

SECURITIES AND EXCHANGE COMMISSION

SEC FORM - I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended
Dec 31, 2024
2. SEC Identification Number
CS201627300
3. BIR Tax Identification Number
009 468 103
4. Exact name of issuer as specified in its charter
SP New Energy Corporation
5. Province, country or other jurisdiction of incorporation
Philippines
6. Industry Classification Code(SEC Use Only)
[REDACTED]
7. Address of principal office
Rockwell Business Center, Ortigas Avenue, Barangay Ugong, Pasig City
Postal Code
1604
8. Issuer's telephone number, including area code
(0917) 560-7351
9. Former name, former address, and former fiscal year, if changed since last report
n.a.

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.

SP New Energy Corporation

SPNEC

PSE Disclosure Form I-ACGR - Integrated Annual Corporate Governance Report
Reference: SEC Code of Corporate Governance for Publicly-Listed Companies, PSE
Corporate Governance Guidelines, and ASEAN Corporate Governance Scorecard

Description of the Disclosure
Description of the Disclosure Attached is the Integrated Annual Corporate Governance Report of SP New Energy Corporation for the year ended 31 December 2024.

Filed on behalf by:

Name	Arrenz Joseph Magnabihon
Designation	Head, Investor Relations and Corporate Communications

COVER SHEET

C	S	2	0	1	6	2	7	3	0	0
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S.E.C. Registration Number

[illegible]

(Company's Full Name)

R	o	c	k	w	e	l		B	u	s	i	n	e	s	s		C	e	n	t	e	r	,							
O	r	t	i	g	a	s		A	v	e	n	u	e	,		B	a	r	a	n	g	a	y							
U	g	o	n	g	,		P	a	s	i	g		C	i	t	y		1	6	0	4									

(Business Address of the Company)

Jo Marianni P. Ocampo-Jalbuena

Contact Person

0	9	1	7	-	5	6	0	7	3	5	1
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Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

Integrated Annual Corporate Governance Report

Form Type

1st Monday of May each year

Regular Meeting

Certificate of Permit to Offer Securities for Sale (Pursuant to SEC MSRD Order No. 87, Series of 2021)

Secondary License type, if applicable

MSRD/CGFD/ICTD

	Dept. Requiring this Doc.
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Amended Articles Number/Section

Total amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be Accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

[illegible]

Document I.D.

Cashier

Remarks = Pls. use black ink for scanning purposes.



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

GENERAL INSTRUCTIONS

A. Use of Form I-ACGR

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

B. Preparation of Report

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

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

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

C. Signature and Filing of the Report

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



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended: **2024**
2. SEC Identification Number **CS201627300** 3. BIR Tax Identification No. **009-468-103**
4. Exact name of issuer as specified in its charter **SP New Energy Corporation**
5. **Philippines**
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **Rockwell Business Center, Ortigas Avenue, Barangay Ugong, Pasig City, Philippines 1604**
Address of principal office Postal Code
8. **+63 (917) 560-7351**
Issuer's telephone number, including area code
9.
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	Provide information or link/reference to a document containing information on the following: 1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors	
2. Board has an appropriate mix of competence and expertise.	Compliant	2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance	
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant	The full profiles, including the professional qualifications and technical expertise of the members of the Board are discussed in detail under Item 5 of the 2024 and 2025 Definitive Information Statement which is available on the website of SP NEW ENERGY CORPORATION (the "Company", "SPNEC", or the "Corporation"). References: Pp. 13-18, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/	

		Pp. 12-14, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf .	
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	Compliant	<p>Identify or provide link/reference to a document identifying the directors and the type of their directorships</p> <p>As of 31 December 2024, seven (7) out of eight (8) directors were non-executive directors, namely:</p> <ol style="list-style-type: none"> 1. Mr. Manuel V. Pangilinan 2. Mr. Leandro Antonio L. Leviste 3. Mr. Lance Y. Gokongwei 4. Dr. Lydia B. Echauz 5. Dr. Benjamin I. Espiritu 6. Mr. Ryan Jerome T. Chua 7. Ms. Hazel Iris P. Lafuente <p>References: Pp. 13-18, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/.</p>	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	<p>Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</p> <p>The Company's Manual on Corporate Governance states that the responsibilities of the Chairman of the Board include assuring "the</p>	

		<p>availability of proper orientation for first-time directors and continuing training opportunities for all directors."</p> <p>Reference: P. 7, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
2. Company has an orientation program for first time directors.	Not compliant	<p>Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.</p> <p>The Meralco Group conducted the 2024 Annual Corporate Governance Enhancement Session last 27 September 2024, from 8:30am to 12:20pm at the Grand Ballroom, Grand Hyatt Manila and online, via Microsoft Teams. The seminar consisted of two sessions:</p> <ol style="list-style-type: none"> 1. "Become an Insurgent: Re-Focus and Re-Energize Your Business Strategy, Organization, and Culture for Success" by Mr. David Morey; and 2. "Building a Data-Driven Business: Leveraging Artificial Intelligence and Big Data for Growth" by Dr. Erika Fille T. Legara. 	<p>The current directors of the Corporation are experienced professionals and are not first-time directors.</p> <p>Under the Manual of Corporate Governance, the Chairman of the Board assures the availability of proper orientation for first-time directors and continuing training opportunities for all directors. A welcome kit will be provided when new directors join the Board to orient the new directors of the business of the Company as well as its policies and governance structures and mechanisms.</p> <p>Reference: P. 7, SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>
3. Company has relevant annual continuing training for all directors.	Compliant		

		<p>It was attended by Mr. Pangilinan, Mr. Rubio, Mr. Chua, and Ms. Echauz. Mr. Gokongwei attended a separate seminar conducted by the Gokongwei Group entitled "Building a Resilient Gokongwei Group: Corporate Governance Training on Sustainability, Cybersecurity and Integrity" held last 10 September 2024, from 1:30 to 5:30pm, while Dr. Espiritu attended the 11th Annual SEC-PSE Corporate Governance Forum held last 28 November 2024 from 8:00am to 2:00pm.</p> <p>References: Advisement Letters on the corporate governance training of directors and officers, https://spnec.ph/company-disclosures/other-reports/</p>	
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	<p>Provide information on or link/reference to a document containing information on the company's board diversity policy.</p> <p>Indicate gender composition of the board.</p> <p>The Manual on Corporate Governance provides that "The Board of Directors shall, as far as practicable, be composed of members from diverse backgrounds to avoid groupthink and ensure that optimal decision-making is achieved."</p> <p>Reference:</p>	

		<p>P. 6, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf)</p> <p>As of 31 December 2024, two (2) out of eight (8) directors of the Company are female.</p>	
Optional: Recommendation 1.4			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	Not compliant	<p>Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity.</p> <p>Provide link or reference to a progress report in achieving its objectives.</p>	<p>The Company's Manual of Corporate Governance provides that the Board of Directors shall, as far as practicable, be composed of members from diverse backgrounds to avoid groupthink and ensure that optimal decision-making is achieved. The Company is in the process of developing a Board Diversity Policy that provides for measurable objectives such as academic, professional and business background, age, gender, and other regulatory requirements and necessary reporting of progress to the Board.</p> <p>The Corporate Governance Committee has recently approved a board diversity policy with measurable objectives and endorsed the same for board approval in the next meeting of the Board of Directors.</p> <p>Reference: P. 6, Manual on Corporate Governance, https://spnec.ph/wp-</p>

			content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant	Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	On 10 May 2024, Atty. Jo Marianni P. Ocampo-Jalbuena was appointed as Corporate Secretary. The Corporate Secretary is not a member of the Board of Directors. The profile of the Corporate Secretary, including her qualifications, are discussed in detail under Item 5 of its 2024 Definitive Information Statement which is available on the website of the Company.	
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	Reference: Pp. 16, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/ .	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered Atty. Jo Marianni P. Ocampo-Jalbuena attended the Meralco Group's 2024 Annual Corporate Governance Enhancement Session last 27 September 2024, from 8:30am to 12:20pm at the Grand Ballroom, Grand Hyatt Manila and online, via	

		<p>Microsoft Teams. The seminar consisted of two sessions:</p> <p>3. "Become an Insurgent: Re-Focus and Re-Energize Your Business Strategy, Organization, and Culture for Success" by Mr. David Morey; and</p> <p>4. "Building a Data-Driven Business: Leveraging Artificial Intelligence and Big Data for Growth" by Dr. Erika Fille T. Legara.</p> <p>Reference: PSE Disclosure: https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=688#viewer</p>	
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	<p>Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting</p> <p>As required under the Manual of Corporate Governance, the Corporate Secretary shall inform the members of the Board, in accordance with the By-laws, of the agenda of their meetings and ensure that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval. In practice, the Corporate Secretary provides the necessary board papers</p>	

		<p>associated with items on the meeting agenda at least five (5) business days ahead of the Board meetings.</p> <p>The Corporate Secretary hereby attests that in 2024, he distributed materials for board meetings at least five (5) business days before scheduled meetings.</p> <p>Reference: P. 20, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf)</p>	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant	<p>For the year 2024, Atty. Amanda Roselle A. Bengson served as Compliance Officer of the Corporation. Atty. Bengson had the rank of Senior Vice President. Her background and qualifications are discussed in detail under Item 5 of its 2024 Definitive Information Statement, while the duties and responsibilities of the Compliance Officer are discussed in the Company's Manual on Corporate Governance.</p> <p>References:</p>	

		<p>Pp. 14, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/.</p> <p>Pp. 20-21, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf)</p>	
3. Compliance Officer is not a member of the board.	Compliant	<p>The Compliance Officer is not a member of the Board as of May 10, 2024.</p> <p>References: Pp. 14, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/.</p> <p>Pp. 20-21, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf)</p>	
4. Compliance Officer attends training/s on corporate governance.	Compliant	<p>Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</p> <p>Atty. Amanda Roselle A. Bengson attended the 2024 Annual Corporate Governance Seminar held by the Good Governance Advocate & Practitioners of the Philippines last November 25, 2024, from 1:00pm to 5:00pm, covering the following topics:</p>	

		<ol style="list-style-type: none"> 1. Bringing CG to Life 2. Sustainable Risk-Driven Strategy Planning 3. Fraud Detection and Prevention 4. Corporate Governance in a Digital Environment <p>References: P. 49, Definitive Information Statement, SEC-Form-20-IS-05-26-25.pdf (spnec.ph)</p> <p>Advisement Letters on the corporate governance training, https://spnec.ph/company-disclosures/other-reports/</p>	
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	<p>Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)</p> <p>The Company's directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p> <p>The duties and responsibilities of the Board of Directors are laid out in the Manual on Corporate Governance.</p>	

		<p>References:</p> <p>P. 47, Definitive Information Statement, SEC-Form-20-IS-05-26-25.pdf</p> <p>P. 11-15, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf)</p>	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	<p>Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting)</p> <p>Indicate frequency of review of business objectives and strategy</p>	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	<p>The Board oversees the development of and approves the Corporation's business objectives and strategy, and monitors their implementation in order to sustain the Corporation's long-term viability and strength. In practice, this is integrated into the board meetings and is done at least annually.</p> <p>Reference:</p> <p>P. 6, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	

		Pp. 17, 25-27, and 47, Definitive Information Statement, SEC-Form-20-IS-05-26-25.pdf	
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<p>Indicate or provide link/reference to a document containing the company's vision, mission and core values.</p> <p>Indicate frequency of review of the vision, mission and core values.</p> <p>Vision To make solar the largest source of energy in the Philippines.</p> <p>Mission To accelerate the adoption of solar energy</p> <p>Under its Manual on Corporate Governance, the Board of Directors is primarily responsible for defining the Company's vision and mission.</p> <p>SPNEC's vision and mission is formally reviewed annually during the strategic planning process when the Company's plans are formulated and aligned.</p> <p>Reference: SPNEC Website, https://spnec.ph/our-company/</p> <p>P. 12, Manual on Corporate Governance, https://spnec.ph/wp-</p>	

		content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	<p>Provide information on or link/reference to a document containing information on the strategy execution process.</p> <p>The Corporation's Manual on Corporate Governance states that it is part of the Board's responsibility to oversee the development of and approve the Corporation's business objectives and strategy, and monitor their implementation, in order to sustain the Corporation's long-term viability and strength.</p> <p>Reference: P. 6, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p>Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting)</p> <p>Indicate frequency of review of business objectives and strategy</p> <p>The Board is chaired by Mr. Manuel V. Pangilinan.</p>	

		<p>His full profile, including professional qualifications and technical expertise, are discussed in detail under Item 5 of the 2025 Definitive Information Statement.</p> <p>The Board oversees the development of and approves the Corporation's business objectives and strategy, and monitors their implementation in order to sustain the Corporation's long-term viability and strength. In practice, this is integrated into the board meetings and is done at least annually.</p> <p>Reference: P. 6, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p> <p>Pp. 12, 17, 25-27, and 47, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p>	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p>Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation</p> <p>The Manual on Corporate Governance states that the Board is</p>	

2. Board adopts a policy on the retirement for directors and key officers.	Compliant	responsible for adopting a succession plan. This includes appointment, training, and retirement. Reference: P. 12, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf	
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	Directors do not participate in discussions or deliberations involving his/her own remuneration. The Corporation's Manual on Corporate Governance states that:	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p>"The Board shall set compensation levels adequate to attract and retain qualified Directors.</p> <p>"Compensation for Directors shall be competitive and take into account the duties and other commitments imposed upon them. The Board shall establish a formal and transparent procedure for developing a policy on executive remuneration packages of Corporation officers and Directors and provide oversight over</p>	

		<p>remuneration of senior management and other key personnel ensuring the compensation is consistent with the Corporation's culture, strategy and control environment.</p> <p>"The Board should align the remuneration of key officers and board members with the long-term interests of the company/organization. In doing so, it should formulate and adopt a policy specifying the relationship between remuneration and performance.</p> <p>"Key considerations in determining proper compensation include the following: (1) the level of remuneration is commensurate to the responsibilities of the role; (2) no director should participate in the determination of their own per diem or compensation; and (3) remuneration pay-out schedules should be sensitive to risk outcomes over a multi-year horizon."</p> <p>In practice, regular directors of the company do not receive any compensation. Independent directors receive per diems for attendance of board meetings.</p> <p>References: P. 15, Manual on Corporate Governance, https://spnec.ph/wp-</p>	
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		content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf Pp. 22-23, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	Compliant	Provide proof of board approval The Corporation's Manual on Corporate Governance states that: "The Board should align the remuneration of key officers and board member with the long-term interests of the company/organization. In doing so, it should formulate and adopt a policy specifying the relationship between remuneration and performance. "Key considerations in determining proper compensation include the following: (1) the level of remuneration is commensurate to the responsibilities of the role; (2) no director should participate in the determination of their own per diem or compensation; and (3) remuneration pay-out schedules should be sensitive to risk outcomes over a multi-year horizon."	

		<p>References:</p> <p>P. 15, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p> <p>Pp. 22-23, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p>	
<p>2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.</p>	Compliant	<p>Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company.</p> <p>The Corporation's Manual on Corporate Governance states that:</p> <p>The Board should align the remuneration of key officers and board members with the long-term interests of the company/organization. In doing so, it should formulate and adopt a policy specifying the relationship between remuneration and performance.</p> <p>"Key considerations in determining proper compensation include remuneration pay-out schedules should be sensitive to risk outcomes over a multi-year horizon."</p> <p>References:</p>	

		<p>P. 15, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p> <p>Pp. 20, 2024 Information Statement, https://spnec.ph/wp-content/uploads/2024/04/SEC-Form-20-ISA-04-18-2023.pdf</p>	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how it encourages nominations from shareholders.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	Provide proof if minority shareholders have a right to nominate candidates to the board.	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant	The Corporation's Manual on Corporate Governance contains the process for nomination and election of directors as follows:	
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination,	Compliant	"Any stockholder, including any minority stockholders, may nominate candidates for election to the Board of Directors by sending a nomination letter to the Corporate Governance Committee stating therein, among	

election or replacement of a director.		other things, the nominee's name, age, principal occupation, number of shares of the Corporation owned, and interests in and positions held in other corporations. The deadline for sending such nomination shall be determined by the Board.	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant	<p>"The Corporate Governance Committee shall then determine whether the nominees have all the qualifications and none of the disqualifications pursuant to relevant laws, regulations, and Company policies. The list of nominees shall then be approved by the Board. The qualified nominees, together with their profiles, shall be disclosed to the stockholders prior to the relevant meeting where the election shall be held.</p> <p>"The election of directors from the list of qualified nominees shall be in accordance with the applicable laws and regulations on the voting of directors."</p> <p>The Manual also provides that the Corporate Governance Committee shall "(r)evue and evaluate the qualifications of all persons nominated to the Board as well as those nominated to other positions requiring appointment by the Board and provide assessment on the</p>	

		<p>Board's effectiveness in directing the process of renewing and replacing Board members."</p> <p>Reference: P. 11 & 18, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.	Compliant	<p>Identify the professional search firm used or other external sources of candidates</p> <p>The Company considers individuals who are members in good standing in relevant industry, business or professional organizations when searching for candidates to the board of directors. The potential candidates may be sourced from professional search firms or organizations or other external sources such as public database of the SEC of the registered companies and their corporate directors and subsequently from organizations like the ICD through the Director Connect program.</p>	
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party	Compliant	Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs	

transactions (RPTs) and other unusual or infrequently occurring transactions.		Identify transactions that were approved pursuant to the policy.	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	<p>These are embodied in the company's Material Related Party Transactions Policy.</p> <p>The Manual on Corporate Governance also provides for the creation of a Related Party Transactions Committee responsible for reviewing all material related party transactions of the company and for reviewing and proposing policies for related party transaction, as well as ensuring compliance therewith.</p>	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	<p>The Corporation's actual related party transactions are discussed in the Information Statement.</p> <p>References: Material Related Party Transactions Policy, https://spnec.ph/wp-content/uploads/2022/06/Material-Related-Party-Transactions-Policy.pdf</p> <p>P. 19, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf.</p> <p>Pp. 18-22, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/02/2025-Information-Statement.pdf</p>	

		content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf	
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	<p>Provide information on a materiality threshold for RPT disclosure and approval, if any.</p> <p>Provide information on RPT categories</p> <p>The Company's Material Related Party Transactions Policy defines the materiality threshold as "Ten percent (10%) of the Company's total consolidated assets based on its latest audited financial statements."</p> <p>It classifies related party transactions as material and non-material.</p> <p>Reference: Material Related Party Transactions Policy, https://spnec.ph/wp-content/uploads/2022/06/Material-Related-Party-Transactions-Policy.pdf</p>	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Compliant	<p>Provide information on voting system, if any.</p> <p>Under the Material Related Party Transactions Policy, all individual Material RPTs shall be approved by at least two-thirds (2/3) vote of the Board of Directors, with at least a majority of the independent directors voting to approve the Material RPT. In case the vote of the majority of the independent directors is not secured, the Material RPT may be ratified by</p>	

		<p>the vote of the stockholders representing at least two-thirds (2/3) of the Company's outstanding capital stock. Aggregate RPTs with the same Related Party within a twelve (12)-month period shall be subject to the same approval process upon breach of the Materiality Threshold.</p> <p>Committee members and directors with personal interest in the Material RPT should abstain from participating in discussions and voting on the same.</p> <p>Reference: Material Related Party Transactions Policy, https://spnec.ph/wp-content/uploads/2022/06/Material-Related-Party-Transactions-Policy.pdf</p>	
Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p>Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management.</p> <p>Identity the Management team appointed</p> <p>The Manual on Corporate Governance provides that "Immediately after their election, the member of the Board of Directors shall meet and shall elect, from among themselves, a Chairman of the Board of Directors and a President. They shall also appoint, preferably not from</p>	

		<p>among themselves, a Corporate Secretary, a Treasurer, and such other officers as may be needed to run the affairs of the Corporation."</p> <p>Reference: Pages 6-7, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p> <p>For the year 2024, the Board appointed the following key officers for the Corporation:</p> <ol style="list-style-type: none"> 1. Emmanuel V. Rubio – President/CEO 2. Rochel Donato R. Gloria – Treasurer/CFO 3. Dennis B. Jordan – Chief Operations Officer 4. Alicia G. Brion - Controller 5. Amanda Roselle A. Bengson – Chief Compliance Officer 6. Jo Marianni P. Ocampo-Jalbuena – Corporate Secretary 7. Doris S. Te – Assistant Corporate Secretary <p>References: Pp. 13-18, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/.</p>	
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		Pp. 12-16, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p>Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management.</p> <p>Provide information on the assessment process and indicate frequency of assessment of performance.</p> <p>The Manual on Corporate Governance provides that the duties and functions of the Board includes, among others, periodically evaluating and monitoring the Management's overall performance.</p> <p>Reference: P. 12, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf.</p>	
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	Compliant	<p>Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.</p> <p>The Manual on Corporate Governance discusses the Board's duty to monitor the implementation of</p>	

2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant	<p>approved strategies and the Corporation's performance vis-à-vis targets and goals.</p> <p>Reference: Pp. 12 & 13, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	<p>The Manual on Corporate Governance provides that the Board should ensure the adequacy and effectiveness of the Corporation's internal control and management information systems. Further, the Board has the duty to have a continuing review of the internal control system in order to ensure its continuing soundness, adequacy and effectiveness. The Audit and Risk Management Committee is tasked with the responsibility to assist the Board in the performance of its oversight responsibilities for monitoring the system of internal controls and corporate compliance.</p> <p>Reference:</p>	

		Pp. Manual on Corporate Governance, 12, 13, 14, 16, 17, 21, 22 & 23, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf .	
3. Board approves the Internal Audit Charter.	Not compliant	Provide reference or link to the company's Internal Audit Charter	The Board approved the Internal Audit Charter in early 2025. Reference: https://spnec.ph/corporate-governance/
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework. The Company's Enterprise Risk Management Charter and Enterprise Risk Management Policy and Manual are pending approval.	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant	Provide proof of effectiveness of risk management strategies, if any. Strategic & Operational Risk-Opportunity Register: Used in identifying and managing risks and opportunities that affect the objectives, operations, and overall strategy of the company. It helps in prioritizing actions and communicating with stakeholders across different departments. It involves a more comprehensive	

		<p>assessment of risks and opportunities across various business areas (strategic, financial, operational, and compliance).</p> <p>Project Risk-Opportunity Register: Used in managing potential setbacks and capitalizing on opportunities that arise throughout the project lifecycle. It is often shared with project stakeholders to ensure transparency and collaboration. It is regularly updated to take into account new risks and opportunities as the project progresses.</p> <p>Resiliency Compliance Plan (for operating plants): A DOE requirement that contains adaptation measures which includes engineering and non-engineering options, to gauge infrastructure and human resource preparedness during and in the aftermath of disruptive events. RCP focuses on six pillars: (1) Strengthening Infrastructure, (2) Systems, (3) Disaster Risk Financing & Insurance, (4) Stockpiling, (5) Response, and (6) Rehabilitation & Recovery.</p> <p>The Board has the duty to identify key risk areas and performance indicators and monitor these factors with due diligence to enable the Corporation to anticipate and prepare for possible threats to its operational and financial</p>	
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		<p>viability. In addition, the Audit and Risk Management Committee is tasked to, among others:</p> <ul style="list-style-type: none"> • Perform oversight functions in the development of a formal SPNEC enterprise risk management plan, oversee the implementation of such plan, and evaluate the plan to ensure its continued relevance, comprehensiveness and effectiveness; • Advise the Board on its risk appetite levels and risk tolerance limits; • Review the Company's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and when major events occur that are considered to have major impacts on the company; • Assess the probability of each identified risk becoming a reality and quantify or estimate its potential financial impact; 	
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		<ul style="list-style-type: none"> • Provide oversight over Management's activities in managing strategic, operational, and project risk exposures of the corporation. • Report to the Board on a semi-annual basis, or as deemed necessary, the company's material risk exposures, the actions taken to reduce the risks, and recommend further action or plans, as necessary. <p>Reference: Pp. 13 & 18, Manual on Corporate Governance https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	Provide link to the company's website where the Board Charter is disclosed.	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	The Board Charter is embodied in the Manual of Corporate Governance and By-Laws, clearly stating the Board's roles, responsibilities and accountabilities in carrying out its fiduciary role and guiding directors in the performance of their functions.	
3. Board Charter is publicly available and posted on the company's website.	Compliant	The Manual and By-laws are publicly available and posted on the Company's website.	

		<p>A standalone charter is still being developed.</p> <p>References:</p> <p>https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p> <p>SPNEC ByLaws, https://spnec.ph/wp-content/uploads/2022/10/SPNEC_ByLaws_ver.10-24-22.pdf</p>	
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	<p>Provide information on or link/reference to a document showing company's insider trading policy.</p> <p>Insider trading is prohibited under the company's Ethics Policy. In addition, the Corporate Governance Committee has approved a separate insider trading policy and endorsed the same for board approval in the next meeting of the Board of Directors.</p> <p>Reference:</p> <p>Pp. 2-3, SPNEC Ethics Policy, https://spnec.ph/wp-content/uploads/2021/04/FINAL-SPNEC-Ethics-Policy.pdf</p>	
Optional: Principle 2			

<p>1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.</p>	<p>Compliant</p>	<p>Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.</p> <p>The Company adopts a robust RPT Policy to ensure that Related Party Transactions ("RPTs") including transactions, if any, with a director occur at market prices, at arm's length basis, under fair terms, and will inure to the best interests of the Company and its stakeholders.</p> <p>Reference:</p> <p>Material-Related-Party-Transactions-Policy.pdf (spnec.ph)</p>	
<p>2. Company discloses the types of decision requiring board of directors' approval.</p>	<p>Compliant</p>	<p>Indicate the types of decision requiring board of directors' approval and where they are disclosed.</p> <p>The Company By-laws provide for express powers of the Board of Directors which constitute the corporate decisions requiring board approval.</p> <p>The Manual of Corporate Governance also specified the Board authority, duties and responsibilities.</p> <p>References:</p> <p>P. 3, SPNEC ByLaws ver.10-24-22.pdf</p> <p>Pp. 12-13, Manual of Corporate Governance, SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	

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

Recommendation 3.1

1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	<p>Provide information or link/reference to a document containing information on all the board committees established by the company.</p> <p>In accordance with the Manual on Corporate Governance, the Board created the Audit and Risk Management Committee, Corporate Governance Committee and Related Party Transactions Committee. The Manual is currently undergoing review and the Company is in the process of restructuring the committees which is targeted to be completed within 2025.</p> <p>References: Pp. 13 and 15-19, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf.</p> <p>Disclosure at https://edge.pse.com.ph/openDiscViewer.do?edge_no=4e01eabaf26f428aec6e1601ccee8f59</p>	
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Recommendation 3.2

1. Board establishes an Audit Committee to enhance its oversight capability over the	Compliant	Provide information or link/reference to a document containing information on the Audit Committee, including its functions.	
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<p>company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>		<p>Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.</p> <p>The functions of the Audit and Risk Management Committee, which include recommending the appointment of the Corporation's external auditor, are stated in the Manual on Corporate Governance.</p> <p>Reference: Pp. 16-18, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf.</p>	
<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.</p> <p>At the start of the year, the Audit and Risk Management Committee was composed of five appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent:</p> <ol style="list-style-type: none"> 1. Dr. Lydia B. Echauz (Chair; Lead Independent Director) 2. Mr. Leandro Antonio L. Leviste 3. Mr. Ryan Jerome T. Chua 4. Dr. Benjamin I. Espiritu (Independent Director) 5. Mr. Pedro Emilio O. Roxas (Independent Director) 	

		<p>Their profiles can be found in the Information Statement for the 2024 Annual Stockholders' Meeting.</p> <p>However, effective 06/10/2024, one of the independent directors, Mr. Roxas, resigned but the company is still considering the nomination of another independent director to comply with the recommendation.</p> <p>Reference: Pp. 13-18, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/</p>	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	<p>Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee.</p> <p>All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance. The profiles of the members can be found in the Information Statement.</p> <p>Reference: Pp. 13-18, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/</p>	

4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	<p>Provide information or link/reference to a document containing information on the Chairman of the Audit Committee</p> <p>Dr. Lydia B. Echauz is neither chairman of the Board nor chairman of other committees, although she has acted as chair of the Corporate Governance Committee on an ad hoc basis after the resignation of Mr. Roxas, Corporate Governance Committee Chairman, from the Board.</p> <p>Reference: Pp. 12-14, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p>	
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p>Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor.</p> <p>The Audit and Risk Management Committee is responsible for evaluating and pre-approving the non-audit work, if any, of the external auditor, and reviewing periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Corporation's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with their duties as an external</p>	

		<p>auditor or may pose a threat to their independence. The non-audit work, if allowed, should be disclosed in the Corporation's annual report.</p> <p>Reference: P. 17, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Not compliant	<p>Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.</p>	<p>The Audit and Risk Management Committee conducts regular meetings and dialogues with the external audit team. While some members of management are present during such meetings, the overall principle of the recommendation is still achieved as everyone is encouraged to speak freely and have an open exchange of ideas and discussion. Further, directors have access to the external audit team, should they have any questions or concerns.</p>
Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.	Compliant	<p>Indicate the number of Audit Committee meetings during the year and provide proof</p> <p>The Audit and Risk Management Committee met six times in 2024 on the following dates:</p> <ol style="list-style-type: none"> 1. July 2, 2024 2. July 11, 2024 3. August 9, 2024 4. October 9, 2024 	

		<p>5. November 4, 2024 6. November 13, 2024</p> <p>Reference: Pp. 17-18, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf.</p>	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	<p>Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.</p> <p>The Manual on Corporate Governance states that the Audit and Risk Management Committee is responsible for organizing an internal audit department and considering the appointment of an independent internal auditors and the terms of engagement and removal.</p> <p>Reference: P. 16-17, Manual of Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that	Compliant	<p>Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions:</p> <p>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.</p>	

<p>were formerly assigned to a Nomination and Remuneration Committee.</p>		<p>After the submission of nominations in accordance with the process provided under the Manual of Corporate Governance, the Corporate Governance Committee determines whether the nominees have all the qualifications and none of the disqualifications pursuant to relevant laws, regulations, and Company policies.</p> <p>References: P. 18, Manual of Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p> <p>P. 13, 2023 Information Statement, https://spnec.ph/wp-content/uploads/2023/05/SEC-FORM-20-ISA-06-08-2023.pdf</p>	
<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	<p>Not Compliant</p>	<p>Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.</p>	<p>The Corporate Governance Committee effectively ensures compliance with and proper observance by the Company with corporate governance principles and practices. Independent and objective judgment is practiced at all times by the Committee given that the Chairman and one other member are Independent Directors while all other members are non-executive directors.</p> <p>1. Mr. Pedro Emilio O. Roxas (Chair, Independent Director)</p>

			<ol style="list-style-type: none"> 2. Dr. Lydia B. Echaz (Lead Independent Director) 3. Mr. Leandro Antonio L. Leviste 4. Mr. Ryan Jerome T. Chua 5. Dr. Benjamin I. Espiritu (Independent Director) <p>Their profiles can be found in the Information Statement for the 2024 Annual Stockholders' Meeting.</p> <p>However, effective 06/10/2024, one of the independent directors, Mr. Roxas, resigned but the company is considering the nomination of another independent director to comply with the recommendation. In the meantime, the composition of the Committee remains to be only of independent directors and non-executive directors.</p> <p>References: 2024 General Information Sheet https://spnec.ph/wp-content/uploads/2025/05/2.-Amended-General-Information-Sheet.pdf</p> <p>Latest Amended 2024 General Information Sheet, spnec.ph/wp-content/uploads/2025/05/6.-Amended-General-Information-Sheet.pdf</p>
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.	

		<p>On May 10, 2024, the Board appointed Mr. Pedro Emilio O. Roxas, then Independent Director, as the chairman of the Corporate Governance Committee. When Mr. Roxas resigned from the Board on June 10, 2024, another independent director, Dr. Lydia B. Echauz took the role as Acting Chairman in an <i>ad hoc</i> capacity.</p> <p>References: 2024 General Information Sheet https://spnec.ph/wp-content/uploads/2025/05/2.-Amended-General-Information-Sheet.pdf</p> <p>Latest Amended 2024 General Information Sheet, spnec.ph/wp-content/uploads/2025/05/6.-Amended-General-Information-Sheet.pdf</p>	
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meet at least twice during the year.	Not compliant	<p>Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.</p>	<p>The Corporate Governance Committee was held only once on July 11, 2024. However, it has already held at least two meetings in the first half of 2025 and will continue to hold more meetings moving forward.</p> <p>Reference: Pp. 17-18, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf.</p>

Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	<p>Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions</p> <p>The Board establishes an Audit and Risk Management Committee responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.</p> <p>However, the Company is currently in the process of restructuring its board committees, with the intention of separating audit and risk functions.</p> <p>Reference: PSE Disclosure, https://edge.pse.com.ph/openDiscViewer.do?edge_no=4e01eabaf26f428aec6e1601ccee8f59</p>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	<p>Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship</p> <p>At the start of the year, the Audit and Risk Management Committee was composed of three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent:</p>	

		<ol style="list-style-type: none"> 1. Dr. Lydia B. Echauz (Chair; Lead Independent Director) 2. Mr. Leandro Antonio L. Leviste 3. Mr. Ryan Jerome T. Chua 4. Dr. Benjamin I. Espiritu (Independent Director) 5. Mr. Pedro Emilio O. Roxas (Independent Director) <p>Their profiles can be found in the Information Statement for the 2024 Annual Stockholders' Meeting.</p> <p>However, effective 06/10/2024, one of the independent directors, Mr. Roxas, resigned but the company is considering the nomination of another independent director to comply with the recommendation.</p> <p>References: 2024 General Information Sheet https://spnec.ph/wp-content/uploads/2025/05/2.-Amended-General-Information-Sheet.pdf</p> <p>Latest Amended 2024 General Information Sheet, spnec.ph/wp-content/uploads/2025/05/6.-Amended-General-Information-Sheet.pdf</p>	
3. The Chairman of the BROCC is not the Chairman of the Board or of any other committee.	Compliant	Provide information or link/reference to a document containing information on the Chairman of the BROCC	

		<p>Dr. Lydia B. Echauz is neither chairman of the Board nor chairman of other committees, although she has acted as chair of the Corporate Governance Committee on an ad hoc basis after the resignation of Mr. Roxas, Corporate Governance Committee Chairman, from the Board.</p> <p>Reference: Pp. 12-14, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p>	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p>Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.</p> <p>The full profile, including the professional qualifications and technical expertise of Dr. Echauz is discussed in detail under Item 5 of the 2025 Definitive Information Statement which is available on the website of SP NEW ENERGY CORPORATION (the "Company", "SPNEC", or the "Corporation").</p> <p>Reference: Pp. 14, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf.</p>	

Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	<p>Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.</p> <p>The Manual on Corporate Governance establishes the Related Party Transactions Committee. This committee is responsible for reviewing all material related party transactions of the Company and shall be responsible for reviewing and proposing policies for related party transactions. This committee is also responsible for checking compliance with the related party transactions policies as may be adopted by the Board.</p> <p>Reference: P. 19, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	<p>Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.</p> <p>The RPT Committee was composed of the following:</p> <ol style="list-style-type: none"> 1. Mr. Leandro Antonio L. Leviste 2. Ms. Hazel Iris P. Lafuente 3. Mr. J. Carlitos G. Cruz (Independent Director) 	

		<p>4. Dr. Benjamin I. Espiritu (Independent Director)</p> <p>5. Mr. Carlos Jose P. Gatmaitan (Independent Director)</p> <p>It was chaired by Mr. Espiritu, an independent director.</p> <p>References: Pp. 11-13, 2023 Information Statement, https://spnec.ph/wp-content/uploads/2023/10/General-Information-Sheet-June-8-2023-redacted.pdf</p> <p>P. 11-13, 2023 Information Statement https://spnec.ph/wp-content/uploads/2023/05/SEC-FORM-20-ISA-06-08-2023.pdf</p>	
Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	<p>Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.</p> <p>All established committees have charters incorporated in the Manual of Corporate Governance stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information. The Manual (and these charters) is posted on the website.</p>	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		

		<p>Reference: Pp. 15-19, Manual of Corporate Governance, SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
3. Committee Charters were fully disclosed on the company's website.	Compliant	<p>Provide link to company's website where the Committee Charters are disclosed.</p> <p>The Committee Charters are embodied in the Manual of Corporate Governance, clearly stating each of the Committee's roles, responsibilities and accountabilities in carrying out its fiduciary role and guiding directors in the performance of their functions. The Manual and By-laws are publicly available and posted in the Company's website.</p> <p>Standalone committee charters are being developed.</p> <p>References: SPNEC Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p> <p>SPNEC ByLaws, https://spnec.ph/wp-content/uploads/2022/10/SPNEC ByLaws ver.10-24-22.pdf.</p>	

Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
Recommendation 4.1			
1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	<p>Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings.</p> <p>Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.</p> <p>The Board of Directors attend and actively participate in board and committee meetings in person or via videoconference in accordance with the guidelines of SEC Memorandum Circular Nos. 15, series of 2001, and 6, series of 2020. The attendance of the directors in the board meetings is provided in the Information Statement.</p> <p>Reference: P. 18, 2024 Information Statement https://spnec.ph/wp-content/uploads/2024/04/SEC-Form-20-ISA-04-18-2023.pdf</p>	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	<p>Board materials are electronically distributed to the Board of Directors prior to the meeting to give the directors sufficient time to read and review them.</p>	

<p>3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors</p> <p>Under the Manual on Corporate Governance, directors have the duty to act judiciously and exercise independent judgment. They can make further inquiries to enable them to properly perform their duties and responsibilities and are given independent access to management and the corporate secretary.</p> <p>Reference: Pp. 14 & 26, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
<p>Recommendation 4.2</p>			
<p>1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.</p>	<p>Compliant</p>	<p>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</p> <p>Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies</p> <p>While the company does not have a policy that categorically limits the board seats non-executive directors can hold simultaneously, none of the non-executive directors for the year 2023 concurrently held more than five board seats in publicly listed</p>	

		<p>companies. The directorships of the members of the board are stated in their profiles in the 2023 Information Statement.</p> <p>Reference: Pp. 11-13, 2023 Information Statement, https://spnec.ph/wp-content/uploads/2023/10/General-Information-Sheet-June-8-2023-redacted.pdf</p>	
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	<p>Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.</p> <p>In practice, the company is informed by the directors of their individual directorships in other companies.</p>	
Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant	<p>The Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.</p> <p>Reference: Pp. 11-13, 2023 Information Statement, https://spnec.ph/wp-content/uploads/2023/10/General-Information-Sheet-June-8-2023-redacted.pdf</p>	

2. Company schedules board of directors' meetings before the start of the financial year.	Compliant	The Company schedules before the end of the year the board meetings for the succeeding year.	
3. Board of directors meet at least six times during the year.	Compliant	<p>Indicate the number of board meetings during the year and provide proof</p> <p>The Board met 11 times in 2024.</p> <p>Reference: P. 17, Definitive Information Statement, SEC-Form-20-IS-05-26-25.pdf (spnec.ph)</p>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Not compliant	Indicate the required minimum quorum for board decisions	<p>The minimum quorum adopted by the Board, which is in accordance with the Revised Corporation Code and the Company's Amended By-Laws, is majority of Directors of the Board (50% +1).</p> <p>Nevertheless, consensus among directors for most if not all resolutions are reached through open, transparent, and vigorous discussions.</p> <p>Based on the 2024 Board Meeting attendance and voting records, more than two-thirds (2/3) of the BOD were present at and have voted upon proposed resolutions at every meeting. Hence, in practice, board decisions are arrived at in a meeting attended by at least 2/3 of the members of the BOD.</p>
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			

1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Compliant	<p>Provide information or link/reference to a document containing information on the number of independent directors in the board</p> <p>At the start of 2024, the Board has three independent directors constituting 1/3 of its membership. However, effective 06/10/2024, one of the independent directors, Mr. Roxas, resigned but the company is considering the nomination of another independent director to comply with the recommendation.</p> <p>Reference: P. 4, General Information Sheet, 3:- Amended-General-Information-Sheet.pdf (spnec.ph)</p>	
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	<p>Provide information or link/reference to a document containing information on the qualifications of the independent directors.</p> <p>The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p> <p>Reference: Pp. 12-14, 16-17, Information Statement SEC-Form-20-IS-05-26-25.pdf (spnec.ph)</p>	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain	Compliant	Provide link/reference to a document containing information that directors are not constrained to vote independently.	

the directors' ability to vote independently.		<p>There are no such agreements, by-laws provisions or other arrangements that constrain the directors' ability to vote independently. Under the Manual on Corporate Governance, the directors should avoid any conflict of interest which may interfere with their exercise of independent judgment.</p> <p>References: SPNEC By-Laws, https://spnec.ph/wp-content/uploads/2022/10/SPNEC_ByLaws_ver.10-24-22.pdf</p> <p>Pp. 6 & 14, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	<p>Provide information or link/reference to a document showing the years IDs have served as such.</p> <p>No independent directors of the company have served for a cumulative term of nine years.</p> <p>References: P. 12, Definitive Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p>	

2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	<p>Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director</p> <p>The company complies with the laws and regulations on independent directors, including SEC Memorandum Circular No. 4, series of 2017 on the term limits of independent directors.</p> <p>Reference: P. 10, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	<p>Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.</p> <p>The company has no independent directors exceeding the 9-year term limit which would necessitate meritorious justification.</p>	
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	<p>Identify the company's Chairman of the Board and Chief Executive Officer</p> <p>The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals. The Chairman of the Board is Mr. Manuel</p>	

		<p>V. Pangilinan while the President and CEO is Mr. Emmanuel V. Rubio.</p> <p>Reference: P. 4, General Information Sheet, 3.- Amended-General-Information-Sheet.pdf (spnec.ph)</p>	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	<p>Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer.</p> <p>Identify the relationship of Chairman and CEO.</p> <p>The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals. The Chairman of the Board is Mr. Manuel V. Pangilinan while the President and CEO is Mr. Emmanuel V. Rubio. The duties and responsibilities of the Chairman and the CEO are separately defined in the Manual on Corporate Governance.</p> <p>Reference: Pp. 7-8, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director,	Compliant	Provide information or link/reference to a document containing information on a lead	

the board designates a lead director among the independent directors.		<p>independent director and his roles and responsibilities, if any.</p> <p>Indicate if Chairman is independent.</p> <p>The Board elected D. Lydia B. Echauz as the Lead Independent Director.</p> <p>Reference: P. 12, Definitive Information Statement, SEC-Form-20-IS-05-26-25.pdf (spnec.ph)</p>	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	<p>Provide proof of abstention, if this was the case</p> <p>Under the Material Related Party Transactions Policy of SPNEC, committee members and directors with personal interest in the material RPT should abstain from participating in discussions and voting on the same. In case of refusal to abstain, the attendance of the interested Committee member or director will not be counted for purposes of quorum and his/her vote will not be considered.</p> <p>Reference: Pp. 4, Material Related Party Transactions Policy, https://spnec.ph/wp-content/uploads/2022/06/Material-Related-Party-Transactions-Policy.pdf</p>	

Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Not compliant	Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.	While some members of management are present during meetings, the overall principle of the recommendation is still achieved as everyone is encouraged to speak freely and have an open exchange of ideas and discussion. Further, directors have access to the external audit team, should they have any questions or concerns.
2. The meetings are chaired by the lead independent director.	Not compliant		While some members of management are present during meetings, the overall principle of the recommendation is still achieved as everyone is encouraged to speak freely and have an open exchange of ideas and discussion. Further, directors have access to the external audit team, should they have any questions or concerns.
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.	Not compliant	Provide name/s of company CEO for the past 2 years	<p>The Vice Chairman was the former President and CEO of SPNEC up to December 27, 2023, while the Chairman, Mr. Manuel V. Pangilinan, was the former President and CEO of SPNEC up to July 11, 2024. The Company will be compliant by July 10, 2026, after the lapse of two years since Mr. Pangilinan resigned as CEO.</p> <p>At present, the President and CEO of the Company is Mr. Emmanuel V. Rubio.</p>
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			

1. Board conducts an annual self-assessment of its performance as a whole.	Not compliant	Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees	The Board will be conducting an annual assessment this 2025 to ensure that the performance of the Board as a body, its committees, the Chairman and individual directors are assessed regularly.
2. The Chairman conducts a self-assessment of his performance.	Not compliant		
3. The individual members conduct a self-assessment of their performance.	Not compliant		
4. Each committee conducts a self-assessment of its performance.	Not compliant		
5. Every three years, the assessments are supported by an external facilitator.	Not compliant	Identify the external facilitator and provide proof of use of an external facilitator.	
Recommendation 6.2			
Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Not compliant	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders	The Board will be conducting an annual assessment in 2025 to ensure that the performance of the Board as a body, its committees, the Chairman and individual directors are assessed regularly.
1. The system allows for a feedback mechanism from the shareholders.	Compliant	The company website has a section, "Contact Us" that can be used by all stakeholders, including shareholders, in sending feedback, complaints or inquiries: https://spnec.ph/contact-us/	

Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	<p>Provide information on or link/reference to the company's Code of Business Conduct and Ethics.</p> <p>The company has an Ethics Policy and Employee Code of Conduct and Ethics which govern the ethical standards and conduct expected of all its employees.</p> <p>References: Ethics Policy, https://spnec.ph/wp-content/uploads/2021/04/FINAL-SPNEC-Ethics-Policy.pdf</p> <p>Employee Code of Conduct and Ethics, https://spnec.ph/wp-content/uploads/2021/04/SPNEC-ECCE-.pdf</p>	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	<p>Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees.</p> <p>The Ethics Policy and Employee Code of Conduct and Ethics are disseminated to the Board, senior management and employees and are both posted on the company website.</p> <p>References: Ethics Policy, https://spnec.ph/wp-content/uploads/2021/04/FINAL-SPNEC-Ethics-Policy.pdf</p>	

		Code of Conduct and Ethics, https://spnec.ph/wp-content/uploads/2021/04/SPNEC-ECCE-.pdf	
3. The Code is disclosed and made available to the public through the company website.	Compliant	<p>Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.</p> <p>The Code is disclosed and made available to the public through the company website.</p> <p>References: Ethics Policy, https://spnec.ph/wp-content/uploads/2021/04/FINAL-SPNEC-Ethics-Policy.pdf</p> <p>Code of Conduct and Ethics, https://spnec.ph/wp-content/uploads/2021/04/SPNEC-ECCE-.pdf</p>	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	<p>Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery</p> <p>The Ethics Policy contains the company's anti-bribery policies. The procedures for handling employee offenses and penalties are contained in the Employee Code of Conduct and Ethics.</p> <p>References:</p>	

		<p>Pp. 1-2, Ethics Policy, https://spnec.ph/wp-content/uploads/2021/04/FINAL-SPNEC-Ethics-Policy.pdf</p> <p>Pp. 3-11 & 19, Employee Code of Conduct and Ethics, https://spnec.ph/wp-content/uploads/2021/04/SPNEC-ECCE-.pdf</p>	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	<p>Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.</p> <p>Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.</p>	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	<p>The Company's Ethics Policy and Employee Code of Conduct and Ethics prescribe the ethical values and behavioral standards, which all employees of the Company are required to observe in the performance of their respective duties and responsibilities.</p> <p>The Board has the specific task of implementing and monitoring corporate governance policies, including the Employee Code of Conduct and Ethics, throughout the organization.</p> <p>References:</p>	

		P. 15-16, and 21, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf	
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	<p>Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders</p> <p>The Manual on Corporate Governance recognizes that transparency is one of the core principles of corporate governance. To ensure better protection of stockholders and other stakeholders' rights, the full disclosure of the company's corporate governance policies, programs and procedures is imperative. It provides that all material information about the Corporation which could adversely affect its viability or the interests of the stockholders should be publicly and timely disclosed.</p> <p>Reference: P14, 21-22, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-</p>	

		Manual-on-Corporate-Governance-Final-1.pdf	
Supplement to Recommendations 8.1			
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	Not compliant	Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively.	<p>The 2023 Annual Report was posted on PSE Edge on April 17, 2024 (108 days), while the interim financials were posted on May 13 (43 days - compliant), August 14 (45 days - compliant) and November 15, 2024 (46 days).</p> <p>Financial reports were nonetheless submitted to the SEC and made available to the public through PSE Edge. A copy of the Audited Financial Statements was attached to the Information Statement made available to stockholders prior to the annual stockholders' meeting held last year.</p> <p>Reference: PSE Edge, https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=688</p>
2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall	Not compliant	<p>Provide link or reference to the company's annual report where the following are disclosed:</p> <ol style="list-style-type: none"> 1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders; 2. cross-holdings among company affiliates; and 3. any imbalances between the controlling shareholders' voting power and overall equity position in the company. 	The risks related to the identity of controlling shareholders, cross-holdings, and imbalances between the controlling shareholders' voting power and equity position are not viewed by the company as key risks. However, the Company regularly submits its public ownership reports to the PSE and discloses security ownership of information as well as related party transactions in the Annual Report as well as the Information Statement provided to the stockholders.

equity position in the company.			Reference: Pp. 9-11, 18-22, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf
Recommendation 8.2			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	Not compliant	Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share. Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.	The major stockholders, directors and officers comply with Section 23 of the Securities Regulation Code and its Implementing Rules and Regulations on the submission of SEC Form 23-A and 23-B to the PSE and SEC for any transactions made by them covering SPNEC shares.
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	Not compliant		In addition, the Corporate Governance Committee has approved a separate insider trading policy and endorsed the same for board approval in the next meeting of the Board of Directors. Reference: Beneficial Ownership disclosures on https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=688
Supplement to Recommendation 8.2			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	Compliant	Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders. Provide link or reference to the company's Conglomerate Map. The major stockholders, directors and officers comply with Section 23 of the Securities Regulation Code and its Implementing Rules and Regulations	

		<p>on the submission of SEC Form 23-A and 23-B to the PSE and SEC for any transactions made by them covering SPNEC shares. The company also regularly submits the Top 100 stockholders as required by the PSE and discloses the same in the Information Statement. The corporate structure is attached to the Financial Statements.</p> <p>References: Pp. 10-11, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p> <p>Disclosures, PSE Edge, https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=688</p> <p>P. 164, 2024 Annual Report, https://spnec.ph/wp-content/uploads/2025/05/17-A-2024.pdf</p>	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	<p>Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p> <p>The full profiles, including the professional qualifications and technical expertise of the members of</p>	

		<p>the Board are discussed in detail under Item 5 of the Definitive Information Statements which are available on the website of SPNEC.</p> <p>References: Pp. 13-18, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/.</p> <p>Pp. 12-14, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf.</p>	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	<p>Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p> <p>The full profiles, including the professional qualifications and technical expertise of the officers are discussed in detail under Item 5 of the Definitive Information Statements which are available on the website of SPNEC.</p> <p>References: Pp. 13-18, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/.</p>	

		Pp. 12-14, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf .	
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	<p>Disclose or provide link/reference to the company policy and practice for setting board remuneration</p> <p>Regular directors did not receive any compensation while independent directors received per diems for the year 2024.</p> <p>References: Pp. 22-23, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf.</p>	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	<p>Disclose or provide link/reference to the company policy and practice for determining executive remuneration</p> <p>The Corporation entered into a Management Service Agreement with SPPPHI to provide executive and leadership support and execute its strategic direction while managing its business operations from 1 May 2021 to 30 April 2024 for a monthly fee of PhP2,000,000.00 or PhP24,000,000.00 per year. The executive compensation of the Corporation's officers was part of the Management Service Agreement paid SPPPHI for its executive and leadership support.</p>	

		<p>With the management transition brought about by the entry of MGreen, agreements are being put into place to cover the provision of management services in favor of the Company, taking into consideration, among others, executive compensation. Such approach will apply for both 2024 and 2025, subject to Related Party Transactions Committee endorsement and board approval.</p> <p>Reference: Pp. 22, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p>	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Not compliant	<p>Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.</p>	<p>With the management transition brought about by the entry of MGreen, agreements are being put into place to cover the provision of management services in favor of the Company, taking into consideration, among others, executive compensation. Such approach will apply for both 2024 and 2025, subject to Related Party Transactions Committee endorsement and board approval.</p> <p>Reference: Pp. 22, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p>

Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	<p>Disclose or provide reference/link to company's RPT policies</p> <p>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</p> <p>Under the Related Party Transactions Policy of the Corporation, committee members and directors with personal interest in the Material RPT should abstain from participating in discussions and voting on the same. In case of refusal to abstain, the attendance of the interested Committee member or director will not be counted for purposes of quorum and his/her vote will not be considered.</p> <p>Reference: P. 5, Material Related Party Transactions Policy, https://spnec.ph/wp-content/uploads/2022/06/Material-Related-Party-Transactions-Policy.pdf</p>	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<p>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</p> <ol style="list-style-type: none"> 1. name of the related counterparty; 2. relationship with the party; 3. transaction date; 4. type/nature of transaction; 5. amount or contract price; 6. terms of the transaction; 7. rationale for entering into the transaction; 	

		<p>8. the required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and</p> <p>9. other terms and conditions</p> <p>Related party transactions are discussed in the Information Statement as well as the Audited Financial Statements.</p> <p>Reference: Pp. 18-22,,2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p>	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<p>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</p> <p>Article 6 of the Material Related Party Transactions Policy requires members of the Board of Directors, substantial shareholders, and officers to fully disclose to the Board of Directors, through the Committee, and Management, through the Chief Financial Officer, all material facts related to RPTs as well as their direct and indirect financial interest in any transaction or matter that may affect or is affecting the Company. Such disclosure must be made before the execution of the RPT.</p>	

		<p>Reference: P. 5, Material Related Party Transactions Policy https://spnec.ph/wp-content/uploads/2022/06/Material-Related-Party-Transactions-Policy.pdf</p>	
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	<p>Provide link or reference where this is disclosed, if any</p> <p>The Company's RPTs are disclosed in the Company's Annual Report on SEC Form 17-A, and Information Statement, which are posted in the Company's website.</p> <p>Reference: Pp. 18-22,,2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p>	
Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	<p>Provide link or reference where this is disclosed</p> <p>The Company complies with the rules of the PSE on disclosure of material information which may include: earnings results, acquisition or disposition of assets, changes in officers and board members, shareholdings of directors, changes in ownership, corporate strategy, other transactions.</p> <p>Reference: https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=688</p>	

2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Not compliant	Identify independent party appointed to evaluate the fairness of the transaction price Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.	In cases of extraordinary transactions, the Board will endeavor to appoint an independent party to evaluate the fairness of the transaction.
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	Provide link or reference where these are disclosed. The Company discloses material information which may have an impact on changes in control, ownership and strategic direction of the company. Reference: Pp. 9-12, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Provide link to the company's website where the Manual on Corporate Governance is posted. Reference: Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf	
2. Company's MCG is submitted to the SEC and PSE.	Compliant		
3. Company's MCG is posted on its company website.	Compliant		

Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	<p>Provide proof of submission.</p> <p>As of date, the Company has not made changes to its MCG requiring submission to the SEC.</p>	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:		<p>Provide link or reference to the company's Annual Report containing the said information.</p> <p>Reference: Pp. 4, 21-22, 38, 161Annual Report, https://spnec.ph/wp-content/uploads/2025/05/17-A-2024.pdf</p>	
a. Corporate Objectives	Compliant	<p>On 6 September 2021, the Board of Directors approved its dividend policy that gave the Board of Directors the discretion to declare dividends as they see fit after considering the funding requirements for future projects subject to the requirements of applicable laws and regulations, capital expenditure requirements, among others.</p> <p>The attendance of the members of the board of directors is reported to the PSE and incorporated in the Information Statement. The profiles and compensation of the directors</p>	
b. Financial performance indicators	Compliant		
c. Non-financial performance indicators	Compliant		
d. Dividend Policy	Compliant		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		
f. Attendance details of each director in all directors meetings held during the year	Compliant		

<p>g. Total remuneration of each member of the board of directors</p>	<p>Compliant</p>	<p>are also discussed in the Information Statement.</p> <p>Reference: Pp. 12-14, 17-18, 22-23, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p> <p>Below is the record of attendance of the Directors in 2024:</p> <p>a. Attendance in Board Meetings</p> <table><thead><tr><th>Directors</th><th>No. of Meetings Attended/Held During Their Incumbency</th><th>Percent Present During Their Incumbency</th></tr></thead><tbody><tr><td>Manuel V. Pangilinan</td><td>11/11</td><td>100%</td></tr><tr><td>Leandro Antonio L. Leviste</td><td>11/11</td><td>100%</td></tr><tr><td>Lance Y. Gokongwei <i>(Elected on 10 May 2024)</i></td><td>8/9</td><td>88.89%</td></tr><tr><td>Roschel Donato R. Gloria <i>(Resigned on 11 July 2024)</i></td><td>4/4</td><td>100%</td></tr><tr><td>Amanda Roselle A. Bengson <i>(Term ended on 10 May 2024)</i></td><td>2/2</td><td>100%</td></tr><tr><td>Hazel Iris P. Lafuente</td><td>10/11</td><td>90.91%</td></tr><tr><td>Ryan Jerome T. Chua <i>(Elected on 10 May 2024)</i></td><td>9/9</td><td>100%</td></tr><tr><td>Benjamin I. Espiritu</td><td>11/11</td><td>100%</td></tr><tr><td>Pedro Emilio O. Roxas <i>(Resigned on 10 June 2024)</i></td><td>3/3</td><td>100%</td></tr><tr><td>Lydia B. Echauz <i>(Elected on 10 May 2024)</i></td><td>9/9</td><td>100%</td></tr><tr><td>Emmanuel V. Rubio <i>(Elected on 11 July 2024)</i></td><td>6/6</td><td>100%</td></tr></tbody></table> <p>b. Attendance in Committee Meetings</p> <table><thead><tr><th>Directors</th><th>Audit and Risk Management Committee</th><th>Corporate Governance Committee</th><th>Related Party Transactions Committee</th></tr></thead><tbody><tr><td>Manuel V. Pangilinan</td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr><tr><td>Leandro Antonio L. Leviste</td><td>4/6</td><td>1/1</td><td>1/1</td></tr><tr><td>Lance Y. Gokongwei <i>(Elected on 10 May 2024)</i></td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr><tr><td>Roschel Donato R. Gloria <i>(Resigned on 11 July 2024)</i></td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr><tr><td>Amanda Roselle A. Bengson <i>(Term ended on 10 May 2024)</i></td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr><tr><td>Hazel Iris P. Lafuente</td><td>N.A.</td><td>N.A.</td><td>N.A.</td></tr><tr><td>Ryan Jerome T. Chua <i>(Elected on 10 May 2024)</i></td><td>6/6</td><td>1/1</td><td>1/1</td></tr><tr><td>Benjamin I. Espiritu</td><td>6/6</td><td>1/1</td><td>1/1</td></tr></tbody></table> <p>Members of the board of directors do not receive per diem or month compensation. Below are the fees received by independent directors:</p>	Directors	No. of Meetings Attended/Held During Their Incumbency	Percent Present During Their Incumbency	Manuel V. Pangilinan	11/11	100%	Leandro Antonio L. Leviste	11/11	100%	Lance Y. Gokongwei <i>(Elected on 10 May 2024)</i>	8/9	88.89%	Roschel Donato R. Gloria <i>(Resigned on 11 July 2024)</i>	4/4	100%	Amanda Roselle A. Bengson <i>(Term ended on 10 May 2024)</i>	2/2	100%	Hazel Iris P. Lafuente	10/11	90.91%	Ryan Jerome T. Chua <i>(Elected on 10 May 2024)</i>	9/9	100%	Benjamin I. Espiritu	11/11	100%	Pedro Emilio O. Roxas <i>(Resigned on 10 June 2024)</i>	3/3	100%	Lydia B. Echauz <i>(Elected on 10 May 2024)</i>	9/9	100%	Emmanuel V. Rubio <i>(Elected on 11 July 2024)</i>	6/6	100%	Directors	Audit and Risk Management Committee	Corporate Governance Committee	Related Party Transactions Committee	Manuel V. Pangilinan	N.A.	N.A.	N.A.	Leandro Antonio L. Leviste	4/6	1/1	1/1	Lance Y. Gokongwei <i>(Elected on 10 May 2024)</i>	N.A.	N.A.	N.A.	Roschel Donato R. Gloria <i>(Resigned on 11 July 2024)</i>	N.A.	N.A.	N.A.	Amanda Roselle A. Bengson <i>(Term ended on 10 May 2024)</i>	N.A.	N.A.	N.A.	Hazel Iris P. Lafuente	N.A.	N.A.	N.A.	Ryan Jerome T. Chua <i>(Elected on 10 May 2024)</i>	6/6	1/1	1/1	Benjamin I. Espiritu	6/6	1/1	1/1	
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2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Not compliant	Provide link or reference to where this is contained in the Annual Report	<p>The Annual Report refers to this Integrated Annual Corporate Governance Report as having replaced the Corporate Governance portion of the Annual Report under SEC Memorandum Circular No. 5, series of 2013. However, the 2024 and 2025 Information Statement discuss the matter.</p> <p>References: Pp. 44-46, 2024 Information Statement, https://spnec.ph/wp-content/uploads/2024/04/SEC-Form-20-ISA-04-18-2023.pdf Pp. 47-49, 2025 Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p>																				
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Not compliant	Provide link or reference to where this is contained in the Annual Report	<p>While not categorically stated in the Annual Report, the duties and responsibilities of the Board as provided in the Manual on Corporate Governance include:</p> <p>Adopt a system of check and balance within the Board and the Corporation. A regular review of the effectiveness of such system should be conducted to ensure the integrity of the decision-making and reporting processes at all</p>																				

			<p>times. There should be a continuing review of the Corporation's internal control system in order to maintain its adequacy and effectiveness.</p> <p>Further, the Audit and Risk Management Committee is tasked with the duty to "monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, including financial reporting control and information technology security" and "perform oversight functions in the development of a formal enterprise risk management plan, oversee the implementation of such plan, and evaluates the plan to ensure its continued relevance, comprehensiveness and effectiveness."</p> <p>Reference: P. 13 & 17-18, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Not compliant	Provide link or reference to where this is contained in the Annual Report	<p>While not categorically stated in the Annual Report, the duties and responsibilities of the Board as provided in the Manual on Corporate Governance include:</p> <p>Adopt a system of check and balance within the Board and the Corporation. A regular review of the effectiveness of such system should be conducted to ensure the integrity of the decision-making and reporting processes at all times. There should be a continuing review of the Corporation's internal control system in order to maintain its adequacy and effectiveness.</p>

			Reference: P. 13, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	Provide link or reference to where these are contained in the Annual Report The Annual Report discusses the financial risks the Company is exposed to. Reference: Pp. 60-63, 2024 Annual Report, https://spnec.ph/wp-content/uploads/2025/05/17-A-2024.pdf .	
Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor. The Audit and Risk Management Committee's duties include following: <ul style="list-style-type: none"> Recommend the appointment of external auditors performing oversight functions over them. 	

		<ul style="list-style-type: none"> Evaluate and pre-approve the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Corporation's overall consultancy expenses. <p>Reference: Pp. 16-17, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	Compliant	<p>Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.</p> <p>In the 2024 Annual Stockholders' Meeting, 99.99% of the stockholders present or represented at the meeting voted in favor of the appointment of the external auditor.</p> <p>Reference: P. 9, Minutes of the Annual Stockholders' Meeting on May 10, 2024, https://spnec.ph/wp-content/uploads/2025/03/SPNEC_Annual-Stockholders-Meeting_May-102024.pdf</p>	

<p>3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.</p>	<p>Compliant</p>	<p>Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.</p> <p>The Manual on Corporate Governance provides that "If the external auditor resigns, is dismissed, or ceases to perform their services, the reason/s for and the date of effectivity of such action shall be reported in the Corporation's annual and current reports. The report shall include a discussion of any disagreement between the external auditor and the Corporation on accounting principles or practices, financial disclosures or audit procedures which the former auditor and the Corporation failed to resolve satisfactorily. A preliminary copy of the said report shall be given by the Corporation to the external auditor before its submission."</p> <p>Reference: P. 24, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
<p>Supplement to Recommendation 9.1</p>			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	<p>Not compliant</p>	<p>Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.</p>	<p>Under the Manual on Corporate Governance, the external auditor should be rotated or changed every seven (7) years or earlier, or the signing partner of the external auditing firm</p>

			<p>assigned to the Corporation, should be changed with the same frequency. This is compliant with the Securities Regulation Code Rule 68(3)(b)(iv).</p> <p>Reference: P. 23, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <p>i. assessing the integrity and independence of external auditors;</p> <p>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</p> <p>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</p>	Compliant	<p>Provide link/reference to the company's Audit Committee Charter</p> <p>The Audit and Risk Management Committee charter stating the duties and responsibilities of the Audit and Risk Management committees is posted on the website and also incorporated in the Manual on Corporate Governance.</p> <p>References: Pp. 16-18, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p> <p>Audit and Risk Committee Charter, https://spnec.ph/wp-content/uploads/2021/11/Audit-and-Risk-Management-Committee-Charter-Final-2.pdf</p>	

<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	<p>Compliant</p>	<p>Provide link/reference to the company's Audit Committee Charter</p> <p>The Audit and Risk Management Committee charter Provides that the committee performs oversight functions over the external auditor and reviews its reports.</p> <p>Reference: Audit and Risk Committee Charter, https://spnec.ph/wp-content/uploads/2021/11/Audit-and-Risk-Management-Committee-Charter-Final-2.pdf</p>	
<p>Supplement to Recommendations 9.2</p>			
<p>1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.</p>	<p>Compliant</p>	<p>Provide link/reference to the company's Audit Committee Charter</p> <p>Although the Audit and Risk Management Committee charter does not categorically state this, it provides, among others, that the committee is responsible for recommending the appointment of external auditors over whom it performs oversight functions.</p> <p>Reference: Audit and Risk Committee Charter, https://spnec.ph/wp-content/uploads/2021/11/Audit-and-Risk-Management-Committee-Charter-Final-2.pdf</p>	

2. Duties and Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	<p>Although the Audit and Risk Management Committee charter does not categorically state this, the Company believes that the overall principle behind the recommendation is achieved through the duties and responsibilities provided in the charter.</p> <p>Reference: Audit and Risk Committee Charter, https://spnec.ph/wp-content/uploads/2021/11/Audit-and-Risk-Management-Committee-Charter-Final-2.pdf</p>	
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	<p>Disclose the nature of non-audit services performed by the external auditor, if any.</p> <p>The non-audit service fees are reported in the Audit Report and itemized as Other Assurance Services, Tax Services and All Other Services.</p> <p>For 2024, non-audit services included services rendered for review of Quarterly Financial Statements, Financial and Tax Due Diligence for Terra Renewables, and Use of Proceeds.</p> <p>Reference: Pp. 162 and 173 Annual Report, https://spnec.ph/wp-</p>	

		content/uploads/2025/05/17-A-2024.pdf	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant	<p>Provide link or reference to guidelines or policies on non-audit services</p> <p>The Audit and Risk Management Committee is responsible for evaluating and pre-approving the non-audit work, if any, of the external auditor, and reviewing periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Corporation's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with their duties as an external auditor or may pose a threat to their independence. The non-audit work, if allowed, should be disclosed in the Corporation's annual report.</p> <p>References: P. 17, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p> <p>Audit and Risk Management Committee Charter, https://spnec.ph/wp-content/uploads/2021/11/Audit-and-</p>	

		Risk-Management-Committee-Charter-Final-2.pdf									
Supplement to Recommendation 9.3											
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	<table><tr><td></td><td>December 31, 2024</td></tr><tr><td>Audit and Audit-Related Fees</td><td>2,363,636</td></tr><tr><td>Non-Audit Fees</td><td>2,206,035</td></tr><tr><td>Total</td><td>4,569,671</td></tr></table> <p>Reference: P. 162, 2024 Annual Report, https://spnec.ph/wp-content/uploads/2025/05/17-A-2024.pdf</p>		December 31, 2024	Audit and Audit-Related Fees	2,363,636	Non-Audit Fees	2,206,035	Total	4,569,671	
	December 31, 2024										
Audit and Audit-Related Fees	2,363,636										
Non-Audit Fees	2,206,035										
Total	4,569,671										
Additional Recommendation to Principle 9											
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	<p>Provide information on company's external auditor, such as:</p> <ol style="list-style-type: none">1. Name of the audit engagement partner;2. Accreditation number;3. Date Accredited;4. Expiry date of accreditation; and5. Name, address, contact number of the audit firm. <p>For 2024, the Company's external auditor was Sycip Gorres Velayo & Co. (SGV & Co.), with Mr. Dexter Allan Noel Madamba as the engagement</p>									

		<p>partner, with SEC accreditation number 0001-SEC (Group A)/08-001998-150-2023. The accreditation of SGV & Co. is valid to cover the audit period from 2021 to 2025.</p> <p>SGV & Co. has its office at 6760 Ayala Avenue, Makati City, 1226 Metro Manila, Philippines Tel: (632) 891-0307 Fax: (632) 819-0872 / (632) 818-1377</p> <p>Reference: Latest Amended 2024 General Information Sheet, spnec.ph/wp-content/uploads/2025/05/6.-Amended-General-Information-Sheet.pdf</p>	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	Compliant	<p>Provide information on the following:</p> <ol style="list-style-type: none"> 1. Date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and <p>Members of the engagement team inspected by the SEC.</p> <p>As a covered firm under SEC Memorandum Circular No. 9, series of 2017 (Rules and Regulations on the Implementation of the Securities and Exchange Commission (SEC) Oversight Assurance Review (SOAR) Inspection Program, one of the engagement teams of SGV & Co. underwent SOAR inspection</p>	

		conducted by the SEC's Office of the General Accountant (OGA) on August 1 to 12, 2022. The names of the members of this engagement team were provided to SEC during the inspection.	
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Compliant	<p>Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.</p> <p>The Company abides by the SEC's guidelines on sustainability reporting guidelines for publicly listed companies.</p> <p>Reference: Pp. 244-264, Annual Report, https://spnec.ph/wp-content/uploads/2025/05/17-A-2024.pdf</p>	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	<p>Provide link to Sustainability Report, if any. Disclose the standards used.</p> <p>The Company has adopted the format prescribed by the Securities and Exchange Commission for publicly listed companies, through SEC MC No. 4, series of 2019. The template is built upon four globally accepted frameworks, namely (i) the Global Reporting Initiative's Sustainability Reporting Standards, (ii)</p>	

		<p>the International Integrated Reporting Council's Integrated Reporting Framework, (iii) the Sustainability Accounting Standard Board's Sustainability Accounting Standards, and (iv) the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).</p> <p>Reference: Pp. 244-264, Annual Report, https://spnec.ph/wp-content/uploads/2025/05/17-A-2024.pdf</p>	
<p>Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.</p>			
<p>Recommendation 11.1</p>			
<p>1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p>	<p>Compliant</p>	<p>Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.). Provide links, if any.</p> <p>Material information and reports made available to the public through the PSE EDGE.</p> <p>The Company invited the media to its 2024 Annual Stockholders Meeting.</p> <p>References:</p>	

		https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=688	
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Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:		Provide link to company website	The company website is being updated to ensure timely disclosure of materials provided in briefings to analysts and media.
a. Financial statements/reports (latest quarterly)	Compliant	Company Website: https://spnec.ph/	
b. Materials provided in briefings to analysts and media	Not compliant	Quarterly Report https://spnec.ph/company-disclosures/sec-form-17-q/	
c. Downloadable annual report	Compliant	Disclosures https://spnec.ph/company-disclosures/	
d. Notice of ASM and/or SSM	Compliant	Annual Report https://spnec.ph/company-disclosures/sec-form-17-a2/	
e. Minutes of ASM and/or SSM	Compliant	Notice of Meeting https://spnec.ph/company-disclosures/notice-of-annual-or-special-stockholders-meetings/	
f. Company's Articles of Incorporation and By-Laws	Compliant	Minutes of Meeting https://spnec.ph/company-disclosures/minutes-of-all-general-or-special-stockholders-meetings/ Articles of Incorporation and By-Laws https://spnec.ph/our-company/	
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Compliant	Reference: SPNEC Webiste, https://spnec.ph/	

Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	<p>List quality service programs for the internal audit functions.</p> <p>Indicate frequency of review of the internal control system</p> <p>The Board is responsible for ensuring the adequacy and effectiveness of the Corporation's internal control and management information systems. It is tasked with adopting a system of check and balance within the Board and the Corporation. A regular review of the effectiveness of such system should be conducted to ensure the integrity of the decision-making and reporting processes at all times. There should be a continuing review of the Corporation's internal control system in order to maintain its adequacy and effectiveness. Therefore, it is every director's duty to ensure the continuing soundness, effectiveness and adequacy of the Corporation's internal control system. Further, part of the functions of the Audit and Risk Management Committee is to assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and</p>	

		<p>monitoring of compliance with applicable laws, rules and regulations</p> <p>Reference: P. 12-14, 16-17 and 23, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf</p>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Not Compliant	<p>Identify international framework used for Enterprise Risk Management</p> <p>Provide information or reference to a document containing information on:</p> <ol style="list-style-type: none"> 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks <p>Indicate frequency of review of the enterprise risk management framework.</p>	<p>Proposed framework undergoing evaluation before implementation.</p> <p>There is an existing ERM framework in place at MGEN level, to be cascaded and formalized at SPNEC level in Q3 2025.</p>
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Not compliant	<p>Provide information on or link/ reference to a document containing the company's compliance program covering compliance with laws and relevant regulations.</p> <p>Indicate frequency of review.</p>	Compliance program is still undergoing evaluation before implementation.
Optional: Recommendation 12.1			
1. Company has a governance process on IT issues including disruption, cyber security,		Provide information on IT governance process	

and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.		The Board, through its Audit and Risk Management Committee, oversees the governance process around IT issues including disruption, cyber security, disaster recovery, to ensure that all key risks are identified, managed and reported to the Board. Management is accountable to the Board for the Company's information security governance. Management provides the strategic direction and adequate resources to manage appropriately the information security risks of the organization.	
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Not compliant	Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.	The Board appointed Mr. Anthony Vergel B. Velasco as Chief Audit Executive on April 11, 2025. It also approved an Internal Audit Charter.
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Not compliant	Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.	The Company did not have a Chief Audit Executive for the year 2024. The Board appointed Mr. Anthony Vergel B. Velasco as Chief Audit Executive on April 11, 2025.
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Not compliant		The Company did not have a Chief Audit Executive for the year 2024. The Board appointed Mr. Anthony Vergel B. Velasco as Chief Audit Executive on April 11, 2025.
3. In case of a fully outsourced internal audit activity, a qualified independent executive	Not applicable	Identify qualified independent executive or senior management personnel, if applicable.	

or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.			
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	Provide information on company's risk management function.	SPNEC Enterprise Risk Management (ERM) is aligned with MGEN ERM.
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	Identify source of external technical support, if any.	There is an internal expertise risk management within the MGEN group which is extended to SPNEC.
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Not compliant	Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.	The appointment of SPNEC's CRO will be finalized by the third quarter of 2025, the same time SPNEC ERM framework will be presented for approval.
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Not compliant		The SPNEC Enterprise Risk Management Charter is still pending review and is targeted to be approved by the third quarter of 2025.
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Not compliant	Provide link to CEO and CAE's attestation	Risk management is still undergoing review.
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.	

		<p>The rights of stockholders are discussed in the company's Manual on Corporate Governance.</p> <p>Reference: Pp. 25-26, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf.</p>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	<p>Provide link to company's website</p> <p>The Manual on Corporate Governance which contains the basic shareholder rights is posted on the company website.</p> <p>Reference: Pp. 25-26, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf.</p>	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant	<p>Corporation's issued and outstanding capital stock consists of 50,073,050,000 common shares and 19,404,202,552 preferred shares – Class B. Each outstanding common and preferred Class B share is entitled to one (1) vote.</p> <p>References:</p>	

		<p>P. 10, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/</p> <p>P. 43, 2025 ASM Information Statement, https://spnec.ph/wp-content/uploads/2025/05/SEC-Form-20-IS-05-26-25.pdf</p>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	<p>Provide information on all classes of shares, including their voting rights if any.</p> <p>Holders of common and preferred shares Class B are all entitled to one (1) vote per share. While the features of each class of shares vary, there is no distinction on the rights of holders within each class. The features of each class of shares are provided in the Company's Amended Articles of Incorporation.</p> <p>Reference: https://spnec.ph/our-company/</p>	
3. Board has an effective, secure, and efficient voting system.	Compliant	<p>Provide link to voting procedure. Indicate if voting is by poll or show of hands.</p> <p>The procedure for voting in the stockholders' meetings was provided in the Information Statement made available to the stockholders, who may vote via proxy, <i>in absentia</i> or live through the Convene platform.</p> <p>Reference:</p>	

		Pp. 3-4, 2024 Information Statement, https://spnec.ph/company-disclosures/information-statement/	
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Not compliant	Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any.	<p>The Corporation complies with the voting requirements under the Revised Corporation Code and its By-Laws for corporate actions.</p> <p>Nonetheless, the Company respects and upholds the right of the minority shareholders while pursuing corporate interest to ensure:</p> <p>a) Timely, fair, and accurate disclosure of material information</p> <p>b) Review of existing, and development of new, policies that will prevent the major shareholders from gaining undue advantage over and at the expense of minority shareholders</p> <p>c) Related Party Transactions are disclosed in the Company's Notes to financial statements</p> <p>d) Disinterested shareholders decide on all Related Party Transactions which require shareholders' approval.</p>
5. Board allows shareholders to call a special shareholders' meeting and submit a	Compliant	Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)	

proposal for consideration or agenda item at the AGM or special meeting.		<p>The Corporation recognizes the right of stockholders to call for special meetings and/or propose items for inclusion in the agenda in accordance with SEC Memorandum Circular Nos. 14, series of 2020, and 7, series of 2021.</p> <p>Reference: P. 1, 2024 Information Statement https://spnec.ph/wp-content/uploads/2024/04/SEC-Form-20-ISA-04-18-2023.pdf</p>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	<p>Provide information or link/reference to the policies on treatment of minority shareholders</p> <p>The rights of stockholders are recognized in the company's Manual on Corporate Governance.</p> <p>Reference: Pp. 25-26, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf.</p>	
7. Company has a transparent and specific dividend policy.	Compliant	<p>Provide information on or link/reference to the company's dividend Policy.</p> <p>Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip-dividends, indicate if the company paid the dividends within 60 days from declaration</p>	

		<p>The Company is authorized to distribute dividends out of its surplus profit, in cash, properties of the Issuer, shares of stock, and/or securities of other companies belonging to the SPNEC. Dividends paid in the form of cash or property is subject to approval of the Board of Directors. Dividends paid in the form of additional shares are subject to the approval of the Board of Directors and stockholders that own at least two-thirds (2/3) of the outstanding capital stock of the Issuer. In case the stock dividends will be coming from an increase in authorized capital stock, such declaration shall be subject to SEC approval. Holders of outstanding common shares as of a dividend record date will be entitled to full dividends declared without regard to any subsequent transfer of such shares. On 6 September 2021, the Board of Directors approved its dividend policy that gave the Board of Directors the discretion to declare dividends as they see fit after considering the funding requirements for future projects subject to the requirements of applicable laws and regulations, capital expenditure requirements, compliance with the Issuer's covenants, if any, and other circumstances that may restrict the payment of dividends. There can be no guarantee that the Issuer will pay</p>	
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		<p>any dividends in the future. Dividends may be declared only from the Company's unrestricted retained earnings. The Company intends to maintain an annual dividend payment ratio of 10% to 30% of net income after tax for the preceding fiscal year. To date, it has not declared any kind of dividend to its shareholders since its incorporation.</p> <p>Reference: Pp. 43-44, 2024 Information Statement https://spnec.ph/wp-content/uploads/2024/04/SEC-Form-20-ISA-04-18-2023.pdf</p>	
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Not applicable	Identify the independent party that counted/validated the votes at the ASM, if any.	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Compliant	<p>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out</p> <p>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</p> <p>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS)</p> <p>For the 2024 Annual Stockholders' meeting held on May 10 2024, and the Special Stockholders' Meeting</p>	

		<p>held on January 23, 2025, the Corporation posted notices of meeting through PSE Edge on March 8 and November 15, 2024, respectively, or more than 28 days prior to the dates of the meetings. The materials, however, were made available to the stockholders on April 18 and December 27, 2024, or 22 and 27 days, respectively, prior to the meeting.</p> <p>The agenda of either meetings did not include remuneration.</p> <p>References: https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=688</p> <p>2024 Information Statement, https://spnec.ph/wp-content/uploads/2024/04/SEC-Form-20-ISA-04-18-2023.pdf</p> <p>2025 Special Stockholders' Meeting Information Statement, https://spnec.ph/wp-content/uploads/2024/12/SEC-Form-20-IS-01-23-2025.pdf</p>	
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:		Provide link or reference to the company's notice of Annual Shareholders' Meeting	

a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	Reference: Pp. 13-15, 2024 Information Statement, https://spnec.ph/wp-content/uploads/2024/04/SEC-Form-20-ISA-04-18-2023.pdf	
b. Auditors seeking appointment/re-appointment	Compliant	Reference: P. 24, 2024 Information Statement, https://spnec.ph/wp-content/uploads/2024/04/SEC-Form-20-ISA-04-18-2023.pdf	
c. Proxy documents	Compliant	Reference: P. 7, 2024 Information Statement, https://spnec.ph/wp-content/uploads/2024/04/SEC-Form-20-ISA-04-18-2023.pdf	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	Provide link or reference to the rationale for the agenda items Reference: Pp. 4-6, 2024 Information Statement, https://spnec.ph/wp-content/uploads/2024/04/SEC-Form-20-ISA-04-18-2023.pdf	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM. The Results of the Annual and Special Stockholders' Meeting and Results of the Organizational Meeting are	

		<p>disclosed to the PSE on the same day as the stockholders' meeting.</p> <p>References: Results of 2024 Annual Stockholders' Meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=bd8d5442a5bd74b7abca0fa0c5b4e4d0</p> <p>Results of the Board Organizational Meeting: https://edge.pse.com.ph/openDiscViewer.do?edge_no=7d965c57894101b2abca0fa0c5b4e4d0</p>	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Not compliant	<p>Provide link to minutes of meeting in the company website.</p> <p>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes.</p> <p>Indicate also if the voting on resolutions was by poll.</p> <p>Include whether there was opportunity to ask question and the answers given, if any</p>	<p>Although not posted within 5 business days from the date of meeting, the minutes of the 2024 Annual Stockholders' Meeting was publicly available as posted on the company website.</p> <p>The minutes of the January 23, 2025 Special Stockholders' Meeting were posted within five business days from the date of the meeting. The voting results as well as the opportunity for stockholders to ask questions are contained in the minutes.</p> <p>Reference: Minutes of the Stockholders' Meetings https://spnec.ph/company-disclosures/minutes-of-all-general-or-special-stockholders-meetings/</p>
Supplement to Recommendation 13.3			

1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	<p>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting</p> <p>Representatives from SGV & Co. were present at the 2024 Annual Stockholders' Meeting as indicated in the minutes.</p> <p>References:</p> <p>Minutes of the Stockholders' Meetings https://spnec.ph/company-disclosures/minutes-of-all-general-or-special-stockholders-meetings/</p>	
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Not compliant	<p>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes</p>	<p>The Corporation's Manual on Corporate Governance states that it is among the responsibilities of the Board to establish and maintain an alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its stockholders, and the Corporation and third parties, including the regulatory authorities. The board policies of the Corporation are still in the process of drafting and review.</p> <p>Reference: P. 13, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf.</p>

2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Not compliant	Provide link/reference to where it is found in the Manual on Corporate Governance	<p>The Corporation's Manual on Corporate Governance states that it is among the responsibilities of the Board to establish and maintain an alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its stockholders, and the Corporation and third parties, including the regulatory authorities. The board policies of the Corporation are still in the process of drafting and review.</p> <p>Reference: P. 13, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf.</p>
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Not compliant	<p>Disclose the contact details of the officer/office responsible for investor relations, such as:</p> <ol style="list-style-type: none"> 1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address 	<p>While the Company has yet to establish its own Investor Relations Office, there are persons assigned to handle the functions of the same.</p> <p>The contact information for investor concerns is posted on the Company website.</p> <p>Reference: https://spnec.ph/contact-us/</p>
2. IRO is present at every shareholder's meeting.	Not compliant	Indicate if the IRO was present during the ASM.	In the previous stockholders' meetings, the Investor Relations and Corporate Communications Section Head of Global Business Power Corporation (now Investor

			Relations and Corporate Communications Section Head of Meralco Powergen Corporation) who is performing the IRO functions for SPNEC was present at the meeting.
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	<p>Provide information on how anti-takeover measures or similar devices were avoided by the board, if any.</p> <p>The Company's By-Laws do not contain provisions on anti-takeover measures or similar devices.</p> <p>Reference: SPNEC Amended By-Laws, https://spnec.ph/wp-content/uploads/2022/10/SPNEC ByLaws ver.10-24-22.pdf</p>	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Not compliant	Indicate the company's public float.	The Company's public float as of March 31, 2025, was 11.72%. The drop in the Company's public float from 20.01% to 11.72% is temporary and solely due to the locking up of 4,150,000,000 common shares of Asia Pacific Institute for Green Development, Inc. pursuant to Article V, Part A, Section 8 of the Consolidated Listing and Disclosure Rules, as amended, of The Philippine Stock Exchange, Inc. The locking up of the shares is a condition to the continued listing of a total of 40,073,050,000 common shares (which include the 4,150,000,000 shares) owned by Solar Philippines Power Project Holdings, Inc., MGen Renewable Energy, Inc., Asia

			Pacific Institute for Green Development, Inc., and Pamulinawen Holdings OPC. The Company's public float will return to at least 20.01% when the lock-up period ends on 2 September 2025.
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	<p>Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM</p> <p>The Company encourages shareholders to engage with the Company beyond the Annual Stockholders' Meeting by providing them with accessible channels through which timely, fair, and accurate disclosures of material information affecting their shares are made and through which concerns on their share may be addressed.</p> <p>To ensure comprehensive dissemination to all stakeholders and investors, financial results, top 20 stockholders of the Company, and disclosures which may affect the share prices are uploaded to the Company website.</p> <p>References: PSE EDGE, https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=688</p>	

		SPNEC Website, https://spnec.ph/company-disclosures/	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	<p>Disclose the process and procedure for secure electronic voting in absentia, if any</p> <p>The Company engaged the services of Azeus to provide the platform for online voting. The stockholders were encouraged to register through their link. After verification, they would be able to submit their votes online ahead of the meeting or vote live during the meeting itself.</p> <p>Reference: Pp. 49-59, 2024 Information Statement, https://spnec.ph/wp-content/uploads/2024/04/SEC-Form-20-ISA-04-18-2023.pdf</p>	
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	<p>Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.</p> <p>The following are the Company's stakeholders:</p> <ul style="list-style-type: none"> • Shareholders • Employees • Subsidiaries • Government • Community 	

		<ul style="list-style-type: none"> • Creditors and suppliers • Customers <p>SPNEC is committed to the creation of sustainable economic opportunities in the provinces (i.e., ex-Metro Manila) through employment to the locals therein, as well as continuous provision of benefits to host communities and positive spillover effects of the taxes paid to the local governments during the development phase and once the projects start commercial operations.</p> <p>SPNEC continuous to engage with various stakeholders and be receptive to their feedback for the Company to provide better service and work for their greater benefit.</p> <p>Reference: Pp. 244-264, Annual Report, https://spnec.ph/wp-content/uploads/2025/05/17-A-2024.pdf</p>	
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	<p>Identify policies and programs for the protection and fair treatment of company's stakeholders</p> <p>The various policies of the Company were established to ensure the fair treatment and protection of the stakeholders. These include the</p>	

		<p>Manual on Corporate Governance, Employee Code of Conduct and Ethics, Environmental Health and Safety Management Manual, Material Related Party Transactions Policy and Ethics Policy.</p> <p>Reference: https://spnec.ph/corporate-governance/ </p>	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	<p>Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights.</p> <p>Provide information on whistleblowing policy, practices and procedures for stakeholders</p> <p>Below is the contact information posed on the Company website:</p> <p>BUSINESS ADDRESS 20th floor, AIA Tower (formerly Philamlife Tower)</p> <p>8767 Paseo de Roxas, 1226 Makati City, Philippines</p> <p>VIBER 0998 562 1251</p> <p>EMAIL inquiries@spnec.ph</p> <p>INVESTOR RELATIONS</p>	

		ir@spnec.ph Officers and employees as well as other relevant stakeholders should be able to communicate freely and responsibly any concern and knowledge they may have about illegal and unethical practices within the Company. Their right to freely communicate these matters to the Board or through proper channels should not be compromised in any way, without fear of any retribution, repercussion and retaliation. There could be effective speak up arrangements, such as anonymous helplines, through which employees, contractors and other third parties can raise concerns in confidence about unsafe, unethical or unlawful practices. Thus, there should be a strong whistle-blowing policy. Reports can be addressed to: whistleblower@solarphilippines.ph . References: https://spnec.ph/contact-us/ P. 28, Manual on Corporate Governance https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf	
Supplement to Recommendation 14.3			
1. Company establishes an alternative dispute resolution system so that conflicts	Not compliant	Provide information on the alternative dispute resolution system established by the company.	The Company is in the process of developing an alternative dispute

and differences with key stakeholders is settled in a fair and expeditious manner.			resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	Compliant	<p>Disclose any requests for exemption by the company and the reason for the request.</p> <p>The Company does not seek any exemption from the application of a law, rule or regulation.</p>	
2. Company respects intellectual property rights.	Compliant	<p>Provide specific instances, if any.</p> <p>The installation of unlicensed software or applications is an offense under the Employee Code of Conduct and Ethics.</p> <p>Reference: P. 20, Employee Code of Conduct and Ethics, https://spnec.ph/wp-content/uploads/2021/04/SPNEC-ECCE-.pdf</p>	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare		Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	Not compliant	Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.	Although a formal policy is still being developed, in practice, the Company adopts and follows the policies of Meralco PowerGen Corporation.

Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Not applicable	Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.	The Company has no employees at this time. The Board will establish policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance as needed.
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Not applicable	Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.	The Company has no employees at this time.
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	<p>Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any.</p> <p>The Company's Environmental, Health and Safety Management Manual outlines the programs, rules, and regulations covering workplace efforts to protect the health and safety of employees, the public, and the environment from hazards that may arise from operations.</p> <p>Reference: Environmental, Health and Safety Management Manual, https://spnec.ph/corporate-governance/</p>	
3. Company has policies and practices on training and development of its employees.	Not applicable	Disclose and provide information on policies and practices on training and development of employees.	The Company has no employees at this time.

		Include information on any training conducted or attended.	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	<p>Identify or provide link/reference to the company's policies, programs and practices on anti-corruption</p> <p>The Company's Ethics Policy contains anti-bribery provisions. Engaging in bribery or corruption is also listed as an offense in its Employee Code of Conduct and Ethics.</p> <p>References: P. 1, Ethics Policy, https://spnec.ph/wp-content/uploads/2021/04/FINAL-SPNEC-Ethics-Policy.pdf</p> <p>P. 19, Employee Code of Conduct and Ethics, https://spnec.ph/wp-content/uploads/2021/04/SPNEC-ECCE-.pdf</p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p>Identify how the board disseminated the policy and program to employees across the organization</p> <p>Policies are posted on the Company's website.</p> <p>Reference: https://spnec.ph/corporate-governance/</p>	
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing	Compliant	Identify or provide link/reference to the company policy and procedures on penalizing employees	

<p>employee involvement in offering, paying and receiving bribes.</p>		<p>involved in corrupt practices. Include any finding of violations of the company policy.</p> <p>The Company's Ethics Policy contains anti-bribery provisions. Engaging in bribery or corruption is also listed as an offense in its Employee Code of Conduct and Ethics.</p> <p>References: P. 19, Employee Code of Conduct and Ethics, https://spnec.ph/wp-content/uploads/2021/04/SPNEC-ECCE-.pdf.</p> <p>P. 1, Ethics Policy, https://spnec.ph/wp-content/uploads/2021/04/FINAL-SPNEC-Ethics-Policy.pdf</p>	
Recommendation 15.3			
<p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation</p>	<p>Compliant</p>	<p>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</p> <p>Indicate if the framework includes procedures to protect the employees from retaliation.</p> <p>Provide contact details to report any illegal or unethical behavior.</p> <p>The Manual on Corporate Governance provides that "Officers and employees as well as other relevant stakeholders should be able to communicate freely and responsibly any concern and knowledge they may have about</p>	

		<p>illegal and unethical practices within the Company. Their right to freely communicate these matters to the Board or through proper channels should not be compromised in any way, without fear of any retribution, repercussion and retaliation. There could be effective speak up arrangements, such as anonymous helplines, through which employees, contractors and other third parties can raise concerns in confidence about unsafe, unethical or unlawful practices.</p> <p>Reference: P. 28, Manual on Corporate Governance, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf.</p>	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant	<p>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</p> <p>Indicate if the framework includes procedures to protect the employees from retaliation.</p> <p>Provide contact details to report any illegal or unethical behavior.</p> <p>The Manual on Corporate Governance provides states that part</p>	


		<p>of the duties and responsibilities of the Related Party Transactions Committee is to oversee the integrity, independence, and effectiveness of the Whistleblowing Policy and its guidelines and procedures and ensure that stakeholders who raise concerns relating to Material RPTs are duly protected from reprisals in accordance with the Whistleblowing Policy. It further adds that officers and employees as well as other relevant stakeholders should be able to communicate freely and responsibly any concern and knowledge they may have about illegal and unethical practices within the Company. Their right to freely communicate these matters to the Board or through proper channels should not be compromised in any way, without fear of any retribution, repercussion and retaliation. There could be effective speak up arrangements, such as anonymous helplines, through which employees, contractors and other third parties can raise concerns in confidence about unsafe, unethical or unlawful practices. Thus, there should be a strong whistle-blowing policy.</p> <p>Reference: P. 19 and 28, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-</p>	
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		Manual-on-Corporate-Governance-Final-1.pdf .	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<p>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</p> <p>Please see the provisions in the Manual on Corporate Governance on the Company's Whistle Blowing Policy.</p> <p>Reference: P. 19 and 28, https://spnec.ph/wp-content/uploads/2021/11/SPNEC-Manual-on-Corporate-Governance-Final-1.pdf.</p>	
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	<p>Provide information or reference to a document containing information on the company's community involvement and environment-related programs.</p> <p>Reference: Pp. 244-264, Annual Report, https://spnec.ph/wp-content/uploads/2025/05/17-A-2024.pdf</p>	
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.	

		<p>SPNEC complies with the environmental laws, rules and regulations in developing, constructing and operating its facilities.</p> <p>References: P. 111, Prospectus for Stock Rights Offering at https://spnec.ph/wp-content/uploads/2022/08/Final-Prospectus-with-Annexes-notarized-2022_08_24-2.pdf.</p> <p>Pp. 244-264, Annual Report, https://spnec.ph/wp-content/uploads/2025/05/17-A-2024.pdf</p>	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	<p>Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.</p> <p>Reference: Pp. 232-250, Annual Report, https://spnec.ph/wp-content/uploads/2025/05/17-A-2024.pdf Pp. 244-264, Annual Report, https://spnec.ph/wp-content/uploads/2025/05/17-A-2024.pdf</p>	

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Pasig on MAY 30 2025.


MANUEL V. PANGILINAN
Chairman


EMMANUEL V. RUBIO
President


LYDIA B. ECHAUZ
Lead Independent Director


MARY ANN D. BALLESTEROS
Compliance Officer

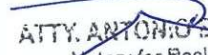

BENJAMIN I. ESPIRITU
Independent Director


JO MARIANNI P. OCAMPO-JALBUENA
Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAY 30 2025, affiants exhibiting to me their competent evidence of identity as follows:

Name	Competent Evidence of Identity	Place/Date of Issue
Manuel V. Pangilinan	Passport No. P9969361A	DFA NCR East/December 18, 2018
Emmanuel V. Rubio	Passport No. P3162364B	DFA Manila/September 13, 2019
Benjamin I. Espiritu	Passport No. P7362258A	DFA NCR Central, valid until May 28, 2028
Lydia B. Echauz	Passport No. P5609490A	DFA NCR East/ January 15, 2018
Mary Ann D. Ballesteros	UMID CRN-01111-0687327-9	N/A
Jo Marianni P. Ocampo-Jalbuena	Passport No. P211285C	DFA Manila/October 21, 2022

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Notary for Pasig City
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PTR No. 2980250/1/03/28/Pasig City
MGLÉ Compliance No. VII-0008638 April 24, 2025