

CHARTER OF THE ENVIRONMENTAL, SOCIAL, AND GOVERNANCE COMMITTEE

1.0. RATIONALE

The Board of Directors (the “Board”) of Citicore Energy REIT Corp. (the “Company”), in pursuit of good corporate governance, hereby constitutes an Environmental, Social, and Governance Committee (“ESGC”) and adopts this ESGC Charter (this “Charter”) to govern its oversight functions and activities.

2.0. COMPOSITION OF THE ESGC

2.1. Membership

The ESGC shall have three (3) members, composed of three (3) Directors, who shall be appointed by the Board on an annual basis.

The Board shall appoint the Chairman and Vice-Chairman of the ESGC. Further, the Corporate Secretary of the Company or his/her designated assistant/s shall act as the Secretary of the ESGC’s meetings.

The members of the ESGC shall serve at the pleasure of the Board, and under such terms as the Board may determine. The members of the ESGC may be removed, with or without cause, by the action of the Board.

2.2. Role of the Chairman

The Chairman shall provide leadership in the ESGC and ensure that it is properly performing its duties and responsibilities. The Chairman shall, among others:

- a. preside over meetings;
- b. approve the agenda of each meeting;
- c. convene or cancel meetings when, in his/her reasonable opinion, the same is warranted;
- d. ensure that sound decisions are being made, which are in accordance with the direction of the Board and the policies of the Company;
- e. encourage and promote open dialogue during meetings, where dissenting views may be expressed and discussed; and
- f. ensure that members of the ESGC receive accurate, timely, and relevant information necessary to carry out its functions.

2.3. Role of the Vice-Chairman

In the absence or inability of the Chairman to perform his/her role, the Vice-Chairman shall act in his/her stead, and shall have the authority to exercise the powers and fulfill the duties of the Chairman.

The Vice-Chairman shall also perform any tasks or responsibilities delegated to him/her by the Chairman or the Board.

2.4. Role of the Secretary

The Corporate Secretary of the Company or his/her designated assistant/s shall serve as the Secretary of the ESGC. The following are the key responsibilities of the Secretary:

- q. draft the agenda for each meeting and have the same reviewed by the Chairman or, in his/her absence, the Vice-Chairman;
- r. send notices and agendas of the meetings at least five (5) calendar days before the actual date of the meetings;
- s. take the minutes of the meetings and keep in his/her custody any and all documents and records pertaining to the ESGC and its meetings; and
- t. perform other tasks and duties as assigned by the Chairman.

3.0 POWERS AND RESPONSIBILITIES OF THE ESGC

3.1 Powers and Functions

The ESGC shall exercise the following powers and functions with regard to the Board's duties on:

- a. the development and implementation of corporate governance principles and policies; and
- b. the adoption and implementation of approaches in addressing the Company's Environmental, Social, and Governance (“ESG”) commitments.

Moreover, the Board of the Company has delegated to the ESGC the authority to approve all transactions, policies, procedures, rules, regulations, and all other activities, which are necessary, in relation, or incidental to its powers, functions, roles, and responsibilities, as provided in the Charter.

3.2 Roles and Responsibilities

Pursuant to the powers and functions of the ESGC, its key roles and responsibilities, shall include, but not be limited to, the following:

- a. ensure that the Company adheres to good corporate governance principles and practices, as required by the Securities and Exchange Commission (“SEC”) and other relevant regulatory agencies;
- b. oversee the periodic performance evaluation of the Board and its committees and ensure that concrete action plans are developed to address identified areas for improvement;
- c. conduct a periodic review of the Board's committee structure, including evaluation of board size, composition and activities, practices, committees and committee membership;
- d. recommend the continuing education or training programs for directors, assignment of tasks or projects to Board committees, and adoption of succession plan for the members of the Board;
- e. oversee the Company's general strategy with respect to material, current, and emerging ESG matters material to the Company's businesses, operations, performance, or public image;

- f. consider and recommend guidelines, policies, practices, and disclosures that conform with the Company’s ESG general strategy and assist the Board in implementing the same;
- g. review and monitor the development and implementation of targets, standards, or methodologies that the Company may establish to assess and track its ESG performance including the conduct of environmental, social, community and stakeholder’s programs and projects;
- h. oversee the Company’s reporting and disclosures on ESG-related matters in accordance with laws, rules, and regulations; and
- i. perform such other functions as may be delegated or authorized by the Board.

4.0. POLICIES AND PROCEDURES OF THE ESGC

4.1. Meetings

- a. **Schedule.** The ESGC shall meet at least once every calendar quarter and at such dates, times, and places, as deemed appropriate by the Chairman or upon the request of a majority of its members.
- b. **Attendance.** All members are expected to attend meetings of the ESGC. They are required to attend in person, but in special circumstances are allowed to be present by means of video conference, teleconference, or other electronic means. Should any member, advisor, or observer participate in a meeting of the ESGC through teleconference or video conference, all persons participating in the meeting should be able to hear each other.
- c. **Quorum.** The quorum for any meeting of the ESGC shall be at least a majority of the members present throughout the meeting, and every decision of a majority of those present in which there is a quorum shall constitute a valid and effective act or decision of the ESGC. However, in no case shall a meeting proceed without the presence of the Chairman or, in his/her absence, the Vice-Chairman.
- d. **Notices and Agenda.** The Secretary shall send notice of each meeting to the members of the ESGC at least five (5) calendar days before any such meeting, specifying the place, date and time, and the agenda thereof.

The agenda of the ESGC’s meetings shall be prepared by the Secretary and approved by the Chairman or, in his/her absence, the Vice-Chairman. The agenda shall include, among others, the following: (i) updates on previous action items or deliverables from the previous meeting of the ESGC; (ii) review of strategic initiatives; (iii) core matters for discussion by the ESGC; and (iii) any other items, as determined by the ESGC and/or the Chairman or the Vice-Chairman, as the case may be, of the ESGC.

- e. **Other Invitees.** The ESGC may invite officers, employees, or any members of the departments or teams of the Company to attend or report during its meetings.
- f. **Minutes and Records.** The Secretary shall prepare the minutes of the ESGC meetings and take custody of its records. Such records shall be open for inspection by any member upon reasonable prior notice and during office hours. The minutes of any meeting shall be signed by the ESGC’s Chairman and the members present during the meeting.

4.2. External Advisors and Access to Information

- i. **Engagement of External Advisors.** In carrying out its duties or responsibilities, the ESGC may directly engage external advisors, such as, but not limited to, legal and accounting, and audit. The Company shall provide the necessary funding therefor, as recommended by the ESGC. The advisors may be required by the ESGC to submit written opinions or to attend any part of its meetings. Any members of the ESGC may, however, ask for the exclusion of any advisor from its meetings.
- ii. **Access to Information and Employees.** The ESGC is empowered to inquire, should it deem necessary or appropriate, any matter in relation to its purpose, duties or responsibilities and shall have full and direct access to all books, records, facilities, and personnel of the Company.

4.3. Performance Evaluation

The ESGC shall review its performance annually with respect to the fulfillment of its duties, functions, and responsibilities, as mandated by this Charter.

4.4. Review of this Charter

This Charter shall be reviewed at least annually by the Board to ensure its continuing adequacy and consistency with its direction or initiatives, including the Company’s policies and programs. Furthermore, the provisions of this Charter will be modified, to the extent necessary, to comply with the Revised Corporation Code of the Philippines, or any amendments thereto, its implementing rules and regulations, and circulars, as well as other applicable local and foreign laws.

4.5. Approval and Effectivity of this Charter

This Charter was approved by the Board on 26 July 2021 and shall take effect immediately upon such approval.