

QUESTION	ANSWER	REMARKS
B. EQUITABLE TREATMENT OF SHAREHOLDERS		
B. 1 Shares and Voting Rights		
B.1. 1 Do the company's ordinary or common shares have one vote for one share?	Yes	<p>THE RIGHT IS GRANTED UNTO SHAREHOLDERS AS EVIDENCED IN THE ARTICLES OF INCORPORATION.</p> <p>HOLDERS OF COMMON SHARES MAY VOTE SUCH NUMBER OF SHARES HELD BY THEM TO APPROVE OR REJECT SUCH CORPORATE ACTION OR TO ELECT MEMBERS OF THE BOARD OF DIRECTORS, I.E. ONE SHARE YIELD ONE VOTE.</p> <p>THE DEFINITIVE INFORMATION STATEMENT PROVIDES INFORMATION ON VOTING SECURITIES AND PRINCIPAL HOLDERS, NOTIFYING THEM OF THEIR RIGHT TO RECEIVE NOTICE OF, AND TO VOTE AT THE ANNUAL STOCKHOLDERS' MEETING</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 2. Equitable Treatment of Shareholders >>> The One Share, One Vote Rule, page 6 >>> 2014 Annual Stockholders' Meeting (ASM), pages 8-9.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, pages 84-85, 87-88</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 Definitive Information Statement</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2013 Definitive Information Statement</p>
B.1.2 Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website / reports/ the stock exchange/ the regulator's website)?	Yes	<p>The Notice of Annual Meeting of the Company's shareholders, Proxy Forms and the Definitive Information Statement submitted to the Securities and Exchange Commission (SEC) contain the detailed guide to inform EDC's stockholders about the exercise of these stockholders' rights, including voting rights. Electronic copies of these documents are distributed in compact disk (CD) formats by regular mail, or via postings in EDC's website and by disclosures in the Philippine Stock Exchange's Electronic Disclosure Generation Technology (PSE EDGE). Stockholders may also request for a hard copy of these documents from the Office of the Corporate Secretary and the Investor Relations Office (c/o Erudito S. Recio, Senior Manager, Investor Relations).</p> <p>The latest Amended Articles of Incorporation, which is posted in our website, contains the different features of each class of share issued by EDC, including the rights of the holder of such class of share.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 1. Rights of Shareholders >>> Basic Shareholder Rights, Right to be Notified of, and to Participate in Decisions concerning Fundamental Corporate Changes, pages 3-4 >> 2. Equitable Treatment of Shareholders >>> The One Share, One Vote Rule, page 6 >>> 2014 Annual Stockholders' Meeting (ASM), pages 8-9.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, pages 84-85, 87-88.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 Definitive Information Statement</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2013 Definitive Information Statement</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. SEC/PSE REPORTS ON CORPORATE GOVERNANCE. LATEST AMENDMENTS TO THE ARTICLES OF INCORPORATION >> November 24, 2014</p> <p>The Notice of Annual Meeting of the Company's shareholders, Proxy Forms and the Definitive Information Statement submitted to the Securities and Exchange Commission (SEC) contain the detailed guide to inform EDC's stockholders about the exercise of these stockholders' rights, including voting rights. Electronic copies of these documents are distributed in compact disk (CD) formats by regular mail, or via postings in EDC's website and by disclosures in the Philippine Stock Exchange's Electronic Disclosure Generation Technology (PSE EDGE). Stockholders may also request for a hard copy of these documents from the Office of the Corporate Secretary and the Investor Relations Office (c/o Erudito S. Recio, Senior Manager, Investor Relations).</p> <p>The latest Amended Articles of Incorporation, which is posted in our website, contains the different features of each class of share issued by EDC, including the rights of the holder of</p>

	<p>such class of share.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 1. Rights of Shareholders >>> Basic Shareholder Rights, Right to be Notified of, and to Participate in Decisions concerning Fundamental Corporate Changes, pages 3-4 >> 2. Equitable Treatment of Shareholders >>> The One Share, One Vote Rule, page 6 >>> 2014 Annual Stockholders’ Meeting (ASM), pages 8-9.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, pages 84-85, 87-88.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 Definitive Information Statement</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2013 Definitive Information Statement</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. SEC/PSE REPORTS ON CORPORATE GOVERNANCE. LATEST AMENDMENTS TO THE ARTICLES OF INCORPORATION >> November 24, 2014</p>
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B.2 Notice of AGM

B.2.1 Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?

Yes	<p>There is no bundling of several items into the same resolution. EDC followed the agenda items as stated in the Notice and conducted the meeting in accordance with existing laws and regulations.</p> <p>Voting Results in the 2014 Annual Stockholders’ Meeting of the Energy Development Corporation</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="4" style="text-align: center;">Results of the 2014 Annual Stockholders’ Meeting</th> </tr> <tr> <th style="text-align: center;">Resolution</th> <th style="text-align: center;">Approving</th> <th style="text-align: center;">Dissenting</th> <th style="text-align: center;">Abstaining</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">Approval of the Minutes of the Previous Stockholders’ meeting TOTAL VOTES: 23,904,490,552</td> <td style="text-align: center; vertical-align: middle;">22,578,379,978 (80.28%)</td> <td style="text-align: center; vertical-align: middle;">0</td> <td style="text-align: center; vertical-align: middle;">1,326,110,574</td> </tr> <tr> <td style="vertical-align: top;">Approval of the Management Report and Audited Financial Statements for the year ended December 31, 2013 TOTAL VOTES: 23,904,490,552</td> <td style="text-align: center; vertical-align: middle;">22,894,602,203 (81.40%)</td> <td style="text-align: center; vertical-align: middle;">0</td> <td style="text-align: center; vertical-align: middle;">1,009,888,349</td> </tr> <tr> <td style="vertical-align: top;">Confirmation and Ratification of all acts and resolutions of Management and the Board of Directors from the date of the last stockholders’</td> <td style="text-align: center; vertical-align: middle;">22,568,102,478 (80.24%)</td> <td style="text-align: center; vertical-align: middle;">10,277,500</td> <td style="text-align: center; vertical-align: middle;">1,326,110,574</td> </tr> </tbody> </table>	Results of the 2014 Annual Stockholders’ Meeting				Resolution	Approving	Dissenting	Abstaining	Approval of the Minutes of the Previous Stockholders’ meeting TOTAL VOTES: 23,904,490,552	22,578,379,978 (80.28%)	0	1,326,110,574	Approval of the Management Report and Audited Financial Statements for the year ended December 31, 2013 TOTAL VOTES: 23,904,490,552	22,894,602,203 (81.40%)	0	1,009,888,349	Confirmation and Ratification of all acts and resolutions of Management and the Board of Directors from the date of the last stockholders’	22,568,102,478 (80.24%)	10,277,500	1,326,110,574
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	meeting as reflected in the books and records of the company TOTAL VOTES: 23,904,490,552			
	Approval of amendment of the Articles of Incorporation to reclassify the Three Billion (3,000,000,000) authorized and unissued common shares with a par value of One Peso (Php1.00) per share, into Three Hundred Million (300,000,000) Non-Voting Preferred Shares with a par value of Ten Pesos (Php10.00) per share TOTAL VOTES: 23,904,490,552	23,204,530,289 (82.50%)	699,269,263	691,000
	Approval of amendment of the Articles of Incorporation to limit the preemptive right for certain share issuances/ reissuances TOTAL VOTES: 23,904,490,552	21,438,895,716 (76.23%)	2,464,903,836	691,000
	Approval of the Appointment of SGV & Co. as the Company's external auditor TOTAL VOTES: 23,904,490,552	22,894,602,203 (81.40%)	0	1,009,888,349

		<p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 1. Rights of Shareholders >>> Basic Shareholder Rights, Right to be Notified of, and to Participate in Decisions concerning Fundamental Corporate Changes, pages 3-4 >> 2. Equitable Treatment of Shareholders >>> 2014 Annual Stockholders' Meeting (ASM), pages 7-9.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, pages 82-83, 86-88.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 Definitive Information Statement</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2013 Definitive Information Statement</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. PSE Disclosure on the approved ASM Resolutions. 2014, 2013</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. Minutes of ASM 2013 ASM Minutes, 2014 ASM Tabulation of votes</p>
<p>B.2.2 Is the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local-language version?</p>	Yes	<p>Meeting notices are in English since it is an official language in the Philippines and for the benefit of foreign stockholders. For the 2014 ASM, the Notice was first disclosed via the PSE's Electronic Disclosure Generation Technology (PSE EDGE) on February 14, 2014 or eighty-one (81) days before the date of the scheduled meeting on May 6, 2014 to provide shareholders enough time to examine the information needed to arrive at an informed decision. It was again issued, as part of the Definitive information Statement (SEC Form 20-IS) filed with the SEC, which was published by the Company on April 4, 2014.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 1. Rights of Shareholders >>> Right to be Notified of, and to Participate in Decisions concerning Fundamental Corporate Changes, pages 3-4 >> 2. Equitable Treatment of Shareholders >>> 2014 Annual Stockholders' Meeting (ASM), pages 7.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, pages 82-83, 86-88.</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2014 Notice of ASM and Definitive Information Statement</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2013 Notice of ASM and Definitive Information Statement</p>
<p>Does the notice of AGM/circulars have the following details:</p> <p>B.2.3 Are the profiles of directors/commissioners (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election/re-election included?</p>	Yes	<p>In the meeting notice and the SEC Form 20-IS, we identified all items on the agenda as well as other relevant and adequate information provided for the shareholders' consideration, including -</p> <p>1. <i>Nomination of EDC Directors</i>. Basic information on our nominees, such as the name, type of directorship, education, experience, positions held in other businesses, date of first election and participation in board and committee meetings during the previous year, shareholding in EDC and such other information on conflict of interest were provided to shareholders.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 2. Equitable Treatment of Shareholders >>> 2014 Annual Stockholders' Meeting (ASM), pages 7-8.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, pages 86-88.</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2014 Notice of ASM, Definitive Information Statement and 2014 Proxy Form</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2013 Notice of ASM, Definitive Information Statement</p>
<p>B.2.4 Are the auditors seeking appointment/re-appointment clearly identified?</p>	Yes	<p>In the meeting notice and the SEC Form 20-IS, we identified all items on the agenda as well as other relevant and adequate information provided for the shareholders' consideration, including -</p> <p>1. <i>Appointment of External Auditors</i>. We identified the names of our external auditors, the number of years in service to EDC and their audit relationship. Also, information on the audit</p>

		<p>process and material disagreements were provided.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 2. Equitable Treatment of Shareholders >>> 2014 Annual Stockholders' Meeting (ASM), pages 7-8.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, pages 86-88.</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2014 Notice of ASM, Definitive Information Statement and 2014 Proxy Form</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2013 Notice of ASM, Definitive Information Statement</p>
B. 2. 5 Has an explanation of the dividend policy been provided?	Yes	<p>Our Board of Directors is authorized to declare dividends as long as EDC has unrestricted retained earnings in accordance with Section 43 of the Corporation Code.</p> <p>In the case of cash dividends, holders of common shares are entitled to receive annual cash dividends of at least 30% of the prior year's recurring net income based on the recommendation of the Board of Directors, without need of stockholders' approval. Such recommendation for cash dividend declaration will take into consideration factors such as current and prospective debt service requirements and loan covenants, the implementation of business plans, operating expenses, budgets, funding for new investments, appropriate reserves and working capital, among other.</p> <p>In the case of stock dividends, Board and stockholders' approval are required in accordance with existing laws. Stockholders representing at least two-thirds of EDC's outstanding capital stock must approve the stock dividend declaration.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 1. Rights of Shareholders >>> Rights to Dividends (Dividends Policy), page 4-5 >> 2. Equitable Treatment of Shareholders >>> 2014 Annual Stockholders' Meeting (ASM), page 7.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Notes to Financial Statements, pages 30-31 >> Corporate Governance, pages 83-84, 86</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2014 Notice of ASM, Definitive Information Statement and 2014 Proxy Form</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2013 Notice of ASM, Definitive Information Statement</p>
B.2.6 Is the amount payable for final dividends disclosed?	Yes	<p>The 2014 Annual Audited Financial Statements and the 2014 Corporate Governance Report show that in 2014, EDC's Board of Directors approved the declaration of cash dividends twice: (1) on February 28, 2014, the declaration of a cash dividend of P0.10 per share on the common shares in favor of common shareholders of record as of March 17, 2014 and payable on or before April 10, 2014; and (2) on October 3, 2014, the declaration of a special cash dividend of P0.10 per share on the common shares in favor of common shareholders of record as of October 20, 2014 and payable on or before November 13, 2014. The cash dividends were paid within thirty (30) days after being declared by the Board.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 1. Rights of Shareholders >>> Rights to Dividends (Dividends Policy), page 4-5 >> 2. Equitable Treatment of Shareholders >>> 2014 Annual Stockholders' Meeting (ASM), page 7.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, pages 83-84, 86</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2014 Notice of ASM, Definitive Information Statement and 2014 Proxy Form</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2013 Notice of ASM, Definitive Information Statement</p>
B.2.7 Were the proxy documents made easily available?	Yes	<p>The Notice of Annual Meeting of the Company's shareholders, Proxy Forms and the Definitive Information Statement submitted to the Securities and Exchange Commission (SEC) contain the detailed guide to inform EDC's stockholders about the exercise of these stockholders' rights. Electronic copies of these documents are distributed in compact disk (CD) formats by regular mail, or via postings in EDC's website and by disclosures in the Philippine Stock</p>

		<p>Exchange's Electronic Disclosure Generation Technology (PSE EDGE). Stockholders may also request for a hard copy of these documents from the Office of the Corporate Secretary and the Investor Relations Office (c/o Erudito S. Recio, Senior Manager, Investor Relations).</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 1. Rights of Shareholders >>> Right to be Notified of, and to Participate in Decisions concerning Fundamental Corporate Changes, pages 3-4 >> 2. Equitable Treatment of Shareholders >>> 2014 Annual Stockholders' Meeting (ASM), page 7.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, pages 83-84, 86</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2014 Notice of ASM, Definitive Information Statement and 2014 Proxy Form</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS. 2013 Notice of ASM, Definitive Information Statement</p>
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B.3 Insider Trading and abusive self-dealing should be prohibited

<p>B.3.1 Does the company have policies and/or rules prohibiting directors/ commissioners and employees to benefit from knowledge which is not generally available to the market?</p>	<p>Yes</p>	<p>Internal regulations governing use of confidential information have been put in place. Details of these regulations are found in EDC's Code of Conduct and Business Ethics and its Personnel Manual under the Section "Conflict of Interest Policy," viz -</p> <p>"It is considered a violation of the conflict of interest policy for Directors, Officers, or Employees, without prior written authority, to give or release to any person any data or information of a confidential nature concerning the Company, such as those relating to decisions, plans, earnings, financial or business forecasts, or competitive bids, or to use such information to his personal advantage when the same is improper, undesirable, or not in the best interest of the Company, as for example, by acquiring, or inducing others to acquire, any interest in securities of a Company involved in, or which may become involved in any transaction with the Company, which is not generally known to the public."</p> <p>We also continue to observe strict compliance with PSE's Trading Rules and Restrictions, particularly on transparency and fairness of transactions. We recognize that material information received by members of the Board, Management, officers and employees carries the risk of abuse of insider information. Through the proper mechanism in its conflict of interest policy, we ensure that transactions involving the use of insider information are monitored, reviewed and cleared to protect the interest of all stockholders and to comply with SEC and PSE Rules.</p> <p>To ensure the transparency of transactions undertaken by our Directors and Officers, we require them to inform or report to EDC their dealings in company shares, regardless whether such dealings are made during a black-out period. EDC, in turn, makes the necessary disclosures on the trading of its shares by its Directors and Officers.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> >> 2. Equitable Treatment of Shareholders >>> Prohibition on Conflict of Interest and Insider Trading, page 6.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, page 85 >> Exhibit: Annual Corporate Governance Report, pages 47-48.</p>
<p>B.3.2 Are the directors / commissioners required to report their dealings in company shares within 3 business days?</p>	<p>No</p>	<p>To ensure the transparency of transactions undertaken by our Directors and Officers, we require them to inform or report to EDC their dealings in company shares, regardless whether such dealings are made during a black-out period, although we do not expressly provide for a 3-business days period of reporting. Following the reporting requirements of the SEC and the PSE, EDC, in turn, makes the necessary disclosures on the trading of its shares by its Directors and Officers. A table showing the levels of direct and indirect shareholdings owned by our Directors and Officers in EDC at the beginning and at the end of the year can be found in the discussion under Share Capital in our Annual Report.</p> <p>Since EDC's listing in the Philippine Stock Exchange (PSE) in December 13, 2006, the Company has continued to observe strict compliance with the Exchange's Trading Rules and Restrictions, emphasizing the need for transparency and fairness in its transactions in order to fully apprise its investors of its current activities.</p> <p>One of the matters which were given much importance is the principle of transparency, in observance of which directors and officers are required to disclose their stock transactions involving company security, using SEC Forms 23-A and 23-B whenever necessary. Another matter given much importance is the manner by which the Company, its Directors and officers treat material information they may come by in the Company. Management has advised time and again that material information should be treated delicately so as to comply with the PSE and SEC Rules on Disclosure.</p>

		<p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> >> 2. Equitable Treatment of Shareholders >>> Prohibition on Conflict of Interest and Insider Trading, page 6.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS.2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, page 85 >> Exhibit: Annual Corporate Governance Report, pages 47-48.</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS.2014 Definitive Information Statement >> Guidelines on Trading Rules and Restrictions, page 89.</p> <p>SEC FORM 23-B</p> <p>VP-HRMS December 18, 2014</p> <p>IR Manager December 18, 2014</p> <p>Director and EVP December 16, 2014</p> <p>IR Manager December 15, 2014</p> <p>IR Manager October 15, 2014</p> <p>Director and EVP October 9, 2014</p> <p>IR Manager Sept. 16, 2014</p> <p>Director Sept. 8, 2014</p> <p>IR Manager Sept. 2, 2014</p> <p>President & COO July 23, 2014</p> <p>President & COO July 22, 2014</p> <p>IR Manager July 21, 2014</p> <p>Director and EVP June 30, 2014</p> <p>Director May 23, 2014</p> <p>IR Manager May 23, 2014</p> <p>IR Manager April 16, 2014</p> <p>Director April 11, 2014</p> <p>IR Manger March 26, 2014</p> <p>Director March 19, 2014</p> <p>IR Manager Jan. 6, 2014</p>
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B.4 Related Party Transactions by Directors and key Executives

<p>B.4.1 Does the company have a policy requiring directors and commissioners to disclose their interest in transactions and any other conflicts of interest?</p>	<p>Yes</p>	<p>Internal regulations governing conflict of interest, trade secrets and use of confidential information have been put in place. Details of these regulations are found in EDC’s Code of Conduct and Business Ethics and its Personnel Manual under the Section “Conflict of Interest Policy”.</p> <p>Directors, Officers and employees are required to strictly avoid any conflict between their personal interest and the Company’s interest in dealing with third parties doing or seeking to do business with the Company. Whenever a conflict of interest arises, the Board is required to disclose the same for proper disposition.</p> <p>Our Board of Directors and Officers are also required to submit a “Full Business Interest Disclosure” to ensure that their business interest do not conflict with their position in the Company.</p> <p>Transactions with possible conflicts of interest involving employees must be reported to senior management for clearance and/or investigation prior to submission to the President, who may elevate the same to the Board for the latter’s disposition, depending on the magnitude of the conflict of interest. For matters involving a Director or Officer, the Nominations and Compensation Committee (NCC) will investigate, review, dispose and/or recommend to the Board how to dispense with such transactions pursuant to the NCC Charter.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> >> 2. Equitable Treatment of Shareholders >>> Prohibition on Conflict of Interest and Insider Trading, page 6.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS.2014 ANNUAL</p>
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B.4.2 Does the company have a policy requiring a committee of independent directors/commissioners to review material/significant RPTs to determine whether they are in the best interests of the company and shareholders?	Yes	<p>EDC's Audit and Governance Committee, majority of its members are independent directors, reviews potential conflicts of interest and related party transactions.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. BOARD COMMITTEES. CHARTERS > AUDIT & GOVERNANCE COMMITTEE CHARTER, page 4.</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. CORPORATE GOVERNANCE MANUAL</p>
B.4.3 Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted?	Yes	<p>Internal regulations governing conflict of interest, trade secrets and use of confidential information have been put in place. Details of these regulations are found in EDC's Code of Conduct and Business Ethics and its Personnel Manual under the Section "Conflict of Interest Policy".</p> <p>Directors, Officers and employees are required to strictly avoid any conflict between their personal interest and the Company's interest in dealing with third parties doing or seeking to do business with the Company. Whenever a conflict of interest arises, the Board is required to disclose the same for proper disposition.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> >> 2. Equitable Treatment of Shareholders >>> Prohibition on Conflict of Interest and Insider Trading, page 6.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS.2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> Corporate Governance, page 85 >> Exhibit: Annual Corporate Governance Report, page 46.</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS.2014 Definitive Information Statement >> Conflict of Interest Policy, page 89.</p>
B.4.4 Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	Yes	<p>We acknowledge that related party transactions may give rise to conflicts of interest. To address this, we ensure that transactions with a related party are made under comparable and normal commercial terms, conditions and circumstances as a transaction with an independent third party. Our Board reviews all transactions not in the usual course of business, including related party transactions, to ensure that such are conducted at arm's length or upon such terms not less favorable to EDC than those offered to others. Amounts outstanding of related party transactions are unsecured and will be settled in cash. Outstanding balances of related parties are reconciled monthly. Full disclosure is made on the related party transaction and its details in our financial statements.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> >> 2. Equitable Treatment of Shareholders >>> Related Party Transactions, pages 6-7.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS.2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> PART IV. MANAGEMENT AND CERTAIN SECURITY HOLDERS >> Certain Relationships and Related Transactions >>> 20. Related Party Transactions, pages 78-80 >> Corporate Governance, page 85 >>Exhibit: Annual Corporate Governance Report, pages 57-58, 134.</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS.2014 Definitive Information Statement >> Certain Relationships and Related Transactions, pages 17-20.</p>
B.5 Protecting minority shareholders from abusive actions		
B.5.1 Were there any RPTs that can be classified as financial assistance to entities other than wholly-owned subsidiary companies?	No	<p>Where the matter involves a related party, EDC exercises greater care and transparency in ensuring the fairness of the transaction price and its terms and conditions. When EDC acquired 60% of First Gen Hydro Power Corporation (FGHPC) in 2008, the company created a committee composed exclusively of its independent directors to oversee the transaction on behalf of EDC's management, supported by an independent financial adviser to render the fairness opinion, and a sole financial advisor.</p> <p>Any related party transaction have been treated in the highest standards of business and based on purely commercial consideration. especially in high-value transactions, like the First Gen Hydro acquisition in 2008, the more stringent standards of valuation were adopted. As such, there is no record of any rpt that can be classified as financial assistance to entities other than wholly-owned subsidiaries.</p> <p>SOURCES:</p>

		<p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 1. Rights of Shareholders >> Policy on Mergers, Acquisitions and/or Takeovers, pages 4-5 >> 2. Equitable Treatment of Shareholders >>> Related Party Transactions, pages 6-7.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS.2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> PART IV. MANAGEMENT AND CERTAIN SECURITY HOLDERS >> Certain Relationships and Related Transactions >>> 20. Related Party Transactions, pages 78-80 >> Corporate Governance, page 84-85 >>Exhibit: Annual Corporate Governance Report, pages 57-59, 134.</p>
<p>B.5.2 Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?</p>	<p>Yes</p>	<p>We acknowledge that related party transactions may give rise to conflicts of interest. To address this, we ensure that transactions with a related party are made under comparable and normal commercial terms, conditions and circumstances as a transaction with an independent third party. Our Board reviews all transactions not in the usual course of business, including related party transactions, to ensure that such are conducted at arm's length or upon such terms not less favorable to EDC than those offered to others. Amounts outstanding of related party transactions are unsecured and will be settled in cash. Outstanding balances of related parties are reconciled monthly. Full disclosure is made on the related party transaction and its details in our financial statements.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> >> 2. Equitable Treatment of Shareholders >>> Related Party Transactions, pages 6-7.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS.2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >> PART IV. MANAGEMENT AND CERTAIN SECURITY HOLDERS >> Certain Relationships and Related Transactions >>> 20. Related Party Transactions, pages 78-80 >> Corporate Governance, page 85 >>Exhibit: Annual Corporate Governance Report, pages 57-58, 134.</p> <p>EDC WEBSITE> INVESTOR RELATIONS> PSE/SEC STRUCTURED REPORTS.2014 Definitive Information Statement >> Certain Relationships and Related Transactions, pages 17-20.</p>