



“Efficiently providing you with the most reliable source of energy”



I. POLICY STATEMENT

Consistent with the key mandates of the Board of Directors of King Energy Generation Inc. ("KEGI" or the "Company"), the Company hereby formalizes the Policy on the disclosure of basic shareholders'/members' rights ("Policy").

The policy is created in recognition of the need to comply with Securities and Exchange Commission ("SEC") Memorandum Circular No. 24, Series of 2019, Code of Corporate Governance for Public Companies and Registered Issuers under Section 13. Promoting Shareholders/Members Rights which states that the Company should treat all shareholders/members fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

Rationale

In view of the foregoing, the Board has complied by ensuring that the basic shareholder/member rights are disclosed in the Company's Manual of Corporate Governance under Section 1.0 up to Section 7.0 of V. Investors' Rights and Protection, to wit:

"V. INVESTORS' RIGHTS AND PROTECTION

The Board shall commit to respect the following rights of the stockholders:

Section 1.0 Voting Right

Stockholders shall have the right to elect, remove and replace directors and vote on corporate acts in accordance with the Revised Corporation Code.

Section 2.0 Pre-emptive Right

Unless otherwise stated in the Articles of the Incorporation or the Revised Corporation Code of the Philippines, all stockholders shall enjoy the pre-emptive right to subscribe to all issues or disposition of shares in proportion to their respective shareholdings.

Section 3.0 Right of Inspection

Any stockholder who desires to exercise his right to inspect corporate books and records of the Company must make a written request addressed to the Corporate Secretary, and stating the specific reason(s) or purpose(s) for the inspection. The exercise of such right may be denied if: (i) the requesting stockholder improperly used information obtained from prior examination; or, (ii) is not acting in good faith; or, (iii) there is a reasonable ground to safeguard the interests of the Company, such as when the subject of inspection contains confidential or proprietary information or covered by a confidentiality or non-disclosure obligation which will be violated by the Company if inspection were allowed. In no case shall the stockholder be allowed to take corporate books and other records out