

**Clause 1.4.2, a person is deemed to be independent of the Philippine electric power industry and qualified to become an independent director if that person:**

**(a)** Is not a director, officer, employee, contractor, agent, adviser, consultant, legal counsel, manager, or shareholder of a WESM member including their spouses; *(As amended by DOE DC No. 2006-01-0001 dated 10 January 2006 and DOE DC No. 2020-10-0021 dated 22 October 2020)*

**(b)** **Is not a spouse or relative of a person, within the fourth civil degree of consanguinity or affinity, of a director, officer, manager, shareholder of a WESM member, as well as those in the foregoing paragraph;** *(As amended by DOE DC No. 2006-01-0001 dated 10 January 2006)*

**(c)** Is not an officer, manager, director or shareholder, agent, employee, consultant, adviser, legal counsel or contractor of, or is not a person directly or indirectly, through one or more intermediaries controls, is controlled by a company, affiliate or any other entity related to or associated with a WESM member, where:*(As amended by DOE DC No. 2006-01-0001 dated 10 January 2006 and DOE DC No. 2020-10-0021 dated 22 October 2020)*

i. A related company or body, is a parent, holding company subsidiary or affiliate of the WESM member; and *(As amended by DOE DC No. 2006-01-0001 dated 10 January 2006)*

ii. **An associate is a person who is director, officer, manager or shareholder of that related company or entity or a relative of such a person within the fourth civil degree of affinity or consanguinity;** *(As amended by DOE DC No. 2006-01-0001 dated 10 January 2006)*

iii. An affiliate is any person that, alone or together with any other person, directly or indirectly through one or more intermediaries controls or is controlled by, or is under the common control with another person; *(As added by DOE DC No. 2020-10-0021 dated 22 October 2020)*

**(d)** **is not an official or employee of the Philippine government, or its agencies or instrumentalities, but this will not apply to members of the academe in public schools and universities;** *(As added by DOE DC No. 2020-10-0021 dated 22 October 2020)*

