



**“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 for Alternative Dispute Mechanism ("Policy").

The Securities and Exchange Commission (SEC) Memorandum Circular No. 24, Series of 2019, Code of Corporate Governance for Registered Issuers, on cultivating a synergic relationship with shareholders/members has given its mandate to make available, at the option of a shareholder/member an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.

## II. DEFINITION OF TERMS ( as defined by Republic Act No. 9285, April 2, 2004)

- (a) "**Alternative Dispute Resolution System**" means any process or procedure used to resolve a dispute or controversy, other than by adjudication of a presiding judge of a court or an officer of a government agency, as defined in this Act, in which a neutral third party participates to assist in the resolution of issues, which includes arbitration, mediation, conciliation, early neutral evaluation, mini-trial, or any combination thereof.
- (b) "**ADR Provider**" means institutions or persons accredited as mediator, conciliator, arbitrator, neutral evaluator, or any person exercising similar functions in any Alternative Dispute Resolution system. This is without prejudice to the rights of the parties to choose nonaccredited individuals to act as mediator, conciliator, arbitrator, or neutral evaluator of their dispute. Whenever referred to in this Act, the term "ADR practitioners" shall refer to individuals acting as mediator, conciliator, arbitrator or neutral evaluator.
- (c) "**Arbitration**" means a voluntary dispute resolution process in which one or more arbitrators, appointed in accordance with the agreement of the parties, or rules promulgated pursuant to this Act, resolve a dispute by rendering an award.
- (d) "**Early Neutral Evaluation**" means an ADR process wherein parties and their lawyers are brought together early in a pre-trial phase to present summaries of their cases and receive a nonbinding assessment by an experienced, neutral person, with expertise in the subject in the substance of the dispute.
- (e) "**Mediation**" means a voluntary process in which a mediator, selected by the disputing parties, facilitates communication and negotiation, and assist the parties in reaching a voluntary agreement regarding a dispute.