 2021    | April 16, 2031    |
| 36 | UNIONBANK APP                                                                     | April 16, 2021    | April 16, 2031    |
| 37 | UB MOBILE APP                                                                     | April 16, 2021    | April 16, 2031    |
| 38 | P PHX COMMERCIAL BANK-BACKED PHILIPPINE STABLECOIN                                | April 16, 2021    | April 16, 2031    |
| 39 | PHX                                                                               | May 21, 2021      | May 21, 2031      |
| 40 | UBP XCELLERATOR GAMECHANGERS                                                      | May 21, 2021      | May 21, 2031      |
| 41 | UBP XCELLERATOR BLOCKCHAIN BUSINESS SPECIALIST PROGRAM                            | June 18, 2021     | June 18, 2031     |
| 42 | UBP XCELLERATOR BLOCKCHAIN BASICS PROGRAM                                         | June 18, 2021     | June 18, 2031     |
| 43 | BLOCKCHAIN XCELLERATOR POWERED BY UB UNIONBANK                                    | June 18, 2021     | June 18, 2031     |
| 44 | UBXCELLERATOR                                                                     | July 16, 2021     | July 16, 2031     |
| 45 | XCELLERATOR                                                                       | July 16, 2021     | July 16, 2031     |
| 46 | UB GARAGE INNOVATION AND INCUBATION LAB POWERED BY UB UNIONBANK.                  | July 23, 2021     | July 23, 2031     |
| 47 | XCELLERATOR                                                                       | July 23, 2021     | July 23, 2031     |
| 48 | UBXCELLERATOR                                                                     | July 30, 2021     | July 30, 2031     |

|    |                                                                    |                 |                 |
|----|--------------------------------------------------------------------|-----------------|-----------------|
| 49 | BLOCKCHAIN XCELLERATOR                                             | July 30, 2021   | July 30, 2031   |
| 50 | UBP XCELLERATOR PROGRAM                                            | August 6, 2021  | August 6, 2031  |
| 51 | UB GARAGE INNOVATION AND INCUBATION<br>LAB POWERED BY UB UNIONBANK | October 1, 2021 | October 1, 2031 |

## ANNEX “G-4”

### Food Group Patents, Copyrights and Franchises

The Food Group owns, or has pending trademark applications for the registration of intellectual property rights for various trademarks associated with their corporate names and logos. These are filed or pending at local and international jurisdictions.

#### Philippine IPO

|    | Trademark                                                    | Registration Date | Expiration Date                                          |
|----|--------------------------------------------------------------|-------------------|----------------------------------------------------------|
| 1  | PILMICO FOODS CORPORATION                                    | November 28, 2005 | November 28, 2025                                        |
| 2  | SUN-MOON-STAR                                                | October 2, 2006   | October 2, 2026                                          |
| 3  | GOLD STAR AND DEVICE                                         | August 17, 2006   | August 17, 2026                                          |
| 4  | SUNSHINE                                                     | October 15, 2007  | October 15, 2027                                         |
| 5  | GLOWING SUN                                                  | October 2, 2006   | October 2, 2026                                          |
| 6  | KUTITAP AND DEVICE                                           | January 17, 2005  | January 17, 2025                                         |
| 7  | KUTITAP with color claim                                     | December 5, 2004  | December 5, 2024                                         |
| 8  | SUNFLOUR AND DESIGN                                          | May 5, 2008       | May 5, 2028                                              |
| 9  | Silver Star                                                  | February 24, 2012 | February 24, 2022<br>(IPOPPL Petition for Renewal filed) |
| 10 | Silver Star Logo with color claim                            | January 13, 2012  | January 13, 2022<br>(IPOPPL Petition for Renewal filed)  |
| 11 | SUN RAYS HARD WHEAT FLOUR                                    | February 20, 2014 | February 20, 2024                                        |
| 12 | STAR BEAM SOFT WHEAT FLOUR                                   | December 26, 2013 | December 26, 2023                                        |
| 13 | STAR BLAZE SOFT WHEAT FLOUR                                  | February 20, 2014 | February 20, 2024                                        |
| 14 | LUNA CAKE FLOUR                                              | February 20, 2014 | February 20, 2024                                        |
| 15 | SUN STREAM HARD WHEAT FLOUR                                  | February 20, 2014 | February 20, 2024                                        |
| 16 | PILMICO Device                                               | December 26, 2013 | December 26, 2023                                        |
| 17 | PILMICO FLOUR                                                | February 20, 2014 | February 20, 2024                                        |
| 18 | Mahalin Pagkaing Atin with color claim                       | July 2, 2015      | July 2, 2025                                             |
| 19 | SUNLIGHT                                                     | September 1, 2016 | September 1, 2022                                        |
| 20 | The Care Package                                             | March 23, 2018    | March 23, 2028                                           |
| 21 | The Care Package Logo                                        | March 24, 2017    | March 24, 2027                                           |
| 22 | WOODEN SPOON                                                 | May 4, 1993       | May 4, 2023                                              |
| 23 | WOODEN SPOON word mark for additional classes Nos. 35 and 43 | December 17, 2017 | December 17, 2027                                        |

|    |                                                               |                    |                    |
|----|---------------------------------------------------------------|--------------------|--------------------|
| 24 | WOODEN SPOON AND DEVICE for additional classes Nos. 35 and 43 | December 17, 2017  | December 17, 2027  |
| 25 | PILMICO word mark                                             | March 24, 2017     | March 24, 2027     |
| 26 | Silver 168                                                    | February 22, 2018  | October 24, 2028   |
| 27 | Yummii                                                        | December 28, 2017  | August 25, 2027    |
| 28 | Silver Star with Chinese Slogan Device.                       | February 22, 2018  | October 24, 2028   |
| 29 | SOLA ALL PURPOSE FLOUR                                        | February 20, 2014  | February 20, 2024  |
| 30 | PILMICO logo                                                  | June 2, 2017       | February 21, 2027  |
| 31 | "M" handshake mark                                            | August 17, 2017    | February 20, 2027  |
| 32 | Flour Solutions                                               | October 31, 2019   | April 24, 2029     |
| 33 | PIGROW with color claim                                       | September 28, 2012 | September 28, 2022 |
| 34 | PIGROW MATERNA                                                | May 24, 2012       | May 24, 2022       |
| 35 | CHICKGROW                                                     | October 18, 2019   | October 18, 2029   |
| 36 | PORK SOLUTIONS                                                | August 20, 2007    | August 20, 2027    |
| 37 | POULTRY SOLUTIONS                                             | August 20, 2007    | August 20, 2023    |
| 38 | AQUAMAX                                                       | June 6, 2013       | June 6, 2023       |
| 39 | POULTRY EXPRESS                                               | April 14, 2013     | April 14, 2023     |
| 40 | ALAS NG SALTO                                                 | February 28, 2013  | February 28, 2023  |
| 41 | AEV MAX                                                       | February 8, 2013   | February 8, 2023   |
| 42 | SALTO                                                         | February 8, 2013   | February 8, 2023   |
| 43 | ANGAT SARADO                                                  | February 8, 2013   | February 8, 2023   |
| 44 | BASIC                                                         | February 8, 2013   | February 8, 2023   |
| 45 | LAKAS GATAS                                                   | February 8, 2013   | February 8, 2023   |
| 46 | GALLIMAX                                                      | February 8, 2013   | February 8, 2023   |
| 47 | SUPREMECON                                                    | July 22, 2011      | July 22, 2021      |
| 48 | POWERMIX                                                      | January 13, 2012   | January 13, 2022   |
| 49 | PILMICO FEEDS                                                 | March 8, 2012      | March 8, 2022      |
| 50 | GROW YOUR PROFIT                                              | December 26, 2013  | December 26, 2023  |
| 51 | PARTNERS FOR GROWTH                                           | July 16, 2010      | July 16, 2030      |
| 52 | PILMICO FARMS LOGO                                            | April 17, 2014     | April 17, 2024     |
| 53 | PILMICO FEEDS                                                 | April 17, 2014     | April 17, 2024     |
| 54 | GROWING PIG LOGO                                              | April 17, 2014     | April 17, 2024     |

|    |                         |                    |                    |
|----|-------------------------|--------------------|--------------------|
| 55 | GROWING CHICKEN LOGO    | April 17, 2014     | April 17, 2024     |
| 56 | GROWING QUAIL LOGO      | April 17, 2014     | April 17, 2024     |
| 57 | GROWING PIGEON LOGO     | April 17, 2014     | April 17, 2024     |
| 58 | GROWING DUCK LOGO       | December 26, 2013  | December 26, 2023  |
| 59 | POWERHEAL               | April 17, 2017     | April 17, 2027     |
| 60 | POWERBOOST              | December 8, 2016   | December 8, 2026   |
| 61 | Immunodigest            | December 8, 2016   | December 8, 2026   |
| 62 | AVEMAX                  | September 29, 2016 | September 29, 2026 |
| 63 | CIVIC                   | June 22, 2017      | June 22, 2027      |
| 64 | ELITE                   | June 22, 2017      | June 22, 2027      |
| 65 | SALTO                   | July 29, 2017      | July 29, 2027      |
| 66 | ULTIMAX                 | September 7, 2017  | September 7, 2027  |
| 67 | EGG2GO                  | September 13, 2018 | September 13, 2028 |
| 68 | Bagwis                  | September 13, 2018 | September 13, 2028 |
| 69 | Gut Protech             | January 23, 2018   | January 23, 2028   |
| 70 | With Gut ProTech        | July 19, 2018      | July 19, 2028      |
| 71 | Worm Buster word mark   | November 1, 2018   | November 1, 2028   |
| 72 | Worm Buster device mark | November 1, 2018   | November 1, 2028   |
| 73 | YOLO! Chicha, atbp.     | September 23, 2018 | September 23, 2028 |
| 74 | Dok Tilaok              | March 31, 2019     | March 31, 2029     |
| 75 | Beat the Day            | November 1, 2018   | November 1, 2028   |
| 76 | Taste Adventure         | November 1, 2018   | November 1, 2028   |
| 77 | Arya                    | June 6, 2019       | June 6, 2029       |
| 78 | The Good Meat           | December 12, 2018  | December 12, 2028  |
| 79 | Woofy                   | May 9, 2019        | May 9, 2029        |
| 80 | Prime Kennel            | August 25, 2019    | August 25, 2029    |
| 81 | Primum                  | May 9, 2019        | May 9, 2029        |
| 82 | Power Armor             | July 14, 2019      | July 14, 2029      |
| 83 | Powerguard              | July 14, 2019      | July 14, 2029      |
| 84 | Powershield             | July 14, 2019      | July 14, 2029      |
| 85 | Maxime                  | July 4, 2019       | July 4, 2029       |

|     |                                              |                    |                    |
|-----|----------------------------------------------|--------------------|--------------------|
| 86  | Powercharge                                  | August 4, 2019     | August 4, 2029     |
| 87  | Powersurge                                   | November 7, 2019   | November 7, 2029   |
| 88  | Powercure                                    | August 4, 2019     | August 4, 2029     |
| 89  | Powerboost                                   | September 23, 2019 | September 23, 2029 |
| 90  | Classic                                      | September 23, 2019 | September 23, 2029 |
| 91  | Maxime Smiley ("X")                          | February 17, 2020  | February 17, 2030  |
| 92  | Woofy Smiley ("W")                           | February 17, 2020  | February 17, 2030  |
| 93  | M3Time                                       | February 17, 2020  | February 27, 2030  |
| 94  | BETTER NOURISHMENT, BETTER CARE              | February 17, 2020  | February 27, 2030  |
| 95  | FORK THE PORK                                | October 14, 2019   | October 14, 2029   |
| 96  | Pilmico Foods Corporation an Aboitiz Company | November 28, 2015  | November 28, 2025  |
| 97  | Kutitap Hard Wheat Flour                     | January 17, 2015   | January 17, 2025   |
| 98  | Basco                                        | March 24, 2021     | March 24, 2031     |
| 99  | With Worm Buster                             | February 2, 2018   | February 2, 2028   |
| 100 | Liver Protech                                | February 9, 2021   | February 9, 2031   |
| 101 | Suki by Pilmico                              | December 23, 2020  | December 23, 2030  |
| 102 | Tammy                                        | March 24, 2021     | March 24, 2031     |
| 103 | Kunemax                                      | March 24, 2021     | March 24, 2031     |
| 104 | XP                                           | March 24, 2021     | March 24, 2031     |
| 105 | Kitchen Specials                             | February 9, 2021   | February 9, 2031   |
| 106 | Catsby                                       | March 24, 2021     | March 24, 2031     |
| 107 | Nobuddy Left Behind                          | June 4, 2020       | June 4, 2030       |
| 108 | Do Good For Doggo                            | June 4, 2020       | June 4, 2030       |
| 109 | Ave Max                                      | August 10, 2012    | August 10, 2022    |
| 110 | With Great Flour Comes Great Responsibility  | October 29, 2021   | October 29, 2031   |
| 111 | GOLD COIN FEED                               | August 11, 2016    | August 11, 2026    |
| 112 | GOLD COIN FEED & device                      | October 24, 2019   | October 24, 2029   |
| 113 | GOLD COIN FEED & device & chinese characters | December 8, 2019   | December 8, 2029   |
| 114 | Tommy                                        | April 23, 2021     | April 23, 2031     |
| 115 | The Good Hens                                | February 7, 2022   | February 7, 2032   |
| 116 | The Good Pick                                | February 7, 2022   | February 7, 2032   |

|     |                              |                          |                 |
|-----|------------------------------|--------------------------|-----------------|
| 117 | Partners in Pethood          | August 13, 2021          | August 13, 2031 |
| 118 | Commisari                    | Filed October 5, 2021    | Pending         |
| 119 | Tarlac Meatmasters           | Filed June 24, 2021      | Pending         |
| 120 | The Good Egg                 | Filed November 25, 2021  | Pending         |
| 121 | The Good Yolk                | Filed November 25, 2021  | Pending         |
| 122 | Eggdrop! Eggdrop!            | Filed November 25, 2021  | Pending         |
| 123 | Live the Best Life Together  | Filed August 25, 2021    | Pending         |
| 124 | Unleash the Fun Together     | Filed August 25, 2021    | Pending         |
| 125 | Nurture Heartwarming Moments | Filed August 25, 2021    | Pending         |
| 126 | ABAQA                        | Filed September 14, 2020 | Pending         |

*International Trademarks Application (Madrid Protocol)*

| Trademarks                                                                 | Owner                                | Country of Application                                                      |
|----------------------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------------|
| Star Beam Soft Wheat Flour (#1171572)<br>(Class No. 30)                    | Pilmico Foods Corporation            | WIPO, Singapore, Turkey, Vietnam, South Korea                               |
| Sun Stream Hard Wheat Flour (#1173340)<br>(Class No. 30)                   | Pilmico Foods Corporation            | WIPO, Singapore, Turkey, Vietnam, South Korea                               |
| Star Blaze Soft Wheat Flour (#1173338)<br>(Class No. 30)                   | Pilmico Foods Corporation            | WIPO, Singapore, Turkey, Vietnam, South Korea                               |
| Sun Rays Hard Wheat Flour (#1173337)<br>(Class No. 30)                     | Pilmico Foods Corporation            | Singapore, Turkey, Vietnam, South Korea                                     |
| Luna Cake Flour<br>(#1173339) (Class No. 30)                               | Pilmico Foods Corporation            | WIPO, South Korea, China                                                    |
| Sola All Purpose Flour (#1341959)<br>(Class No. 30)                        | Pilmico Foods Corporation            | WIPO, Singapore, South Korea, China, Turkey                                 |
| PILMICO word mark (#1392327)<br>(Class Nos. 5, 29, 30, 31, 35, 43, and 45) | Pilmico Foods Corporation            | WIPO, USA (Guam), Cambodia, Ghana, Singapore                                |
| Aquamax<br>(#1372599) (Class No. 31)                                       | Pilmico Animal Nutrition Corporation | WIPO, Singapore, Ghana                                                      |
| Civic<br>(#1377276) (Class No. 31)                                         | Pilmico Animal Nutrition Corporation | WIPO, Ghana, Cambodia, USA, Singapore                                       |
| Elite<br>(#1377277) (Class No. 31)                                         | Pilmico Animal Nutrition Corporation | WIPO, Ghana, Singapore                                                      |
| Powermix<br>(#1372598) (Class No. 31)                                      | Pilmico Animal Nutrition Corporation | WIPO, Ghana, USA                                                            |
| Ultimax<br>(#1404587) (Class No. 31)                                       | Pilmico Animal Nutrition Corporation | WIPO, USA, Singapore, Ghana                                                 |
| Salto (Word Mark)<br>(#1407635) (Class No. 31)                             | Pilmico Animal Nutrition Corporation | WIPO, Ghana, Cambodia, Singapore, USA                                       |
| Gallimax (Word Mark)<br>(#1372097) (Class No. 31)                          | Pilmico Animal Nutrition Corporation | WIPO, Ghana, Cambodia, Singapore, USA                                       |
| ABAQA<br>(#1562844) (Class No. 35)                                         | Pilmico International Pte., Ltd.     | WIPO, Brunei, Cambodia, China, Indonesia, Laos, Malaysia, Thailand, Vietnam |
| TOMMY<br>(#1606502) (Class No. 31)                                         | Pilmico International Pte., Ltd.     | WIPO, Cambodia, China, Indonesia, Malaysia, Thailand, Vietnam,              |
| Maxime                                                                     | Pilmico International Pte.,          | WIPO, Cambodia, Indonesia,                                                  |

|                                              |                                          |                                                                        |
|----------------------------------------------|------------------------------------------|------------------------------------------------------------------------|
| (#1648100) (Class No. 31)                    | Ltd.                                     | Malaysia, Philippines, Thailand and Vietnam                            |
| Woofy<br>(#1647804) (Class No. 31)           | Pilmico International Pte., Ltd.         | WIPO, Cambodia, Indonesia, Malaysia, Philippines, Thailand and Vietnam |
| Maxime Smiley (“X”) (Pending) (Class No. 31) | Pilmico International Pte., Ltd.         | WIPO, Cambodia, Indonesia, Malaysia, Philippines, Thailand and Vietnam |
| Woofy Smiley (“W”) (Pending) (Class No. 31)  | Pilmico International Pte., Ltd.         | WIPO, Cambodia, Indonesia, Malaysia, Thailand and Vietnam              |
| FYTONIX<br>(Classes Nos. 5, 31)              | Gold Coin Management Holdings, Pte. Ltd. | WIPO, China, Indonesia, Malaysia, Philippines, Thailand and Vietnam    |
| BOOSTIX<br>(Classes Nos. 5, 31)              | Gold Coin Management Holdings, Pte. Ltd. | WIPO, China, Indonesia, Malaysia, Philippines, Thailand and Vietnam    |
| VIDALIX<br>(Classes Nos. 5, 31)              | Gold Coin Management Holdings, Pte. Ltd. | WIPO, China, Indonesia, Malaysia, Philippines, Thailand and Vietnam    |
| PROBIX<br>(Classes Nos. 5, 31)               | Gold Coin Management Holdings, Pte. Ltd. | WIPO, China, Indonesia, Malaysia, Philippines, Thailand and Vietnam    |

The Food Group has other pending trademark applications under the Madrid Protocol for the following countries: China and Ghana.

*International Trademarks Application (Non-Madrid Protocol)*

| Trademarks                                                                                                                                                   | Owner                     | Country of Application |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|------------------------|
| PILMICO<br>(#304120550)<br>(Class Nos. 5, 29, 30, 31, 35, 43, and 44)                                                                                        | Pilmico Foods Corporation | Hong Kong              |
| PILMICO<br>(#180100375)<br>(Class Nos. 5, 29, 30, 31, 35, 43, and 44)                                                                                        | Pilmico Foods Corporation | Thailand               |
| PILMICO<br>(#493122018)<br>(Class Nos. 5, 29, 30, 31, 35, 43, and 44)                                                                                        | Pilmico Foods Corporation | Myanmar                |
| PILMICO<br>(#20170603657,<br>20170603660 to 20170603662,<br>20170603665 to 2017060365767)<br>(Class Nos. 5, 29, 30, 31, 35, 43, and 44)                      | Pilmico Foods Corporation | Malaysia               |
| PILMICO<br>(DO020180111108, DO020180111110,<br>DO020180111116, DO020180111119,<br>DO020180111122, DO020180111123)<br>(Class Nos. 29, 30, 31, 35, 43, and 44) | Pilmico Foods Corporation | Indonesia              |
| Gallimax – (#4201632522)<br>(Class Nos. 5, 31, 44)                                                                                                           | Pilmico Foods Corporation | Vietnam                |
| Aquamax - (#4201632521)<br>(Class Nos. 5, 31, 44)                                                                                                            | Pilmico Foods Corporation | Vietnam                |
| Avemax - (#4201632524)<br>(Class Nos. 5, 31, 44)                                                                                                             | Pilmico Foods Corporation | Vietnam                |
| Civic - (#4201632523)<br>(Class Nos. 5, 31, 44)                                                                                                              | Pilmico Foods Corporation | Vietnam                |
| Gallimax (DO020180111118)<br>(Class No. 31)                                                                                                                  | Pilmico Foods Corporation | Indonesia              |
| Ultimax - (DO020180111127)<br>(Class No. 31)                                                                                                                 | Pilmico Foods Corporation | Indonesia              |

|                                                                        |                                     |           |
|------------------------------------------------------------------------|-------------------------------------|-----------|
| Avemax - (DO020180111114)<br>(Class No. 31)                            | Pilmico Foods Corporation           | Indonesia |
| Civic - (DO020180111120)<br>(Class No. 31)                             | Pilmico Foods Corporation           | Indonesia |
| Star Beam + Lukisan Bintang<br>(DO0213055441)<br>(Class No. 30)        | Pilmico Foods Corporation           | Indonesia |
| Star Blaze + Lukisan Bintang<br>(DO0213055439)<br>(Class No. 30)       | Pilmico Foods Corporation           | Indonesia |
| Sun Rays + Lukisan Matahari<br>(DO0213055443)<br>(Class No. 30)        | Pilmico Foods Corporation           | Indonesia |
| Sun Stream (DO0213055445)<br>(Class No. 30)                            | Pilmico Foods Corporation           | Indonesia |
| ABAQA (249721)<br>(Class No. 35)                                       | Pilmico International Pte.,<br>Ltd. | Sri Lanka |
| ABAQA (2020/019105)<br>(Class No. 35)                                  | Pilmico International Pte.,<br>Ltd. | Myanmar   |
| ABAQA (40202005797X)<br>(Class No. 35)                                 | Pilmico International Pte.,<br>Ltd. | Singapore |
| TOMMY (40202020332T)<br>(Class No. 31)                                 | Pilmico International Pte.,<br>Ltd. | Singapore |
| TOMMY (255080)<br>(Class No. 31)                                       | Pilmico International Pte.,<br>Ltd. | Sri Lanka |
| BETTER NOURISHMENT, BETTER CARE<br>(262874)<br>(Class No. 31)          | Pilmico International Pte.,<br>Ltd. | Sri Lanka |
| Maxime (58082062)<br>(Class No. 31)                                    | Pilmico International Pte.,<br>Ltd. | China     |
| Maxime (262875)<br>(Class No. 31)                                      | Pilmico International Pte.,<br>Ltd. | Sri Lanka |
| Maxime (40202117806S)<br>(Class No. 31)                                | Pilmico International Pte.,<br>Ltd. | Singapore |
| Maxime Smiley ("X") (58088861, Back up:<br>60472621)<br>(Class No. 31) | Pilmico International Pte.,<br>Ltd. | China     |
| Maxime Smiley ("X") (40202117810U)<br>(Class No. 31)                   | Pilmico International Pte.,<br>Ltd. | Singapore |
| Maxime Smiley ("X") (262878)<br>(Class No. 31)                         | Pilmico International Pte.,<br>Ltd. | Sri Lanka |
| Woofy (58068877)<br>(Class No. 31)                                     | Pilmico International Pte.,<br>Ltd. | China     |
| Woofy (262876)<br>(Class No. 31)                                       | Pilmico International Pte.,<br>Ltd. | Sri Lanka |
| Woofy (40202117809V)<br>(Class No. 31)                                 | Pilmico International Pte.,<br>Ltd. | Singapore |
| Woofy Smiley ("W") (58082044)<br>(Class No. 31)                        | Pilmico International Pte.,<br>Ltd. | China     |
| Woofy Smiley ("W") (262877)<br>(Class No. 31)                          | Pilmico International Pte.,<br>Ltd. | Sri Lanka |
| Woofy Smiley ("W") (40202117808R)<br>(Class No. 31)                    | Pilmico International Pte.,<br>Ltd. | Singapore |
| Live the Best Life Together<br>(DID2021056098)<br>(Class No. 31)       | Pilmico International Pte.,<br>Ltd. | Indonesia |
| Live the Best Life Together<br>(TM20211023504)<br>(Class No. 31)       | Pilmico International Pte.,<br>Ltd. | Malaysia  |
| Live the Best Life Together (4-2021-33266)<br>(Class No. 31)           | Pilmico International Pte.,<br>Ltd. | Vietnam   |
| Unleash the Fun Together                                               | Pilmico International Pte.,         | Indonesia |

|                                                                                       |                                             |                   |
|---------------------------------------------------------------------------------------|---------------------------------------------|-------------------|
| (DID2021056109)<br>(Class No. 31)                                                     | Ltd.                                        |                   |
| Unleash the Fun Together<br>(TM2021023506)<br>(Class No. 31)                          | Pilmico International Pte.,<br>Ltd.         | Malaysia          |
| Unleash the Fun Together (4-2021-33267)<br>(Class No. 31)                             | Pilmico International Pte.,<br>Ltd.         | Vietnam           |
| Nurture Heartwarming Moments<br>(DID2021056124)<br>(Class No. 31)                     | Pilmico International Pte.,<br>Ltd.         | Indonesia         |
| Nurture Heartwarming Moments<br>(TM2021023507)<br>(Class No. 31)                      | Pilmico International Pte.,<br>Ltd.         | Malaysia          |
| Nurture Heartwarming Moments (4-2021-33268)<br>(Class No. 31)                         | Pilmico International Pte.,<br>Ltd.         | Vietnam           |
| Maxime (Stylized) (61103103)                                                          | Pilmico International Pte.,<br>Ltd.         | China             |
| Maxime & Better Nourishment, Better Care<br>(61184144)<br>(Class No. 31)              | Pilmico International Pte.,<br>Ltd.         | China             |
| Maxime & Live the Best Life Together<br>(61103106)<br>(Class No. 31)                  | Pilmico International Pte.,<br>Ltd.         | China             |
| Maxime & Unleash the Fun Together<br>(61103105)<br>(Class No. 31)                     | Pilmico International Pte.,<br>Ltd.         | China             |
| Maxime & Nurture Heartwarming<br>Moments (61103104)<br>(Class No. 31)                 | Pilmico International Pte.,<br>Ltd.         | China             |
| Nurture Heartwarming Moments (4-2021-33268)<br>(Class No. 31)                         | Pilmico International Pte.,<br>Ltd.         | Vietnam           |
| Gold Coin, WANG EMAS & Chinese<br>Characters Device<br>(42094) (Class No. 5)          | Gold Coin Management<br>Holdings, Pte. Ltd. | Bangladesh        |
| GOLD COIN FEED & Chinese Characters &<br>Device<br>(234799) (Class No. 5)             | Gold Coin Management<br>Holdings, Pte. Ltd. | Bangladesh        |
| GOLD COIN FEED & Chinese Characters &<br>Device<br>(234800) (Class No. 31)            | Gold Coin Management<br>Holdings, Pte. Ltd. | Bangladesh        |
| GOLD COIN FEED & Device<br>(235197) (Class No. 5)                                     | Gold Coin Management<br>Holdings, Pte. Ltd. | Bangladesh        |
| GOLD COIN FEED & Device<br>(235198) (Class No. 31)                                    | Gold Coin Management<br>Holdings, Pte. Ltd. | Bangladesh        |
| GOLD COIN FEED & Chinese Characters &<br>Device<br>(234799) (Class No. 5)             | Gold Coin Management<br>Holdings, Pte. Ltd. | Bangladesh        |
| GOLD COIN & Device - 8212<br>(Class No. 21)                                           | Gold Coin Services Singapore<br>Pte. Ltd.   | Brunei Darussalam |
| GOLD COIN & Device - 8210<br>(Class No. 1)                                            | Gold Coin Services Singapore<br>Pte. Ltd.   | Brunei Darussalam |
| GOLD COIN & Device - 8211<br>(Class No. 5)                                            | Gold Coin Services Singapore<br>Pte. Ltd.   | Brunei Darussalam |
| GOLD COIN & Device - 8214<br>(Class No. 31)                                           | Gold Coin Services Singapore<br>Pte. Ltd.   | Brunei Darussalam |
| GOLD COIN & Device - 8213<br>(Class No. 29)                                           | Gold Coin Services Singapore<br>Pte. Ltd.   | Brunei Darussalam |
| GOLD COIN FEED & Chinese Characters &<br>Device - TM/50672<br>(Classes Nos. 1, 5, 31) | Gold Coin Services Singapore<br>Pte. Ltd.   | Brunei Darussalam |

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|----------------------------------------------------------------------------------------------|---------------------------------------------|-------------------|
| GOLD COIN FEED & Device - TM/50673<br>(Classes Nos. 1, 5, 31)                                | Gold Coin Services Singapore<br>Pte. Ltd.   | Brunei Darussalam |
| Gold Coin, Chinese characters & Device<br>(19385/03) (Class No. 31)                          | Gold Coin Management<br>Holdings, Pte. Ltd. | Cambodia          |
| GOLD COIN FEED & Chinese Characters &<br>Device<br>(KH/T/2019/85358) (Classes Nos. 1, 5, 31) | Gold Coin Management<br>Holdings, Pte. Ltd. | Cambodia          |
| GOLD COIN FEED & Device<br>(KH/T/2019/85360) (Classes Nos. 1, 5, 31)                         | Gold Coin Management<br>Holdings, Pte. Ltd. | Cambodia          |
| GOLD COIN (3505731)<br>(Class No. 31)                                                        | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| GOLD COIN FEED & Chinese characters &<br>device (3021536) (Class No. 31)                     | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| Gold Coin, Chinese Characters and device<br>(300776) (Class No. 31)                          | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| JIN QIAN BAO in Chinese Character<br>(3011619) (Class No.31)                                 | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| JIN QIAN HUANG in Chinese Characters<br>(8080015) (Class No. 31)                             | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| JIN QIAN in Chinese Character (3505730)<br>(Class No. 31)                                    | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| JIN QIAN LE in Chinese Character (8080016)<br>(Class No. 31)                                 | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| GOLD COIN FEED device and chinese<br>characters (38091645)<br>(Class No. 31)                 | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| GOLD COIN FEED device and chinese<br>characters (38091646)<br>(Class No. 30)                 | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| GOLD COIN FEED device and chinese<br>characters (38091647)<br>(Class No. 5)                  | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| GOLD COIN FEED & device (38091648)<br>(Class No. 31)                                         | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| GOLD COIN FEED & device (38091649)<br>(Class No. 30)                                         | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| GOLD COIN FEED & device (38091659)<br>(Class No. 5)                                          | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| 金钱鸽 1 号 (59963535)<br>(Class No. 31)                                                         | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| 金钱鸽 2 号 (59960171)<br>(Class No. 31)                                                         | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| 金钱鸽 3 号 (59954804)<br>(Class No. 31)                                                         | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| 金虾 1 号 (Gold Shrimp 1 in Chinese)<br>(59072093)<br>(Class No. 31)                            | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| 虾中宝 (Shrimp in the Treasure in Chinese)<br>(59072092)<br>(Class No. 31)                      | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| 虾之大 (Big Shrimp in Chinese) (59072090)<br>(Class No. 31)                                     | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| 鳅博士 (Dr.Loach in Chinese) (59072089)<br>(Class No. 31)                                       | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| 金奶宝 (Gold Milk Treasure in Chinese)<br>(59072085)<br>(Class No. 31)                          | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |
| VIDALIX in Chinese (61414200)<br>(Class No. 5)                                               | Gold Coin Management<br>Holdings, Pte. Ltd. | China             |

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|------------------------------------------------------------------------------------|------------------------------------------|-----------|
| VIDALIX in Chinese (61436683)<br>(Class No. 31)                                    | Gold Coin Management Holdings, Pte. Ltd. | China     |
| Gold Coin, Chinese characters & Device<br>-199601055<br>(Class No. 31)             | Gold Coin Management Holdings Pte. Ltd.  | Hong Kong |
| GOLD COIN FEED & device<br>-304919446<br>(Classes Nos. 5, 31)                      | Gold Coin Management Holdings Pte. Ltd.  | Hong Kong |
| GOLD COIN FEED device and Chinese characters<br>-304919437<br>(Classes Nos. 5, 31) | Gold Coin Management Holdings Pte. Ltd.  | Hong Kong |
| Gold Coin, WANG EMAS & Chinese characters device - 644125<br>(Class No. 31)        | Gold Coin Management Holdings, Pte. Ltd. | India     |
| GOLD COIN FEED & device & chinese characters - 4175548<br>(Classes Nos. 5, 30, 31) | Gold Coin Management Holdings, Pte. Ltd. | India     |
| GOLD COIN FEED & device - 4175549<br>(Classes Nos. 5, 30, 31)                      | Gold Coin Management Holdings, Pte. Ltd. | India     |
| GOLD COIN UANG MAS & Device<br>(IDM000023251)<br>(Class No. 31)                    | Gold Coin Services Singapore Pte. Ltd    | Indonesia |
| GOLD COIN UANG MAS LOGO<br>(IDM000051919)<br>(Class No. 31)                        | Gold Coin Services Singapore Pte. Ltd    | Indonesia |
| TELOR MAS<br>(IDM000235454)<br>(Class No. 29)                                      | Gold Coin Services Singapore Pte. Ltd    | Indonesia |
| AYAMAS (IDM000212187)<br>(Class No. 29)                                            | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |
| GOLD COIN & UANG MAS and Device (IDM000248677)<br>(Class No. 31)                   | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |
| GOLD COIN FEED & device<br>(IDM000834277)<br>(Class No. 29)                        | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |
| GOLD COIN FEED & device<br>(IDM000863012)<br>(Class No. 5)                         | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |
| GOLD COIN FEED & device<br>(IDM000794502)<br>(Class No. 31)                        | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |
| GOLD COIN FEED & device & chinese characters (IDM000834275)<br>(Class No. 29)      | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |
| GOLD COIN FEED & device & chinese characters (IDM000792996)<br>(Class No. 31)      | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |
| GOLD COIN FEED & device & chinese characters (IDM000793660)<br>(Class No. 5)       | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |
| GOLD COIN UANG EMAS FEED device (b&w) (IDM000737557)<br>(Classes Nos. 5, 31)       | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |
| GOLD COIN UANG EMAS FEED device (color) (IDM000815793)<br>(Classes Nos. 5, 31)     | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |
| POWER SPECTA (IDM000860231)<br>(Class No. 31)                                      | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |
| SEAWEEED (Pending)<br>(Class No. 31)                                               | Gold Coin Services Singapore Pte. Ltd.   | Indonesia |

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|----------------------------------------------------------------------------------|---------------------------------------------|-----------|
| POWER CHAMPION (IDM000860232)<br>(Class No. 31)                                  | Gold Coin Services Singapore<br>Pte. Ltd.   | Indonesia |
| WHITE MILLET (Pending)<br>(Class No. 31)                                         | Gold Coin Services Singapore<br>Pte. Ltd.   | Indonesia |
| POWER HEAL (IDM000860617)<br>(Class No. 31)                                      | Gold Coin Services Singapore<br>Pte. Ltd.   | Indonesia |
| POWER BOOSTER (Pending)<br>(Class No. 31)                                        | Gold Coin Services Singapore<br>Pte. Ltd.   | Indonesia |
| Gold Coin Seaweed (Pending)<br>(Class No. 31)                                    | Gold Coin Services Singapore<br>Pte. Ltd.   | Indonesia |
| Gold Coin Power Booster (Pending)<br>(Class No. 31)                              | Gold Coin Services Singapore<br>Pte. Ltd.   | Indonesia |
| Gold Coin White Millet (Pending)<br>(Class No. 31)                               | Gold Coin Services Singapore<br>Pte. Ltd.   | Indonesia |
| Gold Coin, Chinese characters & Device<br>(N/012262)<br>(Class No. 31)           | Gold Coin Management<br>Holdings, Pte. Ltd. | Macao     |
| GOLD COIN FEED & device<br>(N/154117)<br>(Class No. 5)                           | Gold Coin Management<br>Holdings, Pte. Ltd. | Macao     |
| GOLD COIN FEED & device<br>(N/154118)<br>(Class No. 31)                          | Gold Coin Management<br>Holdings, Pte. Ltd. | Macao     |
| GOLD COIN FEED & device & chinese<br>characters<br>(N/154119)<br>(Class No. 5)   | Gold Coin Management<br>Holdings, Pte. Ltd. | Macao     |
| GOLD COIN FEED & device & chinese<br>characters<br>(N/154120)<br>(Class No. 31)  | Gold Coin Management<br>Holdings, Pte. Ltd. | Macao     |
| GOLD COIN & Device (M/066884)<br>(Class No. 1)                                   | Gold Coin Services Singapore<br>Pte. Ltd.   | Malaysia  |
| GOLD COIN & Device (M/066886)<br>(Class No. 21)                                  | Gold Coin Services Singapore<br>Pte. Ltd.   | Malaysia  |
| GOLD COIN & Device (M/066885)<br>(Class No. 5)                                   | Gold Coin Services Singapore<br>Pte. Ltd.   | Malaysia  |
| GOLD COIN & Device (M/066887)<br>(Class No. 29)                                  | Gold Coin Services Singapore<br>Pte. Ltd.   | Malaysia  |
| GOLD COIN & Device (M/066888)<br>(Class No. 31)                                  | Gold Coin Services Singapore<br>Pte. Ltd.   | Malaysia  |
| GOLD COIN FEED & chinese characters &<br>device (TM2019013270)<br>(Class No. 5)  | Gold Coin Services Singapore<br>Pte Limited | Malaysia  |
| GOLD COIN FEED & chinese characters &<br>device (TM2019013273)<br>(Class No. 1)  | Gold Coin Services Singapore<br>Pte Limited | Malaysia  |
| GOLD COIN FEED & chinese characters &<br>device (TM2019013274)<br>(Class No. 31) | Gold Coin Services Singapore<br>Pte Limited | Malaysia  |
| GOLD COIN FEED & device<br>(TM2019013282)<br>(Class No. 1)                       | Gold Coin Services Singapore<br>Pte Limited | Malaysia  |
| GOLD COIN FEED & device<br>(TM2019013265)<br>(Class No. 5)                       | Gold Coin Services Singapore<br>Pte Limited | Malaysia  |
| GOLD COIN FEED & device<br>(TM2019013269)<br>(Class No. 31)                      | Gold Coin Services Singapore<br>Pte Limited | Malaysia  |
| Gold Coin, WANG EMAS & Chinese<br>characters Device (87002355)<br>(Class No. 29) | Gold Coin Services Singapore<br>Pte Limited | Malaysia  |

|                                                                                                    |                                          |                  |
|----------------------------------------------------------------------------------------------------|------------------------------------------|------------------|
| GOLD COIN FEED & Device & Chinese Characters (Colour)<br>(4/20760/2019)<br>(Class Nos. 5 and 31)   | Gold Coin Management Holdings, Pte. Ltd. | Myanmar          |
| GOLD COIN FEED & Device (Color)<br>(4/20759/2019)<br>(Class Nos. 5 and 31)                         | Gold Coin Management Holdings, Pte. Ltd. | Myanmar          |
| GOLD COIN & Device<br>(4/2027/2012,4/1123/2007)<br>(Class No. 31)                                  | Gold Coin Management Holdings, Pte. Ltd. | Myanmar          |
| Gold Coin, WANG EMAS & Chinese characters Device (A52255)<br>(Class No. 31)                        | Gold Coin Management Holdings, Pte. Ltd. | Papua New Guinea |
| GOLD COIN & Device (S/018303)<br>(Class No, 31)                                                    | Gold Coin Management Holdings, Pte. Ltd. | Sabah            |
| GOLD COIN & Device (S/018302)<br>(Class No. 29)                                                    | Gold Coin Management Holdings, Pte. Ltd. | Sabah            |
| GOLD COIN & Device (S/018300)<br>(Class No. 5)                                                     | Gold Coin Management Holdings, Pte. Ltd. | Sabah            |
| GOLD COIN & Device (S/018301)<br>(Class No. 21)                                                    | Gold Coin Management Holdings, Pte. Ltd. | Sabah            |
| GOLD COIN & Device (S/018299)<br>(Class No. 1)                                                     | Gold Coin Management Holdings, Pte. Ltd. | Sabah            |
| GOLD COIN & Device (R/017137)<br>(Class No. 1)                                                     | Gold Coin Management Holdings, Pte. Ltd. | Sarawak          |
| GOLD COIN & Device (R/017136)<br>(Class No. 21)                                                    | Gold Coin Management Holdings, Pte. Ltd. | Sarawak          |
| GOLD COIN & Device (R/017135)<br>(Class No. 31)                                                    | Gold Coin Management Holdings, Pte. Ltd. | Sarawak          |
| GOLD COIN & Device (R/013574)<br>(Class No. 29)                                                    | Gold Coin Services Singapore Pte Limited | Sarawak          |
| GOLD COIN BRAND<br>WANG EMAS with Chinese Characters device (R/013576)<br>(Class No. 5)            | Gold Coin Services Singapore Pte Limited | Sarawak          |
| GOLD COIN & Device (T7462342A)<br>(Class No. 1)                                                    | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |
| GOLD COIN & Device (T7462346D)<br>(Class No. 31)                                                   | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |
| GOLD COIN & Device (T7462345F)<br>(Class No. 29)                                                   | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |
| GOLD COIN & Device (T7462344H)<br>(Class No. 21)                                                   | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |
| GOLD COIN & Device (T7462343Z)<br>(Class No. 5)                                                    | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |
| GOLD COIN BRAND ZUELLIG<br>WANG EMAS with Chinese Characters & device (T9105225I)<br>(Class No. 1) | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |
| GOLD COIN FEED & chinese characters & device (40201910888P)<br>(Classes Nos. 1, 5, 31)             | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |
| GOLD COIN FEED & device (40201910897X)<br>(Classes Nos. 1, 5, 31)                                  | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |
| VIDALIX (40202117821Y)<br>(Classes Nos. 5, 31)                                                     | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |
| BOOSTIX (40202117822T)<br>(Classes Nos. 5, 31)                                                     | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |
| FYTONIX (40202117823U)<br>(Classes Nos. 5, 31)                                                     | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |
| PROBIX (40202117824S)<br>(Classes Nos. 5, 31)                                                      | Gold Coin Management Holdings, Pte. Ltd. | Singapore        |

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|-------------------------------------------------------------------------------------|---------------------------------------------|-----------|
| GOLD COIN & Device (39635)<br>(Class No. 31)                                        | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| GOLD COIN FEED & device (241189)<br>(Class No. 5)                                   | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| GOLD COIN FEED & device (241176)<br>(Class No.31)                                   | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| GOLD COIN FEED & device & chinese<br>characters (241193)<br>(Class No.31)           | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| GOLD COIN FEED & device & chinese<br>characters (241190)<br>(Class No. 5)           | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| VIDALIX (262885)<br>(Class No. 5)                                                   | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| VIDALIX (262886)<br>(Class No. 31)                                                  | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| BOOSTIX (262879)<br>(Class No. 5)                                                   | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| BOOSTIX (262880)<br>(Class No. 31)                                                  | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| FYTONIX (262881)<br>(Class No. 5)                                                   | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| FYTONIX (262882)<br>(Class No. 31)                                                  | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| PROBIX (262883)<br>(Class No. 5)                                                    | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| PROBIX (262884)<br>(Class No. 31)                                                   | Gold Coin Services Singapore<br>Pte Limited | Sri Lanka |
| GOLD COIN SPECIALITIES &<br>Thai Characters and Device (Kor87762)<br>(Class No. 31) | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| Gold Coin, WANG EMAS & Chinese<br>characters Device (Kor135370)<br>(Class No. 42)   | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| GOLD COIN FEED & device (211108419)<br>(Class No.5)                                 | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| GOLD COIN FEED & device (211108439)<br>(Class No.29)                                | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| GOLD COIN FEED & device (211108441)<br>(Class No.31)                                | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| GOLD COIN FEED device and chinese<br>characters (211108448)<br>(Class No.5)         | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| GOLD COIN FEED device and chinese<br>characters (211108418)<br>(Class No.29)        | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| GOLD COIN FEED device and chinese<br>characters (211108421)<br>(Class No.31)        | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| Zeta ZAD Logo (201100582)<br>(Class No. 5)                                          | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| Zeta TOF Logo (2011005830)<br>(Class No. 5)                                         | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| Zeta TOF Xtra Logo (201102101)<br>(Class No. 5)                                     | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| Zeta L-Tonic Logo (201102102)<br>(Class No. 5)                                      | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| Zeta Plus Logo (201102103)<br>(Class No. 5)                                         | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| Zeta 8 Logo (201100584)<br>(Class No. 5)                                            | Gold Coin Management<br>Holdings, Pte. Ltd. | Thailand  |
| GOLD COIN FEED & Device                                                             | Gold Coin Services Singapore                | Vietnam   |

|                                                                                             |                                             |         |
|---------------------------------------------------------------------------------------------|---------------------------------------------|---------|
| (123293)<br>(Class No. 31)                                                                  | Pte Limited                                 |         |
| GOLD COIN FEED LIVESTOCK<br>AQUIACULTURE & Device<br>(123294)<br>(Class No. 31)             | Gold Coin Services Singapore<br>Pte Limited | Vietnam |
| Gold Coin, Chinese characters and Device<br>(5263)<br>(Class Nos. 29, 30, 31)               | Gold Coin Services Singapore<br>Pte Limited | Vietnam |
| Gold Coin, Kim Tien & Device<br>(66493)<br>(Class Nos. 29, 31)                              | Gold Coin Services Singapore<br>Pte Limited | Vietnam |
| GOLD COIN FEED device and chinese<br>characters<br>(395639)<br>(Classes Nos. 5, 29, 30, 31) | Gold Coin Services Singapore<br>Pte Limited | Vietnam |
| GOLD COIN FEED & device<br>(395640)<br>(Classes Nos. 5, 29, 30, 31)                         | Gold Coin Services Singapore<br>Pte Limited | Vietnam |

The Food Group has other pending trademark applications to individual countries such as Indonesia, Thailand, Bangladesh, Brunei Darussalam, China, Macau, Malaysia, Singapore, Sri Lanka, and Vietnam.

## ANNEX “G-5”

### Real Estate Group Patents, Copyrights and Franchises

The Real Estate Group owns, or has pending trademark applications for the registration of intellectual property rights for various trademarks associated with their corporate names and logos. These are filed or pending at local jurisdictions.

| Trademark                                | Registration Date | Expiration Date   |
|------------------------------------------|-------------------|-------------------|
| ABOITIZLAND AND DEVICE, with color claim | March 11, 2020    | March 11, 2030    |
| ABOITIZLAND                              | April 15, 2010    | April 15, 2030    |
| THE OUTLETS                              | December 4, 2014  | December 4, 2024  |
| THE OUTLETS AND DEVICE, with color claim | February 26, 2015 | February 26, 2025 |
| Ajoya word mark                          | March 9, 2017     | March 24, 2027    |
| Ajoya device mark                        | March 24, 2017    | March 24, 2027    |
| Foressa word mark                        | March 24, 2017    | March 24, 2022    |
| Foressa device mark                      | June 15, 2017     | March 24, 2027    |
| Seafront Residences word mark            | July 14, 2017     | July 14, 2027     |
| Seafront Residences device mark          | August 10, 2017   | August 10, 2027   |
| The Outlets Logo                         | July 14, 2017     | July 14, 2027     |
| Seafront Villas word mark                | July 14, 2017     | July 14, 2027     |
| Seafront Villas device mark              | August 14, 2017   | August 17, 2077   |
| Lima Exchange word mark                  | December 7, 2017  | December 7, 2027  |
| Lima Exchange device mark                | October 26, 2017  | October 26, 2027  |
| Lima Land word mark                      | April 12, 2018    | April 12, 2028    |
| Lima Land device mark                    | March 22, 2018    | March 22, 2028    |
| Lima Technology Center word mark         | June 15, 2018     | June 15, 2028     |
| Lima Technology Center device mark       | April 12, 2018    | April 12, 2028    |
| The Villages at Lipa word mark           | October 16, 2018  | October 16, 2028  |
| The Villages at Lipa device mark         | October 16, 2018  | October 16, 2028  |

**ANNEX “G-6”****Infrastructure Group Patents, Copyrights and Franchises**

The Infrastructure Group owns, or has pending trademark applications for the registration of intellectual property rights for various trademarks associated with their corporate names and logos. These are filed Philippine IPO.

|   | Trademarks                                                   | Registration Date | Expiration Date   |
|---|--------------------------------------------------------------|-------------------|-------------------|
| 1 | Aboitiz InfraCapital word mark<br>(Class Nos. 35, 36 and 37) | December 29, 2019 | December 29, 2029 |

The Republic Cement Group has registered with the Philippine IPO the following trademarks for its corporate and product brand logos.

**RCBM**

|    | Description of the mark                | Registration Date  |
|----|----------------------------------------|--------------------|
| 1  | PORTLAND DUO                           | November 24, 2011  |
| 2  | PORTLAND PLUS                          | August 9, 2012     |
| 3  | REPUBLIC LOGO                          | September 28, 2012 |
| 4  | FORTUNE LOGO                           | September 28, 2012 |
| 5  | RAPIDSET LOGO                          | September 28, 2012 |
| 6  | LIGHT MICRO FILLER TECHNOLOGY WORDMARK | May 23, 2013       |
| 7  | WALLMASTER WORMDARK                    | September 28, 2012 |
| 8  | WALLMASTER & DEVICE                    | September 28, 2012 |
| 9  | WM LOGO                                | September 28, 2012 |
| 10 | TIBAY ENHANCERS                        | August 21, 2014    |
| 11 | FORTUNE WORDMARK                       | October 17, 2013   |
| 12 | REPUBLIC WORDMARK                      | October 17, 2013   |
| 13 | RAPIDSET                               | September 27, 2013 |
| 14 | RAPIDSET WORDMARK                      | August 7, 2014     |
| 15 | PORTLAND DUO II                        | March 27, 2014     |
| 16 | PORTLAND PLUS                          | June 19, 2014      |
| 17 | LIGHT MICRO-FILLER TECHNOLOGY          | June 12, 2014      |
| 18 | KAPIT-BALAY WORDMARK                   | December 25, 2014  |
| 19 | TIBAY ENHANCERS                        | September 11, 2014 |
| 20 | KAPIT BALAY and device                 | December 25, 2014  |
| 21 | MASTER OF FINISHING WORDMARK           | January 5, 2017    |
| 22 | CONTINENTAL DEVICE MARK                | December 17, 2015  |
| 23 | UNIVERSAL FALCON WORDMARK              | January 19, 2020   |
| 24 | MAXIPAVE WORDMARK                      | January 19, 2020   |
| 25 | DRAGON WORDMARK                        | January 19, 2020   |
| 26 | HYDROGUARD WORDMARK                    | January 19, 2020   |

|    |                                                |                    |
|----|------------------------------------------------|--------------------|
| 27 | RAPIDSET PREMIUM                               | February 10, 2020  |
| 28 | KAPIT-BALAY MANSORY & DEVICE (BLACK AND WHITE) | February 10, 2020  |
| 29 | KAPIT-BALAY MANSORY & DEVICE (BLACK AND WHITE) | February 10, 2020  |
| 30 | WITH IWAS-CRACK ENHANCERS WORDMARK             | September 11, 2020 |
| 31 | BIO LITEWORDMARK                               | December 18, 2020  |
| 32 | BIO LITE                                       | December 18, 2020  |
| 33 | BIO MIX WORDMARK                               | December 18, 2020  |
| 34 | BIO MIX                                        | December 18, 2020  |
| 35 | Lakas at Pulido                                | September 10, 2021 |

#### RCSI

|   | Description of the mark    | Registration Date |
|---|----------------------------|-------------------|
| 1 | TAHANAN KO WORDMARK        | March 7, 2013     |
| 2 | TAHANAN KO & DEVICE        | March 7, 2013     |
| 3 | DEVICE MARK                | August 22, 2013   |
| 4 | TIBAY TEST                 | December 29, 2016 |
| 5 | FLOW FAST LAB ON WHEELS    | December 12, 2019 |
| 6 | ECOLOOP WORDMARK           | January 19, 2021  |
| 7 | ECOLOOP (BLACK AND WHITE)  | January 19, 2021  |
| 8 | ECOLOOP SYLIZED (IN COLOR) | July 25, 2021     |

#### RCMI

|   | Description of the mark                             | Registration Date  |
|---|-----------------------------------------------------|--------------------|
| 1 | MINDANAO EXCLUSIVELY MANUFACTURED FOR BANGON MARAWI | December 26, 2019  |
| 2 | M LOGO                                              | October 18, 2012   |
| 3 | WITH IWAS-CRACK ENHANCERS WORDMARK                  | September 11, 2020 |
| 4 | MINDANAO CEMENT                                     | January 1, 2021    |
| 5 | Mindanao Cement M Logo                              | February 19, 2021  |

## ANNEX “H”

### AboitizPower Certificates of Compliance

| Title of Document                | Issued under the Name of | Power Plant |                           |                                |          |       |                                                   | Date of Issuance  |
|----------------------------------|--------------------------|-------------|---------------------------|--------------------------------|----------|-------|---------------------------------------------------|-------------------|
|                                  |                          | Name        | Type                      | Location                       | Capacity | Fuel  | Economic Life/Term of COC                         |                   |
| COC No. 18-12-M-0030L            | Hedcor, Inc.             | Irisan 3    | Hydroelectric Power Plant | Tadiangan, Tuba, Benguet       | 1.20 MW  | Hydro | November 5, 2018 - November 4, 2023 <sup>16</sup> | December 11, 2018 |
| COC No.18-12-M-00334L            | Hedcor, Inc.             | Bineng 3    | Hydroelectric Power Plant | Bineng, La Trinidad, Benguet   | 5.625 MW | Hydro | November 5, 2018 - November 4, 2023 <sup>17</sup> | December 11, 2018 |
| COC No. 18-12-M-00329L           | Hedcor, Inc.             | Ampohaw     | Hydroelectric Power Plant | Banengbeng, Sablan, Benguet    | 8.00 MW  | Hydro | November 5, 2018 - November 4, 2023 <sup>18</sup> | December 11, 2018 |
| Provisional Authority to Operate | Hedcor, Inc.             | La Trinidad | Hydroelectric Power Plant | La Trinidad, Benguet           | 20.4 MW  | Hydro | October 5, 2022 - October 5, 2023 <sup>19</sup>   | November 3, 2021  |
| COC No. 18-12-M-00336L           | Hedcor, Inc.             | Sal-angan   | Hydroelectric Power Plant | Ampucan, Itogon, Benguet       | 2.40 MW  | Hydro | November 5, 2018 - November 4, 2023 <sup>20</sup> | December 11, 2018 |
| COC No. 17-04-M-00032L           | Hedcor, Inc.             | Irisan 1    | Hydroelectric Power Plant | Brgy. Tadiangan, Tuba, Benguet | 3.89 MW  | Hydro | April 30, 2017 – April 29, 2022 <sup>21</sup>     | April 19, 2017    |
| COC No. 20-08-M-00061M           | Hedcor, Inc.             | Talomo 1    | Hydroelectric Power Plant | Brgy. Malagos, Davao City      | 1 MW     | Hydro | February 16, 2020 - February 15, 2025             | August 12, 2020   |
| COC No. 20-08-M-00062M           | Hedcor, Inc.             | Talomo 2    | Hydroelectric Power Plant | Brgy. Mintal, Davao City       | 0.6 MW   | Hydro | February 16, 2020 - February 15, 2025             | August 12, 2020   |
| COC No. 20-08-M-00063M           | Hedcor, Inc.             | Talomo 2A   | Hydroelectric Power Plant | Brgy. Tugbok, Davao City       | 0.65 MW  | Hydro | February 16, 2020 - February 15, 2025             | August 12, 2020   |
| COC No. 20-08-M-00064M           | Hedcor, Inc.             | Talomo 2B   | Hydroelectric Power Plant | Brgy. Tugbok, Davao City       | 0.3 MW   | Hydro | February 16, 2020 - February 15, 2025             | August 12, 2020   |
| COC No. 20-08-M-00065M           | Hedcor, Inc.             | Talomo 3    | Hydroelectric Power Plant | Catalunan, Pequeño, Davao City | 1.92 MW  | Hydro | February 16, 2020 - February 15, 2025             | August 12, 2020   |

<sup>16</sup> For submission of COC Re-filing Application in accordance with ERC Resolution No. 17, Series of 2023, entitled “A Resolution Adopting the 2023 Revised Rules for the Issuance of Certificates of Compliance for Generation Facilities” (the “2023 Revised COC Rules”).

<sup>17</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

<sup>18</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

<sup>19</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

<sup>20</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

<sup>21</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

| Title of Document                | Issued under the Name of  | Power Plant                     |                           |                                                 |               |       |                                                       | Date of Issuance   |
|----------------------------------|---------------------------|---------------------------------|---------------------------|-------------------------------------------------|---------------|-------|-------------------------------------------------------|--------------------|
| COC No. 18-12-M-00327L           | Hedcor, Inc.              | Ferdinand L. Singit Plant (FSL) | Hydroelectric Power Plant | Poblacion, Bakun, Benguet                       | 6.40 MW       | Hydro | November 5, 2018 - November 4, 2023 <sup>22</sup>     | December 11, 2018  |
| COC No. 18-12-M-00335L           | Hedcor, Inc.              | Lower Labay                     | Hydroelectric Power Plant | Ampusongan, Bakun, Benguet                      | 2.40 MW       | Hydro | November 5, 2018 - November 4, 2023 <sup>23</sup>     | December 11, 2018  |
| COC No. 18-12-M-00328L           | Hedcor, Inc.              | Lon-oy                          | Hydroelectric Power Plant | Poblacion, Bakun, Benguet                       | 3.60 MW       | Hydro | November 5, 2018 - November 4, 2023 <sup>24</sup>     | December 11, 2018  |
| Provisional Authority to Operate | Hedcor Sibulan, Inc.      | Sibulan A                       | Hydroelectric Power Plant | Brgy. Sibulan, Sta. Cruz, Davao del Sur         | 16.328 MW     | Hydro | February 9, 2021 - February 8, 2022 <sup>25</sup>     | November 4, 2020   |
| Provisional Authority to Operate | Hedcor Sibulan, Inc.      | Sibulan B                       | Hydroelectric Power Plant | Brgy. Sibulan, Sta. Cruz, Davao del Sur         | 26.256 MW     | Hydro | November 23, 2020 - November 22, 2022 <sup>26</sup>   | November 4, 2020   |
| COC No. 19-03-M-00346M           | Hedcor Sibulan, Inc.      | Tudaya 1                        | Hydroelectric Power Plant | Sta. Cruz, Davao del Sur                        | 6.65 MW       | Hydro | March 10, 2019 - March 9, 2024                        | March 5, 2019      |
| COC No. 18-06-M-00017L           | Luzon Hydro Corporation   | Bakun AC                        | Hydroelectric Power Plant | Amilongan, Alilem, Ilocos Sur                   | 74.80 MW      | Hydro | July 30, 2018 – July 29, 2023 <sup>27</sup>           | June 20, 2018      |
| COC No. 19-03-M-00013M           | Hedcor Tudaya, Inc.       | Tudaya 2 – Unit 1               | Hydroelectric Power Plant | Sta. Cruz, Davao del Sur                        | 5.362 MW      | Hydro | April 11, 2019-April 10, 2024                         | March 5, 2019      |
|                                  |                           | Tudaya 2 – Unit 2               |                           |                                                 | 2.775 MW      | Hydro |                                                       |                    |
| Provisional Authority to Operate | Hedcor Sabangan, Inc.     | Sabangan Hydro                  | Hydroelectric Power Plant | Brgy. Namatec, Sabangan, Mountain Province      | 14.139 MW     | Hydro | September 29, 2021 - September 28, 2022 <sup>28</sup> | September 29, 2021 |
| COC No. 19-06-M-00174M           | Hedcor Bukidnon, Inc.     | Manolo Fortich 1                | Hydroelectric Power Plant | Brgy. Santiago, Manolo Fortich, Bukidnon        | 45.936 MW     | Hydro | June 18, 2019-June 17, 2024                           | June 18, 2019      |
| COC No. 19-06-M-00175M           | Hedcor Bukidnon, Inc.     | Manolo Fortich 2                | Hydroelectric Power Plant | Brgy. Dalirig, Manolo Fortich, Bukidnon         | 27.387 MW     | Hydro | June 18, 2019-June 17, 2024                           | June 18, 2019      |
| Provisional Authority to Operate | San Carlos Sun Power Inc. | San Carlos Sun Power Inc        | Solar Power Plant         | Brgy. Punao, San Carlos City, Negros Occidental | 58.981 MWp DC | Solar | July 14, 2021 - July 13, 2022                         | July 7, 2021       |

<sup>22</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

<sup>23</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

<sup>24</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

<sup>25</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

<sup>26</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

<sup>27</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

<sup>28</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

| Title of Document                              | Issued under the Name of                                         | Power Plant                                  |                                   |                                                              |          |                   |                                                     | Date of Issuance  |
|------------------------------------------------|------------------------------------------------------------------|----------------------------------------------|-----------------------------------|--------------------------------------------------------------|----------|-------------------|-----------------------------------------------------|-------------------|
| COC No. 17-04-M-15911M <sup>29</sup>           | Cotabato Light and Power Company, Inc.                           | N/A                                          | Bunker C-Fired Diesel Engine      | CLPC Compound, Sinsuat Ave., Rosary Heights I, Cotabato City | 9.927 MW | Diesel / Bunker C | January 10, 2017 - January 9, 2022 <sup>30</sup>    | April 19, 2017    |
|                                                |                                                                  |                                              | Blackstart                        |                                                              | 10 kW    | Diesel            |                                                     |                   |
| COC No. 18-03-M-00002V                         | East Asia Utilities Corporation                                  | N/A                                          | Bunker C/Diesel Fired Power Plant | Barrio Ibo, MEPZ 1, Lapu-Lapu City, Cebu                     | 49.60 MW | Bunker C/ Diesel  | June 11, 2018 – June 10, 2023 <sup>31</sup>         | March 27, 2018    |
| COC No. 18-03-M-00001V                         | Cebu Private Power Corporation                                   | N/A                                          | Bunker C/Diesel Fired Power Plant | Old Veco Compound, Brgy. Ermita, Carbon, Cebu City           | 70.59 MW | Bunker C/ Diesel  | June 4, 2018 – June 3, 2023                         | March 27, 2018    |
| COC No. 18-12-M-00020M                         | Western Mindanao Power Corporation                               | N/A                                          | Bunker C-Fired Power Plant        | Malasugat, Sangali, Zamboanga City                           | 112 MW   | Bunker C/Diesel   | August 27, 2018 – August 26, 2023                   | December 4, 2018  |
|                                                |                                                                  | N/A                                          | Blackstart                        |                                                              | 160 kW   | Diesel            |                                                     |                   |
| COC No. 18-12-M-00021M                         | Southern Philippines Power Corporation                           | N/A                                          | Bunker C-Fired Diesel Power Plant | Brgy. Baluntay, Alabel, Sarangani Province                   | 61.72 MW | Bunker C/ Diesel  | August 27, 2018 – August 26, 2023                   | December 4, 2018  |
|                                                |                                                                  |                                              | Blackstart                        |                                                              | 160 kW   | Diesel            |                                                     |                   |
| Provisional Authority to Operate               | SN Aboitiz Power – Magat, Inc. (Magat Hydroelectric Power Plant) | Magat Hydroelectric Power Plant – Unit 1     | Hydroelectric Power Plant         | Ramon, Isabela and A. Lista, Ifugao                          | 90 MW    | Hydro             | November 29, 2021 - November 28, 2022 <sup>32</sup> | November 18, 2020 |
|                                                |                                                                  | Magat Hydroelectric Power Plant – Unit 2     |                                   |                                                              | 90 MW    |                   |                                                     |                   |
|                                                |                                                                  | Magat Hydroelectric Power Plant – Unit 3     |                                   |                                                              | 90 MW    |                   |                                                     |                   |
|                                                |                                                                  | Magat Hydroelectric Power Plant – Unit 4     |                                   |                                                              | 90 MW    |                   |                                                     |                   |
|                                                |                                                                  | Blackstart Diesel Generator Set              | Blackstart                        |                                                              | 344 kW   | Diesel            | 25 years                                            |                   |
| COC No. 18-04-M-00150L                         | SN Aboitiz Power – Magat, Inc.                                   | Maris Main Canal I Hydroelectric Power Plant | Hydroelectric Power Plant         | Brgy. Ambatali, Ramon, Isabela                               | 8.50 MW  | Hydro             | April 4, 2018 – April 3, 2023 <sup>33</sup>         | April 4, 2018     |
| Provisional Authority to Operate <sup>34</sup> | SN Aboitiz Power – Benguet, Inc.                                 | Binga Hydroelectric Power Plant – Unit 1     | Hydroelectric Power Plant         | Brgy. Tinongdan, Itogon, Benguet                             | 35.02 MW | Hydro             | March 12, 2022 - March 11, 2023                     | March 2, 2022     |
|                                                |                                                                  | Binga Hydroelectric Power Plant –            | Hydroelectric Power Plant         |                                                              | 35.02 MW |                   |                                                     |                   |

<sup>29</sup> Cotabato Light's 9.927 MW Diesel Plant and 10 MW Blackstart Diesel Generator's COC is valid until January 9, 2022. ERC issued a certification dated January 12, 2023 stating that the COC/PAO is currently being evaluated.

<sup>30</sup> The Company's PAO has been filed and is currently being evaluated by the ERC.

<sup>31</sup> For submission of COC Re-filing Application in accordance with the 2023 Revised COC Rules.

<sup>32</sup> Validity of the PAO is extended until November 28, 2024

<sup>33</sup> Validity of the PAO is extended until April 3, 2024

<sup>34</sup> SN Aboitiz Power – Benguet's Ambuklao Hydroelectric Power Plant Units 1 to 3, Auxiliary Generator Set, and Blackstart Generator Set's COC are valid until August 30, 2022. ERC issued a certification dated October 20, 2022 stating that the COC/PAO is currently being evaluated.

| Title of Document                | Issued under the Name of         | Power Plant                                 |                                |                                                                     |                                                          |        |                                                 | Date of Issuance  |
|----------------------------------|----------------------------------|---------------------------------------------|--------------------------------|---------------------------------------------------------------------|----------------------------------------------------------|--------|-------------------------------------------------|-------------------|
|                                  |                                  | Unit 2                                      |                                |                                                                     |                                                          |        |                                                 |                   |
|                                  |                                  | Binga Hydroelectric Power Plant – Unit 3    | Hydroelectric Power Plant      |                                                                     | 35.02 MW                                                 |        |                                                 |                   |
|                                  |                                  | Binga Hydroelectric Power Plant – Unit 4    | Hydroelectric Power Plant      |                                                                     | 35.02 MW                                                 |        |                                                 |                   |
|                                  |                                  | Binga Hydroelectric Power Plant             | Blackstart Generator Set       |                                                                     | 320 KW                                                   | Diesel |                                                 |                   |
|                                  |                                  | Binga Hydroelectric Power Plant             | Diesel Auxiliary Generator Set |                                                                     | 330.40 KW                                                | Diesel |                                                 |                   |
| Provisional Authority to Operate | SN Aboitiz Power – Benguet, Inc. | Ambuklao Hydroelectric Power Plant – Unit 1 | Hydroelectric Power Plant      | Brgy. Ambuklao, Bokod, Benguet                                      | 34.85 MW                                                 | Hydro  | August 31, 2021 - August 30, 2022 <sup>35</sup> | September 1, 2021 |
|                                  |                                  | Ambuklao Hydroelectric Power Plant – Unit 2 |                                |                                                                     | 34.85 MW                                                 |        |                                                 |                   |
|                                  |                                  | Ambuklao Hydroelectric Power Plant – Unit 3 |                                |                                                                     | 34.85 MW                                                 |        |                                                 |                   |
|                                  |                                  | Ambuklao Hydroelectric Power Plant          | Auxiliary Generator Set        |                                                                     | 320 KW                                                   | Diesel |                                                 |                   |
|                                  |                                  | Ambuklao Hydroelectric Power Plant          | Blackstart Generator Set       |                                                                     | 314 KW                                                   | Diesel |                                                 |                   |
| Provisional Authority to Operate | SN Aboitiz Power – Magat, Inc.   | Magat Battery Energy Storage System         | Battery Energy Storage System  | General Aguinaldo, Ramon, Isabela                                   | 32.425 / 32.428<br>Aggregated Rated Capacity (MWDC/ MWh) |        | December 19, 2023 – December 18, 2024           | December 19, 2023 |
| COC No. 21-11-M-00016M           | STEAG State Power, Inc.          | N/A                                         | Coal Fired Power Plant         | Phividec Industrial Estate, Balacanas, Villanueva, Misamis Oriental | 232 MW                                                   | Coal   | August 30, 2021 – August 29, 2026               | November 13, 2021 |
| COC No. 22-12-S-04892M           | STEAG State Power, Inc.          | N/A                                         | Emergency Generating Set       | Phividec Industrial Estate, Balacanas, Villanueva, Misamis Oriental | 1.25 MW                                                  | Diesel | December 22, 2022 – December 22, 2027           | December 23, 2022 |
| COC No. 19-09-S-00013M           | STEAG State Power, Inc.          | N/A                                         | Diesel Engine                  | Phividec Industrial Estate, Balacanas, Villanueva, Misamis Oriental | 400 kW                                                   | Diesel | September 5, 2019 - September 4, 2024           | September 5, 2019 |

<sup>35</sup> Validity of the PAO is extended up to August 30, 2024

| Title of Document                | Issued under the Name of | Power Plant                           |                                          |                                        |           |                   |                                       | Date of Issuance  |
|----------------------------------|--------------------------|---------------------------------------|------------------------------------------|----------------------------------------|-----------|-------------------|---------------------------------------|-------------------|
| Provisional Authority to Operate | AP Renewables, Inc.      | Makban – Bay, Plant A, Unit 1         | Geothermal Power Plant                   | Brgy. Bitin, Bay, Laguna               | 63.2 MW   | Geo-thermal Steam | November 30, 2022 – November 30, 2024 | December 18, 2023 |
|                                  |                          | Makban – Bay, Plant A, Unit 2         |                                          |                                        | 63.2 MW   |                   |                                       |                   |
|                                  |                          | Makban – Bay, Plant D, Unit 7         |                                          |                                        | 20.0 MW   |                   |                                       |                   |
|                                  |                          | Makban – Bay, Plant D, Unit 8         |                                          |                                        | 20.0 MW   |                   |                                       |                   |
| Provisional Authority to Operate | AP Renewables, Inc.      | Makban – Calauan, Plant B, Unit 3     | Geothermal Power Plant                   | Brgy. Limao, Calauan, Laguna           | 63.2 MW   | Geo-thermal Steam | November 30, 2022 – November 30, 2024 | December 18, 2023 |
|                                  |                          | Makban – Calauan, Plant B, Unit 4     |                                          |                                        | 63.2 MW   |                   |                                       |                   |
|                                  |                          | Makban – Calauan, Plant C, Unit 5     |                                          |                                        | 55.0 MW   |                   |                                       |                   |
|                                  |                          | Makban – Calauan, Plant C, Unit 6     |                                          |                                        | 55.0 MW   |                   |                                       |                   |
| Provisional Authority to Operate | AP Renewables, Inc.      | Makban – Sto. Tomas, Plant E, Unit 9  | Geothermal Power Plant                   | Brgy. Sta. Elena, Sto. Tomas, Batangas | 20.0 MW   | Geo-thermal Steam | November 30, 2022 – November 30, 2024 | December 18, 2023 |
|                                  |                          | Makban – Sto. Tomas, Plant E, Unit 10 |                                          |                                        | 20.0 MW   |                   |                                       |                   |
| Provisional Authority to Operate | AP Renewables, Inc.      | Tiwi Plant A, Unit 1                  | Geothermal Power Plant                   | Brgy. Naga, Tiwi, Albay                | 60 MW     | Geo-thermal Steam | November 30, 2022 – November 30, 2024 | December 18, 2023 |
|                                  |                          | Tiwi Plant A, Unit 2                  |                                          |                                        | 60 MW     |                   |                                       |                   |
| Provisional Authority to Operate | AP Renewables, Inc.      | Tiwi Plant C, Unit 5                  | Geothermal Power Plant                   | Brgy. Cale, Tiwi, Albay                | 57 MW     | Geo-thermal Steam | November 30, 2022 – November 30, 2024 | December 18, 2023 |
|                                  |                          | Tiwi Plant C, Unit 6                  |                                          |                                        | 57 MW     |                   |                                       |                   |
| Provisional Authority to Operate | AP Renewables, Inc.      | MakBan Binary 1                       | Geothermal Power Plant                   | Brgy. Sta. Elena, Sto. Tomas, Batangas | 7.0 MW    | Brine             | November 30, 2022 – November 30, 2024 | December 18, 2023 |
| Provisional Authority to Operate | Therma Marine, Inc.      | Mobile 1                              | Diesel Power Plant                       | Brgy. San Roque, Maco, Davao de Oro    | 100.33 MW | Diesel            | April 19, 2023 – April 18, 2024       | December 1, 2023  |
|                                  |                          |                                       | Blackstart                               |                                        | 1.68 MW   | Diesel            |                                       |                   |
| Provisional Authority to Operate | Therma Marine, Inc.      | M1 - BESS                             | Auxilliary Battery Energy Storage System | Brgy. San Roque, Maco, Davao de Oro    | 31.547 MW | BESS              | August 23, 2022 – August 22, 2024     | December 1, 2023  |

| Title of Document                | Issued under the Name of                                    | Power Plant                                                                    |                                                  |                                                                           |            |                     |                                                     | Date of Issuance  |
|----------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------------|--------------------------------------------------|---------------------------------------------------------------------------|------------|---------------------|-----------------------------------------------------|-------------------|
| Provisional Authority to Operate | Therma Marine, Inc.                                         | Mobile 2                                                                       | Diesel Power Plant                               | Brgy. Sta. Ana, Nasipit, Agusan del Norte                                 | 100.33 MW  | Diesel              | April 6, 2021 – April 5, 2024                       | December 1, 2023  |
|                                  |                                                             |                                                                                | Blackstart                                       |                                                                           | 1.68 MW    | Diesel              |                                                     |                   |
| Provisional Authority to Operate | Therma Mobile, Inc.                                         | Barge 1/ Mobile 3                                                              | Bunker C-Fired Diesel Power Plant                | Navotas Fish Port Complex, Baradero Street, North Bay Blvd. Navotas City, | 66 MW      | Bunker C/ Diesel    | July 9, 2022 - July 8, 2024                         | December 18, 2023 |
| COC No. 17-07-M-00306L           | Therma Mobile, Inc.                                         | Barge 2/ Mobile 4                                                              | Bunker C-Fired Diesel Power Plant                | Navotas Fish Port Complex, Baradero Street, North Bay Blvd., Navotas City | 56 MW      | Bunker C/ Diesel    | July 9, 2022 - July 8, 2024                         | December 18, 2023 |
| COC No. 17-07-M-00307L           | Therma Mobile, Inc.                                         | Barge 3/ Mobile 5                                                              | Bunker C-Fired Diesel Power Plant                | Navotas Fish Port Complex, Baradero Street, North Bay Blvd., Navotas City | 57 MW      | Bunker C/ Diesel    | July 9, 2022 - July 8, 2024                         | December 18, 2023 |
| COC No. 17-07-M-00308L           | Therma Mobile, Inc.                                         | Barge 4/ Mobile 6                                                              | Bunker C-Fired Diesel Power Plant                | Navotas Fish Port Complex, Baradero Street, North Bay Blvd., Navotas City | 52 MW      | Bunker C/ Diesel    | July 9, 2022 - July 8, 2024                         | December 18, 2023 |
| Provisional Authority to Operate | Therma Power-Visayas, Inc.                                  | Naga Oil-Fired Power Plant (NOPP) and Blackstart Diesel Engine Generating Unit | Oil-Fired Power Plant and Blackstart             | Brgy. Colon, Naga City, Cebu                                              | 44.58 MW   | Bunker C and Diesel | December 19, 2023 – December 18, 2024               | January 9, 2024   |
|                                  |                                                             |                                                                                |                                                  |                                                                           | 440 kW     |                     |                                                     |                   |
| Provisional Authority to Operate | Therma South, Inc.                                          | Unit 1                                                                         | Coal Fired Power Plant                           | Brgy. Binugao, Toril District, Davao City                                 | 150.025 MW | Coal                | January 5, 2024 – January 4, 2025                   | January 24, 2024  |
|                                  |                                                             | Unit 2                                                                         |                                                  |                                                                           | 150.025 MW | Coal                |                                                     |                   |
| COC No. 19-06-M-00176V           | Therma Visayas, Inc.                                        | Therma Visayas Circulating Fluidized Bed Coal-Fired Power Plant                | Circulating Fluidized Bed Coal-Fired Power Plant | Brgy. Bato, Toledo City, Cebu                                             | 353.94 MW  | Coal                | April 15, 2019 - April 14, 2024                     | June 26, 2019     |
| COC No. 19-07-M-00040L           | TeaM Energy Corporation (Administrator: Therma Luzon, Inc.) | Pagbilao Coal Fired Power Plant                                                | Coal Fired Thermal Power Plant                   | Isla Grande, Ibabang Polo, Pagbilao, Quezon                               | 751.4 MW   | Coal                | July 20, 2019 - July 19, 2024                       | July 9, 2019      |
|                                  |                                                             |                                                                                | Black Start                                      |                                                                           | 800 kW     | Diesel              |                                                     |                   |
| COC No. 18-02-M-00145L           | Pagbilao Energy Corporation                                 | Pagbilao Unit 3 Coal Fired Thermal Power Plant                                 | Coal Fired Thermal Power Plant                   | Isla Grande, Ibabang Polo, Pagbilao, Quezon                               | 420 MW     | Coal                | February 20, 2018 – February 19, 2023 <sup>36</sup> | February 20, 2018 |
|                                  |                                                             |                                                                                | Blackstart                                       |                                                                           | 1.04 MW    | Diesel              |                                                     |                   |

<sup>36</sup> On December 21, 2023, PEC has re-filed its application for the renewal of its COC with the ERC under the 2023 Revised COC Rules.

| Title of Document      | Issued under the Name of              | Power Plant |                                      |                                                                  |            |        |                                                   | Date of Issuance  |
|------------------------|---------------------------------------|-------------|--------------------------------------|------------------------------------------------------------------|------------|--------|---------------------------------------------------|-------------------|
| COC No. 17-11-M-00282L | GNPower Mariveles Coal Plant Ltd. Co. | Unit 1      | Coal Fired Power Plant               | Brgy. Alas-asin, Mariveles, Bataan                               | 325.8 MW   | Coal   | December 3, 2017 – December 2, 2022 <sup>37</sup> | November 21, 2017 |
|                        |                                       | Unit 2      |                                      |                                                                  | 325.8 MW   |        |                                                   |                   |
|                        |                                       | N/A         | Blackstart                           |                                                                  | 1.68 MW    | Diesel |                                                   |                   |
| COC No. 21-12-M-00203L | GNPower Dinginin Ltd. Co.             | Unit 1      | Supercritical Coal-Fired Power Plant | Coastal Area, Sitio Dinginin, Brgy. Alas-asin, Mariveles, Bataan | 724.965 MW | Coal   | December 2, 2021 - December 1, 2026               | December 2, 2021  |
| COC No. 21-04-S-04285L |                                       | N/A         | Diesel                               | Sitio Dinginin, Brgy. Alas-asin, Mariveles, Bataan               | 2.400 MW   | Diesel | April 30, 2021 to April 29, 2026                  | April 30, 2021    |

<sup>37</sup> GMEC's renewal of its COC is ongoing, and is given by the ERC up to October 3, 2024 to complete its renewal under the 2023 Revised COC Rules.



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