



ANGELES ELECTRIC CORPORATION

CORPORATE DISCLOSURE AND TRANSPARENCY POLICY

Section 1. Policy Statement

Angeles Electric Corporation (the Company) is committed to improving its governance practices and for this purpose, hereby adopts this Corporate Disclosure and Transparency Policy (“CDTP” or the “Policy”). This CDTP shall be read in conjunction with the Company’s Manual on Corporate Governance and other related policies.

Section 2. Purpose

The Policy outlines the disclosure and transparency policies and procedures of the Company that are practical and in accordance with generally accepted best practices and regulatory expectations.

The Policy has been established to ensure comprehensive, accurate, reliable and timely reports to shareholders and other stakeholders that give a fair and complete picture of a company's financial condition, results and business operations.

The Policy has been developed in compliance with the disclosure requirement as provided in Rule 68 of the Securities Regulation Code (SRC) and other regulations essential for comprehensive and timely reporting.

Section 3. Scope

This Policy applies to all employees, officers, consultants, the Board of Directors, and persons who are authorized to disclose on its behalf.

Section 4. Definition of Terms

For this policy, the following definition of terms shall apply:

Authorized Persons – shall mean employees, officers, consultants, the Company's Board of Directors, and others who are authorized to disclose information to interested third parties such as investors, the public, the media, regulatory bodies and other governmental authorities on its behalf.

Confidential Information - refers to trade secrets or any non-public information about the Company having actual or potential commercial value as it is unknown to third parties. Confidential information includes but is not limited to the following information:

- a. Financial models and projections

- b. Business strategies
- c. Prospective investments
- d. Other material and non-public information that is not required to be disclosed under existing laws, policies, rules and regulations.

Material Information - refers to any information relating to the business and affairs of the Company that:

- a. Results in or may reasonably be expected to affect the price of the Company's shares or;
- b. Would be considered important under circumstances in determining any course of action concerning the Company's shares.

Public Information - refers to information, access to which is not restricted in any way, and the disclosure of which is required under the Securities and Exchange Commission's (SEC) Corporation Code, the SRC and other applicable and relevant laws and regulations and includes:

- a. The Company's Articles of Incorporation as amended
- b. The existing policies of the Company including, but not limited to the policies of the governing bodies, audit and control bodies, disclosure policy, committees of the Company
- c. The external auditor's reports and opinions
- d. Annual accounting statements prepared in accordance with the PFRS
- e. Annual accounting statements prepared in accordance with the IFRS
- f. The Annual Report of the Company
- g. The reports filed by the Company with the SEC
- h. Information about the securities and the financial and business operations of the Company

Section 5. Objectives and Principles

1. This Disclosure Policy shall be implemented following applicable laws and in the best interest of the Company and its shareholders. The goal of disclosure is to provide information to stakeholders and interested parties to assist such persons in making sound investment decisions.
2. When disclosing information, the Company shall be guided by the principles of accuracy, accessibility, timeliness, completeness and regularity and additionally will seek to maintain a reasonable balance between the transparency of the Company and the protection of its commercial interests while complying with relevant provisions of the laws of the Philippines, the Articles of Incorporation, this Policy and other internal documents of the Company.
3. The Company shall not avoid the disclosure of negative information if such information might be considered material or essential to stakeholders or potential investors.
4. For purposes of disclosure, the preferential treatment of any one group of recipients of such information ("selective disclosure") shall be prohibited unless otherwise provided for by the laws of the Philippines and other applicable and current rules and regulations.

Section 6. Application and Policies

The CDTP applies to the following disclosure materials which the Company communicates to its shareholders, investors, regulators and the general public, which shall include but not limited to:

1. All reports filed with the SEC under the SRC, its Implementing Rules and Regulations (IRR), other relevant regulatory bodies and other government agencies.
2. All non-structured disclosures such as press releases, official company statements or reports, investor relations, President's report, or any material fact or event that would reasonably affect the Company.
3. Dealings of Company shares by Directors and Officers shall be disclosed and reported to the Company through the Compliance Officer within five (5) business days.
4. Disclosure of material information on individual Board members and key executives to evaluate their experience and qualifications and assess any potential conflicts of interest that might affect their judgment. This includes Directors' and Key Officers' qualifications, share/ownership in the Corporation, membership in other boards, other executive positions, and corporate governance training attended.
5. Disclosure of the Company's policies and procedures for setting Board and Executive remuneration, as well as the level and mix of the same in the Annual Corporate Governance Report. Remuneration shall as much as practicable be on an individual basis, including termination and retirement provisions.
6. Disclosure of the Company's policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions. The material or significant RPTs reviewed and approved during the year shall be disclosed in its Annual Corporate Governance Report.
7. Disclosure of non-financial information, with emphasis on the management of economic, environmental, social, and governance (EESG) issues of its business, which support sustainability.

Section 7. Rights of Shareholders to Information

1. The shareholders shall be provided, upon request, with the nomination and removal process of the Board of Directors, the voting procedures that would govern the annual and special shareholders' meetings latest available reports which disclose the personal and professional information about the Directors and Officers and certain other matters such as their holdings of Company shares, dealings with the Company, relationships among Directors and Management and the aggregate compensation of Directors and Officers.
2. The minority shareholders shall be granted the right to propose the holding of a meeting in accordance with Section 49 of the Revised Corporation Code and the By-Laws of the Company and to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.

Section 8. Compliance

1. The Compliance Officer shall be responsible for the organization, accuracy and timeliness of disclosure of Material Information, as well as the filing of the reports with the relevant regulatory bodies and other government authorities. No Material Information shall be reported or divulged to third parties until the same has been properly disclosed to the SEC first.
2. The Corporate Governance ("CG") Committee, in coordination with the Compliance Officer and other authorized persons, shall review, and update this Policy.
3. This Policy shall be disclosed in the Company's Annual Corporate Governance Report and the Company's website for public information.

Section 9. Effectivity

This Policy shall take effect immediately upon approval by the Board of Directors.

ENDORSED BY:

On behalf of the Corporate Governance Committee



IVANNA G. DE LA PEÑA

Independent Director/

Governance Committee Chairperson

APPROVED BY:

On behalf of the AEC Board



GEROMIN T. NEPOMUCENO

Director/ Chairman of the Board