



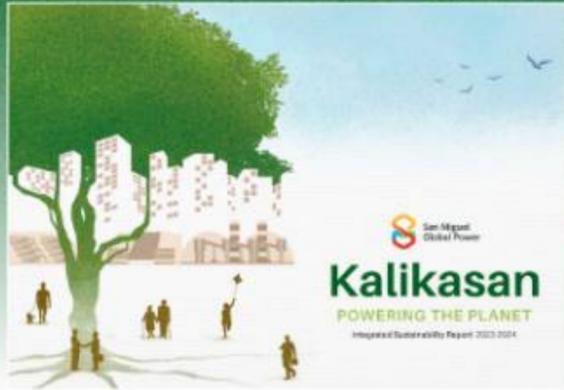
San Miguel
Global Power

Kalikasan

POWERING THE PLANET

Integrated Sustainability Report 2023-2024

About the Cover



The urgency of environmental action is evident in our surroundings. At San Miguel Global Power, we recognize that our responsibility extends beyond energizing communities—we are committed to driving sustainable practices and initiatives that help power and protect the planet.

Our Integrated Sustainability Report (ISR) for 2023 to 2024 centers on “Kalikasan,” one of the three pillars of San Miguel Corporation’s (SMC) sustainability agenda that envisions *A World of Good*. Aligned with SMC’s goal of doing “Good for the Planet,” San Miguel Global Power has been working on “Powering the Planet” through sustainable energy.

This “Kalikasan: Powering the Planet” report is the first installment in our ISR trilogy. Future reports will explore the themes of “Kalinga” and “Kasaganahan,” completing the three pillars of SMC and SMGP’s commitment to creating a better world.

The past two years have been pivotal in advancing our ambition to power up the planet. We have launched our ESG Roadmap and outlined clear goals and strategies to address material environmental topics, including emissions, renewable energy, circular economy, and biodiversity. Integral to this roadmap is our business to achieve Net-Zero by 2050.

Depicting these environmental commitments, our 2023-2024 ISR cover prominently features a tree from its crown to the roots. The tree symbolizes our dedication to cultivating a greener environment, which we have ingrained in every aspect of our operations. It also represents a protective canopy for future generations, various industries, and our own business in power generation and energy storage, highlighting how our natural resources are vital to sustaining our everyday lives.

San Miguel Global Power remains committed to powering the planet by protecting the environment while energizing the economy and society. This ISR presents both our ambitions and the actions we have taken to build a sustainable world for all.

About the Report

GRI 2-2, 2-3

San Miguel Global Power’s ISR presents a comprehensive account of our *Malasakit* towards the environment and its inhabitants through energy services and sustainability initiatives across the Philippines. The report highlights our investment in innovative and people-centered developments across our office and plant sites from 2023 to 2024, as well as the accomplishments and progress in our ambitions. These stories reflect our leadership in advancing energy security and decarbonization.

Similar to the previous report, this publication is prepared with reference to the Global Reporting Initiative (GRI) Standards and the Integrated Reporting <IR> Framework. The business activities, plans, and goals detailed in this ISR are aligned with SMC’s *A World of Good* sustainability agenda as well as the United Nations’ Sustainable Development Goals (UN SDGs).

As we strive to enhance our sustainability disclosures with each reporting cycle, we started using the International Financial Reporting Standards (IFRS) S1 to improve the identification and disclosure of sustainability-related risks and opportunities, in preparation for full adoption in future reporting cycles. This report now includes San Miguel Global Power’s sustainability-related risks and opportunities, including strategies, targets, and risk management. In calculating our greenhouse gas (GHG) emissions, we also use the operational control approach based on the GHG Protocol. By disclosing our strategies and impacts in accordance with these standards, we aim to strengthen stakeholder trust through transparency and further enhancement of data quality.

Reporting Scope and Boundary

This ISR includes data and narratives from January 1, 2023 to December 31, 2024, unless otherwise stated. It covers the Company’s activities in our headquarters, our owned and operated power plants, and the surrounding communities. We manage these power plants as Independent Power Producer (IPP) or as IPP Administrator (IPPA).

Independent Power Producer

- Limay Power Plant
- Malita Power Plant
- Masinloc Power Plant
- Ilijan Power Plant
- Mariveles Power Plant
- Angat Hydroelectric Power Plant (through Joint Venture)

Independent Power Producer Administrator

- Sual Power Plant
- San Roque Hydroelectric Power Plant

Battery Energy Storage System (BESS)

Luzon:

- Limay Power Plant (Lamao)
- San Manuel, Pangasinan
- Masinloc Power Plant
- Concepcion, Tarlac
- Limay (BCCPP)

Mindanao:

- Malita, Davao
- Maco, Davao
- Jasaan, Misamis Oriental
- Tagaloan, Misamis Oriental

Visayas:

- Kabankalan, Negros Occidental
- Ubay, Bohol
- Toldeo, Cebu
- Ormoc, Leyte

Materiality Approach

Our material topics for our 2023-2024 ISR were determined through a materiality review. This process builds on the results of our double materiality assessment and stakeholder engagement that we conducted last reporting period across all our sites, allowing us to streamline the number of material topics from 32 to 26. The updated set of environmental, social, and governance (ESG) topics better reflects our current sustainability strategies and value creation priorities. Further details on our process and identified topics are provided in the Our Sustainability Approach section of this report.

Disclaimer on Forward-Looking Statements

This report contains forward-looking statements alongside actual statements and disclosures from our operations in 2023 and 2024. Among these forward-looking statements are market projections, industry trends, growth outlook, and business plans. This prospective information is contingent on risks and opportunities, which may affect the actual results.

Certification from the Board

This statement certifies that San Miguel Global Power’s Board of Directors has thoroughly reviewed and approved the content of the Company’s ISR covering the period January 1, 2023 to December 31, 2024.



Table of Contents



Masinloc Power Plant in Zambales

1	About the Cover
1	About the Report
4	Leadership Messages
8	How We Create Value
10	Our 2023-2024 Highlights
12	Our Company
22	Our Sustainability Approach
27	Risk Management
34	Our Strategy and Performance
61	Our Governance
66	Board Level Oversight Role
68	External Assurance Statement
72	GRI Content Index
76	Acknowledgments

Our Vision, Purpose, Values, and Sustainability Agenda



Vision

To be the trusted partner in sustainable and resilient energy business geared towards a globally competitive Philippines.



Core Purpose

To provide stable, reliable, and affordable energy that advances inclusive growth and enhances people's lives.



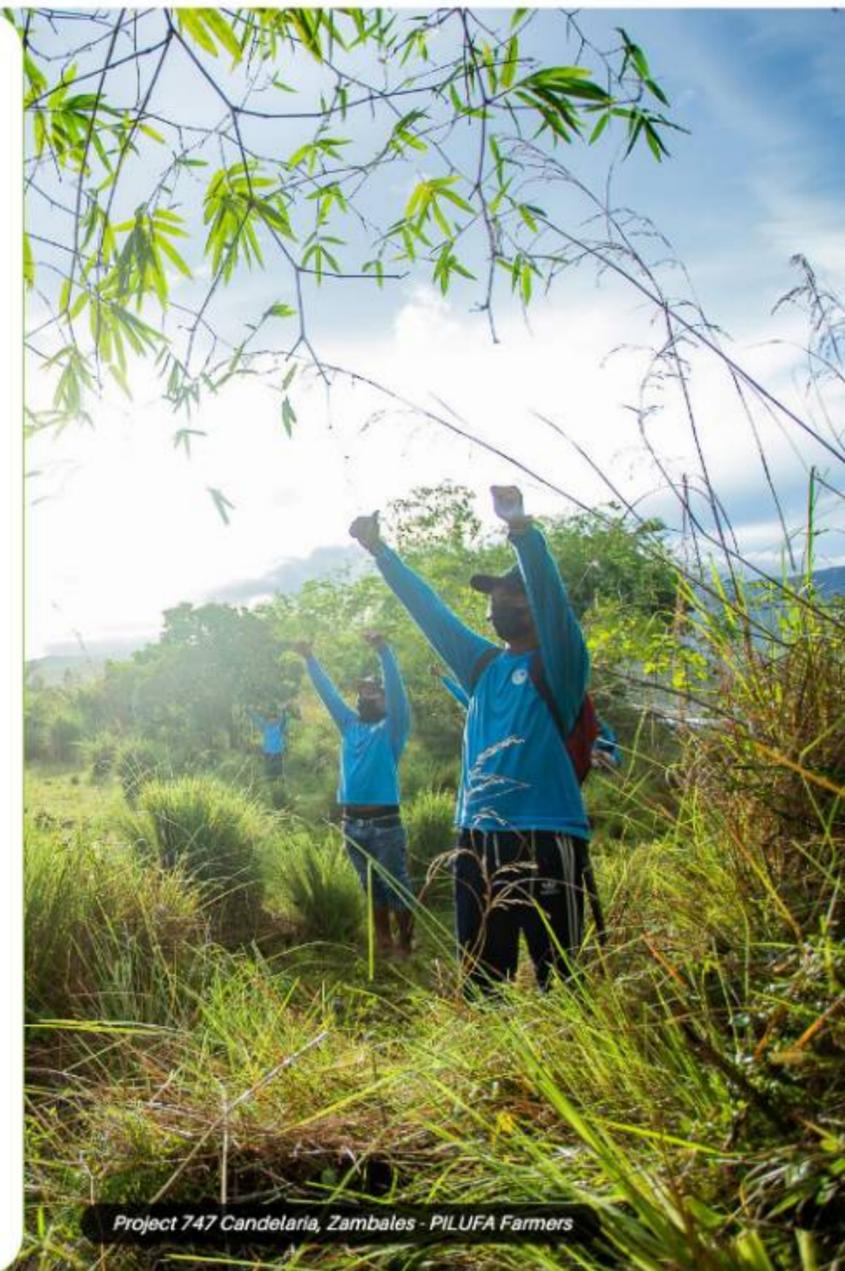
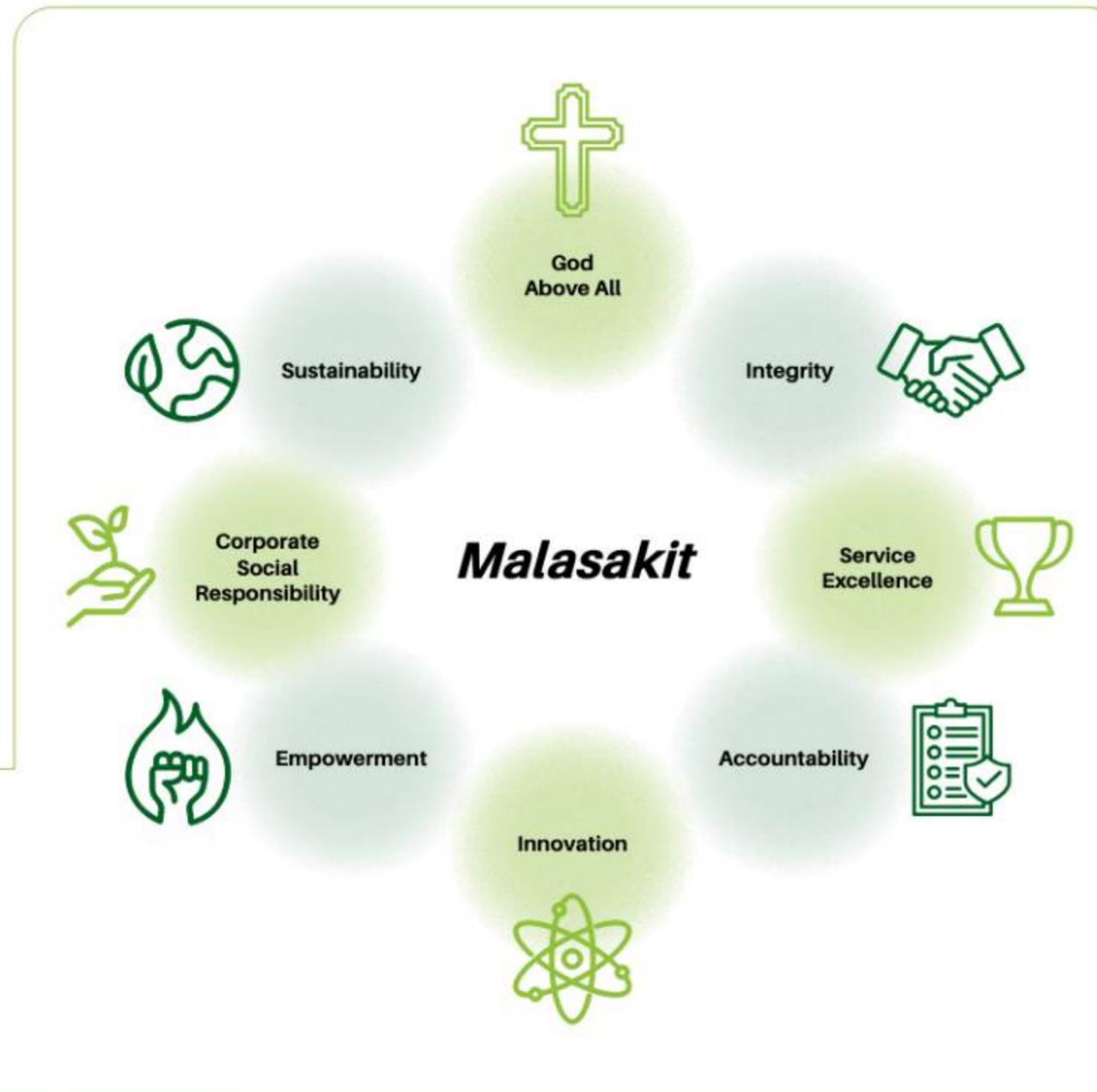
Sustainability Agenda

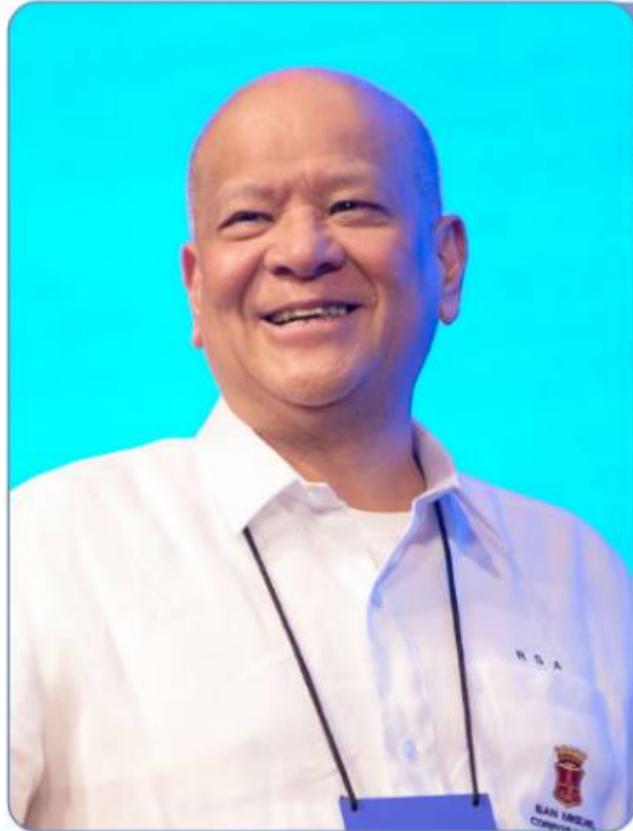
We aspire to integrate sustainability into every aspect of our business to continue creating shared value with our stakeholders, communities, customers, employees, and investors.



Values

A deep sense of responsibility and *malasakit*—our core values—drive us to integrate transparency, efficiency, and sustainability throughout our operations. Our corporate values guide relationships with every SMGP stakeholder.





Empowerment for the Planet

A Message of Commitment from Our Chairman and Chief Executive Officer



GRI 2-22

The challenges brought about by climate change in 2023 and 2024 have underscored the urgency of achieving net zero. At San Miguel Global Power (SMGP), we remain steadfast in our commitment to sustainability through cleaner and more reliable energy generation, responsible environmental stewardship, and the continued empowerment of the communities we serve.

The past two years have been record-breaking in terms of the climate crisis. The World Meteorological Organization (WMO) reported that 2023 was the hottest year on record, as the planet reached its nearest temperature to the 1.5°C limit set by the Paris Agreement on climate change. The Philippines, being one of the countries most vulnerable to this crisis, felt the impact of climate change severely in 2024. Such events caused widespread damage across the country, in general, and disrupted the business sector, compelling us to further strengthen our operations and support our communities in becoming climate-resilient.

As one of the largest conglomerates that help drive the economy, San Miguel Corporation (SMC) has a responsibility to develop solutions for climate action. SMC's sustainability pillars, "Kalikasan, Kalinga, and Kasaganahan," serve as the foundation of our business strategies in addressing climate change. We have set sustainability ambitions that SMGP and other SMC subsidiaries are working on together to power up a greener environment for all. We have pledged to participate in the net-zero initiative alongside other nations and institutions worldwide. To realize this vision, we will upgrade our processes and services, embed circularity in our use of materials, and work closely with our supply chain partners to embrace sustainable practices in their own operations. This sustainable transformation will involve our surrounding communities, whom we will engage in projects to uplift their lives and protect their environment.

Supporting the sustainability agenda of SMC, SMGP reinforces this commitment through clearly defined goals and strategies for environmental protection, social responsibility, and ethical governance, as laid out in our ESG Roadmap to 2050.



Project 747's Adopt-a-river Program - Candelaria, Zambales

Given our key role in the country's energy landscape, the Company remains committed to accelerating its transition to a clean energy future. We have forged a plan towards decarbonization, aiming to achieve net-zero emissions by 2050 in line with the Paris Agreement. To support the Department of Energy's (DOE) targets, we aim to increase the renewable share in our power generation mix by 35% by 2030, 50% by 2040, and more than 50% by 2050 by scaling our hydroelectric power and developing solar energy. Additionally, we are looking into other emerging technologies to further reduce the greenhouse gas (GHG) emissions of our fossil fuel power plants. Through these efforts, we are helping drive both our business and the entire nation toward achieving net zero.

Among the innovations we are investing in is the nationwide expansion of the Battery Energy Storage System (BESS) network.

With a target capacity of approximately 1,000 MWh, we are positioning the Philippines at the forefront of BESS technology in Southeast Asia. These state-of-the-art facilities are designed to store excess energy during non-peak periods, providing critical support to the national grid by enhancing power reliability, reducing fluctuations, and ensuring a more stable energy supply. As the country's energy demand continues to grow, BESS will be a key enabler in meeting those needs efficiently. It also plays a vital role in accelerating the adoption of renewable energy by addressing the intermittency of renewable energy sources, helping pave the way for a cleaner and more resilient energy future for the Philippines.

Even as we transform our business to cope with climate change, we must work together to transform the nation's energy landscape. San Miguel Global Power formed a significant

Climate change affects every aspect of life, including our business. We are all together on this journey, and we remain committed to building a climate-resilient Philippines and making a positive contribution to a better world."



San Roque Hydroelectric Power Plant in Pangasinan



Given our key role in the country's energy landscape, the Company remains committed to accelerating its transition to a clean energy future. We have forged a plan towards decarbonization, aiming to achieve net-zero emissions by 2050 in line with the Paris Agreement."

partnership with other industry players, Meralco PowerGen Corp. (MGen) and Aboitiz Power Corporation's Therma NatGas Power Inc. (TNGP), through the joint venture Chromite Gas Holdings Inc. to develop the first integrated liquefied natural gas (LNG) facility in the Philippines. This power resource will be crucial in meeting the country's energy needs while facilitating the transition to cleaner power sources. Additionally, TeaM Energy Corp. finalized its transfer of the Sual Power Plant to SMGP in 2024. By taking over the plant's operation, we assure consumers of its continued reliable energy provision.

Our commitment to the environment remains strong through Project 747's Ridge to Reef Conservation Program. This flagship program reflects our broader commitment to environmental responsibility, extending beyond our host communities to help restore and protect biodiversity across coastal and upland areas. With significant progress already made in greening our beneficiary sites, we are well on track to achieve our goal of planting seven million trees by 2025.

Further deepening our commitment, we embarked on Project BLUE Corals, which aims to promote marine life preservation and conservation. Collaborating with local communities and the government is crucial for us to achieve our goal of protecting biodiversity. Similar to climate action, biodiversity conservation across the archipelago is a massive responsibility. Thus, we value partnerships with other large corporations, such as SMC's joint effort with Aboitiz Equity Ventures (AEV) and the Metro Pacific Investments Corporation (MPIC) to protect the expansive ecosystem of Verde Island Passage, which is regarded as the "center of the center" of global marine shore fish biodiversity.

A healthy environment is essential for humanity and for all species to thrive. We are committed to fostering such an environment for current and future generations by consistently taking action and scaling our efforts, particularly now that we are guided by the comprehensive plans outlined in our ESG Roadmap. Our Integrated Sustainability Report 2023-2024 shares the progress we have made in upholding our commitments to empower people and the planet, congruent with the goals and targets we have set in our roadmap.

Establishing our ESG Roadmap lays the foundation for the path we must take to help attain the global and national goals for sustainable development. We will continue to collaborate with the government and other institutions to achieve our net zero targets. As we do this, we also continue to strengthen our workforce, the crucial driver of these ambitions. All our efforts aim to empower consumers and communities with sustainable energy solutions while reinvigorating ecosystems across the islands and underwater.

Climate change affects every aspect of life, including our business. We are all together on this journey, and we remain committed to building a climate-resilient Philippines and making a positive contribution to a better world.

Ramon S. Ang
CHAIRMAN AND CHIEF EXECUTIVE OFFICER
SAN MIGUEL CORPORATION

Energizing Innovation

An Update on Developments from Our General Manager

GRI 2-22, 3-3

For years, San Miguel Global Power has been energizing the economy with our range of power solutions. However, as the world advances toward a more modernized and sustainable future, we must pivot our business to power the planet with cleaner resources while harnessing innovative energy solutions.

Our ESG Roadmap, which outlines our environmental, social, and governance (ESG) goals and strategic actions towards 2050, will serve as our guide in advancing the sustainability of our business while empowering our stakeholders. Supporting these sustainability ambitions involves reassessing our policies, systems, and processes across all our sites to ensure that every aspect of our business and the people within our organization contribute to achieving the goals set in our roadmap.

The power that we generate remains among the most reliable, accounting for 22% of the national grid, as of December 31, 2024. Our facilities are located throughout the country, providing electricity that powers homes, businesses, and industries. These will be further strengthened as we aim to invest more in renewable energy, as part of the targets in our ESG Roadmap.

In 2023 and 2024, we unveiled plans to expand our assets, including the development of BESS and a LNG power plant. Moving forward, we also plan to build additional hydroelectric and solar energy plants to further diversify our portfolio.

The Company has been a pioneer in energy technology in the Philippines through our adoption of BESS in 2018. We further led the expansion of this technology by developing BESS facilities in over 22 areas nationwide, with an installed capacity of approximately 1,000 MWh. Through this development, we are positioning the Philippines to have one of the largest grid-scale BESS in Southeast Asia.

Moreover, our BESS expansion is a strategic move to boost renewable energy in the Philippines. BESS' frequency regulation capability addresses the issue of intermittency associated with clean energy sources, such as solar and wind. Hence, our BESS

expansion also supports the further development of renewable energy, with the technology to strengthen its stability.

We have also been rehabilitating our renewable power plant in Angat, which will improve its capacity by 17% to 254 MW. As of 2024, the rehabilitation and modernization of our Angat Hydroelectric Power Plant, through the automation and standardization of its systems, is 86% complete. During this period, seven out of Angat's nine units have been fully automated, making its operation more efficient.

As we improve our renewable energy facilities, we continue to operate our plants in Limay, Malita, Mariveles, and Masinloc, which are integrated with Circulating Fluidized Bed (CFB) and Supercritical Steam Generator Technologies for enhanced efficiency and reduced emissions.

Moving forward, we will be expanding our renewable energy portfolio. Aside from our existing Angat and San Roque Hydroelectric Power Plants, we are pursuing new hydropower projects in Aklan, Pangasinan, and Apayao, as we also advance the development of our solar energy pipeline projects. In support of RE integration, we are also expanding our BESS sites across the Philippines.

To further reduce the emission intensity of our coal-powered plants, we are exploring the potential of Carbon Capture, Utilization, Storage (CCUS) and Ammonia co-firing technologies. As we closely monitor the viability of the CCUS technology for large-scale implementation, we stand ready to adopt when it becomes feasible and practical. Agility and innovation are crucial for a business to be sustainable. Our goal is to ensure that our innovations in power generation will continue to provide value to our business, benefit the environment, and further boost community development.

The Company also leverages digital tools to optimize emissions monitoring through our GHG Accounting Program. This initiative further improves our carbon data recording, monitoring, and



reporting, giving us a clearer view of where we can significantly reduce our footprint.

Aside from modernizing business operations, these innovative developments aim to enhance our power plants' processes efficiently and reliably meet the nation's energy needs. Such innovations help create significant cuts in potential emissions and boost the country's energy security.

While our energy innovation and sustainability efforts are directed towards making a positive impact in the Philippines, I am happy to share that these efforts have been widely recognized by regional award-giving bodies. Our BESS technologies made a mark in the Asian Power Awards 2023, having won Innovative Power Technology of the Year and Smart Grid Project of the Year for the Philippines. The same

“
At the core of who we are as part of San Miguel, the Company strives to do its best in serving our communities. Aside from supporting the country's energy security, we are steadfast in our commitment to help usher in a sustainable tomorrow for the benefit of future generations.”

organization also recognized our sustainability commitments in 2024, awarding us the ESG Programme of the Year - Philippines. Our efforts to streamline and transparently track our carbon emissions through our GHG Accounting Program have also earned us a Carbon Disclosure Award - Philippines at the ESGBusiness Awards 2024.

As we generate power to support the economy, we remain mindful of our environmental impact. Thus, we implement initiatives to maintain a healthy environment by planting at least seven million trees through Project 747 and carrying out marine conservation efforts through Project BLUE Corals. As of 2024, Project 747 has planted 6.5 million trees, and we are well on



our way to completing our goal of planting seven million trees nationwide by 2025. We will continue to cultivate a greener environment as we extend Project 747 upon the signing of a Memorandum of Agreement, in support of the Department of Environment and Natural Resources' (DENR) program to plant "5 Million trees by 2028" and an additional three million trees within the priority areas to be identified by the government. Our commitment to sustainable development was not unnoticed by other awarding organizations, such as the Asia Corporate Excellence & Sustainability (ACES) Awards, where we received the Green Initiative Award in 2024.

At the core of who we are as part of San Miguel, the Company strives to do its best in serving our communities. Aside from supporting the country's energy security, we are steadfast in our commitment to help usher in a sustainable tomorrow for the benefit of future generations.

One of the ways we have institutionalized sustainability within our business is through the support of top management. We are confident that our sustainability initiatives will be more effective under the guidance of our newly established Sustainability Committee at the Board Level. I believe in the integral role of leadership in moving sustainability forward. With the development of this committee, our management demonstrates its commitment to ensuring sustainable principles and practices are embedded within our business, leading the way towards a sustainable future for the organization and its stakeholders.

With sustainability ingrained in our leadership, supported by our dedicated Sustainability Management Team and structure, the Company is more equipped to boost our efforts to achieve the goals set in our ESG Roadmap. This also helps accelerate our Net Zero by 2050 ambition.

Among our governance strategies is to establish external partnerships with clean technology companies and research institutions. Tapping their expertise will help us adapt as we ensure the effectiveness of our climate action initiatives.

SMGP understands that synergy with diverse partners who share our vision is fundamental for sustainable development. We will continue seeking meaningful partnerships as we



contribute to SMC's overall net-zero ambition and advance our own ESG Roadmap.

Aside from organizational collaboration for sustainability, we engage, empower, and equip our employees to support and be more involved in our sustainability commitments. In September 2024, we conducted a company-wide celebration of Sustainability Month, entitled "Sustainability Matters: Greener Pathways," featuring various activities that raise awareness among SMGP employees. We encouraged employees to be mindful of their carbon footprint, which they can track using our in-house Interactive Carbon Footprint Calculator (ICFC).

We communicate our sustainability initiatives through online videos and our digital employee newsletter, SPARKtv. These resources broaden our employees' knowledge of sustainability principles and practices, which we adopt in our own efforts to support the sustainable development agenda. Employees are also updated about these initiatives and their impacts to assure them of the Company's responsibility and actions while also encouraging them to participate in making a positive difference.

We recognize the crucial role that our people play in carrying out our sustainability goals. We believe in our employees' abilities and their commitment to a sustainable future. This is why we continue to invest in their health and development as we fulfill our sustainability journey together.

The health of our people is a top priority for the Company. We conduct regular health initiatives, including annual physical exams and workshops covering various wellness and safety topics. These engaging discussions highlight the value of proper nutrition, having an active lifestyle, and promote mental health, as well as enlighten employees about certain health conditions. Through these initiatives, we aim to aid our entire workforce in maintaining both physical and mental well-being.

We ensure a safe work environment for every employee as they accomplish their daily tasks. Our power plants hold regular safety training sessions to provide constant guidance on safety protocols and equip them with best practices to proactively prevent incidents. Moving forward, as outlined in our ESG Roadmap, we are committed to further reducing potential incidents to maintain a safe workplace for all employees.

Furthermore, for SMGP, a safe work environment also includes openness and inclusivity among our people, a workplace where they are productive and can learn and grow together. We have a Diversity, Equity, and Inclusion (DEI) policy in place to ensure all of our current and prospective employees are treated with respect and fairness. Aside from creating a safe workplace for them, we also want to empower our employees. In 2024, we organized our first company-wide celebration of International Women's Month through our EmpowerHER event, which recognized the efforts of our

women employees. Each of our employees contributes to our business success, so we want everyone to feel seen and cared for across our operations.

Alongside our employees, we consider our host communities as our partners—the co-owners of our programs for sustainable development. Together, we have made strides in making greener surroundings through our conservation and cleanup projects, which we also conduct in partnership with the government. We have also helped improve healthcare access through various programs that benefit communities in the long term or aid in addressing health concerns prevalent in their areas. In addition to the medical, dental, and optical missions we conducted in communities, our health programs also promoted awareness of maternal health and mental wellness.

From the 2,000 hectares of upland and mangrove areas rehabilitated to the numerous community members we have been able to assist through our health programs, these impacts were made possible with the help of the People's Organizations, local government, and hundreds of employees and community volunteers who help us achieve our sustainability targets each year.

The ESG targets we are working to achieve by 2050 are being integrated into our key performance indicators (KPIs) to track our progress. Doing so will generate insights that we can leverage to evaluate the effectiveness of our strategies and initiatives. We want to ensure that our energy solutions and sustainability efforts not only strengthen our business but also create a positive, lasting impact on our communities, the environment, and the economy.

As SMGP continues to grow, we are committed to creating a sustainable future where the Philippine economy flourishes, where the country's energy security is strong, and where people and the planet thrive.

Elenita D. Go
GENERAL MANAGER
SAN MIGUEL GLOBAL POWER



SMGP Foundation's Honey Bee Production in Masinloc, Zambales

How We Create Value

GRI 2-6

San Miguel Global Power commits to sustainable value creation for our stakeholders. Our value creation model is shaped by our ESG framework. While it outlines our response to the current business landscape through our services and operations, we see to it that our activities in every capital are instrumental in making a positive impact in the long term for the environment and communities, led by a governance with a net-zero future at the core of its vision.

Creating value for others begins with ensuring the resources needed to sustain and expand our business and community activities. As such, we also manage the financial value generated by the Company. Our financial capital sums up the value we allocate in maintaining our initiatives for our customers and communities, as well as demonstrating our business stability to investors.

While we prioritize our profitability, SMGP ensures that our people are valued above all by caring for their well-being and development. The Company's current and new employees are central to our human capital, including our progress in fostering diversity and safety among our thousands of personnel.

As we safeguard our people, whom we consider our most valuable assets, we also protect and enhance our knowledge-based assets, our intellectual capital. In optimizing our operations by integrating digital technologies in our facilities, we ensure they make our processes more efficient to generate better value for our operations and the stakeholders we serve, and not be compromised by cybersecurity risks. Additionally, part of our intellectual capital involves managing our permits and certifications, guaranteeing that our activities are resilient

and responsive, thereby delivering value to the business, the people, and the environment.

Much of the value we deliver to stakeholders stems from our manufactured capital, which is primarily focused on our coal-fired, renewable, and liquefied natural gas (LNG) power plants. Through our facilities' contributions to the national grid, we help drive the country's economic growth. At the same time, our renewable energy developments and technologies, such as our battery energy storage system (BESS) facilities, underscore our business innovation and endeavor for climate action and decarbonization, which are among the goals envisioned in our natural capital.

Aside from renewable adoption and emission reduction, our activities to create sustainable value in our natural capital involve utilizing resources and managing waste more responsibly and efficiently. These initiatives help maintain a healthy environment while reducing business costs associated with relying on resources and materials that may have a negative impact on nature and communities.

Communities benefit from our environmental activities by having better surroundings to live in, which we help develop by partnering with them as well. Through our programs such as Project 747 and Project BLUE Corals, we show our value for community safety and help create an environment where individuals can thrive in terms of their livelihood. At the same time, we also empower communities to create value for themselves by offering them learning opportunities. To strengthen our lasting relationships with communities, we invest in activities that are valuable to their present lives and future.

Our Value Creation Model

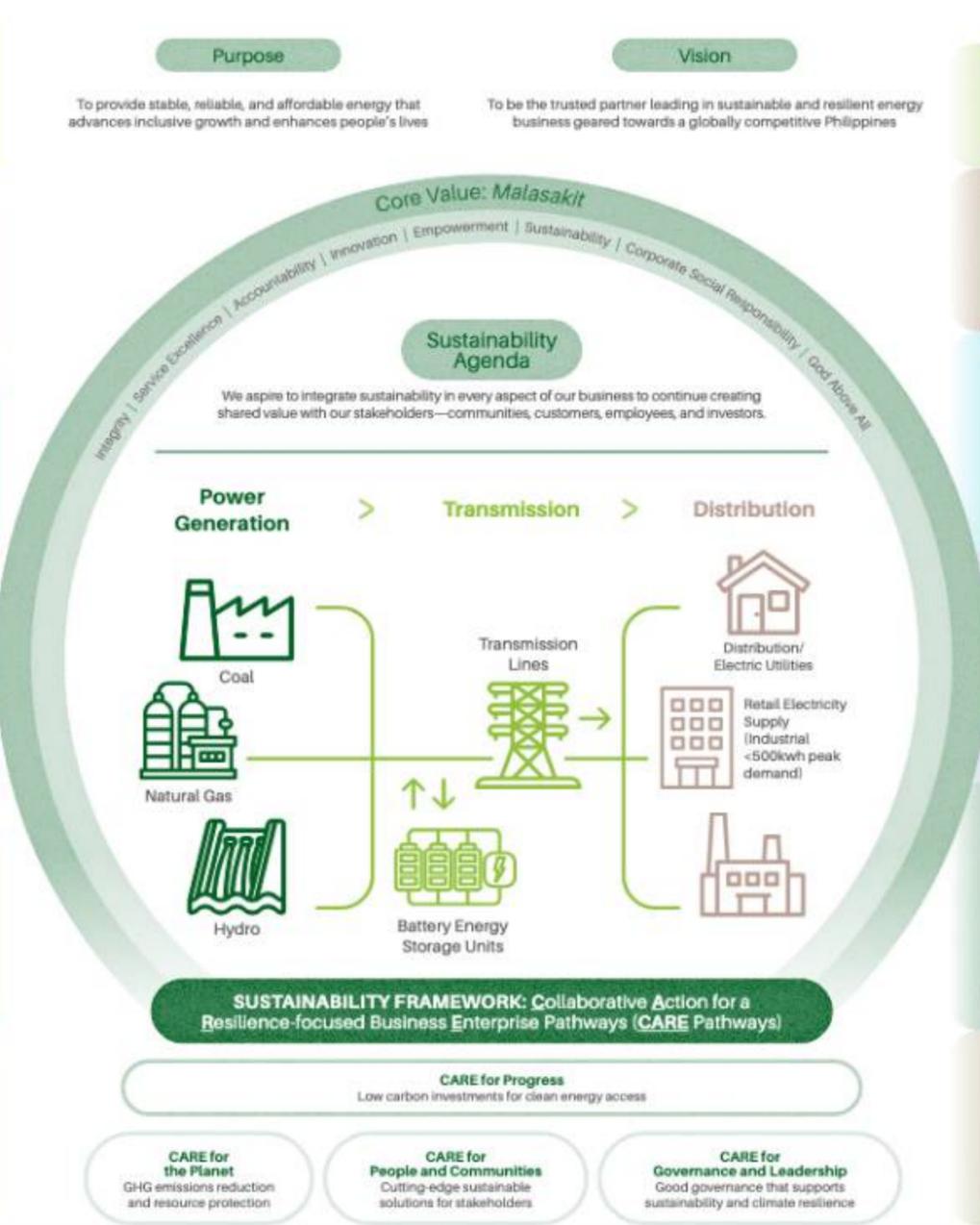
Inputs

Business Model

Outputs

Outcomes

Financial	Represents the financial resources deployed and generated by the company to sustain operations and drive long-term growth	<table border="1"> <thead> <tr><th>2023</th><th>2024</th></tr> </thead> <tbody> <tr><td>Economic value generated</td><td>Php 171 B Php 206 B</td></tr> <tr><td>Economic value distributed</td><td>Php 157.6 B Php 189 B</td></tr> <tr><td>Economic value retained</td><td>Php 13.7 B Php 16.7 B</td></tr> </tbody> </table>	2023	2024	Economic value generated	Php 171 B Php 206 B	Economic value distributed	Php 157.6 B Php 189 B	Economic value retained	Php 13.7 B Php 16.7 B						
2023	2024															
Economic value generated	Php 171 B Php 206 B															
Economic value distributed	Php 157.6 B Php 189 B															
Economic value retained	Php 13.7 B Php 16.7 B															
Human	Encompasses the skills, diversity, and well-being of employees, supported by training, development, and inclusive leadership to strengthen workforce capability and performance	<table border="1"> <thead> <tr><th>2023</th><th>2024</th></tr> </thead> <tbody> <tr><td>Number of employees</td><td>2100 2384</td></tr> <tr><td>Number of new hires</td><td>499 326</td></tr> <tr><td>Average training hours per employee</td><td>28.59 31.79</td></tr> </tbody> </table>	2023	2024	Number of employees	2100 2384	Number of new hires	499 326	Average training hours per employee	28.59 31.79						
2023	2024															
Number of employees	2100 2384															
Number of new hires	499 326															
Average training hours per employee	28.59 31.79															
Intellectual	Represents the knowledge-based assets, such as digital systems, innovation, and strategic ESG frameworks that enable operational excellence and long-term resilience	<ul style="list-style-type: none"> Investments on cybersecurity, data privacy, and technology advancements R&D and innovation for low-carbon and efficient technologies Sustainability strategies Licenses, permits & regulatory knowledge Structured management systems and certifications Merger and acquisition projects 														
Manufactured	Highlights the portfolio of energy assets that support efficient and scalable power generation and reliable service delivery	<table border="1"> <thead> <tr><th>2023</th><th>2024</th></tr> </thead> <tbody> <tr><td>Total installed capacity</td><td>5,057 MW 6,079.61 MW</td></tr> <tr><td>Total installed capacity with CFB Technology</td><td>900 MW 1,500 MW</td></tr> <tr><td>Total installed capacity with Supercritical Technology</td><td>335 MW 335 MW</td></tr> <tr><td>Total installed capacity using LNG</td><td>1,200 MW 1,200 MW</td></tr> <tr><td>Total installed capacity with Hydroelectric Technology</td><td>218 MW 135.71 MW</td></tr> <tr><td>Total installed capacity of BESS</td><td>260 MW 390 MW</td></tr> </tbody> </table>	2023	2024	Total installed capacity	5,057 MW 6,079.61 MW	Total installed capacity with CFB Technology	900 MW 1,500 MW	Total installed capacity with Supercritical Technology	335 MW 335 MW	Total installed capacity using LNG	1,200 MW 1,200 MW	Total installed capacity with Hydroelectric Technology	218 MW 135.71 MW	Total installed capacity of BESS	260 MW 390 MW
2023	2024															
Total installed capacity	5,057 MW 6,079.61 MW															
Total installed capacity with CFB Technology	900 MW 1,500 MW															
Total installed capacity with Supercritical Technology	335 MW 335 MW															
Total installed capacity using LNG	1,200 MW 1,200 MW															
Total installed capacity with Hydroelectric Technology	218 MW 135.71 MW															
Total installed capacity of BESS	260 MW 390 MW															
Natural	Involves the sustainable use and management of natural resources, including materials, water, and energy, as well as programs aimed at reducing environmental impact and supporting decarbonization	<table border="1"> <thead> <tr><th>2023</th><th>2024</th></tr> </thead> <tbody> <tr><td>Non-renewable materials consumed</td><td>6.58M MT 8.21M MT</td></tr> <tr><td>Renewable materials consumed</td><td>1,969.89 MT 3,126.02 MT</td></tr> <tr><td>Water withdrawal</td><td>5.03M ML 5.17M ML</td></tr> <tr><td>Rainwater collected</td><td>0.0 ML 2.1 ML</td></tr> <tr><td>Energy consumed</td><td>92.26M GJ 120.38M GJ</td></tr> </tbody> </table>	2023	2024	Non-renewable materials consumed	6.58M MT 8.21M MT	Renewable materials consumed	1,969.89 MT 3,126.02 MT	Water withdrawal	5.03M ML 5.17M ML	Rainwater collected	0.0 ML 2.1 ML	Energy consumed	92.26M GJ 120.38M GJ		
2023	2024															
Non-renewable materials consumed	6.58M MT 8.21M MT															
Renewable materials consumed	1,969.89 MT 3,126.02 MT															
Water withdrawal	5.03M ML 5.17M ML															
Rainwater collected	0.0 ML 2.1 ML															
Energy consumed	92.26M GJ 120.38M GJ															
Social & Relationship	Encompasses the engagement with communities, government, and partner organizations, built through collaboration, compliance, and social investments that foster shared value and trust	<table border="1"> <thead> <tr><th>2023</th><th>2024</th></tr> </thead> <tbody> <tr><td>Community investments, donations, and contributions</td><td>165 M 45 M</td></tr> <tr><td>Number of partnerships with peoples' organizations</td><td>11 27</td></tr> <tr><td>Number of membership associations</td><td>6 6</td></tr> </tbody> </table>	2023	2024	Community investments, donations, and contributions	165 M 45 M	Number of partnerships with peoples' organizations	11 27	Number of membership associations	6 6						
2023	2024															
Community investments, donations, and contributions	165 M 45 M															
Number of partnerships with peoples' organizations	11 27															
Number of membership associations	6 6															



■ Retained ▲ Increased ▼ Decreased

Spending on local suppliers	2023: Php 5.1 B	2024: Php 22.4 B
Spending on international suppliers	2023: Php 35.6 B	2024: Php 72.5 B

Accession rate	2023: 24%	2024: 13.93%
Turnover rate	2023: 8%	2024: 6%
Female representation in senior management	2023: 29%	2024: 29%
Percentage of employees covered by an OSH system	2023: 100%	2024: 100%

- IT platforms developed across SMGP facilities
- No data privacy breach
- ESG Roadmap, emissions monitoring, climate risk assessment, and sustainability suite
- Business continuity management system (BCMS)
- LNG deal with Meralco PowerGen Corp. for Ilijan and Dela Paz Combined Cycle Gas Power Plant

Net power generated	2023: 14,76M MWh	2024: 19,23M MWh ▲
National grid market share	2023: 19%	2024: 22% ▲
Amount of solid waste generated	2023: 1,630.54 MT	2024: 1,633.21 MT ▲
Amount of hazardous waste generated	2023: 239.58 MT	2024: 421.66 MT ▲
Amount of hazardous waste disposed	2023: 201.52 MT	2024: 331.56 MT ▲

Amount of scope 1 emissions generated	2023: 12.18M tCO ₂ e	2024: 15.62M tCO ₂ e ▲
Amount of scope 2 emissions generated	2023: 30,172.1 tCO ₂ e	2024: 69,887.63 tCO ₂ e ▼
Amount of water discharged	2023: 5.03M ML	2024: 5.17M ML ▲
Amount of water consumed	2023: 2,098.66 ML	2024: 2,722.58 ML ▲
Amount of water recycled	2023: 0.00 ML	2024: 2.10 ML ▲
Upland survival rate	2023: 91%	2024: 91% ▲
Mangrove survival rate	2023: 88%	2024: 88% ▲

Number of new suppliers	2023: 117	2024: 136
Total scholarship grants from 2019-2024	2023: 537	2024: 541
Total scholars graduated and/or employed since 2019	2023: 203	2024: 226
Number of beneficiaries (families / local communities / individuals)	2023: 2,330	2024: 2,601
Number of awards & recognition	2023: 7	2024: 13

- Value created for our stakeholders
- Investors:** Strengthened investor confidence, improved financial returns, secured low-carbon investments, protected long-term business viability, and climate risk resiliency
 - Employees:** Safe work environment and empowered workforce
 - Customers:** Ensured clean energy and power delivery reliability, and guaranteed customer satisfaction
 - Suppliers and Business Partners:** Consistent business opportunities, synergistic long-term partnerships, effective systems and processes integration, and enhanced collaboration through knowledge sharing
 - Government and Regulators:** Enhanced regulatory compliance, protection of biodiversity, circular resource use, and climate-resilient practices
 - Communities:** Reinforced public trust, improved community well-being, and upheld environmental stewardship

External Environment

Key Risks

- Market competitiveness
- Energy source
- Funding and revenues
- Environment, health, and safety
- Operations and supply chain management
- Data management and security
- Workforce
- Regulation
- Brand reputation

Key Opportunities

- Increase in electricity demand
- Digitalization and data analytics
- Regulatory changes on occupational safety and health
- Review of total rewards and performance management
- Data management optimization

Our 2023-2024 Highlights

Business Highlights GRI 201-1

Financial

	2023	2024	
Economic value generated	171,318	206,640	▲
Economic value distributed	157,601	189,891	▲
Operating cost	113,842	138,119	▲
Employee wages and benefits	2,321	2,742	▲
Payments to providers of capital	29,398	37,361	▲
Payments to the government	11,876	11,623	▼
Community investments (Donations & Contributions)	165	45	▼
Economic value retained	13,717	16,749	▲

Note: Figures are in million Php.

Operational Highlights

Manufactured

	2023	2024
Total energy generated	14.76M MWh	19.23M MWh
Total installed capacity	5,057 MW	6,079.61 MW
National grid market share	19%	22%

JOINT VENTURE

Angat Hydropower Plant

- Completed modernization and rehabilitation by 86%, targeted to finish by 2026
- Fully modernized and automated seven out of nine units
- Increased power generation capacity by 47% in three auxiliary units

BATTERY ENERGY STORAGE SYSTEM (BESS)

- Developing nearly 1,000 MWh in 21 facilities
- Substantially completed 18 sites with 630 MWh total capacity as of December 2024
- Commenced operations of facilities in Tarlac, Leyte, and Misamis Oriental with 120 MWh combined capacity

INDEPENDENT POWER PRODUCER

Ilijan Power Plant

- Combined net generation of 9.19 million MWh in 2023 and 2024, among the highest levels recorded in SMGP
- Generated approximately 1,220 MW, exceeding its rated capacity by 1.5%
- Achieved 95.62 consecutive days of uninterrupted operation from June 11 to September 23, 2024

Malita Power Plant

- Installed RheoVac Condenser Monitoring System and CAAQMS to monitor air leakage and pollutants
- Adopted SmartCheck technology for immediate detection and measures to address maintenance issues
- Rendered zero major non-conformities from the Integrated Management Systems (IMS) surveillance audit

Mariveles Power Plant

- Successfully synchronized Units 1 to 4 to the national power grid
- Secured 300 MW power supply agreement (PSA) with Meralco; supply to start in April 2025
- Received IMS accreditation

Limay Power Plant

- Successfully renewed certifications for ISO 9001:2015 (Quality Management Systems); ISO 14001:2015 (Environmental Management Systems); and ISO 45001:2018 (Occupational Health & Safety Management System), valid until 2027
- Installed Continuous Ambient Air Quality Monitoring Systems (CAAQMS) to enhance real-time air quality monitoring

Masinloc Power Plant

- Completed site expansion for Unit 4 and Unit 5 by 94% and 92%, respectively
- Installed Hammer Mill and Flash Dryer System to improve grinding capacity and efficiency
- Manufactured and integrated High Pressure (HP)/ Intermediate Pressure (IP) and Low Pressure (LP) high-efficiency rotors in Unit 1 to improve its turbine's thermal efficiency and plant's capacity

Batangas LNG Plant

- Signed a USD 3.3 billion deal among San Miguel Global Power, AboitizPower, and MGen for the facility's completion and operations

INDEPENDENT POWER PRODUCER ADMINISTRATOR

San Roque Power Plant

- All generating units attained and maintained the contracted capacity required in the power purchase agreement (PPA) with the National Power Corporation (NPC) under a Build-Operate-Transfer (BOT) scheme

Sual Power Plant*

- Fully turned over to San Miguel Global Power in October 2024

* IPPA contract only until October 2024

External Environment



The external environment can significantly influence an organization’s strategies and operations. At San Miguel Global Power, we continuously assess the evolving issues and trends, especially those relevant to the energy sector, to identify risks, align with regulations, and unlock opportunities for growth and transformation.

EVOLUTION OF ENERGY POLICIES AND REGULATIONS

The Philippine government is increasingly aligning its national goals with efforts to reduce emissions and advance renewable energy, in support of the United Nations’ (UN) global climate agenda.

In 2023, the Intergovernmental Panel on Climate Change (IPCC) released its Synthesis Report for the Sixth Assessment Report, emphasizing the urgent need to reduce global emissions by nearly 50% by 2030 to limit global warming to 1.5°C, in line with the Paris Agreement. To avoid surpassing this critical threshold, a significant shift toward more sustainable energy use is essential.

The Department of Energy’s (DOE) Philippine Energy Plan (PEP) for 2023-2050 maintains its ambition to increase the renewable energy share to 35% by 2030 and 50% by 2040. To attract investments and expedite the deployment of clean energy projects, the DOE issued the 2024 Revised Omnibus Guidelines for Renewable Energy. Key provisions include:

- Allowing 100% foreign ownership of renewable energy projects following the Department of Justice’s legal opinion and President Marcos’ Executive Order No. 18 in 2023, which declared renewable energy as a priority investment activity.
- Streamlining permitting processes, enabling renewable energy developers to conduct pre-development activities such as feasibility studies and permit acquisition.

What This Means for the Company

As a power generator with both fossil fuel and renewable energy assets, SMGP recognizes the need to continuously reassess the use and operation of our resources in alignment with evolving global and national sustainability goals. This may require recalibrating our strategies, operations, and timelines while ensuring a reliable power supply and continued compliance with all relevant energy policies.

ROLE OF RENEWABLE ENERGY AND MARKET DEMAND

As policies continue to open up opportunities for renewable energy development, the industry experienced record-breaking growth in 2024. The DOE recorded an additional 794.34 MW of installed capacity during the year—surpassing the total 759.82 MW installed from 2021 to 2023*. As a result, clean energy now makes up 22% of the country’s energy mix. This momentum is expected to continue, driven by the government’s accelerated approval of 176 renewable energy projects in 2024.

The expansion of energy sources is critical in meeting the country’s rising power demand. Non-coincidental peak demand increased from 16,596 MW in 2022 to 17,331 MW** in 2023, and is projected to reach 19,392 MW in 2024. These upward trends emphasize the need for reliable, accessible, and diversified energy sources to support national development.

* *DOE Press Release, February 11, 2025*
** *DOE 2024 Power Statistics, June 15, 2025*

What This Means for the Company

SMGP plays a vital role in powering Filipino communities and industries. As of December 31, 2024, we supply approximately 22% of the national grid’s power demand, 28% of the Luzon grid, and 9% of the Mindanao grid. To meet the country’s growing energy requirements, we continue to expand and diversify our energy portfolio, particularly in renewable energy. Given the intermittency of renewable sources, San Miguel Global Power’s BESS facilities play a key role in supporting the reliability of the Philippine grid through their instantaneous frequency control capability.

STAKEHOLDER INTEREST AND SOCIO-ENVIRONMENTAL ADVOCACIES

Heightened awareness and concern over climate change and environmental degradation are increasingly reflected in the priorities of consumers, policymakers, civil society, and the general public. Within the energy sector, industry players, particularly those operating fossil fuel-based facilities, are urged to address their environmental footprint and take meaningful steps toward a clean energy transition.

What This Means for the Company

As a company engaged in both fossil fuel and renewable energy generation, San Miguel Global Power is directly affected by the evolving expectations of our stakeholders. While the continued use of coal in our operations may raise reputational risks, our active efforts to expand renewable energy facilities can help reinforce our commitment to sustainability. Gaps in communication or clarity around our operations may lead to misunderstandings and impact how stakeholders perceive us, potentially affecting the trust and confidence of our stakeholders.

TECHNOLOGICAL ADVANCEMENTS

The energy industry has been seeing advancements in clean technologies and further integration of digital tools to optimize processes. Such innovations can be instrumental in transforming the industry to be more sustainable while also making its operations more productive, efficient, and safer.

What This Means for the Company

To remain competitive in the energy industry and continuously improve our operations and services, SMGP recognizes the importance of keeping pace with technological advancements. We are committed to regularly assessing and upgrading our systems to enhance the efficiency, reliability, and sustainability of our power generation. Alongside these efforts, we prioritize equipping our workforce with the essential skills and training needed to operate and adapt to advanced technologies, ensuring that our people grow alongside our innovations.

POLITICAL EVENTS AND CHANGES IN ADMINISTRATION

Political developments—both globally and locally—can significantly influence the energy market. Given the extensive trade dynamics surrounding fossil fuels, geopolitical tensions pose risks to energy security and pricing. For instance, the Russia-Ukraine conflict in 2022 triggered a global energy crisis, with ripple effects still felt in various regions through 2023 and 2024.

In the local context, changes in national or local government leadership can lead to shifts in policy direction and enforcement, potentially affecting the regulation, development, and direction of the energy sector.

What This Means for the Company

SMGP closely considers international market dynamics and local regulatory environments in managing our operations, strategies, and financial performance.

CLIMATE CHANGE VULNERABILITY AND ENVIRONMENTAL IMPACTS

The Philippines is considered one of the countries most prone to the impacts of climate change. These effects, including severe drought and typhoons, can devastate communities, the local economy, and biodiversity. Aside from natural hazards, ecosystems can be affected by mismanagement in human activities such as irresponsible waste handling and the exploitation of natural resources.

What This Means for the Company

Climate change is concerning for all businesses, including SMGP. Environmental disasters not only disrupt the operations of offices and power plants, but also impact the lives of the communities and consumers we serve.

Our Company

GRI 2-6

For almost 15 years, San Miguel Global Power has been powering households and industries across the nation with reliable and diverse energy solutions. In addition to our services, we also empower people both within and beyond our operational areas by organizing *Malasakit*-driven development initiatives. As we power the economy, we strive to contribute to the global effort toward a decarbonized future.

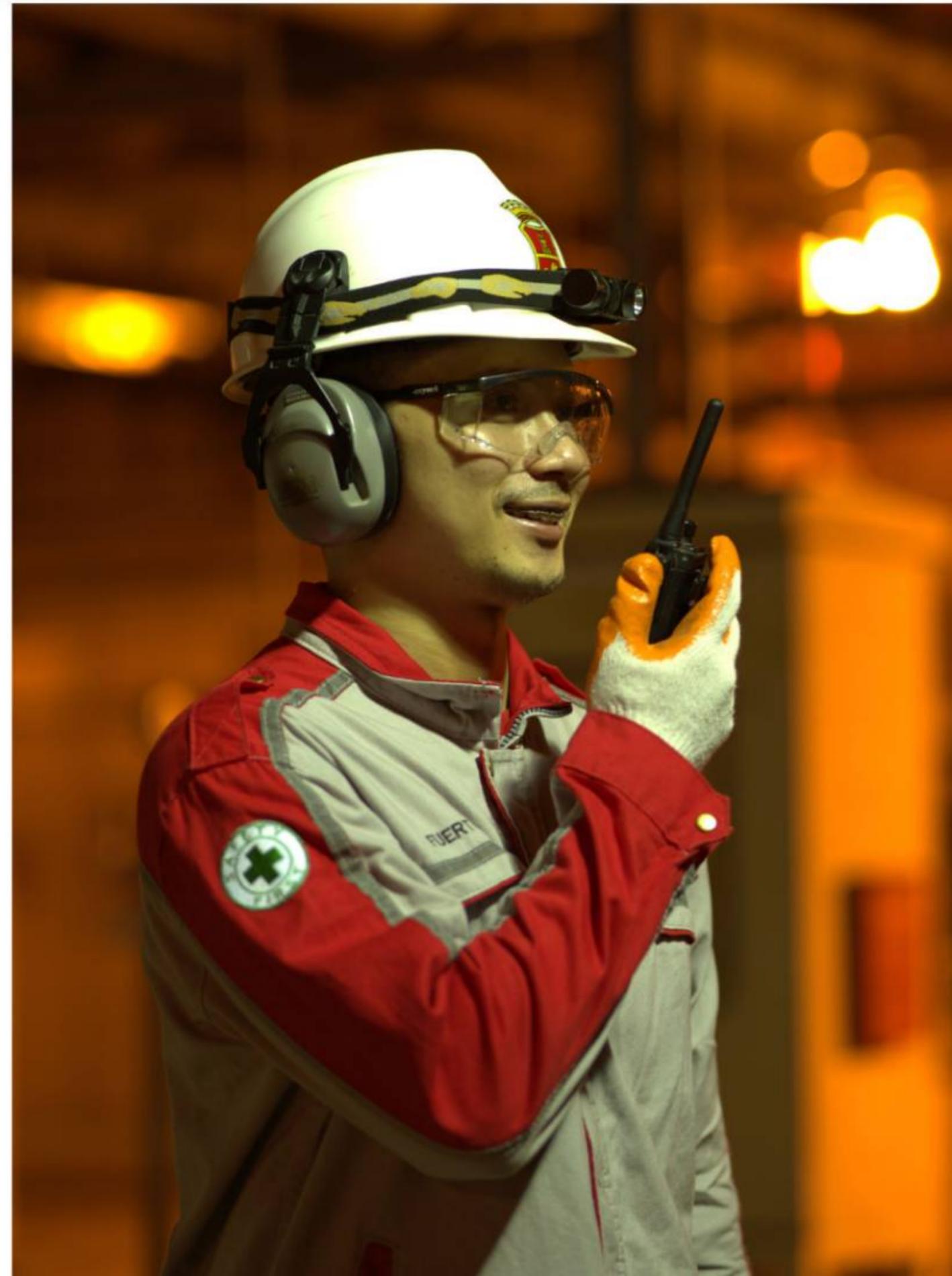
Since our entry into the industry in 2009, the Company has built a diverse energy portfolio that includes natural gas, coal, and hydroelectric resources. We have also pioneered advancements in the power sector by introducing BESS technology to the country. Through our energy facilities, we have established partnerships with distribution utilities across franchised areas as of December 31, 2024, including food and beverage, packaging, hospitality, petroleum, and construction, among others.

Having expanded our portfolio, the power that we provide accounts for a significant portion of daily economic activities in the Philippines. Our energy generation contributes approximately 22% to the country's power grid, producing 28% in the Luzon grid and 9% in the Mindanao grid as of December

31, 2024, according to the Energy Regulatory Commission (ERC). Currently, we are exploring and planning additional energy developments from various cleaner resources such as solar energy and liquefied natural gas.

As we expand our energy infrastructure developments nationwide, we aim not only to empower more customers and their communities but also to uplift the lives of our people. Driven by our core value *Malasakit*, we strive to promote a safe working environment for our employees across sites by implementing health and safety initiatives through trainings, discussions, and monitoring.

Our operations also involve taking care of our surrounding communities and environment. We conduct such programs through our social development arm, SMGP Foundation. We have been striving to provide a healthier environment for our communities and diverse species across our sites through the Ridge to Reef Conservation Program. Under this flagship program, we implement Project 747 and Project BLUE (Balanced and Healthful Life Underwater Ecosystem) Corals to cultivate the country's rich biodiversity, from forests and coastlines to the underwater environment.



Our History



Supported by SMC's over a century-long experience in doing business, the Company has consistently set milestones in bolstering the country's energy security.



San Miguel Corporation (SMC) began operations as a single brewery in the Philippine business space. From these humble beginnings, it has grown into a large, diversified multinational conglomerate.

January: San Roque Hydropower Inc. (formerly Strategic Power Development Corp.) in San Manuel, Pangasinan, became part of the corporation through IPPA.

June: Ilijan Combined-Cycle, Dual-Fuel Power Plant in Batangas was added to the corporation's IPPA subsidiaries.

September: San Miguel Corporation consolidated its power generation business under a unified brand—SMC Global Power—the official energy arm of SMC.



November: The Angat Hydroelectric Power Plant was added to the Company's energy mix upon acquiring a 60% stake.

The Company became a pioneer with its initial investment in a battery energy storage system (BESS) through the Masinloc Coal-Fired Thermal Power Plant (formerly known as Masinloc Power Partners Co., Ltd.).

March: Limay Coal-Fired Thermal Power Plant's Units 1 and 3 commenced their operations.

The Masinloc Coal-Fired Thermal Power Plant and the Kabankalan BESS were added to the Company's projects upon completing the acquisition of equity interests in the plant's former indirect owner, SMGP Masin Pte. Ltd (then Masin AES Pte. Ltd.).

The SMGP Foundation, the official social development arm of the Company, was established.

Masinloc Coal-Fired Thermal Power Plant's Unit 3 began commercial operations, marking the Company's first utilization of Supercritical Steam Generator Technology.

January: Kabankalan BESS initiated commercial operations.

June: The Company took operational control of the Ilijan Combined-Cycle, Dual-Fuel Power Plant.

September: The Company unveiled its new corporate identity with a new logo and updated its name to San Miguel Global Power.

The Company started the development of ESG Roadmap.

March: The Company, together with Meralco PowerGen Corporation (MGen) and Aboitiz Power Corporation's Therma NatGas Power, Inc. (TNGP), launched the country's first integrated LNG facility in Batangas.

October: Sual Coal-Fired Thermal Power Plant's operations were fully turned over to San Miguel Global Power.

Nearly 1,000 MWh were installed across 22 BESS facilities.

1890 2009 2010 2013 2014 2017 2018 2019 2020 2021 2022 2023 2024

SMC ventured into the power industry. In government-led privatization auctions, the Corporation acquires administrative rights to the generation of IPPs.

November: San Miguel Electric Corporation (now Sual Power Inc.) was institutionalized upon entering an IPPA agreement for the Sual Coal-Fired Thermal Power Plant in Pangasinan.

July: The Company initiated the construction of two major greenfield power plants: the Malita Coal-Fired Thermal Power Plant in Davao and the Limay Coal-Fired Thermal Power Plant in Bataan.

July: Malita Coal-Fired Thermal Power Plant's Units 1 and 2 started their commercial operations.

September: Limay Coal-Fired Thermal Power Plant's Unit 2 began commercial operations.



Kabankalan BESS commenced construction.

June: Mariveles Coal-Fired Thermal Power Plant began development.

July: Limay Coal-Fired Thermal Power Plant's Unit 4 launched commercial operations.

The Company initiated the construction of BESS facilities in 20 locations nationwide.

SMGP Foundation's Project 747 commenced implementation.

May: The Company enforced the engineering, procurement, and construction (EPC) contract with Black & Veatch, BVI (Philippines) Corporation, and First Balfour, Inc. for the Batangas Combined Cycle Power Plant (Dela Paz Power Plant).



March: The Company rebranded as San Miguel Global Power Holdings Corp. upon approval by the Securities and Exchange Commission (SEC).

The Company's 1,000 MWh BESS plan was inaugurated by President Ferdinand R. Marcos.

The SMGP Foundation launched the Project BLUE Corals.

Where We Operate

GRI 2-6

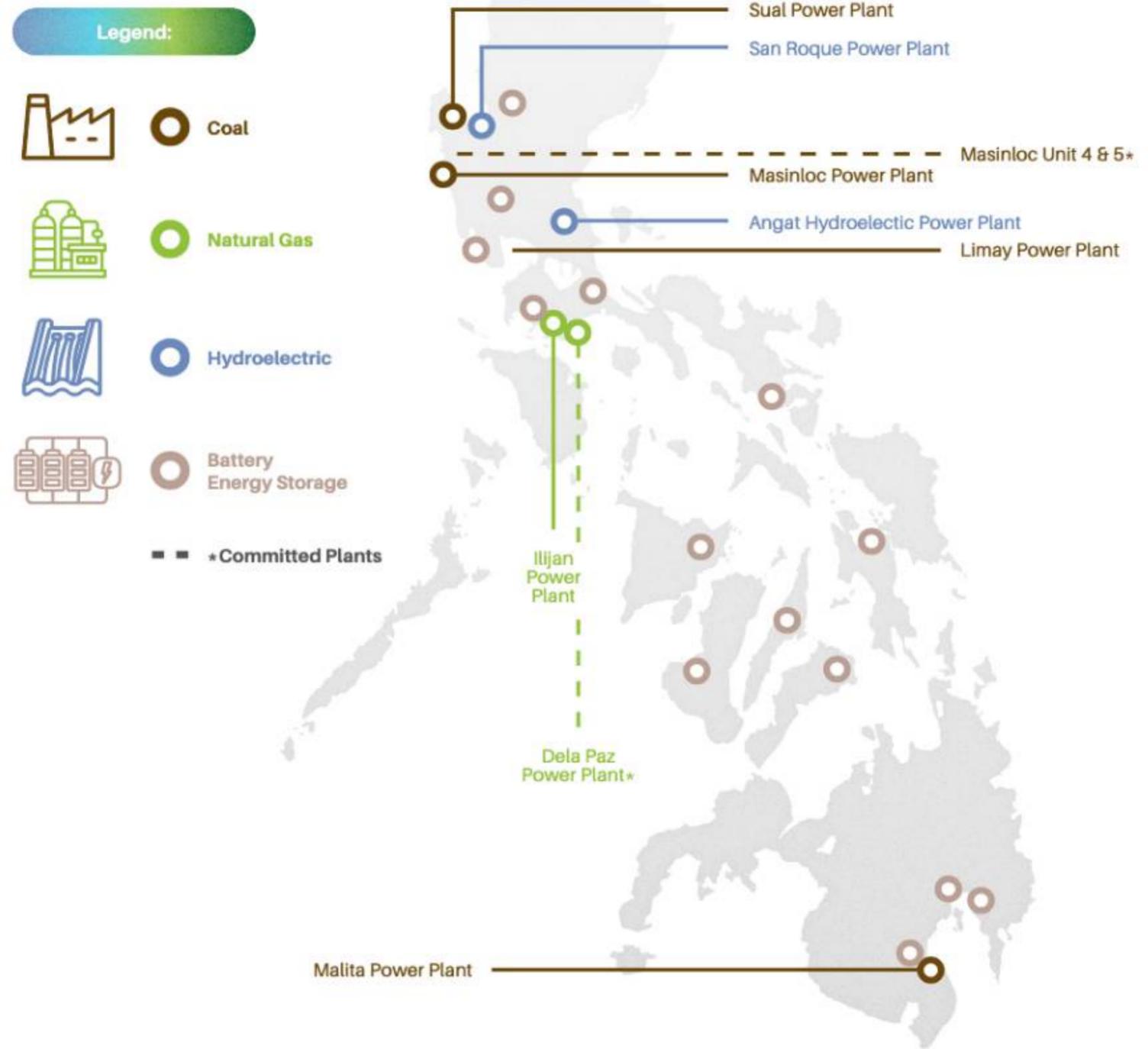
Recognizing the vital role of energy in the daily activities of people and businesses across the country, San Miguel Global Power continues to expand our reach. Through the ongoing development of our portfolio, we strive to serve more customers and support the country's growing energy needs.

We currently operate a diverse portfolio of energy sources. Our energy mix includes coal, natural gas, and hydroelectric power plants, along with BESS, strategically located nationwide. We are also a retail electricity supplier to 137 contestable customers in various industries and serve municipalities through distribution utilities.

As we look to the future, we aim to further expand our operations through new developments that support the country's energy transition. Our plans include expanding our renewable energy portfolio by constructing solar and hydropower plants, reducing emissions from fossil fuel-based plants by installing emerging technologies such as carbon-capture and ammonia co-firing, as well as further integrating BESS into the said facilities. These developments will enhance our renewable power capacities and significantly support our net-zero ambition, as we contribute to the country's clean energy and emission reduction targets.

Energy Source	Contract	Power Plant / Locations
Coal	IPP	Limay Power Plant
		Malita Power Plant
		Mariveles Power Plant
		Masinloc Power Plant
Coal	IPPA	Sual Power Plant*
	IPP	Ilijan Power Plant
Natural Gas		IPP
	Hydroelectric	
Hydroelectric		IPPA
	BESS	
San Manuel, Pangasinan Ormoc, Leyte		
Masinloc Power Plant Malita, Davao		
Concepcion, Tarlac Maco, Davao		
Limay (BCCPP) Jasaan, Misamis Oriental		
Kabankalan, Negros Occidental		
Ubay, Bohol Tagaloan, Misamis Oriental		

*IPPA contract only until October 2024; now fully turned over to San Miguel Global Power
 **Ongoing construction



Power Generation

GRI 2-6

San Miguel Global Power continues to operate and ensure a reliable power supply that supports the country's growth. The under-construction Batangas LNG Plant will be added to our IPP assets, which include the Ilijan Power Plant, Limay Power Plant, Masinloc Power Plant, Malita Power Plant, and Mariveles Power Plant.

Meanwhile, we continue to manage the output generated by Sual Power Plant and San Roque Power Plant through our IPPA agreements with the Power Sector Assets and Liabilities Management Corporation (PSALM). The IPPA agreement for Sual Power Plant ended in October 2024, resulting in the full transfer of plant operations to San Miguel Global Power. We have been operating and maintaining the Angat Hydroelectric Power Plant since 2014 through a joint venture agreement with Korea Water Resources Corp. (K-Water).

Furthermore, to enhance energy availability and efficiency, we continue to expand our BESS presence throughout the country.

Together, all these generating facilities support the economy by providing a total of 6,079.61 MW of reliable power as of December 31, 2024. We continue to integrate innovations in these power plants to improve efficiency and reduce emissions.

Independent Power Producer



Ilijan Power Plant

Location	Ilijan, Batangas
Plant Type	Combined-Cycle, Dual-Fuel Power Plant
Installed Gross Capacity	1,200 MW
Start of Commercial Operation	2002
Operations and Maintenance	Luzon Power Dynamics Services Inc.

As the country's largest natural gas facility, the Ilijan Power Plant significantly increases our power supply, as it provides up to 10% of Luzon's net reliable capacity. The plant was turned over to San Miguel Global Power in 2022. It was only then that the Company began reporting on the plant's sustainability disclosures.

In May 2023, we sought to reintegrate Ilijan Power Plant into the grid to meet the country's energy needs in the succeeding years. The plant had been on an extended outage after the gas supply deliveries from the Malampaya Natural Gas facility were halted in June 2022 and had since gone through retrofitting.



Limay Power Plant

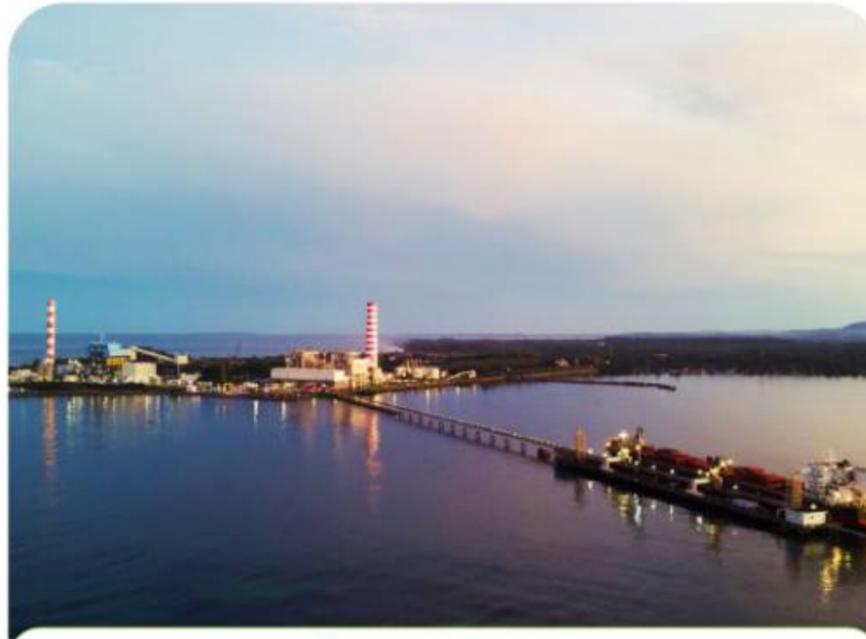
Location	Limay, Bataan
Plant Type	Coal-Fired Thermal Plant
Technology	CFB Technology
Installed Gross Capacity	600 MW
Start of Commercial Operation	2017
Operations and Maintenance	Luzon Power Dynamics Services Inc.

The Limay facility in Bataan is one of our greenfield power plants. The first unit of the plant commenced commercial operation in 2017, followed by three additional units that started operating in 2018 and 2019. Limay runs on a Circulating Fluidized Bed (CFB) technology, which enhances combustion efficiency and reliability while reducing emissions.

Independent Power Producer



Malita Power Plant



Masinloc Power Plant



Mariveles Power Plant

Location	Malita, Davao Occidental
Plant Type	Coal-Fired Thermal Plant
Technology	CFB Technology
Installed Gross Capacity	300 MW
Start of Commercial Operation	2017
Operations and Maintenance	VisMin Power Dynamics Services Inc.

Location	Masinloc, Zambales
Plant Type	Coal-Fired Thermal Plant
Technology	Subcritical Pulverized Coal (Units 1 and 2) and Supercritical Steam Generator Technology (Unit 3)
Installed Gross Capacity	1,109 MW
Start of Commercial Operation	1998
Operations and Maintenance	Luzon Power Dynamics Services Inc.

Location	Mariveles, Bataan
Plant Type	Coal-Fired Thermal Plant
Technology	CFB Technology
Installed Gross Capacity	600 MW
Start of Commercial Operation	2022
Operations and Maintenance	Luzon Power Dynamics Services Inc.

Located in Davao Occidental, Malita Power Plant has been a crucial energy service provider in Mindanao since its operations commenced in 2017. This coal-fired thermal power plant is utilizing CFB technology.

Since 1998, Masinloc Power Plant in Zambales has been reliably energizing Luzon with its 1,019 MW installed capacity. The coal-fired facility, including BESS (Phase 1), was acquired by San Miguel Global Power in 2018 through its purchase of equity interests in SMCGP Masin from AES Phil and Gen Plus B.V.

The Company commenced the construction of the Mariveles Power Plant in Bataan in 2019. The coal-fired thermal power plant also operates using CFB technology. Through 2023 and 2024, Units 1 to 4 of the plant were successfully synchronized with the national power grid. Mariveles Power Plant accounts for 600 MW of our overall installed capacity.

Feature Story

Strategic Synergy: SMGP, MGen, and Aboitiz Team Up for Batangas LNG Facility



Location	Ilijan and Dela Paz Proper, Batangas
Plant Type	Combined-Cycle Gas Plant

San Miguel Global Power has partnered with Meralco PowerGen Corporation (MGen) and AboitizPower's Therna NatGas Power, Inc. (TNGP) to build the country's first integrated LNG facility in Batangas, further diversifying our energy portfolio.

MGen is the power generation arm of Meralco, the country's largest private sector electric distribution utility company, and has been supplying power through thermal, natural gas, and renewable energy. Meanwhile, AboitizPower is one of the country's largest and diversified providers of power generation services. By joining forces to develop the most expansive integrated LNG facility in the Philippines, the three powerhouses aim to bolster the country's energy mix in terms of balance and diversification, paving the way for energy transition.

The energy industry leaders signed the USD 3.3 billion deal in March 2024. This deal includes the joint investment by MGen and AboitizPower in the Batangas LNG Facility, Dela Paz Power Plant and the Ilijan Power Plant. SMGP's deal with the two energy corporations will generate substantial value for the business and strengthen our LNG services.

The Batangas LNG Facility will expand the natural gas allocation in the country's power generation mix. With a total generation capacity of up to 2,500 MW, the facility is expected to meet its full combined capacity by May 2025. With this LNG facility, consumers can benefit from lower generation costs while being assured of energy reliability.

By significantly contributing to power generation for a larger user base, the Batangas LNG facility also facilitates the transition to renewable energy.

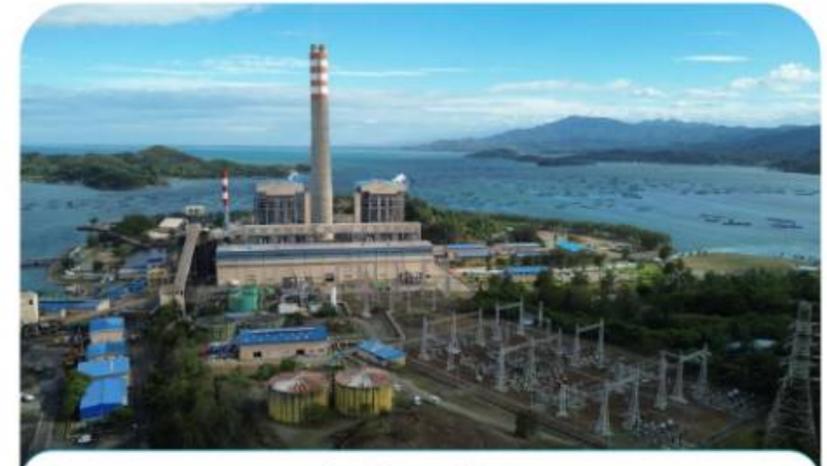
Independent Power Producer Administrator



San Roque Power Plant

Location	San Manuel, Pangasinan
Plant Type	Hydro Power Plant
Installed Gross Capacity	345 MW
Start of Commercial Operation	2003
Operations and Maintenance	San Roque Power Corporation

Since beginning commercial operations in 2003, the San Roque Power Plant in San Manuel, Pangasinan has contributed to the diversification of the country's energy mix. This multipurpose hydroelectric power plant has an installed capacity of 345 MW. In addition to generating electricity, the multipurpose dam utilizes the Agno River for peaking power supply and supports irrigation, flood control, and water quality management across the surrounding region.



Sual Power Plant

Location	Sual, Pangasinan
Plant Type	Coal-fired Thermal Plant
Installed Gross Capacity	1,000 MW
Start of Commercial Operation	1999
Operations and Maintenance	Luzon Power Dynamics Services Inc.; TeaM Sual Corporation (until October 2024)

Sual Power Plant in Pangasinan is the country's largest coal-fired power plant. The facility began development in 1996 and commercial operations in 1999 to address the critical need for energy during that decade's power crisis. Since its operation launched three years later, the power plant has been integral in providing energy to the Luzon grid. San Miguel Global Power entered an IPPA agreement with PSALM Corporation in September 2009, making the Company the administrator of the plant's capacity up to 1000 MW. In October 2024, Sual Power Plant was fully turned over by the TeaM Sual Corporation to San Miguel Global Power.

Joint Venture



Angat Hydropower Plant

Location	Angat Reservoir in San Lorenzo, Norzagaray, Bulacan
Plant Type	Hydropower Plant
Installed Gross Capacity	218 MW
Start of Commercial Operation	1967
Operations and Maintenance	Angat Hydropower Corp. (60%) and Korea Water Resource (40%)

The Angat Hydroelectric Power Plant helps in powering the robust economic activities in Metro Manila. Located in the Angat Watershed Forest Reserve, Norzagaray, Bulacan, the plant has a total capacity of 218 MW from its main units and auxiliary units. The power plant has been generating electricity since its development in 1967. As the power plant approaches its end of life at 50 years, the Company began a modernization and rehabilitation project in 2020 to expand its capacity and sustain its renewable power for another five decades.

Battery Energy Storage System (BESS)



Feature Story

Advancing BESS Integration in the Philippines



Since paving the way for BESS integration in the country's power generation mix, San Miguel Global Power is set to significantly expand this technology by constructing 22 facilities nationwide. This positions the Philippines to be potentially among the largest operators of BESS technology globally.

In 2023, San Miguel Global Power announced the goal of developing 22 BESS sites with a total installed capacity of 1,000 MWh across the country. The inauguration was led by President Ferdinand Marcos Jr. in Limay, Bataan.

We initiated our investment in BESS by acquiring the 10 MW Masinloc BESS when SMGP acquired the Masinloc Power Plant in Zambales in 2018. As of December 2024, we have completed 22 BESS facilities nationwide, with a total capacity of nearly 390 MWh.

Our 22 BESS sites are strategically located in provinces across Luzon, Visayas, and Mindanao, including Jasaan, Kabankalan, Ormoc, Sangali, and Toledo. By distributing more sustainable energy resources nationwide, including those in remote areas, the Company's BESS facilities can reach more households and businesses, powering their everyday activities.

BESS facilities help improve grid reliability. The technology utilizes advanced lithium-ion batteries to store electricity generated from various energy sources, which can be drawn upon when needed.

Furthermore, BESS equips the country's power grid for greater adoption of renewable energy. Among the key features of this technology is frequency regulation, which addresses concerns regarding the intermittency of renewable energy sources. Additionally, BESS supports power generation with zero carbon, waste, or noise pollution.

Through their substantial support for renewable energy reliability and grid stability, our BESS developments will help accelerate the country's progress toward achieving a 35% share of renewable energy in the mix by 2030. This will ultimately support emissions reduction and mitigate the impacts of climate change.



Our Milestones in 2023-2024

GRI 2-6



San Miguel Global Power has marked the past two years with several accomplishments in making our business operations more sustainable and efficient. We have also been proactive in setting our goals and monitoring our progress toward sustainable development.



2023

March

The Company announced the planned establishment of 22 BESS facilities with a total capacity of 1,000 MWh.

May

SMGP BESS executed an Ancillary Service Procurement Agreement (ASPA) with the National Grid Corporation of the Philippines (NGCP) to provide five-year ancillary services through our 330 MWh BESS in 10 different facilities nationwide.

July

San Miguel Global Power's company vision, core purpose, values, and sustainable agenda were updated to align with SMC's.

December

San Miguel Global Power won Battery Storage Project of the Year - Silver, Innovative Power Technology of the Year - Philippines, and Smart Grid Project of the Year - Philippines at the Asian Power Awards.

The SMGP Foundation recorded 6.5 million trees planted nationwide under Project 747. The program began in 2019 and is set to reach its goal of planting seven million trees ahead of schedule.

2024

January

Mariveles Power Plant secured 300 MW PSA with Meralco.

March

Mariveles Power Plant (Phase 1) started commercial operation of its Unit 1.

The Company, MGen, and TNGP partnered for the completion of the Batangas LNG facility.

June

The SMGP Sustainability Committee at the Board Level was established.

September

The Company announced a plan to offer USD 100 million in securities to cover the pre-development costs of solar energy and BESS projects.

Mariveles Power Plant (Phase 1) began commercial operation of its Unit 2.

The Company received country awards in the Carbon Disclosure and Marine Conservation categories at the ESGBusiness Awards.

The Company launched a company-wide celebration of Sustainability Month with the theme, "Sustainability Matters: Greener Pathways."

October

Mariveles Power Plant (Phase 1) began commercial operation of its Unit 3.

Sual Power Plant was fully turned over to San Miguel Global Power from TeaM Energy.

The Company won ESG Programme of the Year - Philippines at the Asian Power Awards 2024.

November

The Company received the Green Initiative Award at the Asia Corporate Excellence & Sustainability (ACES) Awards.

December

San Miguel Global Power, HD Renewables, and ATE Energy signed a letter of intent to construct a 1 GW solar project in Isabela.

Awards and Recognition

San Miguel Global Power’s initiatives and continuing commitment to fulfilling its ESG responsibilities have been widely recognized by both public and private institutions at the national and regional levels in recent years. These recognitions reflect the work we do to help build a globally competitive and sustainable Philippines.

Guided by our core purpose to provide stable, reliable, and affordable energy, we have continually improved our operations and launched programs that care for communities and the environment. In recognition of our efforts in energy efficiency and emissions reduction, the Asia Corporate Excellence and Sustainability (ACES) Awards honored us with the Green Initiative Award in 2024. Our GHG Accounting Program, which enhanced emissions monitoring and reporting, earned the Carbon Disclosure Award - Philippines at the ESG Business Awards in the same year. Additionally, the Marine Conservation Award recognized our efforts in coral reef rehabilitation, and we received the ESG Programme of the Year - Philippines for our Decarbonization Plan under our ESG Roadmap at the Asian Power Awards 2024 for our decarbonization initiatives.

As we advanced BESS technology in recent years, our innovations were recognized at the Asian Power Awards 2023, where we received Battery Project of the Year - Silver, Innovative Power Technology of the Year - Philippines, and Smart Grid Project of the Year - Philippines.

Our diverse power plants were also honored for their generation capacity and reliability: Outstanding Diversified Power Generation Company - Philippines at the Annual Global Economic Awards 2024 and Leading Power Generation Company in the Philippines at the World Business Outlook Awards 2024.

Beyond operations, we have remained grounded in our values of *malasakit* and responsibility, with each power plant delivering initiatives that uplift communities near our sites. These efforts have earned appreciation from local government units, international and local award-giving agencies, as well as safety and excellence awards from our parent company, SMC.

These accolades affirm our continued commitment to integrate sustainability into our operations and create shared value for our stakeholders, staying true to our mission of advancing a better, more resilient future for all.



GOVERNANCE AND OVERALL SUSTAINABILITY LEADERSHIP

Asian Power Awards 2024

- ESG Programme of the Year - Philippines
- Information Technology Project of the Year - Philippines [Malita Power Plant]
- Power Utility of the Year - Philippines [Malita Power Plant]
- R&D Project of the Year - Philippines [Malita Power Plant]
- Battery Project of the Year- Silver [BESS]
- Innovative Power Technology of the Year- Philippines [BESS]
- Smart Grid Project of the Year- Philippines [BESS]

Asian Water Awards 2024

- Water Conservation Initiative of the Year - Philippines [Malita Power Plant]
- Water Reuse and Recycling Project of the Year - Philippines [Malita Power Plant]

ACES Awards 2024

- Green Initiative Award

The Annual Global Economic Awards 2024

- Best ESG Practices for Sustainable Development - Utility and Energy - Philippines
- Outstanding Diversified Power Generation Company - Philippines

World Business Outlook Awards 2024

- Leading Power Generation Company in the Philippines

Asia Integrated Reporting Awards 2024

- Asia’s Best Integrated Report (Bronze)



WORKPLACE EXCELLENCE

Ilijan Power Plant

SMC Safety Milestone Awards

2023

- Completion of OSH Compliance Binder
- Safety Permit Compliant
- Perfect Safety Record

2024

- Completion of OSH Compliance Binder
- Perfect Safety Record
- Exemplary Implementation of OSH Programs

2nd SMC Fire Brigade Skills Exhibition (2024)

- Fire Brigade Batangas Cluster Champion

Limay Power Plant

SMC Safety Milestone Awards (2024)

OSH Milestone Awards

- Perfect Safety Record Award
- OSH Compliance Binder Award
- Three-Peat OSH Compliance Binder Award
- Exemplary OSH Program Award
- OSH Personnel Accreditation for 1 OSH consultant and 3 OSH practitioners
- Ten Outstanding Safety Professionals in SMC for QES head Gary M. Francisco

General Labor Standard (GLS) Awards

- GLS Compliance Binder Award
- GLS Report Compliance Award
- Operating Permit Award
- GLS Productivity Improvement Award

Masinloc Power Plant

Department of Environment and Natural Resources (DENR)

Environmental Management Bureau (EMB)

- [Celebrating the Excellence and Partnership of Environmental Champion \(2024\)](#)

DENR - Region III

- [Plaque of Recognition \(2024\)](#) for Masinloc’s support in the Oil Spill Response Operation

SMC Fire Brigade Skills Exhibition

- [Fire Brigade Champion Cluster 9](#) in 2023 and 2024



SOCIAL IMPACT AND COMMUNITY DEVELOPMENT

Angat Hydroelectric Power Plant

Philippine Red Cross (PRC)

- [Diploma of Service \(2024\)](#) in advocating for Blood Services with a total collection of at least 200 units over two consecutive years
- [Certificate of Appreciation \(2023\)](#) for Angat's service in promoting Blood Services

Department of Education (DepEd) - Schools Division Office of Bulacan - District of Norzagaray East

- [Certification of Recognition \(2023\)](#) for supporting DepEd's Alternative Learning System (ALS) Program and Projects, and encouraging the community's active development

Mariveles Power Plant

Freeport Area of Bataan

- [Top community building champion award \(1st Place\)](#) in 2023 and 2024

Mariveles Local Government Unit (LGU)

- [Plaque of Recognition \(2024\)](#) for Mariveles' contribution to the community through its Blood Power: Donation and Awareness Program

PRC

- [Plaque of Recognition \(2024\)](#) for Angat's significant contribution to the blood donation program

Sto. Niño Biaan Elementary School

- [Gawad Kaagapay Award \(2024\)](#)

Masinloc Power Plant

Department of Environment and Natural Resources (DENR)

Environmental Management Bureau (EMB)

- [Celebrating the Excellence and Partnership of Environmental Champion \(2024\)](#)

DENR - Region III

- [Plaque of Recognition \(2024\)](#) for Masinloc's support in the Oil Spill Response Operation

PRC - Zambales Chapter (2023)

- Dugong Zambaleno Award (Silver Award)
- Dugong Zambaleno Award Top Performer

Masinloc LGU

- [Plaque of Recognition \(2023\)](#) for being the Top 1 Business Taxpayer
- [Plaque of Recognition \(2024\)](#) for supporting the LGU's Socio-Economic Development Projects and Programs

Bureau of Customs (BOC)

- Top 1 Non-Oil Revenue Contributor (2024)

BESS

Office of the Municipal Mayor (Municipality of Maco)

- Top 3 Real Property Taxpayer for 2024

Bulawanon Award 2024

- Top 5 Business Taxpayer - Corporation received from the City Government of Kabankalan



ENVIRONMENTAL EXCELLENCE

Asian Water Awards 2024

- Water Conservation Initiative of the Year - Philippines [Malita Power Plant]
- Water Reuse and Recycling Project of the Year - Philippines [Malita Power Plant]

ESGBusiness Awards 2024

- Marine Conservation Award - Philippines
- Carbon Disclosure Award - Philippines



Upland Rehabilitation Project In Barangay Pinagrealan, Candelaria, Zambales

Our Sustainability Approach

Our Sustainability Framework

San Miguel Global Power approaches sustainable development in accordance with SMC's principal vision of creating "A World of Good" and the United Nations' Sustainable Development Goals (UN SDGs). This ambition serves as the foundation of our sustainability framework, the Collaborative Action for Resilience-focused Business Enterprise Pathways (CARE Pathways). These pathways guide us in achieving our environmental, social, and governance (ESG) goals.

To help develop "A World of Good," SMC focuses on various aspects of sustainability, including "Kalikasan: Good for Planet," "Kalinga: Good for People," and "Kasaganahan: Good for Progress." These endeavors are being carried out to achieve the corporation's four main targets: uplifting the lives of 15 million people by 2030, establishing a circular economy and a fully sustainable supply chain by 2040, and achieving a decarbonized future by 2050. Our parent company's sustainability framework is reflected in our CARE Pathways.

As a business, we express our CARE for Progress by investing in renewable energy and low-carbon technologies to drive

economic growth. These solutions also demonstrate our CARE for the Planet by reducing greenhouse gas (GHG) emissions and ultimately contributing to achieving the net-zero target. Aside from energy resources, the environmental aspect of our CARE Pathways also extends to protecting our natural resources. As we fulfill our goals for the economy and environment, we also formulate strategies and solutions as part of our social responsibility to CARE for People and Communities. We achieve this by upholding our CARE for Governance and Leadership, ensuring that our management team embeds climate resilience at the core of steering the organization towards sustainability.

These CARE Pathways serve as the foundation for conceiving our ESG Roadmap, which outlines seven strategies along with their respective short- and long-term objectives for achieving sustainable development. This sustainability framework and roadmap, more than just showing our support for SMC's vision of "A World of Good," urges us to remain committed and proactive in caring for all our stakeholders, from the present to future generations.

Sustainability Management Structure

GRI 2-12, 2-13, 2-14

San Miguel Global Power follows an adaptive and comprehensive approach to sustainability, integrating it into long-term business plans, growth strategies, and decision-making. As such, we have a dedicated Sustainability Management Team under the Corporate Affairs and Sustainability Management Department that spearheads, oversees, and implements the Company's sustainability initiatives, such as ESG Roadmap, Integrated Sustainability Report, Carbon Accounting, External Assurance, Climate Risk Assessment, ESG Platform, and employee-related Sustainability events and trainings.

The team is headed by a Chief Sustainability Officer who reports to the Sustainability Champions—members of top management who set a clear vision for sustainability aligned with the Company's vision, purpose, values, and sustainability agenda.

The Company also established a Sustainability Management and Reporting Council composed of department heads and plant managers. This council provides insights and strategies on how the Company can create value over the short, medium, and long term, in line with their respective areas of expertise. Additionally, we have formed a Technical Work Group for each plant, responsible for gathering and reporting sustainability data relevant to their respective operations.



Sustainability Committee at the Board Level

The Committee of the Corporation will assist the Board in determining sustainable development policies in support of the San Miguel Group and San Miguel Global Power's ESG goals.

Reference: San Miguel Global Power Holdings Corp. SEC 17-C (04 June 2024) on page 5 for the creation of SMGP Sustainability Committee at the Board Level.

SMGP Sustainability Executive Council

The Sustainability Executive Council conceptualizes San Miguel Global Power's sustainability vision and assures its alignment with the Company's vision and purpose, therefore determining the direction to take regarding sustainability and embedding such matters in business plans and growth strategies.

Sustainability Steering Council

The Sustainability Steering Council comprises department heads and plant managers, who will generate insights and formulate strategies to create value in their respective areas of expertise for the short, medium, and long term.

Sustainability Technical Advisors

The Sustainability Technical Advisors are subject matter experts who provide recommendations to the Sustainability Management Team regarding environmental and energy issues from all sites, particularly on required disclosures. They also offer guidance on the operations and management of the power plants.

Sustainability Management Team

The Sustainability Management Team is responsible for monitoring and measuring data from our sustainability initiatives across all sites. This includes tracking progress for our ESG Roadmap, Integrated Sustainability Report (ISR), carbon accounting, and other related sustainability frameworks.



Masinloc BESS site

Our Sustainability Journey



- Started the construction of BESS facilities in at least 20 locations in the Philippines
- Published our first Sustainability Report (SR)
- Conducted a rapid Materiality Assessment for 2019-2020 SR
- Started the SMGP Foundation's Project 747

2019

2020

Started the commercial operations of SMGP's first supercritical power plant, Masinloc Power Plant Unit 3



Conducted San Miguel Global Power's first External Assurance through the members of the External Review Committee (ERC) to evaluate the 2019-2020 Sustainability Report

2021



Assumed ownership and operational control of the Ilijan combined-cycle power plant



2022

Established a dedicated Sustainability Management Team

Started developing San Miguel Global Power's ESG Roadmap

Conducted a comprehensive Double Materiality Assessment for our 2021-2022 ISR

Partnered with GHD for carbon accounting baseline studies

Implemented a GHG inventory tool for monitoring emissions across all sites

Launched corporate identity rebranding as San Miguel Global Power

- Inaugurated of 1,000 MWh BESS sites
- Launched the Project BLUE Corals
- Finalized of the Company's Material Topics
- Updated the Company's vision, purpose, core values, and sustainability agenda aligned with SMC Visioning

2023



Established the SMGP Sustainability Committee at the Board Level

Engaged with Komunidad for the development of the ESG Data Collecting Platform

Established the ESG Roadmap

Conducted an External Assurance for ISR 2021-2022 and Scorecard 2023

Started the accounting of Scope 3 emissions

Conducted our first company-wide celebration of Sustainability Month

Launched the country's first integrated LNG facility in Batangas in partnership with MGen and TNGP

2024

Stakeholder Engagement

GRI 2-26, 2-29

To ensure that our operations and programs are mindful and responsive to our stakeholders, San Miguel Global Power maintains open conversations with every group via appropriate channels. The voices of our stakeholders are important to us, as they help us assess our impact and identify areas for improvement in our business.

In 2024, our business units and power plants reviewed concerns raised by their respective stakeholders, including communities, employees, customers, suppliers and business partners, the government and regulators, and investors.

Our power plants conducted dialogues with their concerned communities through meetings, emails, seminars, and letters. Local communities, including non-governmental organizations and barangays, have expressed their issues with the environmental and health risks associated with our operations. We addressed their concerns by conducting regular

information, education, and communication (IEC) activities to increase transparency about our processes.

Aside from our business services, we also took note of our communities' need for more corporate social responsibility (CSR) initiatives and the challenges posed by delays in administering them. Challenges in resource mobilization and funding hampered the carrying out of our programs. We reviewed our existing projects and regularly coordinated with local communities to improve our program implementation and be more effective in supporting them.

Meanwhile, within our areas of operation, we engaged our employees through digital communication channels as well as through fieldwork and training activities to listen to their concerns. Our personnel faced challenges in operating newly adopted technologies, such as BESS and the modernized units of Angat. To address these concerns, we organized technical

training programs and seminars to ensure our teams are well-equipped with the necessary skills and knowledge.

For issues related to human resources, such as salary adjustments and benefits, we conducted salary benchmarking and improved our employee services by providing transportation and accommodation.

Our customers, primarily distribution utilities, experienced issues with meeting their supply requirements. In response, we offered emergency power supply options at competitive rates and assured them of our upcoming renewable energy developments to meet future requirements. Additionally, we streamlined processes related to contract renewals, payments, and procurement to effectively address their operational needs.

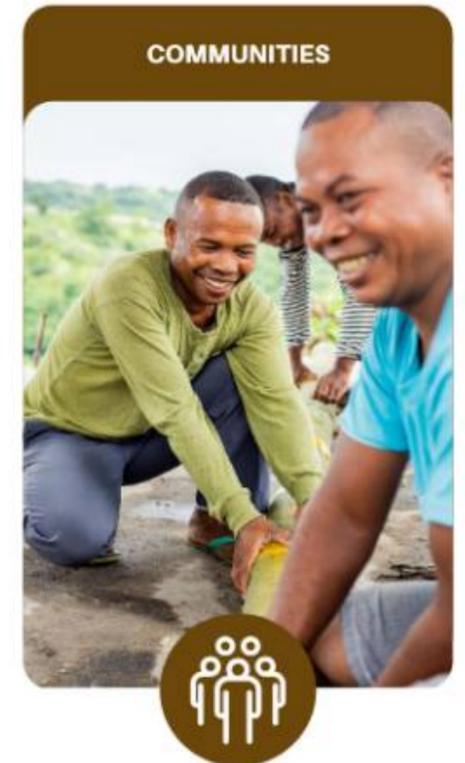
We maintained open communication lines for our suppliers and business partners to address procurement-related matters.

Our legal team ensures that our contracts comply with internal guidelines and clearly defined terms of reference. To monitor compliance with safety and environmental standards, we conducted regular project progress meetings with our contractors.

Similarly, we assure regulatory bodies that we comply with government policies, as well as environmental laws and standards. We continually review our policies and procedures, and we coordinate with relevant authorities. We set meetings and prepare reports for various government agencies to substantiate our compliance.

As we conduct these programs and ensure the upkeep of our power generation services, we also ensure compliance with relevant regulations. Our investors stay informed about every project completion and receive regular financial reports. We keep our financial commitments to them by ensuring that their investments are allotted for power stability and the sustainability of the environment, communities, and the economy.

Key stakeholder groups consulted during the materiality testing process across all sites:



Materiality Assessment Process

GRI 3-1, 3-2

San Miguel Global Power's drive to further bolster the sustainability of our business involves constant improvement and adaptation. As we progress, it is equally important for us to keep our stakeholders updated on our progress in this area.

We uphold this firm commitment to transparency by carrying out stakeholder engagements and materiality assessments. Stakeholder engagements foster collaboration and help us touch base with the concerns of our stakeholders, while an objective materiality assessment enables us to align their concerns with the areas in which our business has the most impact, thereby improving our reporting.

For our first ISR, we reviewed and updated our material ESG topics since our last assessment in 2020. By conducting a Double Materiality Assessment, our material topics increased from 25 in our 2019-2020 SR to 32 in the 2021-2022 ISR. We conducted this review with the assistance of the University of Asia and the Pacific's Center for Social Responsibility (UA&P-CSR). The UA&P-CSR utilized its pioneering Quadrilateral Materiality Assessment Tool, which is aligned with the Double Materiality Approach.

For our 2023-2024 ISR, we conducted a materiality review, which recategorized and streamlined our material topics to 26. These topics were based on the Global Reporting Initiative (GRI) Standards, the Integrated Reporting <IR> Framework, Sustainability Accounting Standards Board (SASB) Standards for Electric Utilities and Power Generators, Carbon Disclosure Project (CDP), Task Force on Climate-related Financial Disclosures (TCFD), and recommendations from our stakeholders. This way, the ISR will better reflect, in a holistic manner, our approach to sustainability and value creation, as well as the resiliency of the Company amid challenges and responsiveness to opportunities over time.

	Material Topics	Capital	SDGs	GRI
Environmental	Climate Resilience			
	GHG Emissions	Natural	3 12 13 14 15	305
	Air Emissions			
	Climate Action		13	-
	Resource Management			
	Materials	Natural	8 12	301
	Energy	Manufactured	7 8 12 13	302
	Water & Effluents	Natural	6 12	303
	Circular Economy			
	Waste	Natural	3 6 8 11 12 15	306
Supplier Environmental Assessment	8		308	
Environmental Compliance	12 16		2-27	
Biodiversity				
	Natural	6 14 15	101	
Social	Employee Engagement & Training and Development			
	Employment	Human	3 5 8 10	401
	Training and Education		4 5	404
	Employee Health and Safety (OSH)	Human	3 6 8 16	403
	Human Rights and Labor Practices (Labor/Management Relations)	Human	5 8 10	402
	Diversity and Equal Opportunity	Human		405
	Supplier Social Assessment	Social & Relationship	5 8	414
	Community Engagement			
	Local Communities	Social & Relationship	1 2 8 16	413
	Rights of Indigenous People			411
Economic and Governance	Economic Performance	Financial Natural	8 9 13	201
	Indirect Economic Impacts	Financial Social & Relationship	1 3 5 8 9 11	203
	Procurement Practices	Financial	8	204
	Corporate Governance			
	Anti-corruption	Financial Social & Relationship	16	205
	Anti-competitive Behavior	Financial		206
	Business Ethics and Conduct	Human		-
	Plant Technology Innovation	Intellectual	9	-
Risk Management	Human	16	2-12 - 2-16, 3-3	

SDGs Legend:

Risk Management

In 2023, San Miguel Global Power established a working committee to oversee the Enterprise Risk Management (ERM) of the Company, in addition to our Audit and Risk Oversight Committee at the Board Level. This Committee oversees financial reporting, internal control systems, internal and external audit processes, compliance with applicable laws and regulations, and SMGP's ERM system.

In line with this, the Company is also conducting an ongoing update of our ERM Framework and ISO certification for the Business Continuity Management System (BCMS) across all sites to ensure the Company's preparedness and resilience in the face of potential events that may impact the organization. The Company's ERM Framework includes a register of risks, well-defined management goals and objectives, assessment and management processes and strategies, and ongoing assessments to further improve current risk measures. The Company targets completion of BCMS by the end of 2025.

As a key player in the power sector, we recognize our crucial role in addressing and managing climate-related risks in the country. In 2024, we embarked on a Climate Risk Assessment across our facilities to further enhance our risk management and sustainability disclosures. This assessment will help strengthen the Company's decarbonization efforts by identifying and mitigating financial, regulatory, and market risks associated with the transition to a low-carbon economy.

SMGP ISO Certifications

Standard	Description	Facility/ Location
ISO 9001:2015	Quality Management Systems	Limay Power Plant
ISO 14001:2015	Environmental Management Systems	
ISO 45001:2018	Occupational Health & Safety Management System	
ISO 9001:2015	Quality Management Systems	Malita Power Plant
ISO 14001:2015	Environmental Management Systems	
ISO 45001:2018	Occupational Health & Safety Management System	
ISO 22301: 2019	Business Continuity Management Systems	Masinloc Power Plant
ISO 14001:2015	Environmental Management Systems	
ISO 45001:2018	Occupational Health & Safety Management System	
ISO 9001:2015	Quality Management Systems	Mariveles Power Plant
ISO 14001:2015	Environmental Management Systems	
ISO 45001:2018	Occupational Health & Safety Management System	

GRI 2-25, 3-3



Our ERM Framework



Risk Identification

Identification of risks for internal and external fraud, employment practices and safety, compliance and business practice, damage to physical risks, and business disruptions, among others



Risk Analysis and Residual Risk

Assessment of the likelihood and impact of the identified risks



Planning Risk Response and Implementation

Prioritization and response activities on the identified risks



Monitoring and Control

Continuous monitoring and updates on how the risks are mitigated

Risk Governance

The Audit and Risk Oversight Committee is responsible for developing, overseeing, and maintaining our ERM system alongside Senior Management. As the primary body for risk governance, the Audit and Risk Committee communicates its findings to the Board and advises the Board on its risk appetite levels and risk tolerance limits.



Risks and Opportunities

GRI 2-25, 3-3

As climate change concerns continue to mount and the world doubles its efforts toward a net zero future, the changing landscape presents new and potential risks and opportunities for the energy sector. At the same time, the interplay of preferences and responses from stakeholder groups continues to shape the sociopolitical sphere and subsequently, our way of doing business.

As part of our risk and opportunity identification process, we reviewed the state of our external environment alongside our business model and operations. These internal factors include our power generation portfolio, management and governance systems, and workforce capabilities.

For the period 2023 to 2024, San Miguel Global Power was able to identify nine categories where our Company's key risks and opportunities, both internal and external, lie, as well as our specific approaches for managing them.

LEGEND

Capitals:

Financial	Manufactured
Human	Natural
Intellectual	Social & Relationship

Stakeholders:

Investors	Suppliers and Business Partners
Employees	Government and Regulators
Customers	Communities

Risk Type: Internal External

MARKET COMPETITIVENESS

Capitals Involved		San Miguel Global Power consistently strives to maintain its competitive standing in the market by ensuring the reliability of its energy resources and business processes. Our strategy to keep such footing involves portfolio diversification, with a focus on scaling renewable energy. We continuously aim to offer competitive rates for our power generation, while ensuring its reliability to serve market needs.
Stakeholder Groups		
Risk Type		
Time Horizon	Short to Medium	

Risks

- Customers may prefer other service providers that generate energy output at lower costs.
- Equipment failures leading to unstable operations can affect the Company's reliability and ability to consistently serve customers.
- Outdated control systems may place the Company at a competitive disadvantage, as peers adopt more advanced, automated, and optimized technologies.
- Investors and customers could favor industry competitors with more renewable energy assets due to the push for renewable energy and changing attitudes towards conventional energy sources.
- Accessing new carbon-neutral technologies and investing in renewable energy assets require significant financial capital. Competitors could secure long-term contracts if they develop renewable plants at a faster pace.
- Fluctuating global fuel prices affect the Company's pricing and overall competitiveness.

Opportunities

- The Company already has an extensive portfolio, and diversifying it with renewable energy boosts industry competitiveness. This will also contribute to compliance with the Department of Energy's (DOE) Renewable Portfolio Standards (RPS).
- The Company continues to explore expanding its customer base.
- Adopting the <IR> Framework and establishing the ESG Roadmap ensures that sustainability is embedded in the way we do business. This further enhances our market competitiveness as we continue to explore technologies that can potentially help us achieve energy transition and decarbonization objectives.

Our Response and Strategies

San Miguel Global Power proactively studies market behavior and trends to manage the risks of competition. These results are discussed through regular inter-departmental meetings where we can align objectives and strategize. Part of our strategy to maintain competitiveness is sustaining a positive relationship with our distribution utility customers and offering competitive rates and value-added services. Bolstering such a relationship also involves optimizing our systems and facilities, making our operations even more efficient and stable to ensure uninterrupted service to our customers.



ENERGY SOURCE

Capitals Involved



Stakeholder Groups



Risk Type



Time Horizon

Short to Medium

San Miguel Global Power is dedicated to delivering stable and reliable power to households and businesses across the country. However, this commitment is challenged by the risks posed by substandard and intermittent energy sources. To address this, we consistently invest in the continuous improvement of our facilities and implement strategies that optimize the use of available resources while maintaining operational efficiency and reliability.

Risks

- The United Nations called for a coal phaseout for Organization for Economic Cooperation and Development (OECD) nations by 2030 and the world by 2040. They also noted that no new coal plants should be built. As a result of this call to action, new regulations will likely emerge. At the same time, fuel sources are also being depleted.
- The country plans to reduce GHG emissions by 75%, achievable through renewable energy use and fossil fuel divestment. The DOE's Clean Energy Scenario from the Philippine Energy Plan (PEP) 2020-2040 aimed for a 35% renewable energy mix by 2030 and a 50% renewable energy mix by 2040.
- Low-quality coals, such as those with low calorific content and high moisture content, can result in poor power generation and also cause a greater environmental impact.

Opportunities

- The Company considers innovative solutions for renewable energy sources, such as solar power, hydro power, and BESS integration, which will diversify our portfolio and increase market competitiveness.
- The Company's long-term strategy to transition to renewables can gain interest from investors and customers.

Our Response and Strategies

As we expand our portfolio through BESS, LNG, and renewable energy, we are also evaluating the quality of our non-renewable sources, ensuring a significant energy output and mitigating potential environmental impacts. Additionally, our non-renewable power facilities are integrated with technologies that optimize efficiency to generate more electricity and minimize potential emissions.



BRAND REPUTATION

Capitals Involved



Stakeholder Groups



Risk Type



Time Horizon

Short to Medium

In light of the growing demand for cleaner energy and reduced emissions, transparency is crucial. Misleading claims or withholding key information regarding operations and their impacts can undermine stakeholder trust and damage brand reputation.

At San Miguel Global Power, we ensure the timeliness and accuracy of our disclosures, including our operations and sustainability efforts. We maintain open channels of engagement to keep stakeholders informed of our initiatives and the challenges we address.

Risks

- Misinformation and lack of transparency in power plant operations and impacts could tarnish the Company's image.
- A data privacy breach may affect the confidence of our investors, suppliers, and customers.
- The Company could develop a negative reputation as an employer in cases of unaddressed labor issues and high employment attrition.
- The Company may face negative perceptions and potential scrutiny if perceived as slow to adopt renewables, cause water and air pollution, contribute to deforestation and ecosystem disruption, and cause community displacement.

Our Response and Strategies

San Miguel Global Power strengthens its brand reputation and fosters stakeholder trust through active information, education, and communication (IEC) initiatives, particularly within host communities. We engage the public on our sustainability goals and plans by finalizing our Sustainability Roadmap, which is regularly reported and made accessible through our disclosures.

To further enhance transparency and accountability, we are implementing tools such as the Sustainability Suite and our GHG Accounting Program. These allow us to more accurately monitor our environmental impacts and provide stakeholders with reliable, data-driven insights.

Opportunities

- Our ESG Roadmap can strengthen our brand by demonstrating our commitment to a future that is anchored in sustainability principles, assuring stakeholders of our dedication to responsible and forward-looking business practices.
- Continuous reporting of our sustainability disclosures enables stakeholders to stay informed about our ESG efforts and how we address potential environmental and social impacts.
- Optimizing our data gathering makes our reporting more accurate, thus ensuring transparency in our reporting.
- Our ESG Roadmap and first ISR will highlight and strengthen the Company's carbon neutrality and eventual net-zero objectives, potentially attracting more investors and further boosting corporate reputation.
- Increased interest among investors and customers for renewable energy can further boost the Company's long-term diversification plan and expansion of renewable energy use in the country.
- San Miguel Global Power's comprehensive and relevant corporate social responsibility (CSR) programs and sustainability goals further promote an internal culture anchored on "Malasakit sa kapwa" and "Malasakit sa kapaligiran," among others.





REGULATIONS

Capitals Involved		Evolving energy regulations and stricter compliance requirements present potential risks to San Miguel Global Power, particularly with limitations on fossil fuel dependency, which constitutes a significant portion of our current energy portfolio. Increased regulatory scrutiny on emissions further compounds these challenges. To address these risks, we are actively scaling up our clean energy initiatives and closely monitoring our emissions and environmental impacts to ensure continued compliance with applicable laws and standards.
Stakeholder Groups		
Risk Type		
Time Horizon	Short to Medium	

ENVIRONMENT, HEALTH, AND SAFETY

Capitals Involved		Power generation involves complex systems and the handling of hazardous materials, which can pose risks to both our workforce and the environment. In response, San Miguel Global Power places a strong emphasis on occupational health and safety (OSH) across all sites. We implement proactive health programs and safety protocols to protect our employees while continuously monitoring our environmental impact and ensuring regulatory compliance to minimize ecological risks.
Stakeholder Groups		
Risk Type		
Time Horizon	Short to Medium	

Risks

- In a semi-regulated industry, non-compliance risk can significantly delay or compromise operations. Environmental, health, and safety regulations are particularly significant, especially in environmentally sensitive locations like protected areas (PAs).
- Urgent global calls to action regarding decarbonization can result in new or revised regulations that promote the use of more renewable energy sources. Long-term national government strategies, such as net zero and decarbonization targets, are gradually being implemented to ensure a just transition to clean energy.
- Analyzers, such as Continuous Emission Monitoring Systems (CEMS), may occasionally produce inaccurate readings, which could lead to reporting discrepancies and raise concerns from regulatory authorities.

Opportunities

- Upgrading the data historian can expedite the collection of critical information, enabling timely compliance with regulatory bodies.
- The time horizon for the national transition to alternative energy sources allows San Miguel Global Power to execute Sustainability Roadmap targets that are in line with the country's strategies.
- Engaging with our network of industry experts can prepare the Company for upcoming legislation and help us learn best practices through knowledge exchange.

Our Response and Strategies

In all of our power plants across the country, San Miguel Global Power ensures full compliance with environmental regulations. We are also developing enhanced monitoring and accounting tools to better track our environmental impacts and support accurate, transparent disclosures. Moving forward, we remain vigilant in monitoring new and updated legislation and are committed to aligning our operations with evolving regulatory requirements.

Risks

- The use of low-quality coal can lead to increased emissions and pollution.
- Employees may face various health and safety risks during operations. These include work-related illnesses such as respiratory diseases, exposure to hazardous materials used in specific business processes, and involvement in high-risk activities that may lead to accidents or emergencies.
- Non-occupational health threats, such as viral or bacterial infections, also pose risks when employees are exposed in the workplace.
- Natural disasters can potentially damage structures and equipment, especially older infrastructure.
- Facilities that rely on traditional energy sources carry the risk of unmitigated high GHG emissions. These sites also generate and manage hazardous waste, which, if not handled in accordance with standard protocols, can pose serious environmental risks and negatively impact the health of both surrounding communities and onsite workers.
- Plant expansion activities include groundwork that can cause soil erosion and lead to runoff of unfiltered debris, contaminating bodies of water. Therefore, it is essential to comply with all relevant requirements and standards.
- Corporations that generate high GHG emissions could be held legally accountable for climate change impacts, considering the National Inquiry on Climate Change launched by the Commission on Human Rights (CHR) in 2015. This led to probes into the possible human rights violations that may have been committed by fossil fuel and cement companies.

Opportunities

- Renewing our ISO 45001:2018 OHS certifications for all plants ensures the ongoing maintenance of our safety management systems, safeguarding our personnel.
- The Company's decarbonization strategy, investment in renewable energy, and efforts to mitigate environmental impacts can attract more investors and further boost its reputation.
- The Company, through the SMGP Foundation, has made a significant positive impact through our comprehensive upland and mangrove forest protection, rehabilitation, and tree-growing program, Project 747. As of year-end 2024, we had planted more than 6.5 million trees nationwide. The program also has a livelihood component that supports local host communities.
- There are opportunities to install climate-resilient infrastructure and further improve disaster preparedness and response.

Our Response and Strategies

San Miguel Global Power is committed to maintaining a healthy workforce and a safe environment. We implement OSH programs—including the Permit System, Lockout-Tagout procedures, regular inspections, and accident prevention protocols—as proactive measures to identify, manage, and mitigate safety risks, ensuring the protection of our employees. We also closely monitor the management of waste, water, and emissions across our operations to ensure compliance with environmental regulations and protect ecosystems and surrounding communities from potential environmental hazards.



WORKFORCE

Capitals Involved		Our people are the lifeblood of our organization, and attrition poses a potential risk to business continuity. Factors such as more competitive opportunities in the industry and an unhealthy workplace environment may deter both prospective and current employees. To address this, we are committed to strengthen employee engagement through training programs that enhance professional growth, as well as health initiatives that support overall well-being.
Stakeholder Groups		
Risk Type		
Time Horizon	Short to Medium	

Risks

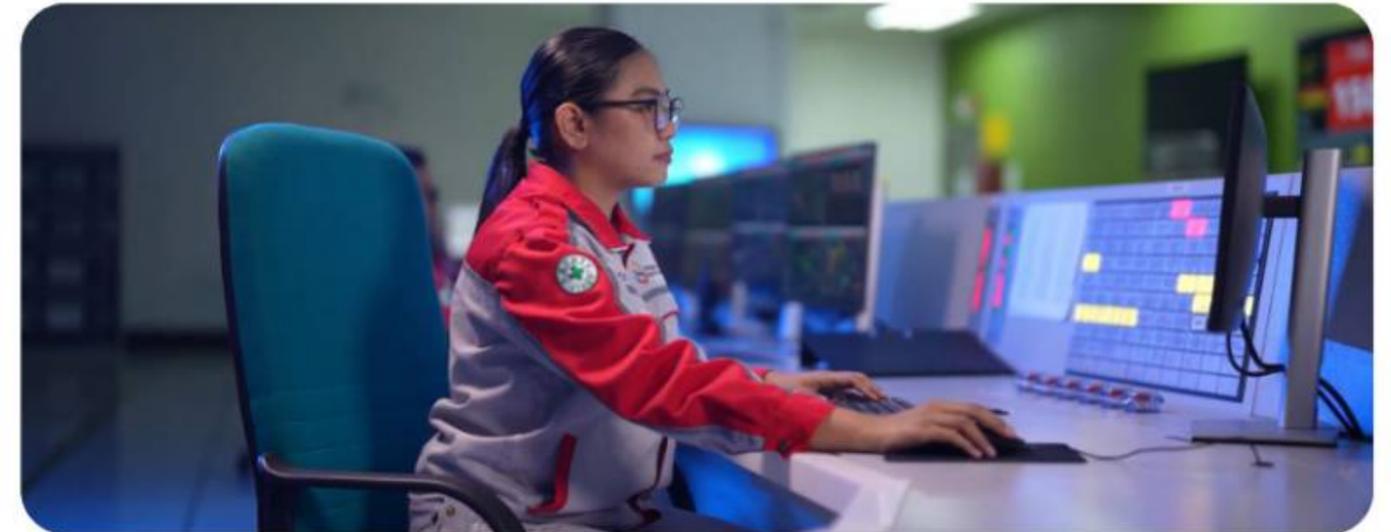
- Misalignment with business strategy often leads to inefficient operations.
- Inflexible organizational structures can stifle innovation and adaptability.
- Bias or non-compliance in recruitment practices can lead to legal complications and a less diverse workforce.
- Misaligned or ineffective training programs can fail to equip employees with the necessary skills.
- Lack of growth opportunities can lead to attrition among highly trained employees.
- Low employee engagement frequently leads to poor productivity and high turnover rates.
- Mishandled labor relations can result in disputes and negatively impact morale.
- Competitive compensation packages and higher salary offerings from other industry players may attract both potential and current talent away from the Company.
- The changing work arrangements and preferences of talents, such as working remotely or at home, are external risks that may influence attrition.
- Skills mismatch and lack of technical knowledge may affect operational efficiency.
- Certain processes and materials pose a risk to employees' health and safety during work operations.

Opportunities

- Regular review of compensation and benefits packages, and aligning them with industry standards, can further enhance the Company's retention rate.
- Improved OSH programs demonstrate the Company's commitment to employees' well-being.
- Competitive employee benefits can further enhance San Miguel Global Power's brand as an employer, attracting more talent to join the Company.
- Setting achievable and measurable targets allows the Company sufficient time to be strategic in attending to all tasks and objectives.
- Properly utilizing communication channels such as social media can promote our employer brand and attract new applicants.
- Attracting a younger, more competent workforce can bring new perspectives to the Company.

Our Response and Strategies

As part of our ESG Roadmap, we aim to achieve a 95% employee retention rate. To support this goal and mitigate potential risks, we implement engagement initiatives centered on improving employees' health and skills. We are also reviewing our benefit packages to ensure they align with both local and global standards and effectively support our employees' personal and professional needs. In addition, a structured succession plan is in place to recognize employee contributions and provide clear pathways for career advancement.



DATA MANAGEMENT, PRIVACY, AND SECURITY

Capitals Involved		Business stability depends on the security of critical information. With the increasing frequency and sophistication of cyberattacks, companies like San Miguel Global Power face heightened risks of data breaches and loss. In response, we continually upgrade and strengthen our systems to safeguard the data of both the organization and our stakeholders.
Stakeholder Groups		
Risk Type		
Time Horizon	Short to Medium	

Risks

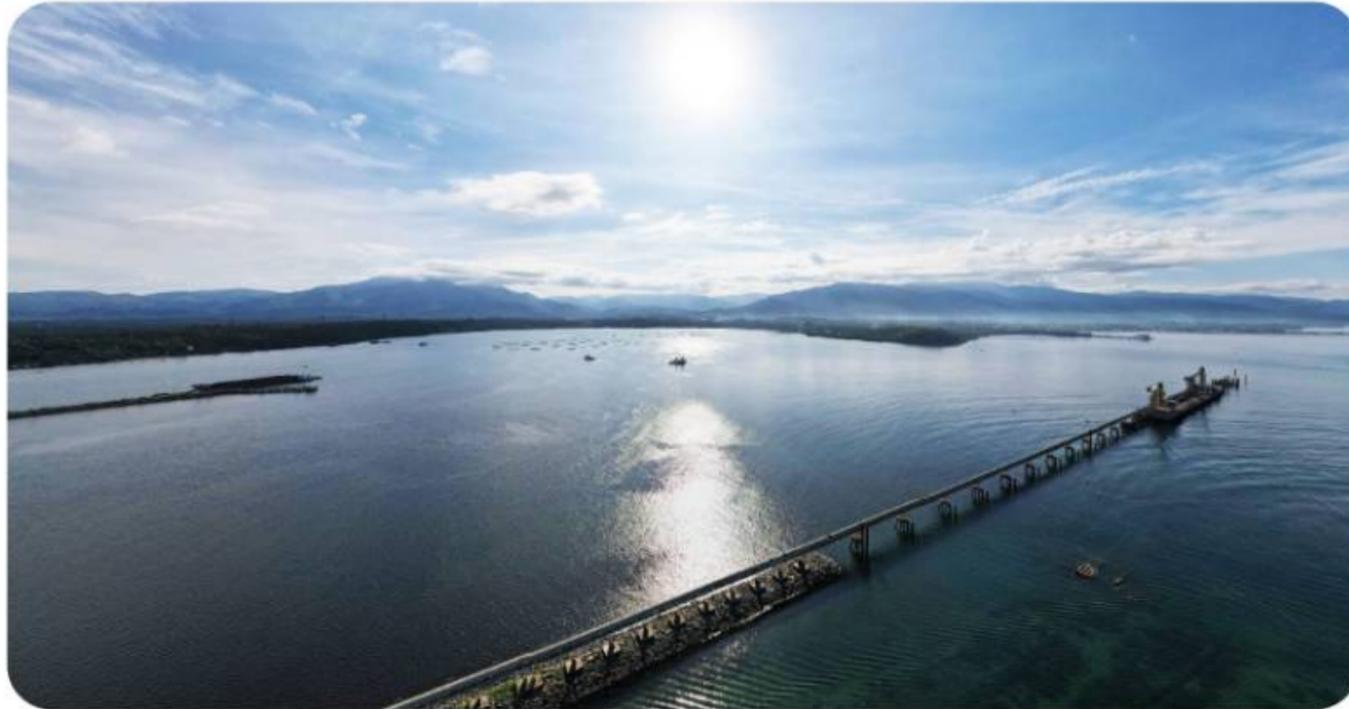
- The lack of a centralized database for disclosures poses a potential risk for data turnover in record-keeping.
- The need for cybersecurity has become more prominent with the widespread adoption of technology and digitalization in the industry. Data breaches and cybersecurity threats may be unpredictable and may lead to a loss of confidence among stakeholders.
- Data loss may affect operational activities and lead to inefficiencies.

Our Response and Strategies

San Miguel Global Power keeps pace with technological advancements to optimize our control systems and mitigate cybersecurity threats. We are implementing a phased control system upgrade strategy to strengthen our defenses. Alongside this, we uphold data privacy through the oversight of our Data Protection Officer and the support of our new Confidential Records Management (CRM) facility. These efforts align with the requirements of the National Privacy Commission and the Data Privacy Act of 2012, reinforcing our commitment to protect organizational and stakeholder data.

Opportunities

- Integrating smart technologies can streamline our data management and secure its storage.
- Digitalization, cloud storage, and other data management technologies can improve our operations by streamlining communication and boosting data efficiency.
- The San Miguel Global Power Data Privacy Council and all Compliance Officers on Privacy can share concerns and best practices on data privacy-related matters.
- A solid data management system can show the Company's commitment to accountability, transparency, and sustainability.



FUNDING AND REVENUES

Capitals Involved		San Miguel Global Power faces potential financial risks from outages and downtime caused by internal or external factors. With services affected in these cases, revenues could be impacted, and the additional maintenance costs compound this challenge. The Company's regular facility improvements help prevent further financial risks.
Stakeholder Groups		
Risk Type		
Time Horizon	Long term	

Risks

- Potential unforeseen outages and system failures can disrupt operations and services, posing a risk to the Company's capital.
- The need to transition to renewable energy poses a financial risk to businesses, given the significant investments required to adopt clean energy technologies and comply with emerging regulations that may add further costs.

Our Response and Strategies

San Miguel Global Power invests in regular inspections, repairs, and testing of our systems to ensure our operations remain efficient and stable. While such investments may incur costs, these initiatives address operational issues and ultimately avoid financial losses in the long run as they ensure quality and continuity of our services.

Opportunities

- Our diverse portfolio positions us to meet the growing energy demand, thereby generating sustained revenues for the Company.
- Repurposing byproducts such as fly ash and bottom ash presents new revenue opportunities through partnerships with the construction and cement industries.
- Adopting artificial intelligence (AI) and other smart systems can further enhance the efficiency of our power generation, allowing us to deliver improved services to our customers.
- Given the more proactive approach of global and national economies to decarbonization, the Company can secure funding for its green energy projects by promoting its ESG initiatives and concrete plans to achieve net-zero carbon emissions.

OPERATIONS AND SUPPLY CHAIN MANAGEMENT

Capitals Involved		Our supply chain spans procurement, plant operations, control systems, workforce management, and other key areas of our business. However, due to its breadth, operational issues can quickly cascade across the system. To address this, we are enhancing our monitoring systems and implementing stronger measures to ensure operational continuity while advancing toward a more sustainable and resilient supply chain.
Stakeholder Groups		
Risk Type		
Time Horizon	Short to Medium	

Risks

- Breakdowns in machinery and equipment can disrupt workflows and have cascading effects across the supply chain.
- Aging equipment can reduce operational efficiency and may cause unplanned downtime, hindering overall performance.
- Errors and inconsistencies in reports stemming from faulty analyzers and sensors can lead to overlooked operational issues that remain unaddressed.
- Occupational hazards, such as accidents and emergencies, disrupt operations and supply chains while potentially impacting employee morale.
- Data management and workforce inefficiencies may have an impact on the rest of the supply chain.
- External risks can arise from natural disasters that cause structural damage, equipment breakdown, and deterioration of other key infrastructure. Outbreaks, as the COVID-19 pandemic, can hamper operations due to the unavailability of employees, suppliers, and contractors.
- Disagreements with regulatory bodies, contractors, and affected communities may also hinder the supply chain, leading to delayed permits and contracts.

Opportunities

- Exploring the implementation of emerging technologies, such as AI, may enhance operational efficiency and strengthen preventive maintenance systems.
- San Miguel Global Power continues to be attuned to new systems that can be utilized to upgrade technology and improve data management.
- The Company's risk assessment frameworks allow it to improve disaster preparedness and response. Additionally, SMGP may install and update climate-resilient infrastructure.
- The mandatory documents for each respective project are determined beforehand to prevent delays caused by the submission of incomplete documents.

Our Response and Strategies

To enhance operational efficiency, San Miguel Global Power conducts Annual Preventive Maintenance (APMs), regular asset inspections, and condition-based monitoring for timely fault detection. We are also updating our control systems to safeguard against equipment failure and cyber-related risks that could disrupt our supply chain. Aside from maintaining our systems and facilities, we prioritize the safety and productivity of personnel involved in our operations through robust OSH programs.



Climate Risk Assessment

GRI 3-3

To proactively address the growing risks posed by climate change, SMGP engaged with Deloitte to conduct a comprehensive Climate Risk Assessment (CRA). This study, initiated in 2024, aims to evaluate the potential exposure of SMGP's assets to physical climate and transition risks and to inform the development of mitigation strategies that enhance overall resilience and business continuity.

The process involves comprehensive data collection and hazard identification across all SMGP assets. Preliminary findings indicate that the key physical climate hazards include tropical cyclones, flooding, sea level rise, and extreme heat. Hazard exposure for each of these risks is categorized into three levels: low, medium, and high. Based on the results of hazard exposure, climate-critical assets were identified for further assessment. Climate-critical assets are those with a high-risk rating for at least two physical hazards.

A climate model is being developed using the IPCC AR6 scenarios, specifically the high-emission pathway (SSP5-8.5) and the medium-emission pathway (SSP2-4.5), across short-term (2030), medium-term (2040), and long-term (2050) horizons to determine the vulnerability of each asset.

For the transition risk assessment, the IEA World Energy Outlook (WEO) 2024 scenarios are being applied, focusing on the implications of energy transition policies for SMGP through 2050. The same time horizons as the physical risk assessment (2030, 2040, and 2050) are being used. Three scenarios are being analyzed: the Stated Policies Scenario (STEPS), which reflects current policy settings and represents a lower transition risk pathway; the Announced Pledges Scenario (APS), which assumes that all climate commitments and policies announced globally by August 2024 will be met in full and on time, representing a moderate transition risk pathway; and the Net Zero Emissions by 2050 Scenario (NZE), which outlines a pathway for the global energy sector to achieve net zero CO₂ emissions by 2050 and represents a higher transition risk pathway.

The results of both the physical climate and transition risk assessments will be used to estimate and assess the potential the short-, medium-, and long-term financial impacts on SMGP's business. These impacts will be assessed across multiple dimensions, including market and economic dynamics, technology shifts, and direct damage to assets and operations.



Our Strategy and Performance

(Metrics & Targets)

Powering Towards Progress: Our ESG Roadmap to 2050

In an effort to support the global net-zero ambition, San Miguel Global Power is committed to strategies and initiatives where our business can considerably contribute to this endeavor in the long term. As such, we harness the power of synergy within the organization as well as with external partners and stakeholders to develop a comprehensive plan and accelerate the path to progress through our environmental, social, and governance (ESG) Roadmap to 2050.

Over the years, we have taken meaningful steps to support the sustainability agenda. To deepen our impact, we embarked on a year-long journey to develop a comprehensive roadmap that will guide us in achieving significant ESG goals over the next two decades.

We began developing the roadmap in collaboration with the University of Asia and the Pacific's Center for Social Responsibility (UA&P-CSR), whose insights guided the creation of our ESG Roadmap.

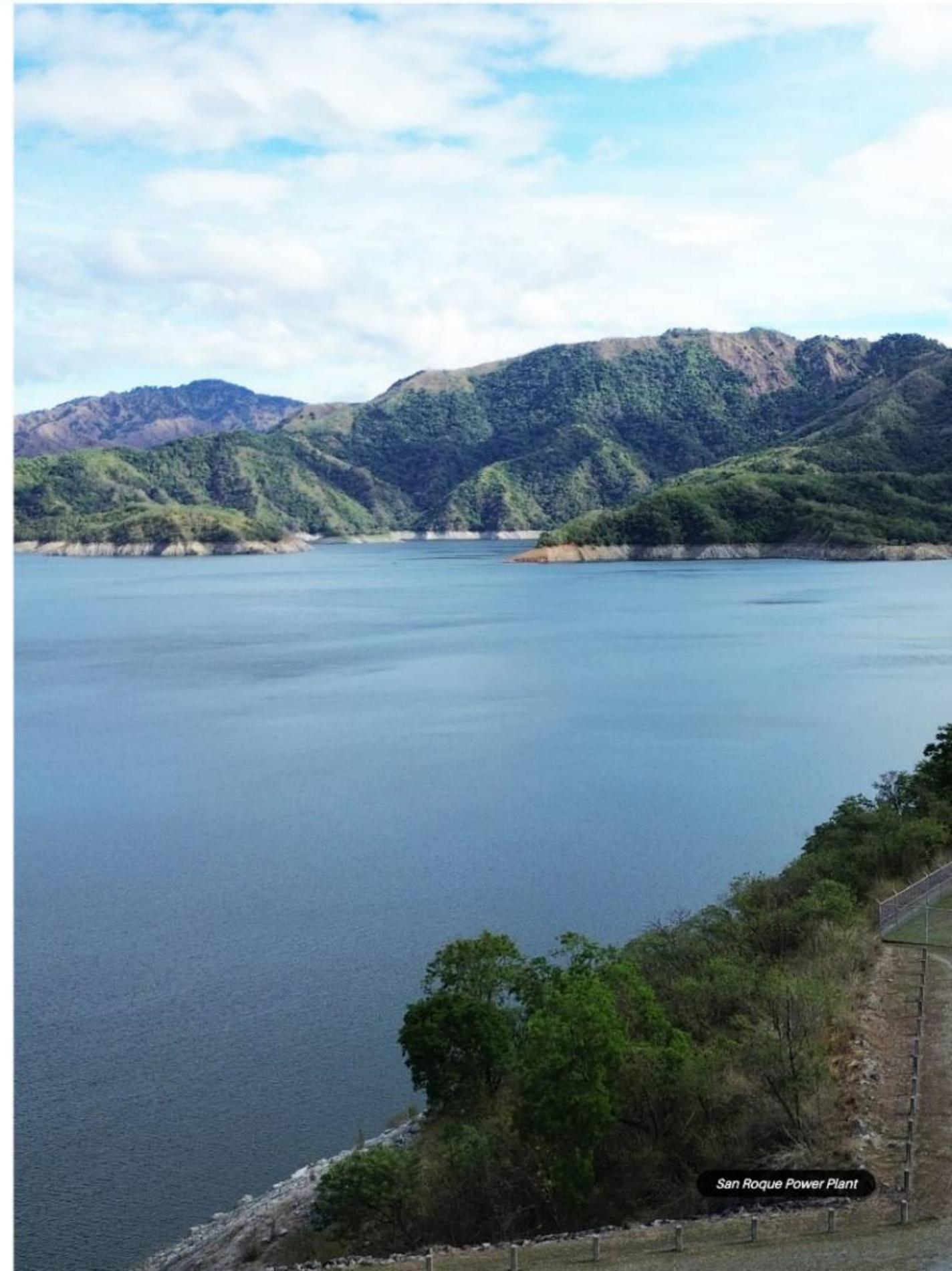
The targets and strategies detailed in our ESG Roadmap are categorized into Collaborative Action for Resilience-focused

Business Enterprise (CARE) Pathways. The CARE Pathways comprise goals that aim to power up the economy, protect and preserve the environment, promote social good, and foster strong leadership. We will carry them out in partnership with experts and in collaboration with our employees and community-based stakeholders.

Central to our CARE Pathways are our strategies to promote renewable resources, clean energy technologies, and decarbonization to energize the national grid while being mindful of our environmental impact. Alongside energy sustainability, our environmental commitment involves incorporating a circular economy in the utilization of resources and waste management.

Meanwhile, we care for the safety and development of our workforce and communities when delivering our services and initiatives. We conduct programs in health, education, livelihood, and environmental sustainability in collaboration with our community-based stakeholders. We also share the same commitment with our employees, whom we value by fostering a culture of safety, inclusivity, and growth. Working with our employees is also vital in our path toward building stronger ethics and integrity in our corporate governance and business practices. Our leadership aims to harness further partnerships with other organizations to drive our efforts towards a clean energy future.

The CARE Pathways in our ESG Roadmap guide our collaboration—both within the organization and with external partners and stakeholders—as we contribute to the global movement for a sustainable future, with a focus on energy services.



San Roque Power Plant

Our CARE Pathways

<IR>
Capitals
Legend:



Financial



Manufactured



Human



Natural



Intellectual



Social & Relationship

Pathway	Strategy	Material topics	Relevant GRI topics	IFRS	<IR> Capitals Involved	Relevant SDGs	Philippine Development Plan (PDP) alignment
POWERING THE PLANET: CARE for the Planet GHG emissions reduction and resource protection	1. Reduce GHG emissions across operations and the supply chain by investing in low carbon solutions and expanding the the renewable energy portfolio, in support of international climate agreements	<ul style="list-style-type: none"> Economic Performance Indirect Economic Impacts Energy GHG Emissions Air Emissions Climate Action Supplier Environmental Assessment 	201, 203, 302, 305, 308	IFRS S2			Revitalize Industry, Inclusive and Innovative Finance, Accelerate Climate Action
	2. Utilize resources responsibly to promote a circular economy	<ul style="list-style-type: none"> Materials Water and Effluents Waste 	301, 303, 306	IFRS S1 & S2			Accelerate Climate Action
	3. Protect biodiversity that provides and sustains ecosystem services	<ul style="list-style-type: none"> Biodiversity Environmental Compliance 	2-27, 101	IFRS S1 & S2			Accelerate Climate Action
POWERING SOCIAL GOOD: CARE for People and Communities Cutting-edge sustainable solutions for stakeholders	4. Invest in social capital developments that are anchored on ESG principles through targeted programs focused on health, education, livelihood, and environmental protection	<ul style="list-style-type: none"> Human Rights and Labor Practices (Labor/Management Relations) Supplier Social Assessment Local Communities Rights of Indigenous People 	203, 402, 411, 413, 414	IFRS S1			-
	5. Promote diversity, continuous employee development, and a safe & healthy work environment	<ul style="list-style-type: none"> Employment Training and Education Employee Health and Safety (OSH) Diversity and Equal Opportunity 	2-7, 401, 403, 404, 405	IFRS S1			Increase Income-earning Ability
	6. Foster culture formation and employee experience		401, 403	IFRS S1			Increase Income-earning Ability, Promote Human and Social Development
POWERING GOVERNANCE: CARE for Governance and Leadership Good governance that supports sustainability and climate resilience	7. Implement an integrated governance framework that embeds sustainability, ethics, and risk management	<ul style="list-style-type: none"> Procurement Practices Anti-corruption Anti-competitive behavior Business Ethics and Conduct Plant Technology Innovation Risk Management 	2-27, 204, 205, 206, 405, 414, 415	IFRS S1 & S2			Good Governance, Bureaucratic Efficiency, Climate Resilience

Powering the Planet



San Miguel Global Power seeks to cultivate a more sustainable environment by expanding our renewable energy portfolio and developing innovative solutions to reduce greenhouse gas (GHG) emissions. In delivering these solutions for cleaner energy, we also recognize the potential environmental impact of our resource use and waste generation across our surroundings, especially on the country's rich biodiversity. To address this, we are working toward adopting a circular economy model by 2050, as well as safeguarding and restoring diverse ecosystems in our sites and protected areas.

1

CAPITALS:



SDGS:



IFRS S2

Reduce GHG emissions across operations and the supply chain by investing in low-carbon solutions and expanding the renewable energy portfolio, in support of international climate agreements.

Sustainable energy is essential in powering the nation. At SMGP, we remain steadfast in our commitment to provide stable and reliable power while upholding our responsibility to environmental sustainability. Through our Decarbonization Plan, we will be reducing our GHG emissions intensity by expanding our renewable energy share to more than half of our portfolio by 2050 and adopting carbon-neutral technologies. Our primary vision is to significantly contribute to the country's net-zero ambition.

SHORT-TERM GOAL (2030)

30%
reduction of emission intensity from the baseline year

35%
renewable energy share by 2030

MEDIUM-TERM GOAL (2040)

70%
reduction of emission intensity from the baseline year

50%
renewable energy share by 2040

LONG-TERM GOAL (2050)

Net Zero

>50%
renewable energy share by 2050

Feature Story

Our Road to Decarbonization

GRI 3-3

Energy efficiency in existing power plants

Renewable energy expansion

Implementation of low-carbon solutions

Net Zero by 2050

Energy generation is a main contributor to GHG emissions; thus, decarbonizing such services can positively impact climate action. As one of the leading power generation companies in the Philippines, SMGP is dedicated to achieve significant emission reduction in our operations. We disclose the targets we are working on to fulfill this commitment in our Decarbonization Plan.

Aligned with the United Nations' Paris Agreement, our Decarbonization Plan's primary goal involves GHG emissions reduction through renewable energy expansion and the implementation of low-carbon solutions. Our emission reduction progress will be measured using emissions intensity, which considers our total GHG emissions relative to the energy delivered to our customers. We aim to reduce our GHG emissions intensity by 30% by 2030, 70% by 2040, and achieve Net-Zero by 2050.

To reach these targets, we will first implement energy efficiency programs to reduce emissions across our existing power plants.

By strengthening our plants' performance, we can manage our resources more efficiently while decreasing the fuel we consume to maintain our plants' operations. These programs prime us to advance greater efforts in renewable development and decarbonization.

The Company recognizes that transitioning to renewable energy is essential to significantly reduce our GHG emissions intensity. In line with this, and in support of the Department of Energy's (DOE) Power Development Plan, we aim to increase the renewable energy share in our power generation mix to 35% by 2030, 50% by 2040, and over 50% by 2050. To enable this transition, we plan to expand the capacity of hydroelectric power plants and incorporate solar power into our renewable energy solutions.

Meanwhile, our existing fossil fuel plants will be managed using technologies that contribute to our decarbonization. Carbon capture and conversion to multi-fuel operations are among the cutting-edge solutions we are exploring to

address their GHG emissions. Since these power plants are crucial in powering communities and industries, we aim to ensure energy stability while cutting off potential negative impacts.

As we increase renewables and further decrease emissions across our operations, we envision a net-zero future by 2050. These initiatives in our Decarbonization Plan are a testament to our responsibility to the planet, people, and the economy.

Energy Diversification for Dependability

Our current energy portfolio comprises coal, hydroelectric, natural gas, and BESS. As of 2024, renewables accounted for 8% of our power generation mix. We are working on augmenting this share by harnessing hydropower and solar energy in our planned developments.

At present, we are working with prospective partners to construct our solar energy projects across the Philippines. In the first phase to be completed by 2028, we will build solar energy facilities with a total initial capacity of 1,300 MWp around Bataan, Bulacan, and Isabela. More solar projects are planned in Bohol, Davao, and other areas in Mindanao, which will have an initial capacity of 1,100 MWp and are to be built by 2039. These developments are strategically located in areas with moderate to high photovoltaic potential for stronger solar power generation.

To bridge the transition to renewable energy, we are building up a liquefied natural gas (LNG) facility in Batangas with a potential generation capacity of approximately 2,500 MW in partnership with other generation companies. This project is targeted for completion in the second quarter of 2025. Moreover, the Company is progressing towards the completion of our 1,000

Energy Generation Capacity

Energy Source	Total Generational Capacity (MW)	Share in Power Mix (%)
Coal	3,938.23	64.78
Hydroelectric	480.71	7.91
Natural Gas	1,200.00	19.74
BESS	390.00	6.41
Diesel	70.00	1.16

GRI 3-3

MWh BESS technologies around the country, with 630 MWh across 18 sites having reached substantial completion as of December 2024. Additionally, our three BESS facilities in Tarlac, Leyte, and Misamis Oriental, which have a combined capacity of 120 MWh, began operating in March 2024.

Meanwhile, our coal-fired power plants will continue to ensure grid reliability while these renewable developments are ongoing. We are enhancing its capacity and efficiency while preparing to adopt different clean technologies to further reduce potential emissions.

Our power plant and associated facilities in Mariveles operate with High Efficiency, Low Emissions (HELE) Technology. The first three units of Mariveles started operating in 2024, followed by Unit 4 in 2025. We will also further enhance our 600-MW Masinloc Power Plant by developing Units 4 and 5 and equipping them with supercritical pulverized coal technology. Each unit holds an overall installed capacity of 350 MW and is targeted to be completed by 2025 and 2026.

With a range of energy resources, our facilities are able to deliver dependable power to the country.



Innovations for Energy Efficiency

GRI 3-3, 302-1, 302-2, 302-3, 302-4

Energy Consumption

Energy Consumption	2022	2023	2024
Energy Consumption from non-renewable sources (in GJ)	133 million	140 million	194 million
Energy Consumption from renewable sources (in GJ)	0.71 million	0.89 million	1.42 million
Electricity purchased for consumption (GJ)	0.06 million	0.05 million	0.17 million
Electricity Sold to Consumers (in GJ)	43 million*	49 million	71 million
Energy Intensity (in GJ/MWh)	7.41*	6.81	5.64

Note: Energy was converted using the higher heating value (HHV) of each fuel type.

*2022 data for Electricity Sold to Consumers and Energy Intensity were restated from the 2021-2022 ISR to correct consolidation and calculation inaccuracies. The adjustment ensures consistent and comparable reporting following improvements in internal data gathering and validation.

Modernization is a key component in ensuring the efficiency of our facilities. As we adopt technologies to further reduce potential carbon emissions, these solutions aim to optimize the smooth and dependable delivery of electricity to our customers.

Since we initiated the modernization of Angat Hydroelectric Plant in 2020, 86% of the power plant has been upgraded and rehabilitated as of 2024. The newly improved units are now equipped with a Supervisory Control and Data Acquisition (SCADA) system and a Programmable Logic Controller (PLC) to enhance process monitoring through automation. Modernization and rehabilitation are ongoing in the two main units and one auxiliary unit. We expect to complete this development by 2026 and increase Angat's capacity by 17%, from 218 MW to 254 MW, supporting the growth of renewable energy generation.

Our Malita Power Plant also underwent notable enhancements with the installation of a RheoVac Condenser Monitoring System and SmartCheck technology. RheoVac allowed us to monitor data on pressure, temperature, and air leakage, which help us resolve any issues in a timely manner. This improved the plant's thermal efficiency, which, in turn, reduced its coal usage. Meanwhile, SmartCheck's state-of-the-art vibration sensors optimize monitoring for our maintenance personnel.

We installed 18 sensors on electric motors and vertical pumps, enabling us to attend to potential issues with immediacy. The plant's newly installed Continuous Ambient Air Quality Monitoring Systems (CAAQMS) are also connected with meteorological weather stations, demonstrating the plant's reach and impact.

Masinloc Power Plant has also been modernized to optimize its efficiency. Similar to Unit 2, its Unit 1 Steam Turbine was retrofitted with High Pressure (HP)/Intermediate Pressure (IP) and Low Pressure (LP) high-efficiency rotors, which improved its thermal efficiency and the plant's capacity from 315 MW to 344 MW.

Masinloc now also operates with a Hammer Mill and Flash Drying System. This technology enables a more consistent coal size and optimizes the drying process, thereby improving its megawatt generation. To further improve Masinloc's operations, we have also invested in SETPOINT's vibration and condition monitoring systems (VMS and CMS) for immediate fault detection and to ensure the plant's stable service.

We continuously seek and explore emerging green technologies to promote sustainability and innovation.

Accurate Tracing of Emissions

GRI 3-3, 305-1, 305-2, 305-4, 305-5, 305-7

Reducing emissions across our operations and supply chain starts with accurate carbon footprint tracing. In 2022, we collaborated with GHD to assess critical emissions sources across our operations, aiming to understand our emissions profile and identify key areas for substantial reductions.

Through this engagement, we established our GHG Accounting Program, aligned with the GHG Protocol's Corporate Accounting and Reporting Standard, to accurately calculate our GHG emissions. This program has allowed us to establish our baseline emissions, track and analyze our current carbon footprint, and project our future emissions profile. These insights form the foundation of our Decarbonization Plan.

With this program, we demonstrate our commitment to manage our environmental impact and fulfill our responsibility to contribute to a low-carbon future.

GHG Emissions (in tCO₂e)

Emissions	2022	2023	2024
Scope 1 (Direct)	12.32 million	12.18 million	15.72 million
Scope 2 (Indirect)	11,999.29	30,172.10	69,887.63
Emission Intensity	0.92	0.82	0.80

Note: GHG emissions were calculated based on the energy output, converted using the higher heating value (HHV) of each fuel type.

The rise in our Scope 1 emissions was attributable to Mariveles Power Plant, which initiated the commercial operations of its four units in 2024. Our indirect emissions also increased due to the additional BESS units acquired. Although the BESS itself does not generate GHG directly, the electricity utilized to charge BESS technologies mainly comes from fossil fuel plants, which are accounted for in Scope 2 emissions, in accordance with the GHG Protocol.

Nitrogen Oxides (NO_x) Emissions (in ppm)

Power Plant	2022	2023	2024	DENR Limit	World Bank Limit
Ilijan	-	41.66	24.54	486.57	365.66
Limay	66.37	62.76	63.01	486.57	365.66
Malita	56.08	62.76	59.52	486.57	365.66
Mariveles	-	-	71.81	486.57	365.66
Masinloc (Units 1 and 2)	181.2	191.72	158.55	731.32	365.66
Masinloc (Unit 3)	88.4	103.33	128.72	486.57	365.66

Sulfur Dioxide (SO_x) Emissions (in ppm)

Power Plant	2022	2023	2024	DENR Limit	World Bank Limit
Ilijan	-	5.07	1.98	245.30	700.85
Limay	101.76	57.79	81.73	245.30	700.85
Malita	59.36	58.54	157.73	245.30	700.85
Mariveles	-	-	96.24	245.30	700.85
Masinloc (Units 1 and 2)	329.73	334.80	361.39	525.63	700.85
Masinloc (Unit 3)	35.72	82.05	61.08	245.30	700.85

Particulate Matter Emissions (in mg/ncm)

Power Plant	2022	2023	2024	DENR Limit	World Bank Limit
Ilijan	-	-	-	-	-
Limay	4.66	3.52	5.88	150.00	50.00
Malita	6.98	6.88	11.36	150.00	50.00
Mariveles	-	-	11.57	150.00	50.00
Masinloc (Units 1 and 2)	107.60	193.34	70.47	200.00	50.00
Masinloc (Unit 3)	1.60	0.81	3.57	150.00	50.00

Carbon Monoxide (CO) Emissions (in ppm)

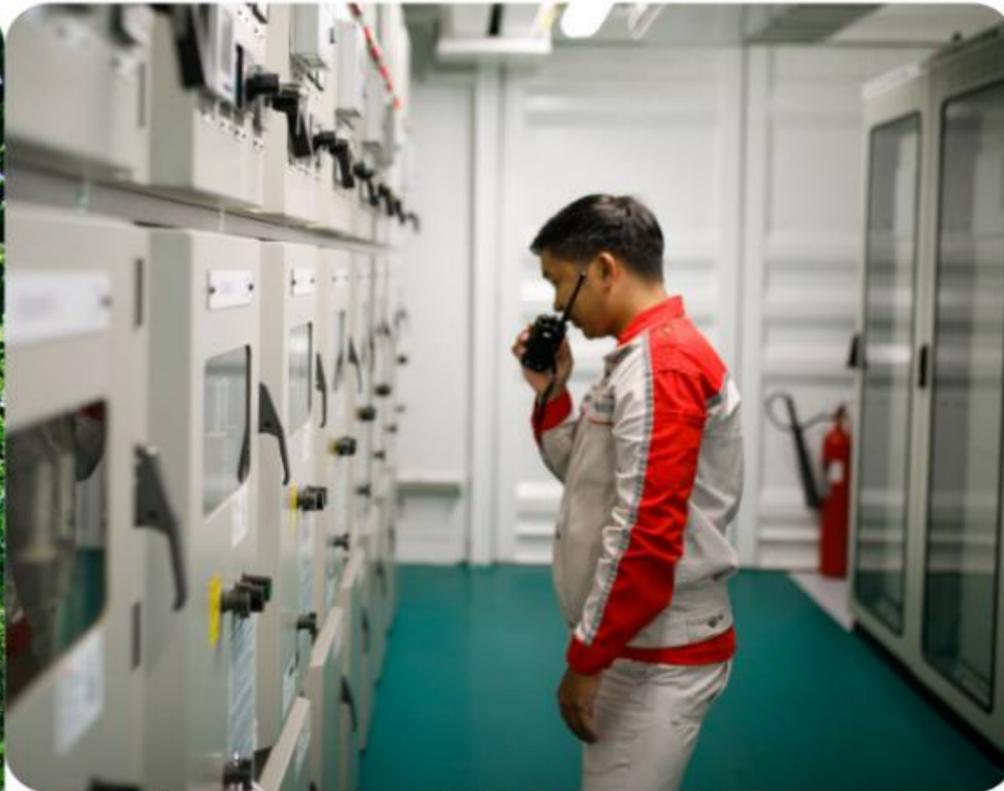
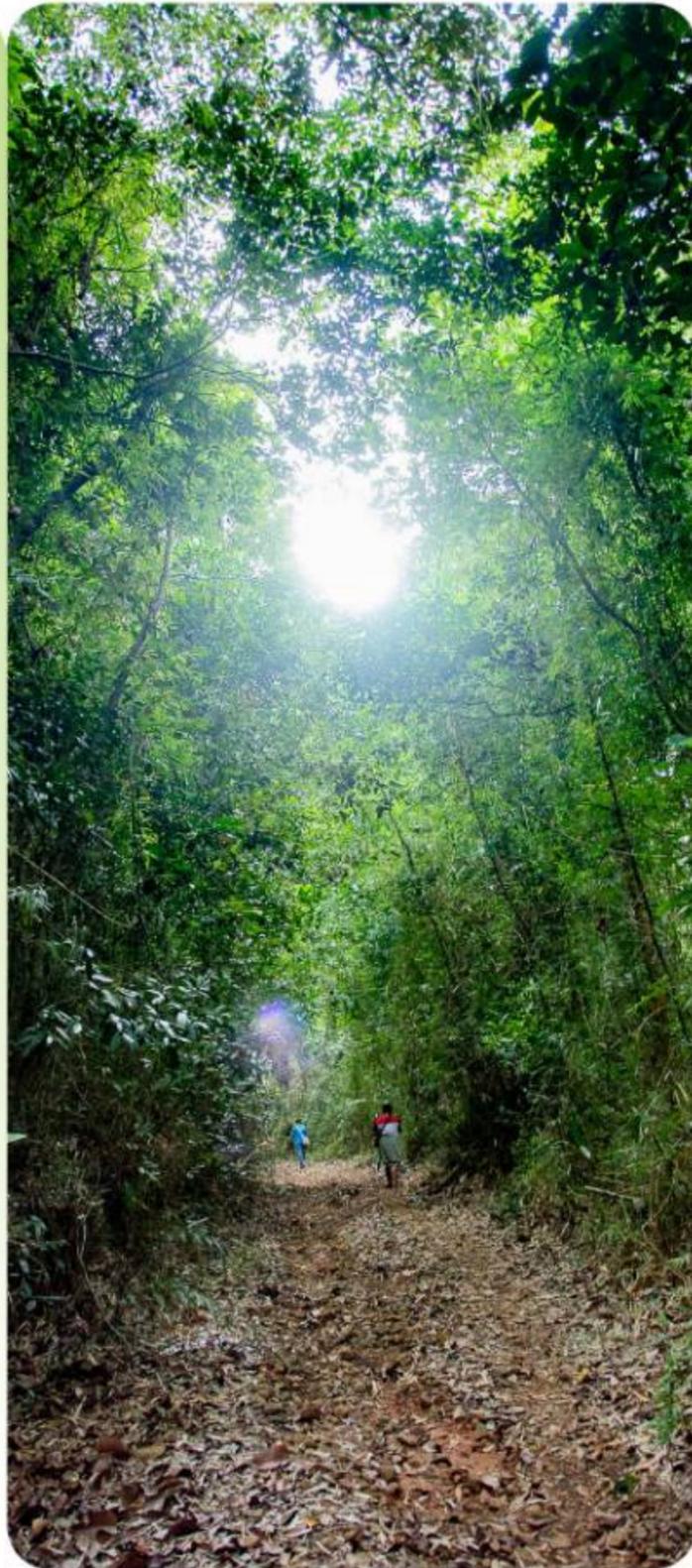
Power Plant	2022	2023	2024	DENR Limit*
Ilijan	-	46.00	77.67	400.48
Limay	24.29	19.73	38.35	400.48
Malita	5.91	20.73	47.16	400.48
Mariveles	-	-	10.33	400.48
Masinloc (Units 1 and 2)	183.57	209.50	297.20	400.48
Masinloc (Unit 3)	27.95	23.92	33.68	400.48

Note: While the DENR sets a regulatory limit of 400.48 ppm from stationary sources, the World Bank Group's EHS guidelines do not specify a direct emission limit for carbon monoxide emissions.



We will continue to monitor concentrations of SO₂, NO₂, PM₁₀ and PM_{2.5} by integrating CAAQMS in our power plants in Limay and Malita. These systems also serve as an early warning device when pollutants pose high risk, therefore enabling us to be mindful of our operations' impact and protect our nearby communities.

All these emission monitoring initiatives are bolstered by energy efficiency integrations to lessen our plants' impact. Our Limay, Malita, and Mariveles Power Plants operate with Circulating Fluidized Bed (CFB) technology for lower pressures and temperatures in the boilers' process, which reduce NO_x generation. Additionally, we supplemented our power plants in Limay and Malita with limestone to decrease its SO_x and PM. Limestone acts as a fuel additive and can be used with Flue Gas Desulfurization (FGD) equipment and seawater to eliminate SO_x and PM from flue gas. FGD equipment has been helping reduce the impact of our Sual Power Plant.



OUTLOOK:

Tracking Emissions Towards Decarbonization

To achieve our net-zero vision, San Miguel Global Power will continue to monitor and measure our emissions alongside accelerating our investments in renewable energy and low-carbon technologies.

In 2025, we anticipate changes in our emissions resulting from organizational restructuring within the Company. The full turnover of Sual Power Plant in October 2024, along with our partnership with MGen and AboitizPower for the gas-fired power plants in Batangas, trigger the recalculation of our baseline emissions.

Additionally, we will continue to participate in the DOE's Green Energy Auction Program (GEAP) and continue to explore and adopt low-carbon solutions such as biomass, ammonia, or hydrogen. We are also looking into carbon capture, utilization, and storage (CCUS) technologies.

As part of our decarbonization strategy, we have also set energy efficiency targets for 2050 across our plants.



2

CAPITALS:



SDGS:



IFRS S1 & S2

Utilize resources responsibly to promote a circular economy.

We actively work to minimize our potential environmental footprint through a circular economy model. This means we are constantly striving to reduce our material usage, maximize the value of resources through recycling, and innovate to create new materials from what might otherwise be considered waste. This core principle guides us in balancing our commitment to the environment with our economic objectives.

When it comes to water, our reduction targets are largely driven by our operational performance. We closely monitor water consumption for both our operational processes and domestic usage within our facilities. Additionally, we adopt SMC's reporting framework to ensure consistency and seamless integration with their sustainability efforts.

For waste management, we developed clear targets informed by the GRI Standards. Our goal is simple: recycle more, waste less. We meticulously track how much waste goes to disposal versus how much is successfully diverted for recycling and other beneficial uses. Ultimately, we are dedicated to meeting and exceeding all the environmental goals set forth in our ESG Roadmap.

Our Quality, Environment, Safety, and Health (QESH) Department will maintain efficient resource management throughout our sites to uphold our commitment to minimize our impact as well as adhere to government regulations, environmental standards, and safety requirements. Resource management initiatives will be coordinated with our employees through information, education, and communication (IEC) campaigns to ensure that the entire organization is aligned with our actions towards a circular economy.

Water Management and Conservation

GRI 2-4, 3-3, 303-1, 303-2, 303-3, 303-4, 303-5

Water is crucial in maintaining our operations. At the same time, treating and delivering clean water requires significant energy input. To minimize this energy demand, we actively implement water conservation measures throughout our facilities.

Our parent company formed the SMC Water Conservation Council, consisting of technical representatives from each business unit, to establish water usage targets and conservation measures. The group aims to reduce water consumption by 50% by 2025. In line with this, we aim to better manage our various water resources to harness them more efficiently.

SHORT-TERM GOAL (2030)

25%
Water reduction from the baseline

Reach **70%** or higher reuse of wastes

MEDIUM-TERM GOAL (2040)

30%
Water reduction from the baseline

Reach **90%** or higher reuse of wastes

LONG-TERM GOAL (2050)

40%
Water reduction from the baseline

Fully integrate circular economy principles in procurement, production, and waste management



Powering Water Irrigation and Services

Our Angat Hydroelectric Power Plant, situated within the Angat Watershed Forest Reserve, utilizes water to operate its main and auxiliary units. The water released from the main generator is used for irrigation in Bulacan, as it goes to the Bustos Dam. Meanwhile, the auxiliary generators' water discharge moves to the Ipo Dam, which serves the water requirements of the Greater Manila Area. We coordinate with the National Water Resources Board, Metropolitan Waterworks and Sewerage System, National Grid Corporation of the Philippines, and National Irrigation Administration to maintain effective water irrigation and dam operations in Angat.

Currently, our sites utilize various water sources. Our coal-fired plants' steam and turbine operation is supported by groundwater and surface water. We have also harnessed seawater for once-through condenser systems. These cooling systems account for much of our water consumption. Apart from these, we use surface water in river systems to power our hydroelectric plants too. To supply the water needs of our personnel and facility operations, we utilize treated domestic water sourced from our in-house systems.

Moving forward, we aim to decrease our reliance on such resources, especially groundwater and surface water, moving forward. Our power plants carry out their own circularity and reduction endeavors to contribute to the organization's water sustainability goals.

For example, our coal power plants in Limay, Malita, and Masinloc implement water conservation initiatives. Limay Power Plant recycles treated water for irrigation and housekeeping, a practice also followed by Malita Power Plant. Moreover, in Malita and Masinloc, our power plants use alternative water sources to reduce dependence on freshwater. Collected rainwater is utilized for the bottom sealing of the Drag Chain Conveyor, while treated wastewater (recycled water) is used for in-house dedusting, especially during the dry summer months.

While we contribute to the SMC Water Conservation Council's water-saving goal, we are also developing targets to ensure water efficiency in the Company. We seek to lessen our water consumption from the baseline to 25% by 2030, 30% by 2040, and 40% by 2050. We will proactively implement water circularity and consumption reduction efforts to improve the efficiency of our resource management and plant operations.

OUTLOOK:

A Better Flow for Water Management

In navigating our journey to sustainable water usage, we will align our conservation strategies and consumption targets with the sustainability commitments of SMC. We remain dedicated to responsible water management by optimizing our usage oversight. We are exploring automation for data gathering and deployment of enhanced metering systems, where our employees will also be trained to utilize these solutions effectively. Enhancing our monitoring mechanisms will ensure decisions are guided by robust data, reflecting our commitment to conservation as we further improve the transparency in our reporting.

Water withdrawal and discharge by source and destination

Angat

With Water Stress	Withdrawal (ML)			Discharge (ML)		
	2022	2023	2024	2022	2023	2024
Surface water	2.09 million	1.83 million	2.03 million	2.09 million	1.83 million	2.03 million

Limay, Ilijan, Mariveles, and Masinloc

With Water Stress	Withdrawal (ML)			Discharge (ML)		
	2022	2023	2024	2022	2023	2024
Domestic water	70.62	84.64	129.43	-	-	-
Groundwater	1,124.06*	1,064.24	1,865.68	-	-	-
Seawater	2.53 million	3.62 million	3.70 million	2.53 million	3.62 million	3.70 million
Surface water	920.84	893.89	1,013.97	-	-	-

Malita

Without Water Stress	Withdrawal (ML)			Discharge (ML)		
	2022	2023	2024	2022	2023	2024
Domestic water	98.21	98.33	66.08	-	-	-
Seawater	622,048.28*	620,224.41	528,746.09	622,127.73*	620,297.83	528,824.86
Surface water	273.90	270.95	268.06	-	-	-

*2022 data for water withdrawal and discharge were restated from the 2021-2022 ISR to correct consolidation and calculation inaccuracies. The adjustment ensures consistent and comparable reporting following improvements in internal data gathering and validation.



Several operational and infrastructural factors influenced the patterns of water usage across the facilities. At Angat, water withdrawal and discharge increased compared to 2023, primarily due to the plant's shutdown. This extended downtime in late 2023 led to a lower consumption for that year and a subsequent increase once operations resumed in the following year.

In Ilijan, the increase in water consumption was directly tied to higher energy dispatch. As generation output rose, so did the water demand.

For Limay, the measurement of water withdrawal and discharge was adjusted based on pump running hours. These calculations incorporated the design capacity and valve opening specifics, utilizing butterfly valve characteristics to ensure more precise tracking of water flow.

Malita experienced several developments in its water management approach. A recorded increase in domestic water usage followed the installation of flowmeters, which allowed for a more accurate distinction between domestic and utility or process water. Efforts to improve sustainability were evident with the introduction of a rainwater collection system, implemented through a rooftop harvesting setup measured by a newly installed flowmeter. Additionally, recycled water usage became part of the facility's water portfolio, again recorded through the use of flowmeters, enabling better monitoring and utilization of recycled sources. Seawater usage at Malita, meanwhile, declined. This was largely due to the shutdown of Unit 2, which led to a significant reduction in seawater withdrawal and discharge during that period.

In Mariveles, water consumption rose in 2024 as a result of increased activity across its operating units. The expansion or intensification of operations drove a higher water demand.

Overall, the year 2024 was marked by increased water use driven by greater energy generation and operational expansion, while infrastructure upgrades, such as flowmeter installations, enabled more accurate monitoring and the integration of alternative water sources.

Waste Handling

Managing waste is a collaborative process for us. We ensure full compliance with relevant regulations and adopt proper disposal and recycling practices to maintain a clean environment.

For both hazardous and non-hazardous waste, we comply with the requirements of the Department of Environment and Natural Resources – Environmental Management Bureau (DENR-EMB), including Republic Act No. 6969 (Toxic Substances and Hazardous and Nuclear Wastes Control Act) and Republic Act No. 9003 (Ecological Solid Waste Management Act).

We manage hazardous waste by temporarily segregating it in our material recovery facility (MRF). A third-party waste treatment facility accredited by the DENR-EMB then collects and treats the waste for proper disposal. Additionally, a service provider handles waste from our power plants' MRF, transferring it for recycling or to another MRF.

Recycling is also promoted among our employees and communities to highlight the importance of waste reduction. For instance, our Mariveles Power Plant implemented a Solid Waste

GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5

Reduction Project, encouraging employees to use bento boxes, reusable utensils, and tumblers. The plant also organized a recycling program using wood scraps and steel drums, helping local residents reduce their waste.

To advocate for proper waste management further, we have also released a Waste Management Guide and color-coded our trash bins to educate more people about the value of waste segregation.

We maintain our commitment to responsible waste management across all operating sites, with key trends and site-specific insights revealing both challenges and improvements in our efforts to monitor, reduce, and handle various waste streams. This data reinforces the continuous need for process optimization and proactive waste reduction strategies.

At Ilijan Plant, overall waste generation increased due to intensified maintenance activities. The Block 1 & 2 Maintenance Inspection contributed to increased residual and hazardous wastes. On the other hand, improvements in compressor blade washing practices resulted in the reduction of alkali waste.

Limay Plant reported mixed results in waste generation. Reductions were achieved in certain streams through material reuse practices, while increases resulted from a contained chemical incident that was promptly managed, and higher volumes from routine maintenance activities. Notably, there was no hazardous waste hauling during this period, reflecting proper management of waste.

The ongoing construction of new units in Mariveles temporarily raised the need for solid waste disposal. This temporary but expected outcome of development activities is being addressed through enhanced on-site waste segregation, which support sustainable waste management practices.

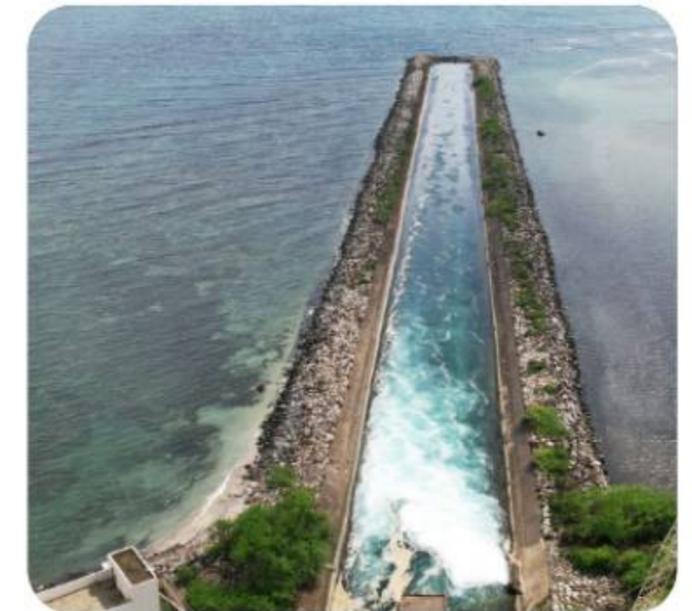
The Masinloc Power Plant reported an increase in used oil disposal, primarily due to fuel oil storage tank cleaning; a necessary maintenance activity that highlights our focus on safety and operational integrity. Additionally, some hazardous wastes are currently being stored at the facility in preparation for synthesizing and repurposing for use by other business units. While they will remain stored at our facility in the interim until this process is complete, they are securely stored within the material recovery facility (MRFs) to ensure proper management.

The variations in waste generation across our sites underscore the dynamic nature of operational demands and our commitment to transparency in environmental performance. Moving forward, we are enhancing our waste monitoring systems to further reduce hazardous waste generation, promote recycling, and adopt cleaner technologies. These efforts are integral to our broader sustainability goals, ensuring responsible resource use and minimizing our environmental footprint.

OUTLOOK:

Weighing Up Our Waste Handling

Existing waste handling processes will be further assessed in all of our power plants to determine the inefficiencies and devise better practices. Our waste management plans involve minimizing our waste and improving segregation, disposal, and recycling across our operations. As we implement these practices, we will establish waste reporting mechanisms to ensure transparency in our practices and continue to uphold regulatory compliance.



Hazardous Waste Management (in MT)

Waste Type	2022	2023	2024
Waste generated	215.98	239.54	421.18
Offsite	215.98	239.54	410.09
Waste directed to disposal	64.76	37.23	369.55
Waste diverted from disposal	151.23	202.32	40.54
Onsite	-	-	11.09
Waste directed to disposal	-	-	1.99
Waste diverted from disposal	-	-	9.10
Waste disposed	135.07	201.52	331.56
Offsite	135.07	201.52	331.56
Waste directed to disposal	16.76	4.63	302.80
Waste diverted from disposal	118.31	196.89	28.76
TOTAL WASTE	351.06	441.08	752.74

Non-hazardous Waste Management (in MT)

Waste Type	2022	2023	2024
Waste directed to disposal	339.95	1,405.10	1,725.66
Waste diverted from disposal	453.63	225.44	182.03
TOTAL WASTE	793.58	1,630.54	1,907.69



Managing Materials

GRI 2-4, 3-3, 301-1, 301-2

Across our operations, we continue to strive to use materials and resources responsibly and efficiently. To minimize waste, we procure what is necessary to support our business activities and integrate circular economy principles into our operations to ensure the sustainable management of resources and reduce potential environmental impacts.

A prime example of our circularity in action is our coal byproduct recycling. Recognizing coal as a critical resource in our operations, we have partnered with other businesses to recycle 70% to 90% of coal ash generated from operations. We repurpose bottom ash as raw material and fly ash for cement manufacturing. Any remaining coal ash is safely stored in engineered areas equipped for future recycling.

Materials used by weight or volume to produce the Company's primary product (in MT)

Materials	2022	2023	2024
Renewable materials (water and biodiesel)	1,895.93*	1,969.89	2,675.54
Non-renewable materials (coal, diesel, limestone, silica sand, river sand)	6.67 million	6.59 million	8.50 million

*2022 data for renewable materials data was restated from the 2021-2022 ISR to correct consolidation and calculation inaccuracies. The adjustment ensures consistent and comparable reporting following improvements in internal data gathering and validation.



Barangay Villa Maria, Porac, Pampanga

Securing Compliance for Our Environmental Commitments

GRI 2-27, 3-3

SMGP maintains full compliance with all relevant environmental laws and regulations to mitigate potential environmental impacts. All our facilities have secured Environmental Compliance Certificates (ECCs), and we voluntarily adhere to globally recognized standards to support sustainable and responsible operations.

At our Masinloc Power Plant, we reinforce environmental compliance through an active partnership with the Multi-partite Monitoring Team (MMT), composed of members of the host community and local government, Provincial Environment and Natural Resources Office, and SMGP Environment Team. Together, we conduct quarterly environmental monitoring focused on water and air sampling. This strong collaboration has contributed to the plant's record of zero environmental violations over the past four years.

In line with the DOE's Circular No. 2022-06-08, the Masinloc Plant is also working with the Energy Regulatory Commission (ERC) to enhance the implementation of its Resiliency Compliance Plan (RCP), which improves readiness for both natural and human-induced disruptions.

Beyond national regulations, our power plants in Limay, Malita, Mariveles, and Masinloc adhere to ISO 14001 standards for Environmental Management Systems, reinforcing our commitment to minimize environmental impact and ensure legal compliance.

3

CAPITALS:



SDGS:



IFRS S1 & S2

SHORT-TERM GOAL (2030)

MEDIUM-TERM GOAL (2040)

LONG-TERM GOAL (2050)

Protect biodiversity that provides and sustains ecosystem services.

As we work to preserve and cultivate the environment, we also aim to care for diverse species across the lands and surrounding waters. A thriving ecosystem has been a priority for the Company and across our plants, as evidenced by Project 747 and clean-up programs over the past years. The SMGP Foundation continues to implement biodiversity initiatives nationwide under our comprehensive Ridge to Reef Conservation Program, which involves tree-planting, tree-growing, and tree-nurturing activities, as well as coral reef rehabilitation and protection.

Plant **5 million** trees

Deploy **1,000** artificial reefs and transplant **1,000** coral fragments

Plant **10 million** trees across 6,000 hectares

Establish **5** marine sanctuaries

Develop and implement **5** integrated conservation policies

Maintain **100% of restored ecosystems** with $\geq 20\%$ increase in carbon sequestration

Restore **$\geq 50\%$ of degraded coral reefs** and monitor **100% of sanctuaries** with $\geq 20\%$ biodiversity increase

Ensure **70% of local communities** actively participate

Preserving Biodiversity that Surrounds Us

GRI 3-3, 404-1, 404-2, 404-3, 404-4



Ecosystem and Biodiversity

Disclosure	Details
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Ilijan (1), Mariveles (1), and Masinloc (1)
Habitats protected or restored	<ul style="list-style-type: none"> Ilijan Fisher Refuge & Sanctuary (16.01 hectares) Mariveles Power Plant's Buffer Zone (19.60 hectares) Masinloc Oyon Bay Protected Landscape and Seascape and Bani Marine Protected Area (75.58 hectares)
IUCN Red List species and national conservation list species with habitats in areas affected by operations	Total number of species: 173 (Ilijan), 44 (Mariveles), and 2 (Masinloc)

Biodiversity at our plant sites

Sites	2023	2024
Ilijan	<p>Least threatened species: 168 species</p> <p>Near threatened species: <i>Chaetodon trifascialis</i> (Chevron Butterflyfish) and <i>Scarus hypselopterus</i> (Yellow-tail Parrotfish)</p> <p>Vulnerable species: <i>Tridacna gigas</i> (Giant Clam)</p> <p>Endangered species: <i>Chelonia mydas</i> (Green Sea Turtle)</p> <p>Critically endangered species: <i>Eretmochelys imbricata</i> (Hawksbill Sea Turtle)</p>	
Mariveles	<p>Least threatened species: 40 species</p> <p>Near threatened species: <i>Toona calantas</i> (Mahogany)</p> <p>Vulnerable species: <i>Sauropus androgynus</i> (Asin-asin), <i>Ziziphus talanai</i> (Balakat), <i>Palaquium philippense</i> (Malakape), and <i>Diospyros pilosanthera</i> (Bolong-eta)</p> <p>Endangered species: <i>Pterocarpus indicus</i> (Narra)</p> <p>Critically endangered species: <i>Helminthostachys zeylanica</i> (Tukod-langit)</p>	
Masinloc	<p>Endangered species: <i>Chelonia mydas</i> (Green Sea Turtle)</p> <p>Critically endangered species: <i>Eretmochelys imbricata</i> (Hawksbill Sea Turtle)</p>	

Feature Story

Project 747: Fostering Our Forestries

A diverse range of flora and fauna resides within and around our sites of operation. To help protect and restore this biodiversity, our initiatives extend from the uplands and coastal areas, to underwater ecosystems. These efforts are particularly important, as some of our operations are located near areas that serve as habitats for 217 species listed in the Union for Conservation of Nature (IUCN) Red List as well as the national conservation list. The species referenced in these lists are regarded with heightened risk of extinction.

The Ilijan Power Plant, for example, is located near habitats of 173 species, two of which are also found within the vicinity of the Masinloc Power Plant. Meanwhile, 44 species have been identified near our Mariveles Power Plant. We contribute to the conservation of these species by safeguarding and restoring their habitats, such as those within the Ilijan Fisher Refuge and Sanctuary, Masinloc Oyon Bay Protected Landscape and Seascape, Bani Marine Protected Area, and the Mariveles Power Plant's Buffer Zone.

Even before our power plants become operational, we prioritize biodiversity conservation in our planning. Securing an Environmental Impact Assessment (EIA) and an Environmental Impact Statement (EIS) is among our first steps to ensure that facility development does not harm local ecosystems.

As our power plants continue to operate in these areas, we remain committed to preserve and rehabilitate natural habitats. We conduct long-term programs, such as the Root-to-Fruit Tree Planting and Nurturing Program, and we address potential threats to biodiversity—like waste and oil spills—by participating in the Scubasurero Program and Emergency Response Training.

We work closely with local communities in these initiatives in an effort to further strengthen partnerships, promote environmental education, and foster shared responsibility for protecting the diverse life that surrounds us.

From the uplands to the coasts, green spaces are vital protectors of communities and ecosystems. In partnership with local communities, we cultivate and safeguard various tree and mangrove species nationwide through our Project 747.

Since its inception in 2019, Project 747 has helped create greener environments in our host communities. Given the multifaceted design of Project 747—which includes educational, capacity-building, and livelihood components—the program has also provided an additional income stream for our partner People's Organizations (POs) nationwide.

Initially, our ambition for Project 747 is to grow seven million trees across 4,000 hectares in at least seven provinces nationwide. As of 2024, we are close to reaching this goal, having planted more than 6.5 million seedlings and propagules, 3.19 million of which are upland and 3.34 million for mangrove rehabilitation. Project 747 currently covers more than 2,000 hectares across 20 provinces, including Albay, Bataan, Bulacan, Davao Occidental, Negros Occidental, Pangasinan, Quezon Province, and Zambales. Such an expanse also makes the 514 hectares of our BESS sites greener across Bohol, Cagayan, Cebu, Davao del Norte, Davao de Oro, Isabela, Laguna, Leyte, Misamis Oriental, Pampanga, and Tarlac.

We plant endemic tree species that can flourish in their respective areas. Among the tree species we have cultivated in the upland forests are narra, molave, white lauan, palosapis, agohe, batino, igang, and malabayabas. Meanwhile, we cultivate bakawan babae, bakawan lalaki, bungalon, and api-api in mangrove areas. We determine endemic tree species to be planted based on their viability to meet the DENR's 80% survival rate target. Local communities' insights are also valued in this matter. Our selected species are those with a 90% survival rate based on their inputs. As of 2023-2024, we recorded survival rates of 91% and 88% in our upland and coastal plantations, respectively.

We also collaborate with farmers' associations to produce biochar for the project. Biochar is mainly used as an organic fertilizer in the soil to enhance survival rates and help in carbon sequestration. In 2023, we worked with 11 POs in our upland rehabilitation sites and produced 2,130 bags of activated biochar.

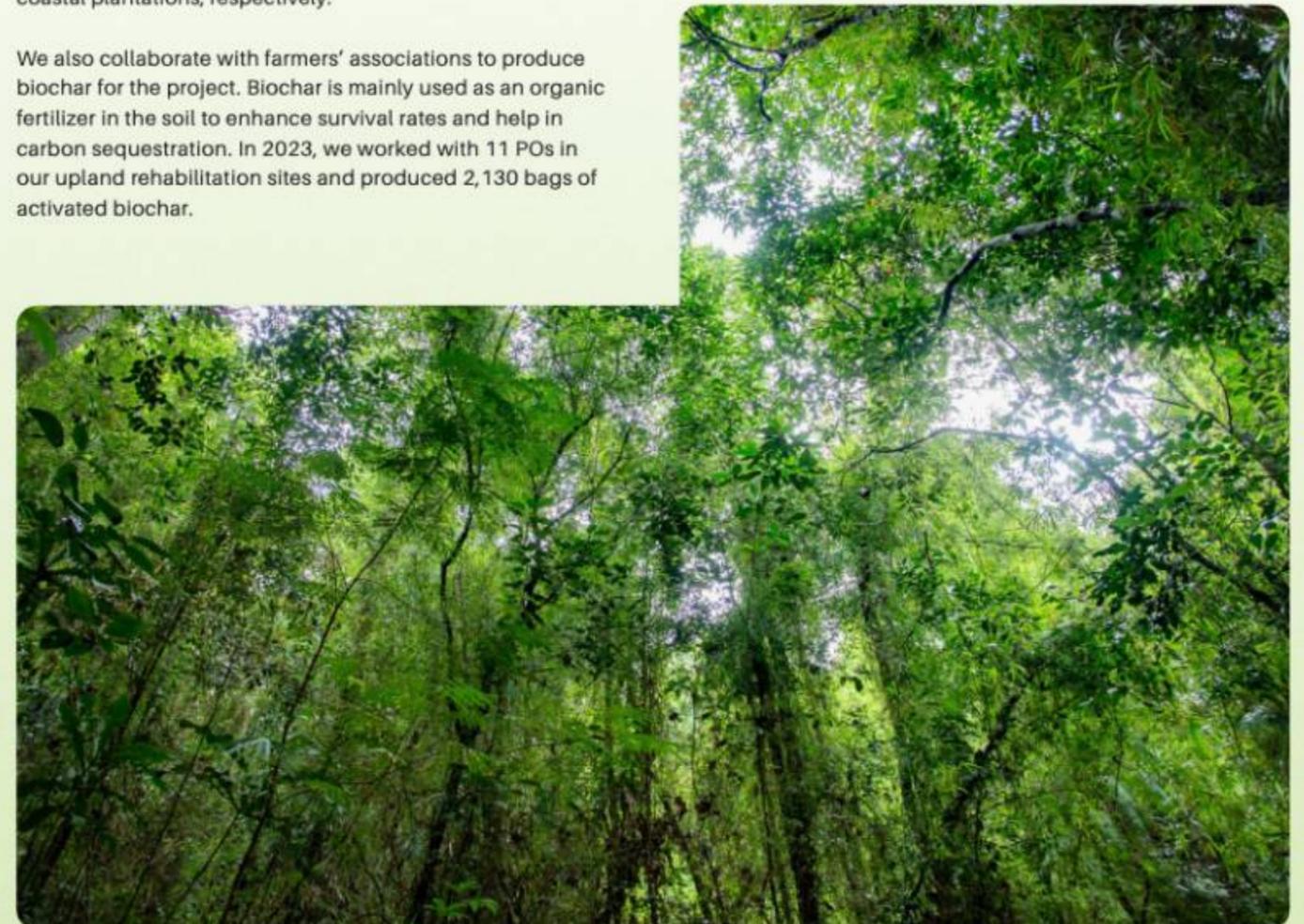
By being mindful of the trees' survivability, Project 747 not only aims to sow the seeds but also to nurture and grow them for the long term. As these species flourish in their respective forest and mangrove areas, our goal is for the communities benefiting from the program to thrive, as well.

Project 747 will continue to make more islands greener as we plan to surpass our intended tree-planting ambitions in the coming years.

Our ambition for Project 747 is to grow **seven million trees** across 4,000 hectares in at least seven provinces nationwide

currently covers more than **2,000 hectares across 20 provinces**

recorded **survival rates of 91% and 88%** in our upland and coastal plantations



Greening the Environment

GRI 3-3, 404-2

San Miguel Global Power, through our power plants, has expansive tree-planting activities throughout the Philippines beyond Project 747. We commit to this environmental responsibility to foster biodiversity and aid in the sequestration of potential carbon emissions.

In observance of Philippine Arbor Day, the SMGP Division Office and our power plants in Ilijan, Malita, and Mariveles participated in tree-planting activities at different sites. Volunteers from the San Miguel Foundation and other SMC subsidiaries were joined by 10 employees from the SMGP Division Office to cultivate trees in Mt. Purro Nature Reserve. Meanwhile, in Sitio Matamis, Barangay Demoloc in Malita, 25 employees from our power plant collaborated with the DENR to sow more than 100 seedlings. More trees were planted in the historic and protected areas in Mt. Samat, Bataan, with the help of 130 volunteers from Mariveles Power Plant alongside the DENR.

Additionally, we have also been cultivating mangrove forestry in honor of World Water Day and World Planting Day. The SMGP Foundation, our subsidiaries, and the DENR XI Provincial Environment and Natural Resources Office (PENRO) Davao Occidental planted 10,000 mangrove propagules spanning one hectare in Barangay Tanglad, Sta. Maria.

On November 11, 2024, Malita Power Plant held its annual tree-planting activity to contribute to the Company's environmental sustainability efforts. Half of Malita Power Plant's workforce participated in the activity, with 136 volunteers who planted 300 yakal seedlings.

Mariveles Power Plant participated in the DENR-EMB's tree-nurturing activities and conducted its own long-term care initiatives at the Root-to-Fruit Tree Planting and Nurturing Program. Meanwhile, fruit-bearing trees are also propagated at our Ilijan Power Plant's in-house seedling nursery, which has donated over 200,000 seedlings to the DENR, local government units (LGUs), Philippine Coast Guard, academic institutions, and non-governmental organizations since 2012.

Carbon Stocks Assessment of the Reforestation and Rehabilitation Sites of Project 747

Tree planting goes beyond expanding the country's green spaces. At San Miguel Global Power, we ensure that our initiatives also contribute to reduce carbon emissions. In 2024, we partnered with the University of the Philippines - Los Baños' Forestry Development Center to assess the carbon storage capacity of Project 747.

The assessment focused on our reforestation areas in Masinloc and Candelaria, Zambales. Carbon samples were taken from multiple carbon pools, including necromass, understorey/herbaceous layers, litter, roots, and soil. The study recorded a mean annual carbon increment of up to 10.32 tons per hectare, which indicated the average amount of carbon captured per hectare of land in the said reforestation sites every year. This result highlights the potential of these areas to serve as significant carbon sinks.

We will continue using this study as a baseline to evaluate the carbon sequestration contribution of Project 747. Similar assessments will be conducted across our sites to track and evaluate their contribution to carbon sequestration.



Feature Story

Project BLUE Corals: Restoring Life Beneath the Waves



San Miguel Global Power has initiated a marine conservation program called Project BLUE (Balanced and Healthful Life Underwater Ecology) Corals, which encompasses various restoration projects to be carried out from 2024 through 2027. We are working with POs and the LGUs to foster vibrant underwater life for various species while supporting coastal communities.

Project BLUE Corals aims to grow at least 1,750 reef cubes and 1,400 fragments in each of our seven project sites - Malita, Masinloc, Mariveles, Limay, Batangas, Bulacan, and Sual.

Among the initiatives under Project BLUE Corals is the rehabilitation of reefs in the Masinloc and Oyon Bay Protected Landscape and Seascape (MOBPLS) through coral transplantation using artificial reefs. As of 2024, we have installed 250 modules of reef cubes with 200 coral fragments transplanted into them.

We are also propagating marine fauna, such as turtles and giant clams, that are at risk of depletion. Saving turtles involves developing a hatchery, where the collected eggs

will be incubated. Meanwhile, we are also growing the population of giant clams (Tacloban) in MOBPLS.

To further protect and restore endangered species, we seek to protect habitats that provide spaces for spawning, nursery, and permanent residence. We aim to promote awareness and participation among communities in managing marine sanctuaries.

Under the program, we will also support fisherfolk in the communities in the Aqua Silviculture Project. The waters will be cultivated to be a high-yielding source of aquamarine products. This will contribute to food security while ensuring marine habitat conservation.

Through our extensive efforts to protect and restore marine habitats and species, San Miguel Global Power was recognized at the ESGBusiness Awards 2024. We received the Marine Conservation Award - Philippines, a testament to our strong commitment to enrich biodiversity across our coastal and underwater ecosystems.



Saving the Sea Turtles

Marine turtles play a fundamental role in protecting coral reefs and seagrass beds. However, these species remain vulnerable to pollution and other environmental threats. Protecting them is essential to preserve marine biodiversity and sustaining ocean health.

Sea turtles are at the heart of our conservation efforts. Through the SMGP Foundation, Mariveles Power Plant, and the Pag-asa Pawikan Protection and Conservation Center (3P3C), we implement the **Hello Pawikan!** Conservation and Protection Program and Adopt-a-Nest Program. These initiatives focus on rehabilitation, protection, and community engagement to ensure the survival of these endangered species.

Over the next seven years, we will rehabilitate conservation facilities and intensify education and awareness campaigns on marine turtle protection. We are also expanding **Hello Pawikan!** to more areas in Mariveles and Bagac to reach and protect a larger population of sea turtles and strengthen marine protection in the region.

As we strengthen initiatives to save turtles and coral reefs, we reinforce our commitment to preserve marine life and protect the coastal ecosystems that sustain it.

Cleaner Coasts and Waters

GRI 3-3, 404-2

Protecting biodiversity entails creating and maintaining a clean environment for species to live in and prosper. One of the ways we support this is by participating in coastal and underwater clean-up activities.

On September 14 and 21, 2024, employees across our power plants and selected BESS sites supported the annual International Coastal Cleanup Day. We collaborated with other SMC business units and the DENR in collecting trash and waste along the pre-determined shores, which include 61 sites across Navotas, Limay, Mariveles, Ilijan, Dela Paz, Masinloc, Malita, Ormoc, Kabankalan, Toledo City, Sangali, and Jasaan. San Miguel Global Power was recognized by the San Miguel Foundation for being the top contributor, with 1,640 employees working together to remove 10.8 metric tons of trash along the coasts.

Beyond International Coastal Clean-Up Day, our employees consistently engage in various clean-up programs at their respective sites.

Together with 15 third-party service providers, 154 employees from our Masinloc Power Plant volunteered to take out 153 sacks of plastics and 25 sacks of coal debris at the Small Jetty Port on August 9, 2024. Meanwhile, 104 volunteers from our Malita Power Plant joined the Philippine National Police and Barangay Poblacion to gather over 45 sacks of plastic waste from the Malita River. The activity was conducted in partnership with the LGU and the Municipal Environment and Natural Resources Office (MENRO) on June 20, 2024. Our Limay Power Plant also promoted coastal clean-ups and marine conservation by holding three runs of the COAST (Clean Ocean Advocacy for Sustainable Tomorrow) Project.

To further preserve marine biodiversity, we went in-depth with our clean-up activity by extending the program underwater. On December 6, 2024, our Ilijan Power Plant partnered with local divers from Barangay Ilijan and Batangas Community Divers Seal, Inc. to conduct the underwater clean-up. This initiative helps preserve Ilijan's coral reef by addressing threats like marine debris and the crown-of-thorns starfish.

The Company will continue conducting such clean-up activities regularly to maintain clean habitats and protect our ecosystems.

OUTLOOK:

Future Studies on Carbon Stocks

We plan to expand the scope of our recent carbon stock assessment to further evaluate the carbon capture potential of our tree-planting and biodiversity initiatives. These future studies will be essential in measuring climate benefits and shaping our carbon credit strategies and targets.



Ilijan Underwater



Project 747



Malita Mangrove Rehab



Powering Social Good



San Miguel Global Power remains deeply committed to the development and well-being of our people and communities. Internally, we invest in our employees by offering tools, training, and career development programs that empower them to grow both professionally and personally. We also foster a workplace culture rooted in diversity, equity, and inclusion to ensure that every individual feels valued and supported.

Externally, we continue to uplift the lives of our partner communities through responsive and long-term CSR initiatives. These programs aim to address local needs—from education and health to livelihood and environmental protection—helping beneficiaries build more sustainable and resilient futures.

4

CAPITALS:



SDGS:



IFRS S1

Invest in social capital development that is anchored on ESG principles through targeted programs focused on health, education, livelihood, and environment protection.

Uplifting the lives of millions requires a holistic approach to development. The Company collaborates with stakeholders to implement initiatives that improve community well-being, educational and professional development, and care for the environment. To ensure the success and sustainability of these programs, we allocate sufficient funding for SMGP Foundation's programs, delivering meaningful value to our communities and the environment.

SHORT-TERM GOAL (2030)

Allocate **2.0%** of net income to community investments through SMGP Foundation

MEDIUM-TERM GOAL (2040)

Allocate **2.5%** of net income to community investments

LONG-TERM GOAL (2050)

Allocate **3.0%** of net income to community investments



Mariveles Power Plant Blood Donation Drive

Healthcare for Communities

GRI 3-3, 413-1, 413-2

Demonstrating our commitment to the well-being of the broader communities, we helped enhance access to health services by conducting awareness programs and strengthening the capabilities of local healthcare workers and facilities.

Physical Health Services

Over 200 volunteers, including health professionals and LGUs, worked with us to conduct medical, dental, and optical missions in different cities. By providing these health services, we have helped more than a thousand individuals.

In Marikit Park, Olongapo City, 407 patients benefited from the dental, optical, chest x-ray, and electrocardiogram (ECG) assistance offered by volunteers from Olongapo Electricity Distribution Company (OEDC) in partnership with the SMGP Foundation.

Apart from dental services, our medical mission with the Zamboanga City Electric Cooperative, Inc. (ZAMCELCO) in Barangay Tolosa also offered free grooming services. Overall, 57 volunteers assisted 395 individuals.

Meanwhile, our Batangas Combined Cycle Power Plant and 60 health and barangay workers assisted 364 patients in receiving consultation, dental, chest x-ray, and blood chemistry testing services.

In support of women's health, we collaborated with medical professionals to provide free Pap smears to 600 patients in Limay, in partnership with the Limay Rural Health Unit and Community Health Centers. During the said activity, patients received free health education and underwent family planning seminars.

2,601 Beneficiaries of medical, dental, and optical missions

150 Community volunteers

Health Awareness

Awareness of health-related issues is essential not only for personal well-being but also for supporting others. At San Miguel Global Power, we recognize the importance of mental health education, especially in communities where such awareness is limited. In response to the growing number of mental health concerns in Mariveles, we organized a conference titled "Each Mind Matters: Establishing Strong Social Support Networks in the Community." Held during Mental Health Awareness Month in October, the event aimed to strengthen mental health literacy and community support in alignment with the Mariveles Mental Health Ordinance.

Mariveles Power Plant also hosted educational sessions on proper nutrition and maternal health. We initiated the Mariveles Nutrition Summit to help improve awareness of proper nutrition. Meanwhile, the Mariveles Buntis Congress was conducted to promote maternal health and provide expectant mothers with essential knowledge for a healthy pregnancy.



Promoting a Healthy Lifestyle



Being physically active is an important aspect of a healthy lifestyle. To promote wellness, Mariveles Power Plant launched the Youth for Sports Program, which the plant organized along with the Barangay Government Unit of Biaan and its Sangguniang Kabataan (SK).

Around 500 participants aged 12 to 18 joined the sporting events, which included basketball and volleyball tournaments. Engagement in these types of athletic activities helps the youth recognize the importance of physical well-being and develop essential leadership and teamwork skills.

The Youth for Sports Program is set to be an annual event with the aim of engaging more community members and volunteers. We plan to offer more activities such as basketball and chess clinics.

Health Centers and Equipment

Access to appropriate healthcare facilities is essential to deliver effective medical services that meet community needs. To support this, our health initiatives include the construction of health centers, the donation of medical equipment, and the training of healthcare professionals.

Within the communities surrounding Angat Hydroelectric Power Plant, we continue to support the community's healthcare needs by helping enhance barangay health services and constructing a dedicated health center in Sitio Pinag-anakan. Offering medical consultations and essential medicines, these services aim to benefit 2,314 residents and nearby communities.

Similarly, we have also extended healthcare access to indigenous communities near the Mariveles Power Plant through the establishment of the Aeta Magbukun Tribal Health Center. Additionally, the Mariveles Plant donated medical equipment to serve the medical needs of the community.

Saving Lives through Blood Drives



For many years, SMGP—through our facilities in Limay, Masinloc, and Mariveles—has been a key partner of the Philippine National Red Cross (PNRC) in supporting patients in need of blood donations.

In 2024, our employees at the Masinloc Power Plant actively participated in various blood donation drives organized in collaboration with 13 medical teams from the PNRC and the Municipal Barangay Health Workers. The drive successfully collected 100 blood bags—equivalent to 45,000 cubic centimeters—donated to the PNRC-Iba Blood Bank. This contribution directly supported the medical needs of an employee's immediate family member undergoing chemotherapy treatment.

In addition, the Mariveles Power Plant partnered with the PRC-Bataan Chapter and the Municipal Health Office (MHO) to implement the sixth installment of Blood Power: Blood Donation and Awareness Program, which yielded 100 blood bags—enough to potentially save up to 300 lives.

For the past five years, the Limay Power Plant has been a proud partner of the Philippine Red Cross, contributing over 1,200 units of blood. In recognition of our continued and impactful support, the Red Cross has honored our Limay team for their dedication to serve both the organization and the broader community.

This sustained collaboration reflects our commitment to advance public health and emergency preparedness.

Empowerment through Education

GRI 3-3, 413-1, 413-2



Number of scholars and graduates under the SMGP Foundation's educational programs

Program	No. of Scholars	No. of Graduates
4-Year Tertiary Scholarship Program	78	50
ENGINE Scholarship Program	10	122
Tulong Dunong Scholarship Program	34	34
GREEN Educational Assistance Program	86	10
BESS Scholarship Program	89	10
Total	297	226

To provide learning opportunities for the youth in our host communities, the SMGP Foundation offers various scholarship programs to help them access formal education. These programs are designed to uplift individuals and groups who face social and economic disadvantages, including youth from low-income households, Indigenous Peoples (IPs), and rural community members with limited access to quality education. Each initiative is designed to break barriers to education, promote equity, and create long-term opportunities.

We have a dedicated program to support young IPs in pursuing higher education through our IP Tulong Dunong Scholarship. IP students receive allowances to help them complete their senior secondary and tertiary education. We also support continuous learning for out-of-school youth and adults in the Dumagat community near our Angat Hydroelectric Power Plant through the Alternative Learning System (ALS).

We support engineering students in finishing their studies and taking their board examination through the Educating New Generation of Innovative Engineers (ENGINE) Scholarship Program. This initiative helps fourth and fifth-year college students by providing them with financial support for books, accommodation, board reviews, and exam application fees. Meanwhile, our GREEN Educational Assistance Program provides financial assistance to members of partner POs and their children to finish college and earn a degree. More college students taking various courses are also supported through our 4-Year Tertiary Scholarship Program and BESS Scholarship Program.

For the academic year 2024-2025, we supported 297 scholars and produced 226 graduates.

Building Relationships with Indigenous Communities

GRI 3-3, 413-1, 413-2

We are dedicated to fostering meaningful relationships with IPs in the communities where we operate. Our efforts include delivering health, educational, and livelihood programs, with a focus on IPs living in close proximity to our sites in Bulacan and Bataan.

The Energy Regulations (ER) 1-94 funds provided to our host communities have made it possible to construct a health center in Sitio Pinag-anakan and renovate the barangay health center in Barangay Kabayunan. These health services have aided nearly 3,000 individuals in the barangay and nearby communities.

Aside from healthcare, we also implement the Tulong Dunong Scholarship Program for IPs, which provides Dumagat senior-

secondary and tertiary students with the opportunity to earn a college degree. The scholarship has produced 34 graduates and supported 34 students in the academic year 2024-2025. Through this scholarship, we aim to support more IPs who aspire to earn a degree and become professionals.

More learners from the Dumagat community also underwent upskilling at the Accreditation and Equivalency Program. This allowed Dumagat's out-of-school youth and adults to complete basic education and earn their high school diploma, thereby enabling them to pursue higher learning.

Through meaningful learning opportunities, we support IPs in boosting their skills—empowering them to improve their quality of life and create lasting, positive change for their communities.



Generating Livelihood Opportunities

GRI 3-3, 413-1, 413-2

In partnership with the Department of Trade and Industry (DTI), we implemented the "Masaganang Negosyo, Masaganang Buhay" Livelihood Program across 20 provinces nationwide, where we conducted skills training for our Project 747 partner POs.. The program is designed to equip them with the skills and capabilities needed to access better employment opportunities and generate additional sources of income.

Our livelihood program in Mariveles is designed to help in the rehabilitation and reintegration of incarcerated individuals by providing them with meaningful opportunities for economic empowerment. Through structured skills training at the Mariveles Municipal Jail, we help prepare persons deprived of liberty with the skills needed to rebuild their lives, enabling them to contribute to community development.

Partnership with Department of Trade and Industry (DTI)

- Bamboo Development Project - MOU with DTI Quezon and Pinagrealan Luis Upland Farmers Association (PILUFA)
 - » MOU with DTI Bohol and Riceland Paradise Multi-Purpose Cooperative (RIPAMCO)
 - » MOU with DTI Cebu and Berakah Farmers and Environmentalists Association (BFEAS)
 - » MOU with DTI Region XI and 9 Peoples Organization
 - » MOU with DTI Bulacan and KADUSMANA
 - » MOU with DTI Albay and ALBAFAI
 - » MOU with DTI Quezon and KASAMAQA Quezon Inc.
 - » Livelihood Assessment and Profiling
 - » Entrepreneurial Mindsetting and Organizational Development
 - » Other enterprise related trainings



SMGP employees with the Better World Cubao community

Supporting Safer and Stronger Communities

GRI 203-1, 203-2

As part of Angat Hydroelectric Power Plant's community programs, we installed 78 streetlights across key areas in Norzagaray—improving public safety, enhancing mobility, and supporting local economic activity after dark. To promote health and hygiene, in line with the SDG 6—Clean Water and Sanitation, we also provided a water storage tank and materials for handwashing facilities at the National Power Corporation High School, contributing to a safer and healthier learning environment.

OUTLOOK:

Continuous Engagement with Communities

We remain focused on advancing our community relations efforts—supporting lives through healthcare, education, livelihood, and environmental initiatives that create meaningful, lasting impact.

The extent of Project BLUE Corals' impact will grow as we implement the MOAs signed with the DENR, LGUs, and POs. We also anticipate meaningful progress on A Journey to 1 Million Pawikan Hatchlings Project, made possible through our strong partnerships in Masinloc, Zambales and Bagac, Bataan.

Likewise, we remain committed to our program with the DTI's regional offices and people's organizations for the "Masaganang Negosyo, Masaganang Buhay" initiative. Through the implementation of our skills development activities and technology support, we aim to empower participating farmers and fisherfolk to thrive as successful agri-preneurs.

To ensure that our programs remain relevant and meaningful to the communities we serve, we will continue conducting our social impact assessments to measure their effectiveness.

5

CAPITALS:

SDGS:

IFRS S1

SHORT-TERM GOAL (2030)

MEDIUM-TERM GOAL (2040)

LONG-TERM GOAL (2050)

Promote diversity, succession planning, and continuous employee development.

GRI 2-7

Employees are the driving force behind the success of San Miguel Global Power. Thus, we also strive to help our people thrive in both their professional and personal lives. As we foster a culture of professional growth within the Company, we actively promote workforce diversity and inclusion, valuing the holistic well-being of our employees. Building such a workplace environment entails reinforcing policies and activities that promote employee development.

30%
female management representation

40
training hours
per year, per employee

20%
reduction in recordable incident rate (RIR)

35%
female management representation

45
training hours
per year, per employee

30%
reduction in RIR

40%
female management representation

50
training hours
per year, per employee

40%
reduction in RIR

Diversity, Equity, and Inclusion (DEI)

GRI 3-3, 405-1

At San Miguel Global Power, we are guided by both our Board Diversity Policy and Organizational Diversity Policy to ensure equitable opportunities across leadership and employment. We recognize that diverse backgrounds are essential to foster an inclusive, innovative, and resilient workplace culture. Our commitment to DEI begins at the recruitment stage, where we seek to attract and consider talent from a broad range of backgrounds—reinforcing our goal of building a diverse and inclusive workforce.

Workforce diversity by gender

Employees by Gender	2022	2023	2024
Female	18.66%	18.66%	18.71%
Male	81.34%	81.34%	81.29%

Workforce diversity by age

Employees by Age	2022	2023	2024
Under 30 years old	35.76%	35.04%	40.06%
30 to 50 years old	50.99%	53.03%	49.58%
Above 50 years old	13.25%	11.93%	10.36%

Workforce diversity by job level

Employees by Job Level	2022	2023	2024
Non-Supervisory	83.56%	82.48%	83.98%
Supervisory	9.39%	10.75%	10.11%
Managerial	3.97%	3.98%	3.23%
Consultants	2.17%	2.18%	2.22%
Senior Management	0.90%	0.62%	0.46%



Feature Story

SMGP's EmpowerHER Honors Outstanding Women in the Workforce



San Miguel Global Power celebrated International Women's Month in 2024 as we launched "EmpowerHER: Igniting HER Potential." The event is aligned with the UN's global theme, "Invest in women: Accelerate progress."

Through EmpowerHER, we recognized outstanding women across the organization who exemplify the Company's values: Integrity, Service Excellence, Accountability, Innovation, Empowerment, Corporate Social Responsibility (CSR), God Above All, and "Malasakit." The initiative generated strong participation, with 850 employees casting votes and a distinguished panel of women leaders from San Miguel Corporation selecting the final honorees.

SMGP's General Manager, Ellen D. Go, was named the SMGP Woman of the Year for her exemplary leadership since the Company's founding in 2009. In total, 12 women were recognized for their contributions across different departments and sites.

EmpowerHER reflects our commitment to inclusive recognition and workplace equity. As one employee from our Mariveles Power Plant shared, "Events like these make everyone feel seen. Recognitions such as these, which go beyond one's position or designation, can make everyone know that they are included and appreciated by the community."

Training and Education

GRI 3-3, 404-1, 404-2

SMGP believes that our employees are the backbone of the Company—making sure that our strategies and objectives are translated into action. We are committed to equip them by providing tools and training to boost their careers and support their well-being. Staying true to our value of Service Excellence, we offer a comprehensive development program that encompasses both internal and external training, conducted by accredited facilitators and coaches. The said programs equip employees with the necessary skills and competencies to help them fulfil their duties and set them up for career advancement.

We also conduct regular employee engagement activities, which are tailored according to the skills fundamental to execute the respective operation in each of our power plants. For instance, as we scale up our renewable energy developments, our Power Expansion Group (PEG) organized a technical forum that educated our employees on clean energy. They also learned about carbon capture, utilization, and storage, as well as waste-to-energy solutions in two separate discussions. At Masinloc Power Plant, we equipped 35 newly hired workers with the practices to prevent accidents and ensure operational efficiency by holding a three-day Coal Handling Operations and Safety Training facilitated by the Philippine Coal Plant Users' Group.

The Company also maintains open communication with employees through face-to-face meetings (town hall meetings, *Kapehan at Kumustahan* sessions, team-building activities, etc.), online platforms and surveys, as well as community volunteer activities that resonate with employees' advocacies and social causes. Our core value of *Malasakit* drives all these programs and activities.



Occupational Health and Safety

GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6

Employee health is a core priority in our operations. In compliance with the Philippine Occupational Safety and Health Standards and Republic Act No. 11058 (An Act Strengthening Compliance with Occupational Health and Safety Standards), we implement a comprehensive Occupational Health and Safety (OHS) Plan to safeguard the well-being of our entire workforce. Across the organization, we promote health awareness through various initiatives, including health talks on cardiovascular health, nutrition, and menopause. We also conduct annual physical examinations to monitor employee health. In addition, several of our power plants lead their own initiatives focused on employee safety and overall physical and mental wellness.

The Company also puts a premium on health and safety measures in all our facilities. We implement an OHS Plan across all sites that adheres to the Philippine Occupational Safety and Health Standards and Republic Act No. 11058.

Moreover, all plants employ Hazard Identification, Risk Assessment, and Controls (HIRAC) to systematically control, manage, and mitigate workplace hazards and safety-related incidents. All individuals—whether workers, employees, contractors, or subcontractors—must also obtain Safe Work Permits, Job Hazard Analyses, and similar documents before commencing work activities. The Malita Power Plant, Masinloc Power Plant, and Limay Power Plant are ISO 45001-certified (OHS Management System). This means that our plant safety measures are anchored on world-class health and safety standards.

To ensure the safety of all employees, we conduct a mandatory OSH training and Safety and Security Orientation. We also facilitate the conduct of safety trainings, such as First Aid and Basic Life Support Training, Safety Management of Hazardous Materials Training, Basic Skills for Responders, and Fire Drills, among others. All of our employees are covered by the OHS management system.

As part of our governance commitment to OHS, we have established the SMGP Safety Council and appointed Safety Officers for each site to streamline updates and programs related to OSH. This aligns with the Company's commitment and goal to reduce the recordable incident rate by 20% by 2030 and maintain zero fatalities across our operations, as achieved in 2023 and 2024.

SMGP will continue to foster a safe and healthy working environment for all employees, while ensuring compliance with all relevant industry regulations. We are working on standardizing OHS across our sites to align more closely with our ESG Roadmap.

Overall average training hours (in hours per employee)

	2022	2023	2024
Grand Total	22.65	28.59	31.79

Average training hours by gender (in hours per employee)

	2022	2023	2024
Female	19.21	26.36	27.02
Male	23.44	29.10	32.22

Average training hours by level (in hours per employee)

	2022	2023	2024
Non-supervisory	22.41	28.69	32.05
Supervisory	35.87	41.02	38.44
Managerial	13.05	12.13	11.32
Consultants	2.00	0.70	2.72
Senior Management	0.00	3.08	4.27

OUTLOOK:

A Spotlight on Talents' Competencies

As our business continues to grow, so do our areas of operation and workforce. To support this expansion, we are committed to cultivate a more inclusive and development-focused work environment.

We are in the process of adopting SAP SuccessFactors, a human capital management software, to streamline key HR processes, including recruitment, performance planning, and evaluation. Through its Performance Management and Goals Management (PMGM) training, we aim to strengthen our competency-based HR system, enhancing both our hiring practices and succession planning to build a workforce recognized for its expertise and capabilities.

Moreover, we are working toward LIFO (Life Orientations) Coach Accreditation to enhance our learning and development initiatives. This accreditation will help us adopt effective coaching methods and practices, ultimately driving improved performance and productivity across teams.



6

CAPITALS:

SDGS:

IFRS S1

SHORT-TERM GOAL (2030)

MEDIUM-TERM GOAL (2040)

LONG-TERM GOAL (2050)

Foster culture formation and employee experience.

In fostering a sustainable environment across our sites, SMGP also promotes a workplace culture that emphasizes care, inclusion, and support. The Company strives to address employee needs and enable professional growth, ensuring that they can continuously grow together with the organization. This commitment is reflected in the employee experience, which is continuously measured through our Employee Net Promoter Score (eNPS) and retention rates. Maintaining these indicators at a strong level over the long term remains a key priority.

50-55 score
for eNPS

Achieve
93%
employee retention rate
(7% turnover rate)

60-88 score
for eNPS

Achieve
94%
employee retention rate
(6% turnover rate)

>80% score
for eNPS

Achieve
95%
employee retention rate
(5% turnover rate)

Supporting Talents

Business success is powered by having top talents driving the Company. To build a competent workforce, San Miguel Global Power provides opportunities and benefits that enhance employee productivity, professional growth, and overall well-being. These offerings are designed to attract and retain talent within the Company, distributing them among employees and candidates with equity in mind.

Prospective and current employees are evaluated according to their capabilities. With the integration of SuccessFactors in our HR processes, we can better manage talent and assess their competencies. This allows us to offer career advancement opportunities to employees with high potential.

As we engage employees in their professional development, we also organize activities to support them in their personal lives. Our employee engagement initiatives emphasize health, wellness, and volunteerism. We promote a culture of well-being through wellness-focused activities, while also promoting stronger ties with the environment and local communities by encouraging participation in volunteer programs such as coastal cleanups and medical missions.

Upon joining the organization, individuals become part of a culture that values recognition, support, and growth. This is reinforced through initiatives such as the SMGP Service Awards and a comprehensive benefits program designed to reward dedication and enhance employee well-being.

We track our eNPS to gauge how supported our employees feel and how likely they are to recommend the organization. Over the long term, we aim to foster an even more connected and engaged workforce by sustaining a 95% retention rate and maintaining an eNPS score of over 80%.

GRI 3-3, 401-1, 401-2, 401-3

Employee Benefits

- Group accident insurance coverage
- Burial assistance for employees and dependents
- Health Maintenance Organization (HMO) and subsidies for dependents
- Vacation, sick, and parental leaves
- Multi-purpose loan
- Supplemental and medicine allowances
- Provision of uniforms and staff house for plant personnel
- Educational Program

Employee New Hires (by gender)

	2022	2023	2024
Female	3.91%	5.30%	4.82%
Male	21.85%	18.32%	9.10%

Employee Turnover (by gender)

	2022	2023	2024
Female	2.71%	2.18%	1.76%
Male	4.88%	5.68%	4.28%

Labor and Human Rights

GRI 3-3

The Company continues to uphold the rights of all employees by implementing a comprehensive human rights policy across our operations. We aim to raise awareness of these rights among employees and other stakeholders, in alignment with the UN Guiding Principles on Business and Human Rights (UNGPs).

In line with our commitment, we maintain strong community relationships across all sites through consistent IEC efforts. As we finalize our human rights policy, we continue to uphold our Code of Conduct and Ethical Business Policy to guide responsible practices and safeguard stakeholder interests.

OUTLOOK:

A Better Experience for A Stronger Workforce

Beyond the collaboration fostered through work and training, we aim to further strengthen team camaraderie by encouraging greater participation in initiatives such as sports events and other team-building activities. These efforts are designed to create meaningful and lasting experiences that cultivate a strong sense of connection and inclusion across the organization.



Powering Governance



At San Miguel Global Power, governance plays a crucial role in steering us toward a sustainable future. It is the foundation for ethical conduct and innovation, inspiring the entire organization to move forward together. Our leaders are key to advancing our sustainability goals—especially our net-zero ambition—by driving progress and drawing on expert guidance in shaping our strategies and actions.

7

CAPITALS:



SDGS:



IFRS S1 & S2

SHORT-TERM GOAL (2030)

Implement robust corporate policies addressing relevant ESG topics

MEDIUM-TERM GOAL (2040)

Achieve full transparency across the supply chain, ensuring that all suppliers adhere to ethical standards and practices

LONG-TERM GOAL (2050)

All internal and external stakeholders uphold sustainability practices throughout the supply chain

Implement an integrated governance framework that embeds sustainability, ethics, and risk management.

The Company is working towards implementing policies covering areas such as governance, ethics, employee welfare, diversity, compliance, and supply chain standards. These policies guide the Company in operating with integrity, accountability, and social responsibility. We remain committed to further enhance our oversight of our supply chain to ensure that all stakeholders continue to uphold responsible practices and meet relevant ethical, environmental, and regulatory standards.

Leadership for Sustainability

Driving the organization toward a more sustainable future requires proactive leadership that upholds our values. To support this, we established our own Sustainability Committee at the Board level to lead our actions in achieving our goals.

While the Sustainability Committee defines the Company's overall sustainability direction, our dedicated Sustainability Management Team collaborates with internal subject matter experts and external consultants to ensure that our targets remain relevant, data-driven, and aligned with evolving standards and expectations.

The planning and execution of our sustainability initiatives are also guided by our newly appointed Sustainability Technical Advisors. Their expertise strengthens our technical data monitoring and sustainability reporting. By dedicating resources to the accuracy and integrity of our sustainability data and disclosures, we reinforce our commitment to transparency and accountability.

Ensuring Ethics

GRI 2-27

Embedding sustainability across our organization includes upholding ethical practices in every aspect of our operations. To ensure that the Company is managed with good ethics at its core, we have a designated Ethics and Compliance Officer, under our Legal Department, who oversees the proper implementation of our governance strategies and ensures their alignment with our ESG Roadmap. Our Ethics and Compliance Officer upholds ethical integrity and ensures strict compliance with all applicable laws and regulations.

A More Robust Risk Management

Given the critical role electricity plays in energizing the economy, an effective risk management program helps ensure the prevention of interruptions throughout our processes. We are updating our Business Continuity

Management System (BCMS) to enhance the risk detection and assessment capabilities of our operations. This update aligns with ISO 22301:2019 and complies with regulatory requirements on business resiliency.

These BCMS updates are being implemented across all our power plants as part of an initiative led by San Miguel Corporation. Each power plant has formed its own core team to assess site-specific systems and potential risks. These teams are working to secure BCMS certification and establish more robust risk mitigation strategies.

Our commitment to reliable service extends beyond the BCMS. We also adopt frameworks such as Enterprise Risk Management, Crisis Management, and Vulnerability and Risk Assessment to further reinforce our capabilities in managing and responding to potential risks. As climate-related disruptions become more pressing, we initiated a Climate Risk Assessment to identify and mitigate climate-related risks to our operations. A more detailed description of this initiative is outlined in the Risk Management section of this report.

Procuring from Responsible Suppliers

GRI 3-3, 203-2, 204-1

To advance the sustainability of our supply chain, we deliberately partner with suppliers whose values and practices align with international standards. While we source most of our raw materials and automation systems from suppliers outside the local market due to limited availability, we engage those who demonstrate a strong commitment to environmental stewardship and social responsibility.

All potential suppliers go through a rigorous screening process before transacting with our Company. They must first undergo internal evaluation through SMC's Vendor Portal and secure a third-party accreditation. For suppliers who have not been engaged by any business unit under our parent company, the SMC Corporate Procurement Group conducts an additional layer of review. Upon completion of these steps, our Supplier Management Team initiates the process of obtaining trade references.

We also conduct regular monitoring of our suppliers to ensure ongoing compliance with environmental regulations, labor standards, and occupational health and safety requirements. A supplier's environmental footprint is a critical consideration in our assessment of partnership continuity.

Moving forward, we plan to further enhance transparency across our supply chain to ensure that our partners share our commitment to sustainability and ethical business practices.

Percentage of local vs. foreign procurement spending

	2022	2023	2024
% Foreign	52%	63%	77%
% Local	48%	37%	23%

Note: Excluding Capital expenses, plus other operational items and power purchases.



OUTLOOK:

Upholding Sustainability and Ethics

Continuous learning and communication about ESG matters are central to our governance strategies. To keep our organization informed about emerging trends and developments in sustainable development, we are rolling out Sustainability Awareness and Ethics 101 sessions to further encourage the adoption of responsible practices across all levels. In line with this, we will also be integrating ESG goals and targets into employees' key performance indicators (KPIs) to strengthen accountability and alignment with our ESG Roadmap.

We also aim to keep both our internal and external stakeholders updated with more transparent and comprehensive sustainability disclosures. To support this, we are developing a customized data reporting software that will enhance our data collection and analysis, as well as automate our reports using pre-built templates.

In addition, our future ESG reports will include Scope 3 emissions, as we begin to monitor and measure them to provide a more comprehensive disclosure of our emissions. These insights will help us identify opportunities to scale up our decarbonization efforts across our value chain.

The results from our Climate Risk Assessment will also guide and validate our plans for decarbonization. By deepening our understanding of climate-related risks, we aim not only to strengthen our business resilience but also to contribute to the protection of communities that may be affected by potential climate impacts.



Feature Story

Sustainability Commitment from the Workforce

Our employees are an integral part of our efforts to achieve sustainable development. Thus, we aim to deepen their understanding of sustainability and embed it into our shared values and company culture. To encourage our workforce to be more involved, we held our first Sustainability Month Celebration, themed "Sustainability Matters: Greener Pathways," in September 2024.

One of our key initiatives was a month-long BINGO Challenge designed to educate employees across all sites about the 17 UN SDGs. The challenge focused on themes aligned with our operations, such as energy efficiency, sustainable consumption, social responsibility, waste reduction, and water conservation.

Employees also gained valuable insights from our ESG video series and SMC's "Sustainable San Miguel: Expo and Forum," held from October 28 to 29, 2024. These activities were designed to cultivate enthusiasm for our sustainability agenda and to encourage employees to integrate sustainable practices into their daily lives.

To further reinforce employees' commitments, we set up a Sustainability Pledge Wall at our Division Office, where employees shared their affirmations. We also introduced an Interactive Carbon Footprint Calculator (ICFC) to help them monitor their personal carbon footprint and promote more environment-friendly practices.

SMGP's first Sustainability Month in 2024 highlighted the value of collective effort in achieving sustainable development. It inspired our employees to play an active role in advancing our ESG Roadmap as they apply sustainable practices to their daily activities.



SMC's Collective Celebration for Sustainability

San Miguel Global Power, along with other SMC business units, joined in the conglomerate's celebration of Sustainability Week in October 2024. The two-day event engaged employees in harnessing their creativity while deepening their understanding of fundamental principles and collaborative efforts in sustainability.

The event kicked off with Sustainability Runway, where upcycled clothing produced by Better World Smokey Mountain members and Project Pearls was showcased. Participants also gained insight into operationalizing sustainability through interactive activities at the Sustainability Expo. This was further reinforced by two key sessions—Sustainability Fundamentals and the Master Class Forum—which deepened the participants' knowledge of strategic sustainability objectives.

Our Governance

At San Miguel Global Power, good governance goes beyond promoting ethical practices and adherence to relevant laws and regulations. We also integrate sustainability into our corporate governance, therefore upholding equality, safety, and human rights across our office and plant sites. Aside from safeguarding our people and business, our leadership is also mindful of our environmental responsibility.



Company Policies and Programs

GRI 2-15, 2-16, 2-23, 2-26, 3-3, 205-2



Beyond abiding by legal requirements, San Miguel Global Power implements company policies and programs founded on our value of *Malasakit*, along with ensuring ethics and integrity throughout our organization's activities.

Board Diversity

The Board Diversity Policy of San Miguel Global Power guides the consideration of inclusivity and diversity at the executive level. This is achieved by maintaining a diverse demographic of directors that includes, but is not limited to, gender, age, ethnicity, religion, culture, sexual orientation, skills, backgrounds, competencies, knowledge, experience, and tenure.

Diversity and inclusion are also considered in the nomination and election process for directors, taking into account professional performance and objective criteria relevant to the position. During this process, competent and qualified nominee directors should not be discriminated against based on their gender, sexual orientation, age, physical disability, religion, cultural and educational background, or ethnicity.

Furthermore, shareholders are provided information on nominees, including their gender, age, ethnicity, educational background, professional and business experience, skill sets, and length of service, to enable them to consider diversity in the selection of members of the Board for optimal decision-making. The Board is gender-diversified, with four male members and three female members.

Reference: Board Diversity Policy

Whistle Blower Protection

The Whistle-Blowing Policy sets out procedures for parties to communicate what they have observed to be potential issues or violations regarding the Company's and our subsidiaries' accounting, internal accounting controls, or auditing matters to our Audit and Risk Oversight Committee and other matters unrelated to the aforementioned through our conventional reporting channels. Such communication is kept confidential.

Whistleblowers, whether directors, officers, employees, or other interested parties, are protected by our Non-Retaliation Policy. San Miguel Global Power does not tolerate any form of retaliation against parties who raise concerns and report possible legal or ethical violations in good faith, as outlined in the Whistle Blowing Policy.

We continue to uphold our Whistle-Blowing Policy to ensure that business is conducted with the highest standards of fairness, transparency, accountability, and ethics.

Reference: Whistle-Blowing Policy

Conflict of Interest

The Conflict of Interest Policy stated in the Company's Code of Conduct and Ethics requires both the Company's officers and employees to avoid conflicts of interest and conduct business in a fair manner. Conflicts of interest are those influences that may affect one's decision-making in Company matters and may compromise one's exclusive commitment to the Company.

The policy includes refusing undue personal favors and gifts that may be construed as bribery, engaging in activities that are consistent with the responsibilities of the individual's role and not detrimental to the Company's interests, utilizing Company resources solely for Company purposes, and seeking clearance from Management prior to engaging in outside work.

To promote fairness, employees receive Full Business Interest Disclosure forms to disclose details that may influence their performance or decisions, or be misinterpreted as a conflict of interest.

Through San Miguel Global Power's Conflict of Interest Policy, we identify and resolve possible conflicts of interest between the Company and its internal stakeholders to protect our business and legal obligations.

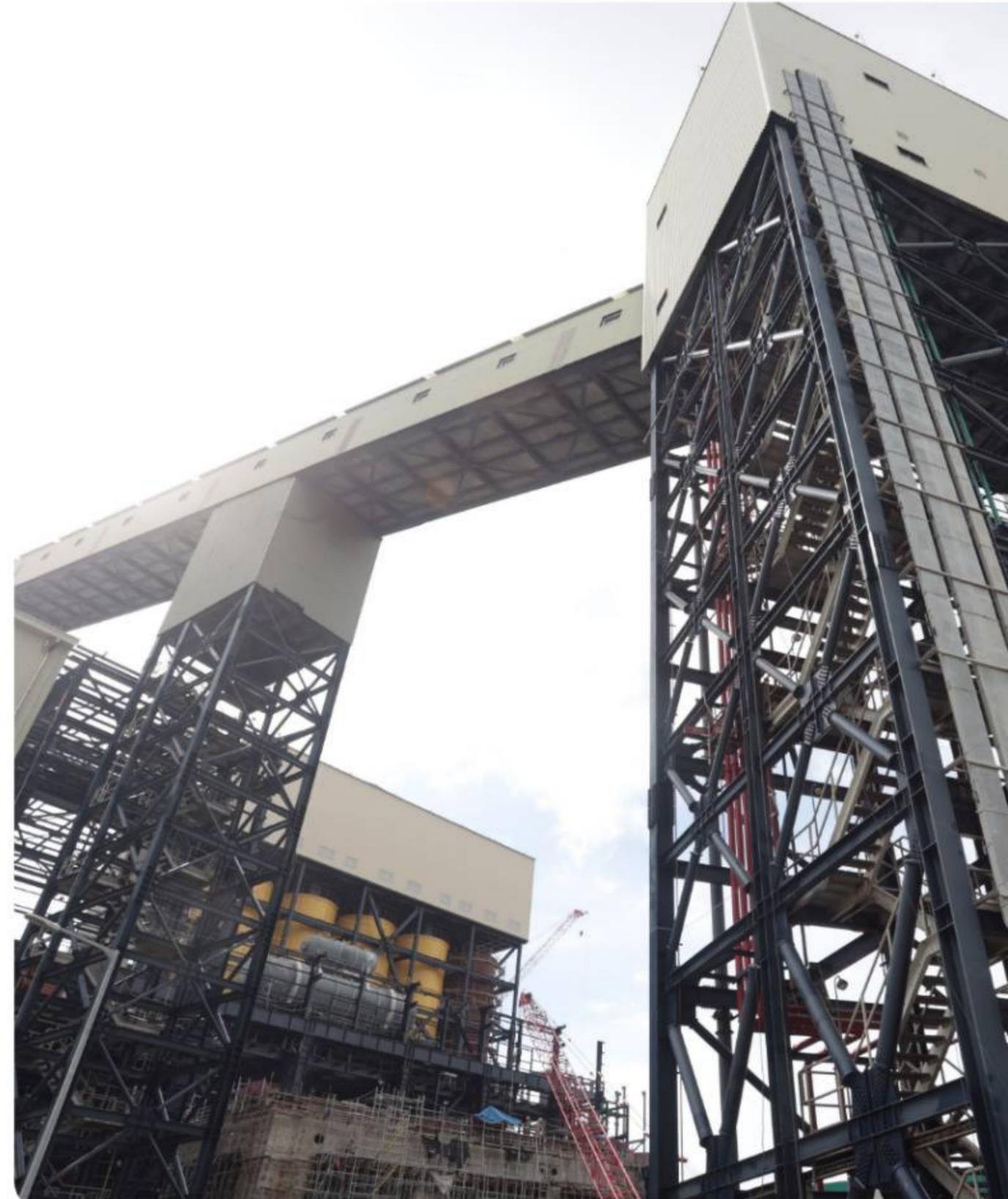
Reference: Policy on Conflict of Interest

Code of Conduct and Ethical Business Policy

The Code of Conduct and Ethical Business Policy of the Group outlines the standards of ethical and business conduct that is expected of Company members. The policy identifies stakeholders, such as employees, customers, suppliers, and partners, and provides guidance on managing relationships and transactions with respective stakeholder groups. The policy also describes our commitment to excellence and care for the environment, which ultimately influences business, health, safety, and environmental practices.

San Miguel Global Power's Code of Conduct and Ethical Business, on the other hand, is aligned with the Group's policy, further expounding on the standards of conduct and values that our employees are expected to uphold. This includes values such as teamwork, accountability, customer focus, integrity, and social responsibility.

Reference: Policy on Code of Conduct and Ethical Business





Anti-Corruption and Sanction Compliance

The avoidance of corruption in all jurisdictions where the Group conducts business is stated in the Group’s Code of Conduct and Ethical Business Policy. Such is achieved by observing applicable laws, regulations, and policies pertaining to anti-bribery and corruption and prohibiting both direct and indirect bribery, improper payments, or money laundering, as stated in San Miguel Global Power’s “No Gift” Policy.

Beyond policies, San Miguel Global Power also carries out regular internal and external audits as a means of financial control. Transactions are likewise kept transparent with the Management and are subject to their approval.

The Company has no reported corruption incidents or allegations from 2023 to 2024.

Reference: Anti-Corruption and Sanctions Compliance Policy

Related Party Transactions

As part of our pursuit of business ethics, San Miguel Global Power’s Related Party Transactions Policy and Policy on Material Related Party Transactions provide guidelines on transactions between the Company and related parties such as subsidiaries, shareholders, directors, and officers.

For transactions involving shareholders and subsidiaries, these should be made at normal market prices and terms to uphold the interests of the Company and our other stakeholders. For transactions with directors, officers, and affiliates, the contract should first be approved by at least a majority of the Board of Directors.

Reference: Policy on Related Party Transactions

Health, Safety and Welfare, and Training

San Miguel Global Power’s Employee Manual outlines policies on upholding employee well-being and development. The Company’s programs focus on disease prevention and occupational health and safety to support employee well-being. The holistic approach to employee well-being also involves encouraging a healthy lifestyle through regular wellness initiatives integrated into various employee engagement activities, as well as providing individuals and employees with safeguards against harassment at the workplace.

Reference: Policy on Health, Safety and Welfare, and Training

Dealings in Securities

To protect San Miguel Global Power’s interests and resources, the Company’s Policy on Dealings in Securities sets out provisions governing the conduct of individuals, such as directors, officers, and employees, who engage in dealings involving Company securities. This includes disclosure requirements as laid out in the Securities Regulation Code.

Reference: Policy on Dealings in Securities

Diversity, Equity, and Inclusion

San Miguel Global Power fosters a welcoming environment for a diverse workforce, wherein their distinctiveness is accepted and respected. Every employee should receive equal access to opportunities as well as fair and impartial treatment. This policy urges all levels of our workforce to feel a sense of belonging in the organization, regardless of their differences.

Reference: Diversity, Equity, and Inclusion Policy

Anti-Sexual Harassment

San Miguel Global Power values respect and safety in the workplace, as demonstrated by our Anti-Sexual Harassment Policy. In support of Republic Act No. 7877, the Anti-Sexual Harassment Act of 1995, and Republic Act No. 11313, the Safe Spaces Act, the Company follows guidelines and procedures to properly handle and investigate sexual harassment cases. Our workplace maintains a zero-tolerance policy for all forms of sexual harassment.

Reference: Anti-Sexual Harassment Policy

Child and Forced Labor

The Company upholds and protects employees’ rights and maintains a strong stance against any form of exploitation across all our business operations. Moreover, we do not engage in child labor, except as permitted by law under internships or apprenticeship programs. We also do not coerce individuals into accepting employment terms and fully uphold their right to end their employment in accordance with the Company’s prescribed notice procedures.

Data Privacy

Safeguarding data is critical for the Company’s stability and strengthening stakeholder trust. Hence, we are always compliant with laws and regulations concerning data privacy and security. We also follow our Privacy Policy, which requires procedures to be strictly followed in data collection, ensuring that data is not retained longer than required and/or proportionate to the purposes for which the data was collected. Our Data Protection Officer ensures that the organization abides by these regulations.

Reference: Privacy Policy

Supplier Code of Conduct

Our suppliers must maintain ethical business practices in their operations, such as upholding fair trade practices, anti-bribery, anti-fraud, avoiding conflicts of interest, and complying with other supplier policies and agreements of the Company. We also require our suppliers to uphold responsibilities related to employee safety and data privacy. Likewise, the Company ensures that sourcing practices are conducted responsibly, with careful consideration of their environmental impact.

Reference: Supplier Code of Conduct



Creating Value Through Governance

GRI 2-23, 2-24, 205-2



Capital/Stakeholders	Related Strategy in ESG Roadmap	Key Performance Aspects	Point of Reference
Financial Capital	<ul style="list-style-type: none"> Implement an integrated governance framework that embeds sustainability, ethics, and risk management 	Internal controls and internal audits to govern monetized resource allocation and utilization	Audit Committee; ongoing preparation for Enterprise Risk Management
Customers	<ul style="list-style-type: none"> Invest in social capital development that is anchored on ESG principles through targeted programs focused on health, education, livelihood, and environmental protection Implement an integrated governance framework that embeds sustainability, ethics, and risk management 	Ethical marketing	Preparation year for renewal of ISO 9001: 2015 Quality Management Systems
		Customer health and safety	Preparation year for renewal of ISO 9001: 2015 Quality Management Systems
		Customer privacy	Preparation year for renewal of ISO 9001: 2015 Quality Management Systems
Employees	<ul style="list-style-type: none"> Promote diversity, continuous employee development, and a safe and healthy work environment Foster culture formation and employee experience Implement an integrated governance framework that embeds sustainability, ethics, and risk management 	Employee safety	Preparation year for the renewal of ISO 45001: Occupational Health and Safety Management Systems; Preparation year for the renewal of ISO 9001: 2015 Quality Management Systems; Health and Safety Policy
		Employee rights	Code of Conduct and Ethical Business Policy; Policy on Data Privacy
		Equal opportunities	Diversity, Equity, and Inclusion Policy; Board Diversity Policy
		Reducing gender inequality	Diversity, Equity, and Inclusion Policy
		Compliance with legislation and regulations relating to employees	Code of Conduct and Ethical Business Policy; Policy on Code of Conduct and Ethics
Suppliers and Business Partners	<ul style="list-style-type: none"> Invest in social capital development that is anchored on ESG principles through targeted programs focused on health, education, livelihood, and environmental protection Implement an integrated governance framework that embeds sustainability, ethics, and risk management 	Compliance with the requirements of ethical practices; Honor agreements with suppliers and partners	Supplier Code of Conduct; San Miguel Group Procurement Cycle General Policies and Guidelines
Environment	<ul style="list-style-type: none"> Expand renewable energy portfolio and invest in carbon-neutral innovations to reduce emissions across operations and the supply chain, while supporting international climate agreements Utilize the resources responsibly to promote a circular economy Protect biodiversity that provides and sustains ecosystem services 	Water Management, Waste Management, Materials Usage, Emissions	Preparation year for renewal of ISO 14001: Environmental Management Systems; Environment Policy; DENR Policies; GHG Protocol: Corporate Accounting and Reporting Standard
Government and Regulators	<ul style="list-style-type: none"> Implement an integrated governance framework that embeds sustainability, ethics, and risk management 	Anti-corruption	Anti-corruption and Sanctions Compliance Policy; Code of Conduct and Ethical Business Policy; Policy on Code of Conduct and Ethics
		Responsible corporate behavior	Code of Conduct and Ethical Business Policy; Policy on Code of Conduct and Ethics
		Meeting legal and regulatory requirements regarding the environment	Code of Conduct and Ethical Business Policy; Policy on Code of Conduct and Ethics; Environmental Management System
		Meeting regulatory standards with regard to products and services	Preparation year for renewal of ISO 14001: 2015 accredited Environmental Management Systems
Intellectual Capital	<ul style="list-style-type: none"> Implement an integrated governance framework that embeds sustainability, ethics, and risk management 	Risk identification, evaluation, and management	Audit Committee; Internal Controls; Internal and External Audits; ongoing preparation for enterprise risk management GRI G4 Guidelines; Integrated Annual Corporate Governance Report

Corporate Governance Practices

GRI 2-10, 2-17, 2-26



Fair Compensation

Top Management approves salary increases and compensation based on objective performance evaluation criteria while considering business affordability.

Culture of Care and Ethics

Leadership is selected based on evaluating competency and core values alignment, leading by example, and cultivating a culture of compassion and performance excellence. The Management also supports ethical conduct, anti-corruption, and whistleblower protection.

Diversity and Inclusivity

The Board conducts a self-assessment in accordance with our Board Diversity Policy to measure performance and identify strengths, weaknesses, behavior, perspective, and character that significantly impact Board effectiveness.

Innovation

The Board and Management's collective knowledge keeps the Company updated on emerging industry technologies—especially those related to renewable energy—which we further through partnerships, acquisitions, and other business ventures.

Stakeholder Touchpoints

Executives hold regular meetings with key stakeholders to determine the Company's annual direction and priority items that consider stakeholders' concerns. Concerned parties may also report possible misconduct in accordance with our Whistle-Blowing Policy.



The Team

GRI 2-9, 2-12, 2-13



Board of Directors

San Miguel Global Power’s Board of Directors is responsible for the overall management and supervision of the Company. As the Company’s highest governing body, the Board’s powers and responsibilities are set forth in our Board Charter.

Board Committees

The Board has established the following committees, whose duties and functions are provided for in the Amended Manual on Corporate Governance. According to the Amended By-laws, the Board of Directors has the power to create, by a resolution passed by a majority of all members of the Board, an Executive Committee of three members, all of whom shall be directors of the Corporation.

Executive Committee

The Executive Committee exercises the Board’s powers in managing San Miguel Global Power’s business and affairs when the Board is not in session, with the exception of powers that are specifically limited by law or by the Board.

Audit and Risk Oversight Committee

The Audit and Risk Oversight Committee provides oversight over financial reporting, internal control systems, internal and external audit processes, compliance with applicable laws and regulations, and San Miguel Global Power’s ERM system.

Related Party Transaction Committee

The Related Party Transaction Committee reviews all material related party transactions (RPTs) of the Corporation.

Corporate Governance Committee

The Corporate Governance Committee assists the Board in the conduct of corporate governance throughout the Company.

Sustainability Committee

The Sustainability Committee works with the Sustainability Steering Council and Sustainability Management Team to review the Company’s ESG roadmap, including the policies, strategies, and initiatives. The committee also provides insight and guidance while ensuring compliance with relevant laws.



Board Level Oversight Role

GRI 2-9, 2-11



Ramon S. Ang



John Paul L. Ang



Aurora T. Calderon



Virgilio S. Jacinto



Jack G. Arroyo, Jr.



Consuelo M. Ynares-Santiago



Josefina Guevara-Salonga

Ramon S. Ang

DIRECTOR AND CHAIRMAN

Ramon S. Ang has been Chairman of the Board and Chief Executive Officer since 2010, President and Chief Operating Officer since 2017, and Chairman of the Executive Committee since 2011. He currently holds directorships in other domestic and international companies such as AHC; Mariveles Power Generation Corporation; Top Frontier Investment Holdings, Inc.; Petron Corporation; Ginebra San Miguel Inc.; San Miguel Brewery Hong Kong; Petron Malaysia Refining & Marketing Bhd; Eagle Cement Corporation; San Miguel Food and Beverage, Inc.; San Miguel Brewery, Inc.; San Miguel Foods, Inc.; San Miguel Yamamura Packaging Corporation; Sea Refinery Corporation; Clariden Holdings, Inc.; Anchor Insurance Brokerage Corporation; Philippine Diamond Hotel & Resort, Inc.; San Miguel Northern Cement, Inc.; Northern Cement Corporation; San Miguel Properties, Inc.; San Miguel Holdings Corp.; San Miguel Equity Investments Inc.; San Miguel Aerocity Inc.; SMC Asia Car Distributors Corp.; Master Year Limited; and Privado Holdings, Corp. He has a Bachelor of Science degree in Mechanical Engineering from Far Eastern University.

John Paul L. Ang

DIRECTOR AND VICE CHAIRMAN

John Paul L. Ang has been Director and Vice Chairman of the Board since 2021. He currently holds directorships in Eagle Cement Corporation; Southwestern Cement Corporation; Top Frontier Investment Holdings, Inc.; San Miguel Corporation; Petron Corporation; San Miguel Food and Beverage; and KB Space Holdings, Inc. He has a Bachelor of Arts degree in Interdisciplinary Studies from the Ateneo de Manila University.

Aurora T. Calderon

DIRECTOR

Aurora T. Calderon has been a Director since 2010 and a member of the Executive Committee since 2011. She currently holds directorships in several subsidiaries of San Miguel Global Power; Top Frontier Investment Holdings, Inc.; San Miguel Food and Beverage, Inc.; Ginebra San Miguel, Inc.; Petron Corporation; Petron Malaysia Refining & Marketing Bhd; Petron Marketing Corporation; Petron Freeport Corporation; New Ventures Realty Corporation; Las Lucas Construction and Development Corporation; Thai San Miguel Liquor Company Limited; San Miguel Equity Investments Inc.; SMC Asia Car Distributors Corp.; San Miguel Yamamura Packaging Corp.; and San Miguel Aerocity Inc. She graduated magna cum laude with a degree in BS Business Administration, major in Accountancy, from the University of the East.

Virgilio S. Jacinto

DIRECTOR

Virgilio S. Jacinto has been a Director since 2011. He currently holds directorships at Petron Corporation and various domestic and international subsidiaries and affiliates of San Miguel Corporation. He holds a law degree from the University of the Philippines, where he graduated cum laude and was the class salutatorian. He also has a Master of Laws degree from Harvard Law School.

Jack G. Arroyo, Jr.

INDEPENDENT DIRECTOR

Jack G. Arroyo, Jr. has been an Independent Director since 2011. He currently holds directorships at Philippine Healthcare Educators, Inc. and Philippine Health Insurance Corporation. He holds a Doctor of Medicine degree from the University of the Philippines College of Medicine.

Consuelo M. Ynares-Santiago

INDEPENDENT DIRECTOR

Consuelo M. Ynares-Santiago has been an Independent Director since 2011. She currently holds directorships at Top Frontier Investment Holdings, Inc.; SMC SLEX Inc.; Anchor Insurance Brokerage Corporation; and Phoenix Petroleum Phil. Inc. She graduated from the University of the Philippines College of Law and was a former Associate Justice of the Supreme Court of the Philippines.

Josefina Guevara-Salonga

INDEPENDENT DIRECTOR

Josefina Guevara-Salonga has been an Independent Director since 2017. She obtained her law degree from the University of the Philippines and was a former Associate Justice of the Court of Appeals of the Philippines.

Sustainability Steering Council

GRI 2-9



Elenita D. Go
GENERAL MANAGER

Paul Bernard D. Causon
VICE PRESIDENT AND CHIEF FINANCE OFFICER

Kim de Leon-Morgan
HEAD OF CORPORATE AFFAIRS AND CHIEF SUSTAINABILITY OFFICER

Ramon U. Agay Jr.
ASSISTANT VICE PRESIDENT AND COMPTROLLER
(COMPTROLLERSHIP, TREASURY, TAX & INSURANCE,
AND INFORMATION SYSTEMS AND TECHNOLOGY)

Danilo T. Tolarba
ASSISTANT VICE PRESIDENT AND
HUMAN RESOURCES GROUP MANAGER
(HR, CASM, DATA PRIVACY, AND SECURITY)

Robert G. Balderas
TECHNICAL PLANT OPERATIONS MANAGER
(TECHNICAL OPERATIONS)

Julie Ann B. Domino-Pablo
ASSISTANT VICE PRESIDENT AND GENERAL COUNSEL
(LEGAL)

Jeciel B. Campos
ASSISTANT VICE PRESIDENT AND SALES & MARKETING MANAGER
(SALES & MARKETING - DU)

Gonzalo B. Julian, Jr.
ASSISTANT VICE PRESIDENT, SALES AND MARKETING
MANAGER-RES, AND HEAD OF THE BATTERY BUSINESS
(SALES & MARKETING - RES AND BESS)

Jose Ferlino P. Raymundo
ASSISTANT VICE PRESIDENT AND ENERGY SOURCING
& TRADING MANAGER
(ENERGY SOURCING & TRADING)

Melvin G. Rabanes
BILLING AND SETTLEMENT HEAD
(BILLING & SETTLEMENT)

Alberto B. Reyes III
UTILITY ECONOMICS MANAGER
(UTILITY ECONOMICS)

Warren G. Belvis
REGULATORY AND COMPLIANCE MANAGER
(REGULATORY COMPLIANCE)

Reynaldo S. Matillano
INTERNAL AUDIT MANAGER
(INTERNAL AUDIT)

Rene R. Mendoza
PROJECT DIRECTOR/SUSTAINABILITY TECHNICAL ADVISOR
(POWER EXPANSION)

Rolando R. Evangelista
DEPUTY GENERAL MANAGER/SUSTAINABILITY TECHNICAL ADVISOR
(PLANT OPERATIONS)

Nelson M. Makalintal
BUSINESS PROCUREMENT MANAGER
(PROCUREMENT)

Emmanuel C. Tayson
ILIJAN POWER PLANT

Joel D. Ysip
LIMAY POWER PLANT

Vasco Teofilo R. Saldaña
MALITA POWER PLANT

Mathias R. Mancira
MARIVELES POWER PLANT

Roland R. Cabasa
MASINLOC POWER PLANT

Dong Hyung Kang
ANGAT POWER PLANT



Barangay Pinagrealan, Candelaria, Zambales

External Assurance Statement

GRI 2-5



Certificate No: C830156

INDEPENDENT VERIFICATION STATEMENT

Introduction

DNV AS Philippine Branch ("DNV") has been commissioned by the management of San Miguel Global Power Holdings Corporation ("SMGP" or "the Company", Securities and Exchange Commission Identification Number: C5200801099) to carry out a verification of its Greenhouse Gases ("GHGs") emissions comprising of Scope 1 and 2 for the period (Calendar Year, CY) 1st January 2023 to 31st December 2023 and 1st January 2024 to 31st December 2024, as part of its Carbon Disclosure Project ("CDP") response.

DNV has carried out the verification engagement in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV's VeriSustain™ Protocol has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV's VeriSustain™ protocol, the DNV team has also followed ISO 14064-3 - Specification with guidance for the verification and validation of greenhouse gas statements; to evaluate indicators wrt Greenhouse gases disclosures.

We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced but not reduced completely.

Our responsibility in performing this work is to the management of SMGP only and in accordance with the terms of reference agreed with the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. The verification engagement is based on the assumption that the data and information provided to us is complete, sufficient, true, and free from misstatements. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this verification statement. The verification was carried out during the period April 2025 to October 2025.

Scope, Boundary and Limitations of Verification

The agreed scope of work included a limited level of verification of the reported data of GHG emissions (Scope 1 and Scope 2 as stated below) for the reporting period 1st January 2023 to 31st December 2023 and 1st January 2024 to 31st December 2024 in accordance with the requirements of GHG Protocol of WBCSD:

Scope 1 emissions arising from:

- a. Stationary combustion from Sub Bituminous Coal and Natural Gas consumption in the boilers owned or operated by SMGP.
- b. Process emissions from Flue gas desulfurization (limestone-based).
- c. Stationary combustion from Fuel (Diesel) consumption in the generator set owned or operated by SMGP.
- d. Mobile combustion from Fuel (Diesel and Gasoline) consumption in vehicles owned by SMGP.
- e. Fugitive emissions from SF6 leaks.
- f. Fugitive emissions from Refrigerant leaks (HFC-32, R-410A, R407-C).

The Scope 2 emissions arising from use of purchased grid electricity.

The organisational boundary as set out by SMGP covers the 6 power generation sites (Linsay Power Plant, Malita Power Plant, Masinloc Power Plant, Ilijan Power Plant, Mariveles Power Plant, Angat Hydroelectric Power Plant) and 13 Battery Energy Storage System (BESS) sites in Philippines, where SMGP has operational control. During the process of verification, we did not come across any limitations to the agreed scope of work.

Verification Methodology

During the verification engagement, we adopted a risk-based approach, and we verified the GHG emissions disclosed in the Integrated Report and assessed the robustness of the underlying data management system, information flow, and controls. We have carried out the following activities:

- Desk review of SMGP's reported emissions provided to us in spreadsheets to select sample sites for on-site verification.
- Management interaction to review data management systems of SMGP including review of data completeness, emission factors used, assumptions applied, fuel consumption in generator sets owned or operated by SMGP and, fuel consumption in owned/leased vehicles, and refrigerant usage for its operations.
- On site verification at SMGP (Division Office in Pasig city metro manila and Malita Power Plant in Davao) for data aggregation systems and related evidence related to Scope 1 and Scope 2 emissions; and
- Review of feedback from SMGP on reported observations arising from of-site verification.



Certificate No: C830156

Conclusion

SMGP is responsible for the preparation of the Scope 1 and 2 GHG emissions in accordance with the principles set out in the WRI/WBCSD GHG Protocol:2004. Based on the works described above, nothing has come to our attention that would cause us to believe that the GHG emissions claimed by SMGP as below are not fairly stated.

Verified CY 2023 and CY 2024 Emissions

Scope	Source	Tonnes of CO ₂ e Emission (tCO ₂ e)	
		2023	2024
Scope 1	a. Stationary combustion from Sub Bituminous Coal and Natural Gas consumption in the boilers owned or operated by SMGP.	12,183,876.27	15,724,298.51
	b. Process emissions from Flue gas desulfurization (limestone-based).		
	c. Stationary combustion from Fuel (Diesel) consumption in the generator set owned or operated by SMGP.		
	d. Mobile combustion from Fuel (Diesel and Gasoline) consumption in vehicles owned by SMGP.		
	e. Fugitive emissions from SF6 leaks.		
	f. Fugitive emissions from Refrigerant leaks (HFC-32, R-410A, R407-C).		
Scope 2	Purchased electricity (Location Based)	30,172.10	69,887.63
	Purchased electricity (Market Based)	30,172.10	69,887.63

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - Conformity Assessment - General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct during the verification engagement and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals.

DNV was not involved in the preparation of any statement or datum included in the Report except for this Verification Statement and Assurance Statement on Integrated Report 2023-2024.

Purpose and Restriction on Distribution and Use

This verification statement, including our conclusion has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work or this report.

For DNV AS Philippine Branch,

 Gangwar, Vishal Digitally signed by Gangwar, Vishal Date: 2025.11.17 13:41:47 +08'00'	 Sharma, Anjana Digitally signed by Sharma, Anjana Date: 2025.11.17 11:50:25 +05'30'
Vishal Gangwar Lead Verifier, Sustainability Services Justine Repalam (Verifier) 17/Nov/2025	Anjana Sharma Technical Reviewer, Sustainability Services



Certificate No: C830155

INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV AS Philippine Branch ("DNV"), has been commissioned by San Miguel Global Power Holdings Corporation ("SMGP" or "the Company", Securities and Exchange Commission Identification Number: CS200801099) to undertake an independent assurance of the Company's non-financial ESG disclosures in its Integrated Report covering the calendar year 2023 and 2024 (hereafter referred as "Report").

Reporting Criteria

The disclosures have been prepared by SMGP:

- with reference to requirements of Global Reporting Initiative (GRI) sustainability reporting standards 2021
- Integrated Reporting (<IR>) framework of the International Integrated Reporting Council (IIRC)
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

Assurance Methodology/ Standard

DNV has carried out assurance engagement in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV's VeriSustain™ Protocol has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV's VeriSustain™ protocol, DNV team has also followed ISO 14064-3 - Specification with guidance for the verification and validation of greenhouse gas statements; to evaluate indicators wrt Greenhouse gases.

We have not performed any work, and do not express any conclusion, or any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

Responsibilities of the Management of SMGP and of the Assurance Provider

The Management of SMGP has the sole responsibility for the preparation of the Report and is responsible for all information disclosed in the Report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and, ensuring the quality and consistency of the information presented in the Report. SMGP is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on their website.

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

Scope, Boundary and Limitations

The agreed scope of work included a limited level of assurance of the information on non-financial performance which were disclosed in the Report prepared by SMGP based on GRI Topic-specific Standards for the identified material topics for the activities undertaken by the Company during the reporting period 01/01/2023 to 31/12/2024. The reported topic boundaries of non-financial performance are based on the internal and external materiality assessment covering Company's operations as brought out in the sections 'About the Report' section of the report.

Boundary of the assessment covers the performance of SMGP operations in the Philippines that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of assurance covers SMGP's sites in the Philippines namely Argas: Hydropower Corporation- Limay Power Inc.- Malita Power Inc. - Mariveles Power Generation Corporation- Masinloc Power Co. Ltd. - SMGP BESS Power Inc. - SMGP Kabankalan Power Co. Ltd. - South Premiere Power Corp. (Ilijan Power Plant)- San Miguel Global Power Holdings Corp. (Division Office).

Inherent Limitation(s):

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and is free from material misstatements. The assurance scope has the following limitations:



Page 2 of 6

- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data or performance of the company. DNV does not take any responsibility for the financial disclosures reported in the Integrated report of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related links expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Assurance process

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of SMGP. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

Limited Level of Assurance
Reviewed the disclosures in the report. Our focus included general disclosures, management processes, material ESG disclosures and any other key metrics specified as per stated reporting criteria.
Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in the Report.
Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.
Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed with overall responsibility of monitoring, data collation and reporting the selected indicators.
DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
Reviewed the process of reporting as defined in the reporting criteria.

Conclusion

On the basis of the Limited level of assessment undertaken, nothing has come to our attention to suggest that the disclosures are not fairly stated and are not prepared, in all material aspects, in reference with the reporting criteria. Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain™:

Materiality

The process of determining the issues that are most relevant to an organization and its stakeholders.



Page 3 of 6

The Report explains the materiality assessment process carried out by the Company which has considered concerns of internal and external stakeholders, and input from peers and the industry, as well as issues of relevance in terms of impact on SMGP's business. The list of topics has been prioritized, reviewed and validated by the company. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.

Stakeholder inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability. The Report brings out the stakeholders who have been identified as significant to SMGP, as well as the modes of engagement established by the Company to interact with these stakeholder groups. The key topics of concern and needs of each stakeholder group which have been identified through these channels of engagement are further brought out in the Report. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

Responsiveness

The extent to which an organization responds to stakeholder issues. The Report adequately brings out the Company's policies, strategies, management systems and governance mechanisms in place to respond to topics identified as material and significant concerns of key stakeholder groups. Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.

Reliability/Accuracy

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems. The Report brings out the systems and processes that the Company has set in place to capture and report its performance related to identified material topics across its reporting boundary. The majority of information mapped with data verified through our assessments with SMGP's management teams and process owners at the sampled site within the boundary of the Report were found to be fairly accurate and reliable. Some of the data inaccuracies identified in the report during the verification process were found to be attributable to transcription, interpretation, and aggregation errors. These data inaccuracies have been communicated for correction, and the related disclosures were reviewed post correction. Nothing has come to our attention to believe that the Report does not meet the principle of Reliability.

Completeness

How much of all the information that has been identified as material to the organization and its stakeholders is reported? The Report brings out the Company's performance, strategies and approaches related to the environmental, social and governance issues that it has identified as material for its operational locations coming under the boundary of the report, for the chosen reporting period while applying and considering the requirements of Principle of Completeness. Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

Neutrality

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone. The Report brings out the disclosures related to SMGP's performance during the reporting period in a neutral tone in terms of content and presentation, while considering the overall macroeconomic and industry environment. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Sustainability context

The presentation of the organisation's performance in the wider context of sustainability. The Report demonstrates that SMGP monitors and evaluates its impacts across local, regional, and global sustainability contexts. It reflects the Company's efforts to align performance with broader societal priorities and planetary boundaries through systematic assessment of significant direct and indirect impacts across its operations, value chain, and key stakeholders.



Page 4 of 6

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Sustainability Context.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - Conformity assessment - General principles are requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement for internal use of SMGP.

Purpose and Restriction on Distribution and Use

This assurance statement, including our conclusion has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of the Company for our work or this report.

For DNV AS Philippine Branch,

<p>Gangwar, Vishal</p> <p>Digitally signed by Gangwar, Vishal Date: 2025.11.17 13:41:12 +08'00'</p>	<p>Sharma, Anjana</p> <p>Digitally signed by Sharma, Anjana Date: 2025.11.17 11:49:59 -05'30'</p>
<p>Vishal Gangwar Lead Verifier, Sustainability Services</p>	<p>Anjana Sharma Assurance Reviewer, Sustainability Services</p>
<p>Justine Rapalam (Verifier)</p>	

17/Nov/2025

DNV AS Philippine Branch is part of DNV, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

¹ DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>



Page 5 of 6

Annex I

Verified disclosures

GRI Standard	Disclosure
201	201-1 Direct economic value generated and distributed
203	203-1 Infrastructure investments and services supported
	203-2 Significant indirect economic impacts
204	204-1 Proportion of spending on local suppliers
205	205-1 Operations assessed for risks related to corruption
	205-2 Communication and training about anti-corruption policies and procedures
	205-3 Confirmed incidents of corruption and actions taken
206	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices
301	301-1 Materials used by weight or volume
	301-2 Recycled input materials used
302	302-1 Energy consumption within the organization
	302-2 Energy consumption outside of the organization
	302-3 Energy intensity
	302-4 Reduction of energy consumption
303	303-1 Interactions with water as a shared resource
	303-2 Management of water discharge-related impacts
	303-3 Water withdrawal
	303-4 Water discharge
	303-5 Water consumption
304	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas
	304-2 Significant impacts of activities, products and services on biodiversity
	304-3 Habitats protected or restored
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations
305	305-1 Direct (Scope 1) GHG emissions
	305-2 Energy indirect (Scope 2) GHG emissions
	305-4 GHG emissions intensity
	305-5 Reduction of GHG emissions
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions
306	306-1 Waste generation and significant waste-related impacts
	306-2 Management of significant waste-related impacts
	306-3 Waste generated
	306-4 Waste diverted from disposal
	306-5 Waste directed to disposal
401	401-1 New employee hires and employee turnover
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
	401-3 Parental leave
403	403-1 Occupational health and safety management system
	403-2 Hazard identification, risk assessment, and incident investigation
	403-3 Occupational health services
	403-4 Worker participation, consultation, and communication on occupational health and safety
	403-5 Worker training on occupational health and safety
	403-6 Promotion of worker health
404	404-1 Average hours of training per year per employee
	404-2 Programs for upgrading employee skills and transition assistance programs
405	405-1 Diversity of governance bodies and employees
406	406-1 Incidents of discrimination and corrective actions taken
411	411-1 Incidents of violations involving rights of indigenous peoples
413	413-1 Operations with local community engagement, impact assessments, and development programs
	413-2 Operations with significant actual and potential negative impacts on local communities



Page 6 of 6

Annex II

Sites selected for On-site audits

S.no	Site	Location
1.	Division Office	5th Floor, C3 Office Building Complex, #100 E. Rodriguez Jr. Ave., C3 Road, Bo. Ugong, Pasig City 1604, Metro Manila
2.	Malita Power Plant	Davao-Sarangani Coastal Rd, 8012 Malita, Davao Del Sur, Philippines

GRI Content Index



Statement of use

San Miguel Global Power has reported the information cited in this GRI content index for the period January 1, 2023 to December 31, 2024 with reference to the GRI Standards.

GRI 1 used

GRI 1: Foundation 2021

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION/DIRECT ANSWER
GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021	2-1 Organizational details	San Miguel Global Power Holdings Corp. 40 San Miguel Avenue, Wack-Wack Greenhills 1550, City of Mandaluyong, Second District, National Capital Region, Philippines
	2-2 Entities included in the organization’s sustainability reporting	1
	2-3 Reporting period, frequency and contact point	1, Back cover
	2-4 Restatements of information	37, 41, 43
	2-5 External assurance	68-71
	2-6 Activities, value chain and other business relationships	8-9, 12-19
	2-7 Employees	53
	2-8 Workers who are not employees	SMGP does not currently track non-employee workers in its workforce dataset. SMGP is working to strengthen its contractor and service provider monitoring processes and aims to report relevant data in future disclosures.
	2-9 Governance structure and composition	65-67
	2-10 Nomination and selection of the highest governance body	64
	2-11 Chair of the highest governance body	66
	2-12 Role of the highest governance body in overseeing the management of impacts	23, 65
	2-13 Delegation of responsibility for managing impacts	23, 65
	2-14 Role of the highest governance body in sustainability reporting	23
	2-15 Conflicts of interest	61
	2-16 Communication of critical concerns	61
	2-17 Collective knowledge of the highest governance body	64
	2-18 Evaluation of the performance of the highest governance body	See our 2024 Annual Corporate Governance Report .
	2-19 Remuneration policies	See our 2024 Annual Corporate Governance Report .
	2-20 Process to determine remuneration	See our 2024 Annual Corporate Governance Report .
	2-21 Annual total compensation ratio	See our 2024 Annual Corporate Governance Report .

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION/DIRECT ANSWER
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	4-7
	2-23 Policy commitments	61-63
	2-24 Embedding policy commitments	63
	2-25 Processes to remediate negative impacts	27-33
	2-26 Mechanisms for seeking advice and raising concerns	25, 61, 64
	2-27 Compliance with laws and regulations	43, 57
	2-28 Membership associations	76
	2-29 Approach to stakeholder engagement	25
	2-30 Collective bargaining agreements	While SMGP does not have collective bargaining agreements in place, the company provides employees with accessible platforms to raise concerns and share feedback on policies and other relevant issues.
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	26
	3-2 List of material topics	26
	3-3 Management of material topics	6-7, 27-28, 33, 36-38, 40-54, 56, 58, 61-62
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	10
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	52
	203-2 Significant indirect economic impacts	52, 58
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	58
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	SMGP has not conducted any assessment of corruption-related risks to date.
	205-2 Communication and training about anti-corruption policies and procedures	62-63
	205-3 Confirmed incidents of corruption and actions taken	No incidents of corruption were reported during the reporting period.
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No instances of anti-competitive behavior, anti-trust, or monopoly practices were filed against SMGP or its subsidiaries during the reporting period.
GRI 301: Materials 2016	301-1 Materials used by weight or volume	43
	301-2 Recycled input materials used	43
GRI 302: Energy 2016	302-1 Energy consumption within the organization	37
	302-2 Energy consumption outside of the organization	37

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION/DIRECT ANSWER
GRI 302: Energy 2016	302-3 Energy intensity	37
	302-4 Reduction of energy consumption	37
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	40-41
	303-2 Management of water discharge-related impacts	40-41
	303-3 Water withdrawal	41
	303-4 Water discharge	41
	303-5 Water consumption	41
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	44
	304-2 Significant impacts of activities, products and services on biodiversity	45-47
	304-3 Habitats protected or restored	44
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	44
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	38
	305-2 Energy indirect (Scope 2) GHG emissions	38
	305-3 Other indirect (Scope 3) GHG emissions	Data for other indirect (Scope 3) GHG emissions is currently unavailable. SMGP does not yet track Scope 3 emissions but intends to enhance its GHG inventory to include relevant indirect emissions in future reports.
	305-4 GHG emissions intensity	38
	305-5 Reduction of GHG emissions	39
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	38
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	42
	306-2 Management of significant waste-related impacts	42
	306-3 Waste generated	42
	306-4 Waste diverted from disposal	42
	306-5 Waste directed to disposal	42
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	SMGP considers environmental compliance but does not yet track supplier screening. The company is developing criteria and tracking systems for future reporting.

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION/DIRECT ANSWER
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	SMGP did not identify any supplier-related environmental incidents during the reporting period. The company is working to establish a more comprehensive supplier assessment framework for future reporting.
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	56
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	56
	401-3 Parental leave	56
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	54
	403-2 Hazard identification, risk assessment, and incident investigation	54
	403-3 Occupational health services	54
	403-4 Worker participation, consultation, and communication on occupational health and safety	54
	403-5 Worker training on occupational health and safety	54
	403-6 Promotion of worker health	54
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	54
	404-2 Programs for upgrading employee skills and transition assistance programs	54
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	53
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No incidents of discrimination were reported during the reporting period.
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	No incidents involving violations of the rights of indigenous peoples were reported during the reporting period.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	49-52
	413-2 Operations with significant actual and potential negative impacts on local communities	49-52
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	SMGP considers social compliance but does not yet track supplier screening. The company is developing criteria and tracking systems for future reporting.
	414-2 Negative social impacts in the supply chain and actions taken	SMGP did not identify any supplier-related social incidents during the reporting period. The company is working to establish a more comprehensive supplier assessment framework for future reporting.

Membership in Associations:

GRI 2-28

- Association of Foundations (AF)
- League of Corporate Foundations (LCF)
- Philippine Independent Power Producers Association (PIPPA)
- Philippine Electricity Market Corporation - Rules Change Committee (PEMC)
- Philippine Electricity Market Board (PEMB)
- Philippine Electricity Market Corporation (as participant in WESM)

Acknowledgments:

Sustainability Consulting, Editorial, and Design by
Drink Sustainability Communications
www.drinkph.com

External Assurance by DNV AS Philippine Branch





**San Miguel
Global Power**

Corporate Affairs and Sustainability Management

corporateaffairs@smgp.sanmiguel.com.ph

(+63) 2 5317 1000

40 San Miguel Avenue, Ortigas Center

Mandaluyong City, Manila 1550 Philippines