



SPC POWER CORPORATION

2023 SUSTAINABILITY REPORT


www.spcpowergroup.com



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CONTEXTUAL INFORMATION

Name of Organization	SPC POWER CORPORATION
Location of Headquarters	7 TH Floor, BDO Towers Paseo, 8741, Paseo de Roxas, Makati City, 1209
Location of Operations	PDPP Complex, Dingle, Iloilo Tagbilaran City, Bohol; Ubay, Bohol
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	Includes the following subsidiaries: SPC Island Power Corporation Bohol Light Company, Inc. SPC Light Company, Inc. SPC Electric Company, Inc. SPC Malaya Power Corp.
Business Model, including Primary Activities, Brands, Products, and Services	Power generation and distribution
Reporting Period	For the year ended December 31, 2023
Highest Ranking Person responsible for this report	 Atty. Maria Luz L. Caminero Senior Vice President, Legal and Regulatory Affairs

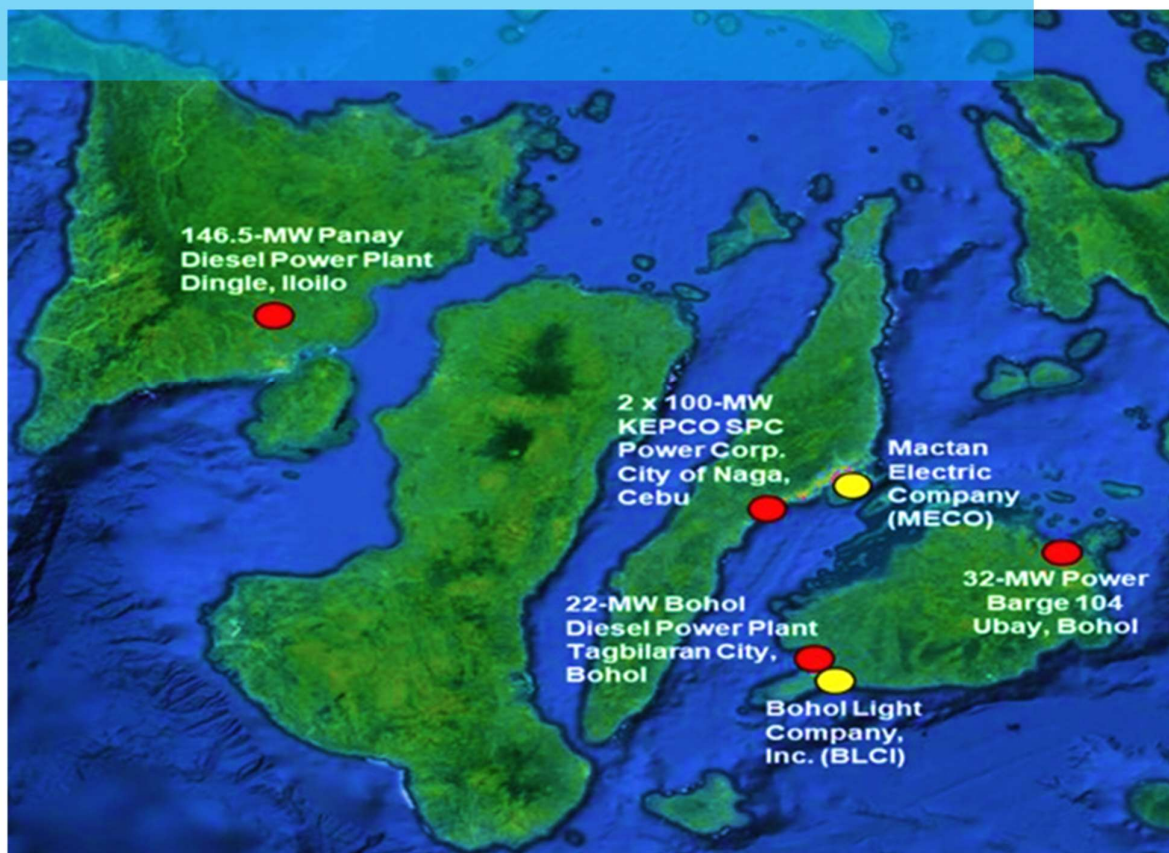
ABOUT US

SPC Power Corporation (SPC), was incorporated in the Republic of the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on March 11, 1994.

SPC is an active industry player in the Visayas Region for almost twenty-nine (29) years, currently owns and operates the 32-MW Power Barge 104 (PB 104) in Ubay, Bohol; 146.5MW Panay Diesel Power Plant (PDPP) in Dingle, Iloilo; and the 22-MW Bohol Diesel Power Plant (BDPP) in Tagbilaran City, Bohol, thru its wholly-owned subsidiary, SPC Island Power Corporation, also including the 2 x 100-MW KEPCO SPC Power Corporation (KSPC) in Colon, City of Naga, Cebu which is an affiliate of SPC.

SPC also invested in the power distribution sector, thru Mactan Electric Company (MECO) whose franchise covers Lapu-lapu City and the Municipality of Cordova in the Province of Cebu; and Bohol Light Company, Inc. (BLCI) whose franchise covers Tagbilaran City, Bohol.

The registered office address of the Parent Company is 7th Floor, BDO Towers Paseo, Paseo De Roxas, Makati City.



MISSION, VISION AND VALUES

Our Mission

To provide quality and reliable power supply to our customers from a mix of conventional and renewable sources and ensure a fair and reasonable price that will allow an appropriate balance between availability of supply and equitable return to our shareholders.

Our Vision

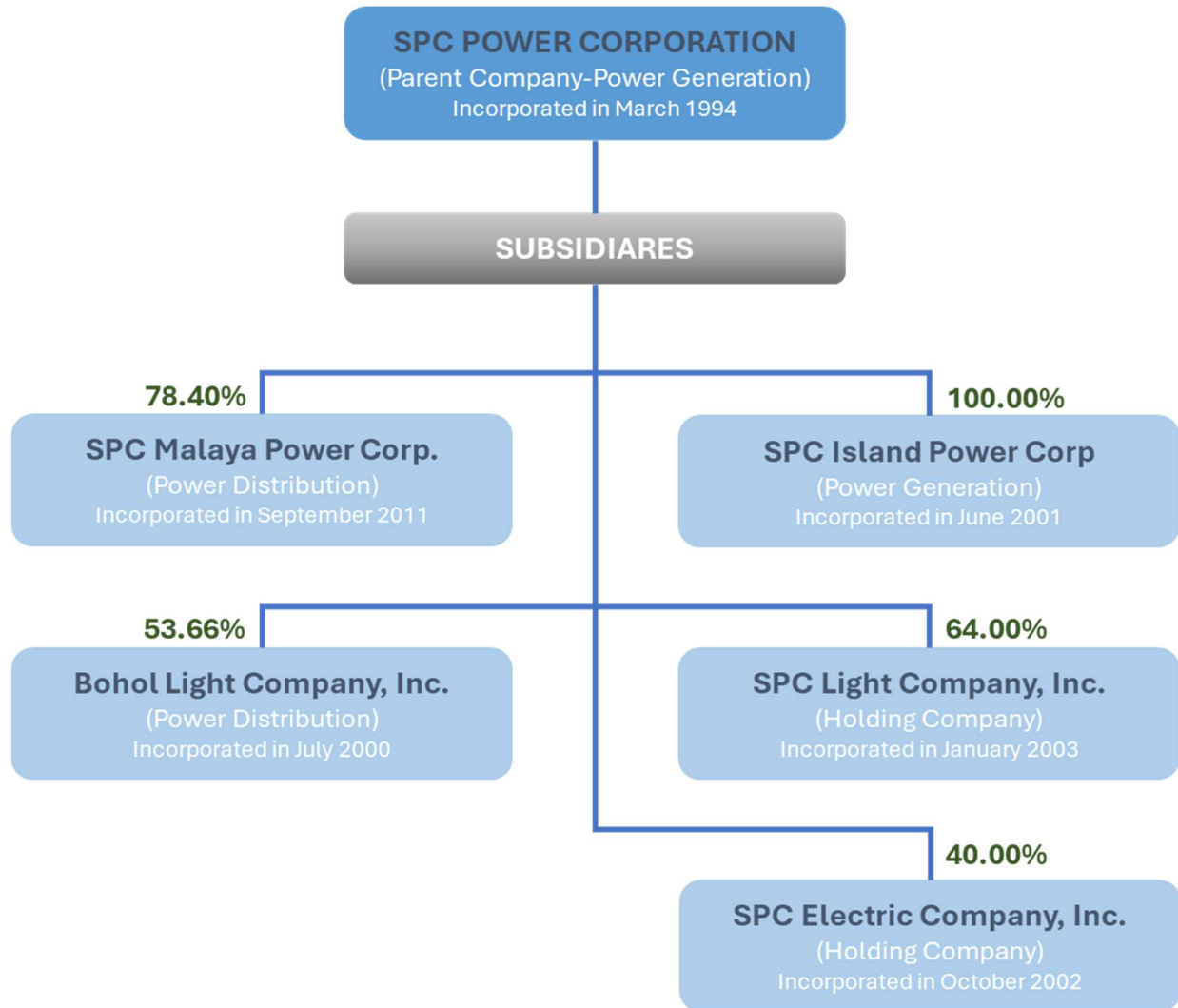
To be a long-term partner in the growth and development of our nation, by providing an imperative for nation-building and a better quality of life for our citizens - electricity.

Our Values

S	STEADFAST. We are dutifully firm and unwavering in our resolve to always meet our customers' demand.
P	PERSISTENT. We are determined to reach our company's goals despite challenges or obstacles.
C	CARING. Caring for and protecting our environment is a prerequisite for the success of our business.
P	PHILANTHROPY. Giving back to the community is our way of life. We are sensitive to the needs of the communities we serve and belong to
O	OBJECTIVITY. We trust our personnel's judgement to be free of bias and outside influence in carrying out tasks.
W	WELL BALANCED. We aim to provide our personnel with a healthy work-life balance atmosphere that increase their productivity and boost happiness in the workplace.
E	EXCELLENCE. Day in and day out, we strive to be the best in everything we do.
R	RESPONSIBILITY. We trust and rely on our personnel to make decisions on their own, based on limits of authority and principles of personal accountability.

SPC POWER CORP. AND SUBSIDIARIES

Group Structure



ABOUT THIS REPORT

This report covers the Parent Company and its subsidiaries, collectively referred to as the Group. This covers the fiscal year 2023 for the entire Group, including all locations in Makati, Cebu, Bohol, and Iloilo. Any locations closed during the period were not included in this report.

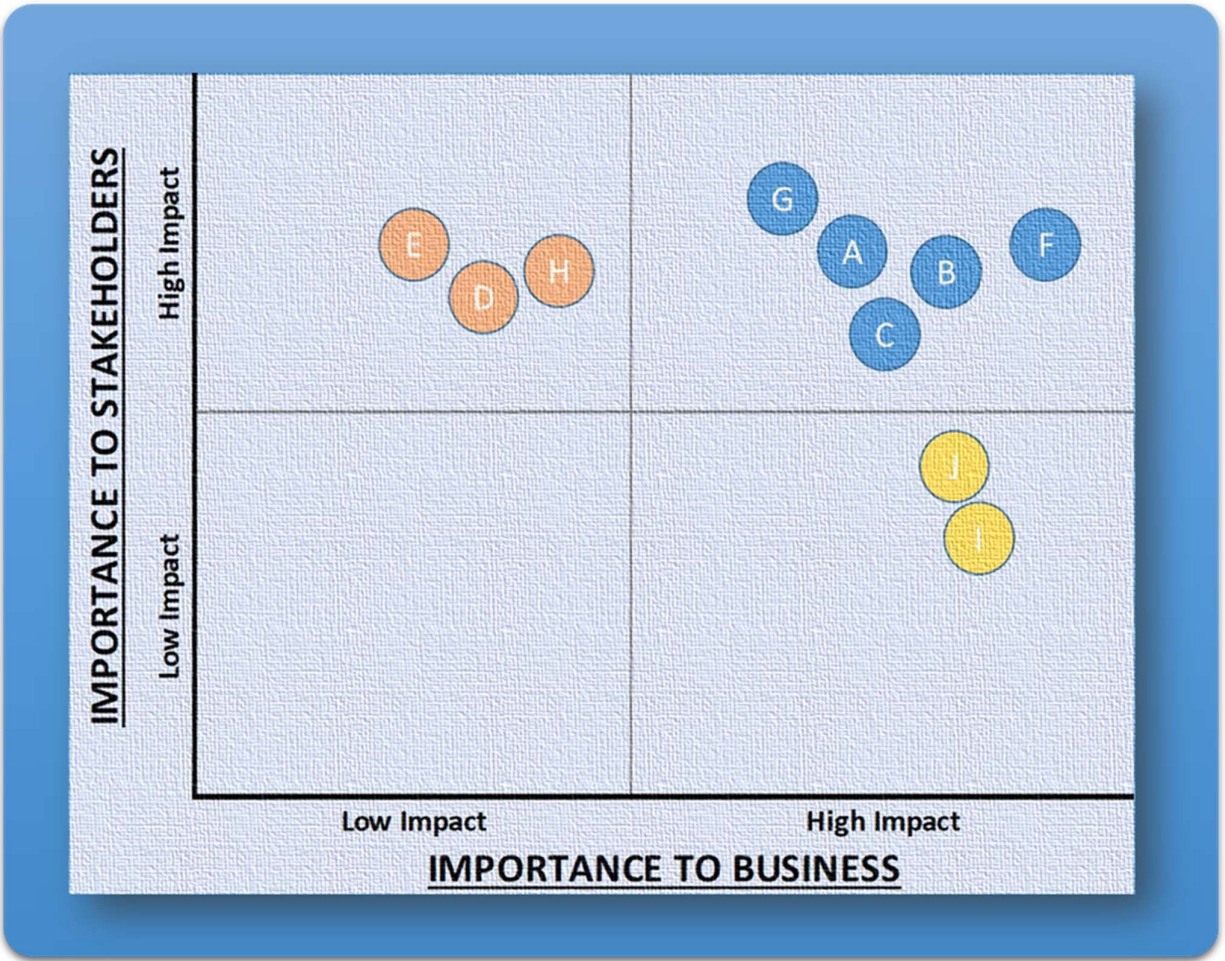
OUR MATERIALITY PROCESS

The Group has undertaken a process to understand, assess, and prioritize the issues considered material to the business concerning economic, environmental, social, and governance (EESGs). The Group considers an issue as material when it influences the decisions, actions, and performance of the Group and/or its stakeholders. Interviews with Management were undertaken to assess the EESGs issues, and identified the following:

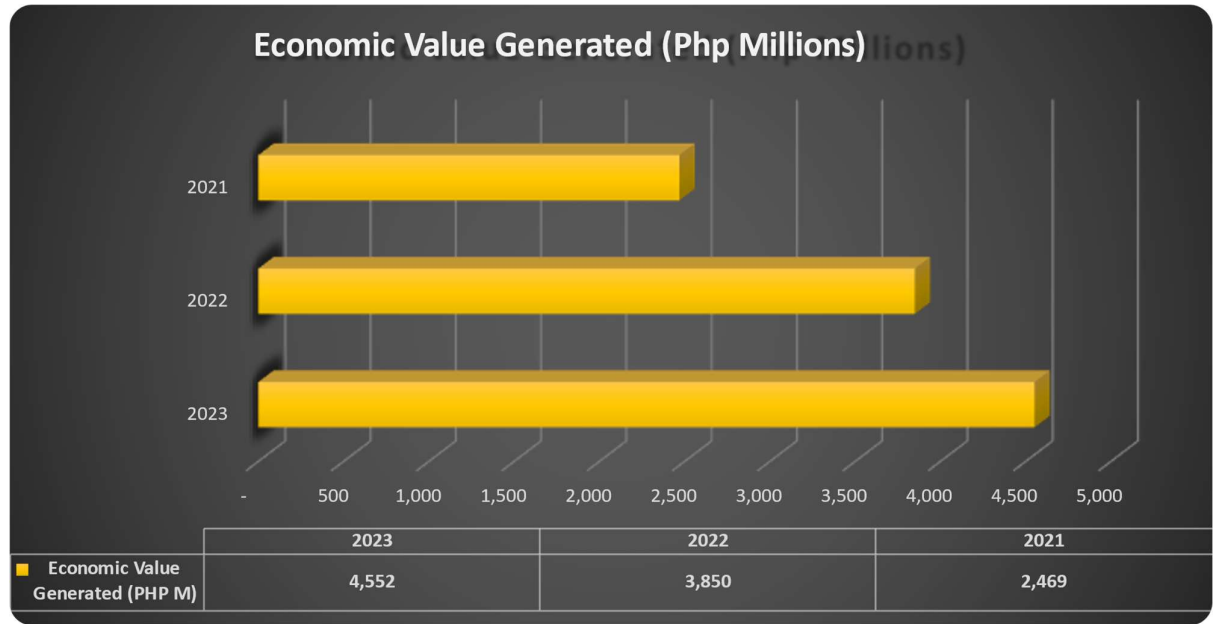
A.	Employee Welfare
B.	Customer satisfaction
C.	Safe work environment
D.	Integrity from among its officers and employees
E.	Renewable energy
F.	Compliance on energy regulations
G.	Ethical operations
H.	Data privacy and data security
I.	Digitalization
J.	Conservation and efficient use of resources



Based on the assessment undertaken, the following are considered material to the Group's business and its relevant stakeholders:

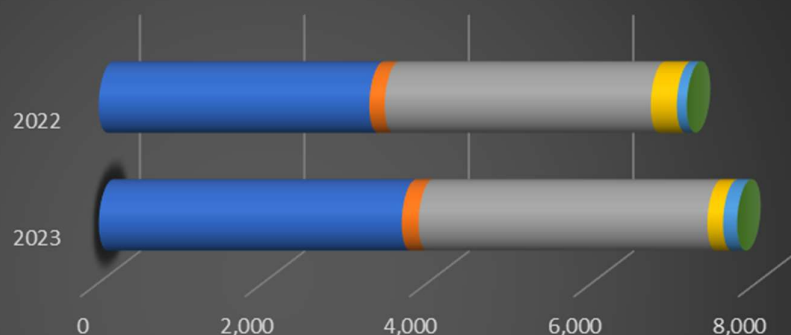


ECONOMIC VALUE



Diversity and Equal Opportunity

Economic Value Distributed (Php Millions)



	2023	2022
Operating costs	3,685	3,290
Employee wages and benefits	205	188
Payment to suppliers of goods and services	3,512	3,235
Payments to providers of capital	191	318
Payments to government	170	120
Corporate Social Responsibility	1	2

Amount in Millions (PHP)	2023	2022
Total Assets	12,531	11,607
Total Liabilities	1,223	1,208
Total Stockholders' Equity	11,308	10,399

Financial Ratios	2023	2022
Current Ratio	6.75 : 1	6.52 : 1
Debt-to-Equity Ratio	0.11: 1	0.12 : 1

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Economic value generated & distributed has a positive impact on our major areas of operations in the provinces of Iloilo and Bohol; and investors in the organization.	The following stakeholders are affected: employees, community, suppliers and contractors, government, stockholders, and lenders.	Paying taxes properly and timely; faithful compliance to labor laws; fairness in dealing with suppliers and contractors; ensuring reasonable rate of return to shareholders; commitment to corporate social responsibility.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Financial risks (increase in competition); Natural calamities/disasters; Legal risks (change in law); Regulatory risks	The following stakeholders are affected: employees, community, suppliers and contractors, government, stockholders, and lenders.	Diversification; Ensure Insurance coverage; Contract management.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Business expansion.	The following stakeholders are affected: employees, community, suppliers and contractors, government, stockholders, and lenders.	Invest in research and development.

Climate-related risks and opportunities¹



Governance

The management committee considers climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets, and business plans, monitoring implementation and performance, and overseeing major capital expenditures and acquisitions/new investments.



Strategy

The organization's business strategy already considered investing in climate-friendly technologies in its power generation business.



Risk Management

The organization identifies, and assesses climate-related risks by being aware of established laws and regulations; assessing the organization's compliance; and taking necessary measures for compliance.



Metrics & Targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities by the organization are aligned with the requirements of the relevant regulatory agencies.

PROCUREMENT PRACTICES

Proportion of spending on local suppliers



Percentage of procurement budget used for significant locations of operations that is spent on local suppliers.

93%

¹ Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to nonfinancial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

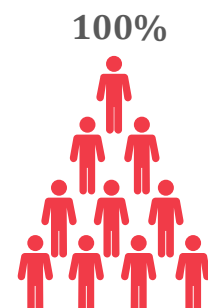
What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The proportion of spending on local suppliers has a positive impact on our major areas of operations and our local suppliers.	The following stakeholders are affected: employees, community, suppliers and contractors, government and stockholders.	Priority is given to local suppliers and contractors whenever the goods and services needed in our operations are locally available.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
No risks were identified because issues or concerns arising from procurement from local suppliers and contractors are manageable.	None	Accreditation of all prospective local suppliers and contractors to determine their capabilities, quality, and competitiveness of their products.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Mutual growth of the business leads to a better quality of life for everyone.	Community, suppliers and contractors, and the organization itself (indirectly its employees and investors, government).	Priority is given to local suppliers and contractors whenever the goods and services needed in our operations are locally available.

Anti-corruption

Training on Anti-corruption Policies and Procedures

% of employees to whom the organization's anticorruption policies and procedures have been communicated to

% of business partners to whom the organization's anti-corruption policies and procedures have been communicated to



Percentage of directors and management that have received anti-corruption training

Percentage of employees that have received anti-corruption training

0%



What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>The anti-corruption policies and procedures adopted and implemented by the organization have positive, actual, and direct impacts on the management and Employee levels of the organization; and business partners.</p> <p>The organization has taken concrete measures or steps to ensure a high level of awareness of anti-corruption policies within the company.</p>	Suppliers and contractors and employees, management, and other business partners.	<p>Management adopted an anti-corruption policy under its ethical values of honesty, integrity, and fair dealing.</p> <p>It has disseminated this policy publicly through its disclosure on its website and included a specific provision on anticorruption in some of its major contracts.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Compliance risks	Suppliers and contractors and employees, management, and other business partners.	Financial, Operation, and legal audit.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Promotes transparency, fairness, and accountability in the conduct of our business.	Suppliers and contractors and employees, management, and other business partners.	Periodic review of policies and procedures on anti-corruption; Financial, Operation, and legal audit.

Incidents of Corruption

0%

Number of incidents in which directors were removed or disciplined for corruption

Number of incidents in which employees were dismissed or disciplined for corruption

Number of incidents when contracts with business partners were terminated due to incidents of corruption



What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>No incidents of corruption were noted during the covered period of this report.</p> <p>The organization has taken concrete measures or steps to ensure a high level of awareness of anti-corruption policies within the company.</p>	<p>Since no incidents of corruption were noted during the covered period of this report, no stakeholders were negatively affected.</p>	<p>Management adopted an anti-corruption policy under its ethical values of honesty, integrity, and fair dealing. It has disseminated this policy publicly through its disclosure on its website and included a specific provision on anticorruption in some of its major contracts.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>No incidents of corruption were noted during the covered period of this report.</p>	<p>Since no incidents of corruption were noted during the covered period of this report, no stakeholders were negatively affected.</p>	<p>If incidents of corruption occur, the anticorruption policies and procedures adopted are implemented by the organization.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach


Improves positive business reputation and trustworthiness.	Suppliers and contractors and employees, management, shareholders, and other business partners.	Management adopted and implemented an anti-corruption policy under its ethical values of honesty, integrity, and fair dealing. It has disseminated this policy publicly through its disclosure on its website and included a specific provision on anticorruption in some of its major contracts.
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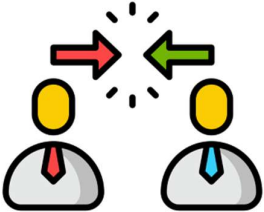
Our Corporate Governance

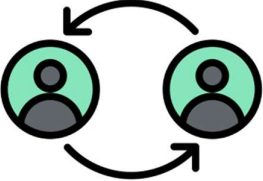
The Group is committed to the principles and guidelines outlined in the Code of Corporate Governance for Publicly Listed Companies (PLCs) and its Manual of Corporate Governance. Beyond the compliance requirements, the Board of Directors and Management, employees, and shareholders, believe that corporate governance is a necessary component of what constitutes sound strategic business management and therefore undertakes every effort necessary to create awareness thereof within the organization.

The Group's Manual of Corporate Governance provides, among others, the following:

	Related Party Transactions Policy
	<p>The Company has adopted a policy on Material Related Party Transactions. In accordance with its policy, it shall not extend preferential treatment to its related partners; and shall accord equal treatment to related and non-related parties under similar circumstances.</p> <p>The Compliance Officer works with the Board and Management identifying persons and companies that are considered as related parties. The Board of Directors and its Management require quarterly review and update of the Related Party registry to capture organizational and structural changes in the Company and its related parties.</p>

	<h2>Whistle-blowing Policy</h2>
	<p>The Company has an open policy that actively promotes honest and highest ethical behavior possible in all its business dealings and activities.</p> <p>SPC Power Corporation employees, executive officers, and directors who have knowledge or reasonably believe that an applicable law, regulation, policy, or ethical guideline has been, is being, or about to be or maybe, violated must promptly report such information to any independent director of the Board, or Compliance Officer of the Company.</p> <p>The Board, through the Corporate Governance Committee (CGC), shall establish a suitable framework for whistleblowing that allows employees, executive officers, and directors to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of the Board or the Compliance Officer on whistleblowing concerns. The CGC should be conscientious in establishing the framework, as well as in supervising and ensuring its enforcement.</p>

	<h2>Conflict-of-Interest Policy</h2>
	<p>Pursuant to the Code of Corporate Governance for Publicly-Listed Companies (CGCPLCs), “the Board should oversee that an appropriate internal control system is in place, including setting up a mechanism for monitoring and managing potential conflicts of interest of the Management, board members, and shareholders. The Board should also approve the Internal Audit Charter.”</p> <p>Based on the foregoing, the Company hereby establishes a Conflict-of-Interest Policy. The Board of Directors, officers, and all employees shall at all times avoid any conflict of interest. The Company’s business interest shall in all cases be given preeminence over the personal interests of all employees.</p> <p>The Board, through the Corporate Governance Committee, shall ensure the implementation of this policy by formally establishing an appropriate internal control system, including setting up a mechanism for monitoring and managing potential conflicts of interest of the Management, board members, employees, and shareholders.</p>

	<div data-bbox="745 268 1146 317">Insider Trading Policy</div> <div data-bbox="461 388 1414 579"><p>The Company adheres to fair and transparent principles of trading its securities. Thus, the Company, its directors, officers, and employees are bound to strictly observe the provisions of the Corporation Code, the Securities Regulations Code, and its Implementing Rules and Regulations on prohibitions on fraud, manipulation, and Insider Trading.</p></div>
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ENVIRONMENT

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (heavy fuel oil - Operation)	35,816,815	Li
Energy consumption (light fuel oil - Operation)	2,392,931	Li
Energy consumption (lubricant - Operation)	409,661	Li
Energy consumption (electricity - Plant Consumption)	9,360,714	kWh

Reduction of energy consumption:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (heavy fuel oil - Operation)	(1,741,542)	Li
Energy consumption (light fuel oil - Operation)	431,059	Li
Energy consumption (lubricant - Operation)	(25,685)	Li
Energy consumption (electricity - Plant Consumption)	(1,076,921)	kWh

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>The increase in energy consumption is an unintended impact or consequence resulting from an increase in the demand for the organization's product (sale of electricity) and not from wastage or unwarranted consumption.</p> <p>The organization's involvement in the impact is due to a higher level of operations brought about by the increase in demand for its product.</p>	Suppliers and contractors and employees, management, shareholders, and other business partners.	Maintenance of cost efficiency measures in the operation; compliance with environmental laws and regulations.

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
An increase in energy consumption would proportionately increase demand for extraction of natural resources identified as components of materials critical for the operations of the organization.	Suppliers and contractors and employees, management, shareholders, and other business partners	Maintenance of cost efficiency measures in the operation; compliance with environmental laws and regulations.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Fast-track the development of alternative energy resources or technologies that will help conserve natural resources being exploited for power generation.	Suppliers and contractors and employees, management, shareholders, and other business partners	Maintenance of cost efficiency measures in the operation; compliance with environmental laws and regulations.

Water consumption within the organization:

Disclosure	Quantity	Units
Water withdrawal (Plant Consumption)	177,790	Cubic meters
Water consumption (Plant Consumption)	177,836	Cubic meters
Water recycled and reused (Plant Consumption)	(Not Quantified)	Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach

The increase in water consumption is an unintended impact or consequence resulting from an increase in the demand for the organization's product (sale of electricity) and not from wastage or unwarranted consumption. The organization's involvement in the impact is due to a higher level of operations brought about by an increase in demand for its product.	Suppliers and contractors and employees, management, shareholders, and other business partners	Maintenance of cost efficiency measures in the operation; compliance with environmental laws and regulations.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
An increase in water consumption would proportionately increase the demand for extraction of natural resources identified as components of materials critical for the operations of the organization.	Suppliers and contractors and employees, management, shareholders, and other business partners	Maintenance of cost efficiency measures in the operation; compliance with environmental laws and regulations.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Fast-track the development of alternative water resources or technologies that will help conserve natural resources being exploited for power generation.	Suppliers and contractors and employees, management, shareholders, and other business partners	Maintenance of cost efficiency measures in the operation; compliance with environmental laws and regulations.

Materials used by the organization:

Disclosure	Quantity	Units
Materials used by weight or volume		
Renewable	Information not available	kg/liters
Non-renewable (HFO)	9,205,380	liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	Information not available	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Due to the unavailability of information on materials used by the organization that are either renewable or non-renewable, we have no basis for answering this question.		

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Due to the unavailability of information on materials used by the organization that are either renewable or non-renewable, we have no basis for answering this question.		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Due to the unavailability of information on materials used by the organization that are either renewable or non-renewable, we have no basis for answering this question.		

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None	
Habitats protected or restored	2	ha
IUCN2 Red List species and National Conservation List species with habitats in areas affected by operations	None	

² International Union for Conservation of Nature

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
There being no operational sites that the organization owns, leases, manages in, or is adjacent to, protected areas and areas of high biodiversity value outside protected areas, we have no basis to respond to this question.		
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
There being no operational sites that the organization owns, leases, manages in, or is adjacent to, protected areas and areas of high biodiversity value outside protected areas, we have no basis to respond to this question.		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
There being no operational sites that the organization owns, leases, manages in, or is adjacent to, protected areas and areas of high biodiversity value outside protected areas, we have no basis to respond to this question.		

Environmental Impact Management

Air Emissions – GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	No data available	Tonnes CO ₂ e
Energy Indirect (Scope 2) GHG Emissions	No data available	Tonnes CO ₂ e
Emissions of ozone-depleting substances (ODS)	No data available	Tonnes

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
There being no available data, we have no basis to respond to this question.		
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
There being no available data, we have no basis to respond to this question.		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
There being no available data, we have no basis to respond to this question.		

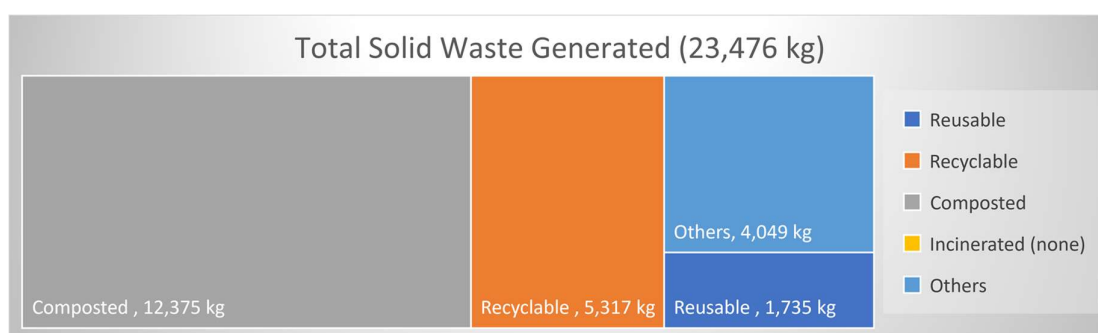
Air Pollutants

Disclosure	Quantity	Units
NO _x	6,281	mg/Nm ³
SO _x	4,279	mg/Nm ³
Persistent organic pollutants (POPs)	1,395	kg
Volatile organic compounds (VOCs)	Information not available	kg
Hazardous air pollutants (HAPs)	Information not available	kg
Particulate matter (PM)	592	mg/Nm ³

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
There had been no complaints from host communities and government regulators	Employees, community, suppliers, and vulnerable groups	The Management quarterly monitors the air emissions through an expert consultant and performs remedial measures as recommended, if any. To date, the Group has not exceeded the limits prescribed by the DENR.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Health hazards	Employees, community, suppliers, government regulators, and vulnerable groups	The Management quarterly monitors the air emissions through an expert consultant and performs remedial measures as recommended, if any. To date, the Group has not exceeded the limits prescribed by the DENR.

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Fosters harmonious relationship with host communities	Employees, community, suppliers, and vulnerable groups	The Management quarterly monitors the air emissions through an expert consultant and performs remedial measures as recommended, if any. To date, the Group has not exceeded the limits prescribed by the DENR.

Solid and Hazardous Wastes



What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
There is no environmental degradation due to proper disposal of solid wastes	Employees, community	The Management appoints an Environmental, Health, Safety and Security (EHSS) Officer to oversee the environmental compliance of the Group. The Group complies with the EMB environmental requirements.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Hazardous to the environment	Employees, community	The Management appoints an Environmental, Health, Safety and Security (EHSS) Officer to oversee the environmental compliance of the Group. The Group complies with the EMB environmental requirements.

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Recycling/composting contributes to the improvement of the quality of soil used for planting; cuts down on the amount of trash and reduces the cost and carbon emissions it takes to haul and process these garbage materials; reduces soil pollution.	Employees, community	The Management appoints an Environmental, Health, Safety and Security (EHSS) Officer to oversee the environmental compliance of the Group. The Group complies with the EMB environmental requirements.

Hazardous Waste



What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Water discharges are treated in accordance with the Environmental Management Bureau's (EMB) standards. Consequently, the protection and conservation of marine resources	Employee and community	The Management appoints an Environmental, Health, Safety and Security (EHSS) Officer to oversee the environmental compliance of the Group. The Group complies with the EMB requirement on water effluents. Quarterly testing by an EMB accredited facility is performed before discharge.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach

Accidental discharge of effluents due to acts of God such as strong typhoons and tsunami	Employee and community	The Management appoints an Environmental, Health, Safety and Security (EHSS) Officer to oversee the environmental compliance of the Group. The Group has a Risk Disaster Plan for each Plant and conducts periodic drills to prepare for any contingency.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Preservation of natural breeding ground habitat or abode of fishes and other marine organism	Employee and community	The Management appoints an Environmental, Health, Safety and Security (EHSS) Officer to oversee the environmental compliance of the Group. The Group complies with the EMB requirement on water effluents. Quarterly testing by an EMB accredited facility is performed before discharge.

Environmental compliance

Non-compliance with Environmental Laws and Regulations

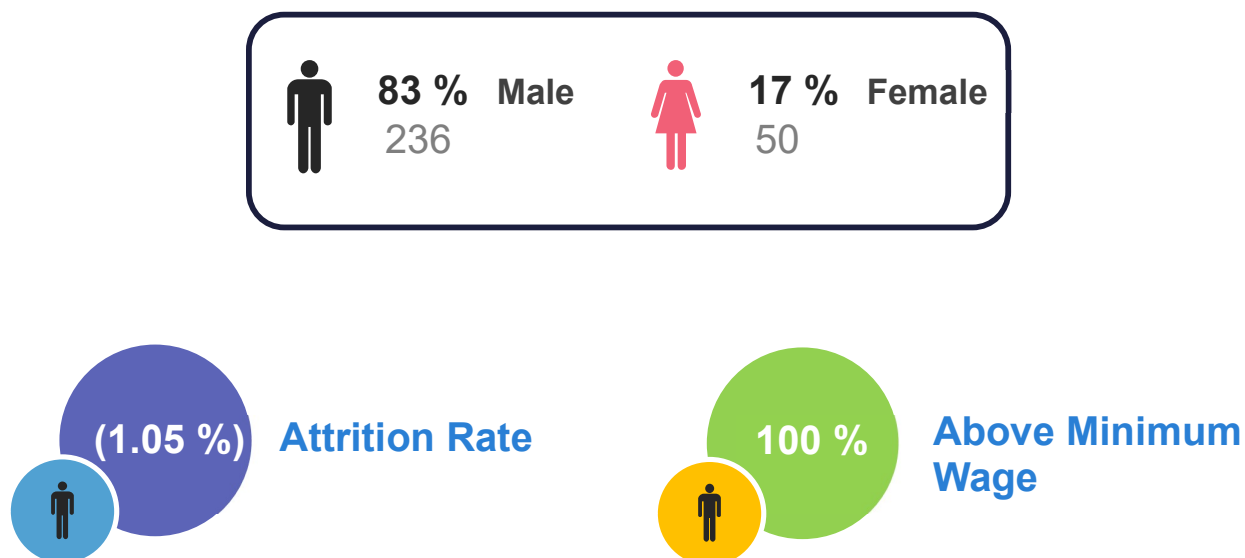
Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	PHP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Continuous unhampered operations on the primary business through implementation and strict observance of the environmental regulations.	Employees and community	The Management appoints an Environmental, Health, Safety and Security (EHSS) Officer to oversee the

		environmental compliance of the Group.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Closure of business, related damage to the environment, and costly litigation for damages	Employees and community	Management has identified this as one of the Group's core Values i.e. Caring for and protecting our environment is a prerequisite for the success of our business; Institutionalized policies and procedures safeguarding the environment; Compliance with environmental laws.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Continuous unhampered operations	Employees and community	Management has identified this as one of the Group's core Values i.e. Caring for and protecting our environment is a prerequisite for the success of our business; Institutionalized policies and procedures safeguarding the environment; Compliance with environmental laws.

SOCIAL

Our current workforce:



Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ³	286	#
a. Number of female employees	50	#
b. Number of male employees	236	#
Attrition rate ⁴	(1.05%)	rate
The ratio of the lowest-paid employee against the minimum wage	0	ratio

³ Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

⁴ Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	60%	76%
PhilHealth	Y	38%	66%
Pag-ibig	Y	56%	74%
Parental leaves	Y	0%	2%
Vacation leaves	Y	62%	77%
Sick leaves	Y	62%	72%
Medical benefits (aside from PhilHealth))	Y	62%	91%
Housing assistance (aside from Pagibig)	Y	0%	0%
Retirement fund (aside from SSS)	Y	0%	0%
Further education support	Y	0%	0%
Company stock options	Y	0%	0%
Telecommuting	Y	0%	0%
Flexible-working Hours	Y	57%	64%
(Others)			

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>The Company's workforce is motivated to perform well at work and get involved socially in family and community activities</p> <p>Ensuring employee equal opportunity and satisfactory benefits package which is annually reviewed by management</p>	<p>Management provides annual merit increase as a result of employees' performance evaluation; The Management provides Productivity incentive bonus depending on the performance of the Company.</p> <p>Management provides annual merit increase as a result of employees' performance evaluation with consideration of inflationary factors</p>

What are the Risk/s Identified?	Management Approach
High employee turnover	<p>Establishment of grievance procedures;</p> <p>Management provides annual merit increase as a result of employees' performance evaluation;</p> <p>The Management provides Productivity incentive bonus depending on the performance of the Company.</p>
What are the Opportunity/ies Identified?	Management Approach
Productive and efficient employees	<p>Management provides annual merit increase as a result of employees' performance evaluation;</p> <p>The Management provides Productivity incentive bonus depending on the performance of the Company.</p>

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	721 Hours	hours
b. Male employees	2,210 Hours	hours
Average training hours provided to employees		
a. Female employees	4	For 50 employees
b. Male employees	9	For 236 employees

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Enhances the expertise of the employees; uplifts employees' morale; attracts and retains good employees by providing them the opportunity for growth and advancement; motivates employees to face bigger challenges in their careers.	Management provides training venues to its employees; Requires employees to attend seminars for professional development; plans and implements effective employee training programs and development

What are the Risk/s Identified?	Management Approach
Inability to match the pace of changes in technological development in terms of continuing professional development in training employees; low employee morale/performance due to insufficient training and development.	Management adopts a policy on continuing professional education and development; Serves as one of the parameters for employee advancement within the organization; plans and implements effective employee training programs and development
What are the Opportunity/ies Identified?	Management Approach
Employee growth in the organization; Promotes efficiency and effectivity that are mutually beneficial to the Company and the employees.	Management adopts a policy on continuing professional education and development; which serves as one of the parameters for employee advancement within the organization.

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	40 Employees	%
Number of consultations conducted with employees concerning employee-related policies	Around 5	# (2023 only)

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Promotes industrial peace	Management allows employee participation in the development of employee-related policies and compliance with all labor laws, rules, and regulations.

What are the Risk/s Identified?	Management Approach
Labor disputes; Strike and lockdowns; disruption of operations resulting to loss of revenue or shutdown of operations.	Management allows employee participation in the development of employee-related policies; Compliance with all labor laws, rules, and regulations; Formulation and implementation of grievance procedures and conciliation.
What are the Opportunity/ies Identified?	Management Approach
Fosters Industrial Peace; Motivated and productive employees; Less employee turnover.	Management allows employee participation in the development of employee-related policies; Compliance with all labor laws, rules, and regulations; Formulation and implementation of grievance procedures and conciliation.

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	17%	%
% of male workers in the workforce	83%	%
Number of employees from indigenous communities and/or vulnerable sectors*	19	#



***The vulnerable sector includes the elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).**

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Non-discrimination of qualified female and vulnerable sector individuals; provides a wider pool of talents for the organization	Management promotes a policy of gender equality and inclusiveness.
What are the Risk/s Identified?	Management Approach
Misogynism; limits the pool of talents available for the organization	Management promotes a policy of gender equality and inclusiveness.

What are the Opportunity/ies Identified?	Management Approach
Provides equal opportunity in the workplace	Management promotes a policy of gender equality and inclusiveness.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	251,680	Man-hours
No. of work-related injuries	0	#
No. of work-related fatalities	0	#
No. of work-related ill-health	0	#
No. of safety drills	54	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Reduced absenteeism; reduced health care expenditures; productive employees; employees become more focused and goal-oriented at work; fosters harmonious relationships among employees in the workplace	The Management appoints an Environmental, Health, Safety and Security (EHSS) Officer to oversee the health and safety of employees of the Group. Provision of medical insurance to all regular employees which includes coverage on consultation fees and mandatory annual physical examination. Established COVID-19 Protocols for mandatory compliance of employees to ensure good health and welfare.
What are the Risk/s Identified?	Management Approach
High incidence of absenteeism resulting to low productivity; high operating expenses; depletion of workforce	The Management appoints an Environmental, Health, Safety and Security (EHSS) Officer to oversee the health and safety of employees of the Group. Provision of medical insurance to all regular employees which includes coverage on consultation fees and mandatory annual physical examination.

What are the Opportunity/ies Identified?	Management Approach
Fosters harmonious relationships within the workplace; high level of productivity; provides continuous opportunity for growth and advancement; Health is wealth.	The Management appoints an Environmental, Health, Safety and Security (EHSS) Officer to oversee the health and safety of employees of the Group. Provision of medical insurance to all regular employees which includes coverage on consultation fees and mandatory annual physical examination;

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

Do you have policies that explicitly disallow violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite the reference in the company policy
Forced labor	Y	Employee Uniform Code of Conduct
Child labor	Y	Employee Uniform Code of Conduct
Human Rights	Y	Employee Uniform Code of Conduct

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
No cases were filed against the Group on forced labor, child labor, and human rights violations.	Management has integrated the policies against forced labor and child labor; and respect for human rights, in the Employee Uniform Code of Conduct.
What are the Risk/s Identified?	Management Approach
Prosecution of management and its officers for violations of anti-child labor, anti-forced labor laws, and human rights.	Management has integrated the policies against forced labor and child labor; and respect for human rights, in the Employee Uniform Code of Conduct.
What are the Opportunity/ies Identified?	Management Approach
Enhances good reputation as a corporate citizen	Management has integrated the policies against forced labor and child labor; and respect for human rights, in the Employee Uniform Code of Conduct.

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

Yes, we have a supplier accreditation policy incorporated in the Purchasing Policy.

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite the reference in the supplier policy
Environmental performance	Y	Embodied in the Company's supplier accreditation policy
Forced labor	Y	
Child labor	Y	
Human rights	Y	
Bribery and corruption	Y	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Suppliers became aware of the Company's sustainability requirements for accreditation.	The Management has incorporated the sustainability topics in the Group's supplier accreditation policy
What are the Risk/s Identified?	Management Approach
This may limit the number of suppliers to choose from	The Management has incorporated the sustainability topics in the Group's supplier accreditation policy

What are the Opportunity/ies Identified?	Management Approach
The Company may contribute to the reduction of practices of certain suppliers that make use of forced/child labor, violate human rights, and engage in bribery and corruption.	The Management has incorporated the sustainability topics in the Group's supplier accreditation policy

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
Local employment opportunities	Bohol, Iloilo, Cebu, Makati	Elderly	N	Employment concerns	Hiring Priority/preference for local residents
Boost local economic activities	Bohol, Iloilo, Cebu, Makati	Elderly, PWDs, poor	N	Livelihood	Patronize local products and suppliers
Payment of taxes to local government units (LGU)	Bohol, Iloilo, Cebu, Makati	Indirectly	N	Efficient delivery of government services	Timely payment of correct taxes to the LGUs
Continuous generation of electricity to avoid power shortages	Visayas Grid	Children, elderly, youth, PWDs, women, poor	N	Affordable power supply	Efficient operations to reduce cost

Certificates	Quantity	Units
The FPIC process is still undergoing	0	#
CP secured	0	#

What are the Risk/s Identified?	Management Approach
No IPs in our area of operations	No IPs in our area of operations

What are the Opportunity/ies Identified?	Management Approach
No IPs in our area of operations	No IPs in our area of operations

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	No survey was conducted in 2021 due to COVID-19 pandemic	N

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
By supporting and providing affordable and reliable electricity, we empower our customers in the community to be able to: <ul style="list-style-type: none"> a. create businesses and employment opportunities b. building home-grown capabilities c. improve the standard of living of the residents in our areas of operation 	Adopting the philosophy of "Customer is always right"; encourages customers to engage in open-line communication with the Group and inculcates the value of responsiveness to customer demands.
What are the Risk/s Identified?	Management Approach
Slow down on economic activities; regression of social development in areas of operation	Encourage customers to engage in open line communication with the Group; Inculcate the value of responsiveness to customer demands
What are the Opportunity/ies Identified?	Management Approach
Continuous business growth and sustained social development	Encourage customers to engage in open line communication with the Group; Inculcate the value of responsiveness to customer demands

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	0	#



***Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.**

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Continuous business growth and sustained social development	The Management appoints an Environmental, Health, Safety, and Security (EHSS) Officer to oversee the continuous implementation of health and safety rules and regulations.
What are the Risk/s Identified?	Management Approach
Destruction of the environment; health hazard	The Management appoints an Environmental, Health, Safety, and Security (EHSS) Officer to oversee the continuous implementation of health and safety rules and regulations.
What are the Opportunity/ies Identified?	Management Approach
Preservation and conservation of the environment; healthy and able-bodied citizens/residents	The Management appoints an Environmental, Health, Safety, and Security (EHSS) Officer to oversee the continuous implementation of health and safety rules and regulations.

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labeling*	None	#
No. of complaints addressed	None	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Continuous business growth and sustained social development	Management is committed to ensuring that its representations on the delivery of reliable and affordable electricity can be depended upon by the customers
What are the Risk/s Identified?	Management Approach
Slow down on economic activities; regression of social development in areas of operation	Management is committed to ensuring that its representations on the delivery of reliable and affordable electricity can be depended upon by the customers
What are the Opportunity/ies Identified?	Management Approach
Continuous business growth and sustained social development.	Management is committed to ensuring that its representations on the delivery of reliable and affordable electricity can be depended upon by the customers

Customer Privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	None	#
No. of complaints addressed	None	#
No. of customers, users, and account holders whose information is used for secondary purposes	None	#



***Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.**

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
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Reliance upon the business quality of the Group; protection of information of customers	Strict implementation of the Data Privacy Act of 2012
What are the Risk/s Identified?	Management Approach
Prosecution of management and its officers for violations of the Data Privacy Act of 2012.	Strict implementation of the Data Privacy Act of 2012
What are the Opportunity/ies Identified?	Management Approach
Enhancement of corporate credibility.	Strict implementation of the Data Privacy Act of 2012

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts, and losses of data	None	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Reliance upon the business quality and credibility of the Group; protection of information of customers	Strict implementation of the Data Privacy Act of 2012
What are the Risk/s Identified?	Management Approach
Prosecution of management and its officers for violations of the Data Privacy Act of 2012.	Strict implementation of the Data Privacy Act of 2012
What are the Opportunity/ies Identified?	Management Approach
Enhancement of corporate credibility.	Strict implementation of the Data Privacy Act of 2012

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and their contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Power generation and distribution	<ul style="list-style-type: none"> • Good Health and Promote Wellbeing • Gender Equality • Affordable and • Clean Energy • Decent Work and Economic Growth • Sustainable Cities and Communities • Responsible Consumption and • Production • Climate Action 	Increased reliance on renewable energy may affect the stability of the grid, particularly in an archipelagic country prone to natural calamities.	<ul style="list-style-type: none"> A. Diversification of power plant portfolio. B. Combat the spread of COVID-19 and protect the company employees and their families by <ul style="list-style-type: none"> a. providing appropriate protective equipment, b. enforcing skeletal workforce at the workplace c. establishing work-from-home set-up among its workforce and d. other related preventive measures



RECORD OF ATTENDANCE 2023

Date Of Meeting		March 30, 2023	June 15, 2023	July 26, 2023	Dec. 19, 2023	Feb. 7, 2024	April 11, 2024
1	Alfredo L. Henares	✓	✓	✓	✓	✓	✓
2	Dennis T. Villareal	✓	✓	✓	✓	✓	✓
3	Alberto P. Fenix, Jr.	✓	✓	✓	✓	✓	✓
4	Enrison T. Benedicto	✓	X	✓	✓	✓	✓
5	Sergio R. Ortiz-Luis, Jr.	✓	✓	✓	✓	✓	✓
6	Francisco L. Viray	✓	✓	✓	✓	✓	✓
7	James Roy N. Villareal	✓	✓	✓	✓	✓	✓
8	Lee, Dalhun	✓	✓	✓	✓	✓	✓
9	Kim, Kilwon	✓	✓	✓	✓	✓	✓
10	Bang, Sanghee	✓	✓	✓	✓	✓	X
11	Lee, Sanghun	✓	✓	✓	✓	✓	✓