

AN EMPOWERED CHOICE

2018 SUSTAINABILITY REPORT

ABOUT THE COVER

What does it mean to make an empowered choice?

For First Gen Corporation (First Gen), it means making the hard decisions in the short term to realize better outcomes in the long term. We believe that we are always one choice away from a better world, one decision away from creating an alternate future for the next generation.

The cover of our 2018 Sustainability Report projects the alternate future we can create for the next generation if we make an empowered choice now. It underscores that the continued dependence of certain industries on coal-fired power plants not only poses exorbitant costs to businesses, it also negatively affects the health and well-being of communities and the environment.

As such, the cover provides readers a stark contrast between a world dependent on coal and a world that has made the empowered choice to shift to clean and renewable energy. More than a cautionary tale, the cover is an invitation—it invites readers to not just make the hard decisions and the empowered choices, but to also realize a better, more sustainable future for the next generation.



ABOUT THE REPORT

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REPORTING FRAMEWORK	GRI Standards
APPROACH TO GRI	In accordance 'Comprehensive'
REPORTING PERIOD	January 1 to December 31, 2018
REPORTING CYCLE	Annual

An Empowered Choice is the fourth Sustainability Report of First Gen Corporation ("First Gen," "the Company"). This report has been prepared in accordance with the GRI Standards: Comprehensive option and the Electric Utilities Sector Disclosures. This framework is consistent with the Sustainability Reporting Guidelines for Publicly Listed Companies approved by the Securities and Exchange Commission (SEC). As a responsible energy provider, First Gen has been reporting on its environmental, social, and governance practices on a yearly basis.

Disclosures in this report include data from the Company's four natural gas power plants in the First Gen Clean Energy Complex (FGCEC) in Batangas City and the mini-hydroelectric power plant in Manolo Fortich, Bukidnon, as well as the First Gen Head Office located in Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City, Philippines. The remainder of First Gen's portfolio, composed of renewable energy power plants under subsidiary Energy Development Corporation (EDC) and the First Gen Hydro Power Corporation (FGHPC), are discussed in EDC's Performance Report.

Data enclosed in this report have been assured for accuracy and completeness by First Gen's Sustainability Technical Working Group (STWG), overseen by First Philippine Holdings Corporation (FPH) and First Gen's Senior Vice President and Chief Risk Officer Renato A. Castillo, and FPH Chief Sustainability Officer Agnes C. de Jesus. The over-all approval of the report is done by our Sustainability Champion and President, Mr. Francis Giles B. Puno.

For any general inquiry or feedback on the Sustainability Report, please contact:

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We have hope that we can still reform our industry, convert peers and customers alike to make the shift to responsible low carbon energy

TRANSITION TOWARD A COAL-FREE FUTURE

The first difficult decision we need to make is to gradually phase out coal, the dominant source of carbon emissions. While countries which signed the Powering Past Coal Alliance such as Finland, France, Sweden and Chile are already phasing out coal and setting clear timelines, Southeast Asia is accelerating coal demand at over five percent per year through 2023, according to the International Energy Agency in its Coal 2018 report. Our region is considered “the last frontier of coal,” as policies have yet to be enforced for a more enabling environment for clean and renewable energy.

However, there is a glimmer of hope amidst the blur of dirty fuel. Thailand, for example, currently runs on 70 percent natural gas. The locals act as a “social fence”—and organize protests whenever there is a coal-fired power plant being announced in their community. In the Philippines, while more coal plants are being built, some areas are proudly coal-free, such as Ilocos Norte, Negros Occidental, Dumaguete in Negros Oriental, and San Juan in La Union. A Pulse Asia survey released in August showed that nine in ten Filipinos preferred an increase in sources of affordable and green energy.

HOPE IN ACTION

We have already made our choice: First Gen was the first local power conglomerate to draw the line against coal. Instead, we are focused in developing clean natural gas power plants at the First Gen Clean Energy Complex (FGCEC) in

PRESIDENT'S MESSAGE

The crisis of global warming and climate change is not going away. If anything, it will just get worse as long as mitigating actions are not taken more seriously with a higher degree of urgency. On our part, we have made a clear choice to champion affordable clean and renewable energy that contributes to carbon emission reduction. Yet there are still too few of us who think and act this way, otherwise emissions would have been under control by now—it is not.

Based on projections made by the Intergovernmental Panel on Climate Change (IPCC), we could see temperatures rise to 1.5 degrees Celsius by 2030. If and when that happens, the extreme weather disturbances we are already experiencing will escalate. Our challenge is to galvanize more people to act on this crisis.

I take heart from the brave proclamations of 15-year-old climate justice advocate Greta Thunberg of Sweden: “Everyone keeps saying that climate change is an existential threat and the most important issue of all, and yet they just carry on like before...If the emissions have to stop, then we must stop the emissions... There are no grey areas when it comes to

survival. Either we go on as a civilization, or we don't. We have to change.” For those of you who are unfamiliar with Greta, she was first featured in news reports in August 2018 when she began to miss school every Friday to stand in front of the Swedish house of parliament to protest against the lack of urgency to address climate change. She has since found support from fellow youths all over the world and been prominently featured in global events like the UN COP24 summit in Poland, the World Economic Forum in Davos, and the European Union Parliament's Strasbourg plenary session to talk about the need to act urgently on this existential crisis. (I highly recommend watching Greta in numerous videos in YouTube. You will be amazed about her clarity in thinking and her frustration with leaders today who are not acting accordingly.)

First Gen's messaging has been consistent throughout our annual and sustainability reports: we have hope that we can still reform our industry, convert peers and customers alike to make the shift to responsible low carbon energy—but we need to intensify our efforts. We have all the facts and the means at our disposal, we need to help others make the empowered choice now.



We enjoin you to continue supporting us in aspiring for a greener, more livable future for all.

FRANCIS GILES B. PUNO
PRESIDENT, FIRST GEN CORPORATION

Batangas. We also operate renewable energy power plants, including geothermal, wind, and solar through Energy Development Corporation (EDC), and hydropower through First Gen Hydro Power Corporation (FG Hydro) and FG Bukidnon Power Corporation (FG Bukidnon).

The market for clean and sustainable energy is growing—and we intend to serve those customers who want to switch away from coal in favor of clean low-carbon power sources. Today, we have partnered with 48 organizations across 11 industries who have made the conscious choice to shift to a low-carbon world.

We view our processes through a sustainability lens. Overall, we keep track of our consumption and strive to be a carbon-neutral company through various green initiatives. These include reducing our carbon intensity, minimizing our landfill waste, and increasing our reforestation efforts. This 2018, we extended our reach by screening our new suppliers using both environmental and social criteria.

Sustainable practices can come in many forms. For example, solar panels at our Administration Building helped the First Gen Clean Energy Complex save in power costs this year, and a shift to LED lighting in our Agusan mini-hydropower plant gained energy savings as well.

STABLE, SECURE, AND CLEAN ENERGY

Assuredly, First Gen can directly respond to the urgent needs of the Filipino people, particularly those who are looking for affordable clean energy. A landmark achievement for the Company in 2018 was contracting 414 MW from San Gabriel by Meralco. Sourcing from San Gabriel has effectively reduced the overall average cost of electricity to Meralco customers; it also means that at least a portion of grid consumers are enjoying clean energy.

EDC, our purely renewables subsidiary, which was recently privatized, has been 90 percent contracted since early 2018. Delisting from the stock market has given EDC more operational flexibility, whereas First Gen is now the sole focus of stock market players who wish to invest in a sustainable power company. EDC has been streamlining its processes to be more efficient, training its people to be even more collaborative and performance-oriented, and bringing down its costs to remain competitive against coal. In 2018, EDC's typhoon-hit geothermal power plants in Leyte

became fully operational in record time, and the completion of its retrofit activities has further strengthened the Company's climate resiliency.

First Gen continuously seeks clean energy solutions. Apart from developing indigenous sources of energy, we are also looking at tapping into global supplies of liquified natural gas (LNG). Last December 2018, we signed the Joint Development Agreement (JDA) with Tokyo Gas Co. Ltd., allotting the latter with a 20 percent participating interest in FGEN LNG Corporation's LNG Terminal project. The supply from the LNG Terminal will be most relevant in the future, as we have two more natural gas-fired power plants in the offing.

IN CONCLUSION,

Championing sustainable energies brings us closer to the low-carbon future that we envision. We offer geothermal as a feasible baseload source of renewable energy, and at the same time variable renewable energies in solar and wind. We also have the advantage of natural gas as a complement to these renewable energies, being flexible enough to generate power at a moment's notice, whether at baseload, mid-merit, and during the peak hours of the day.

We advocate for reforms in the power sector and for the adoption of clean and sustainable energy. This is not just our fight, but the fight of everyone who wishes to maintain a livable planet. It is the fight of the young Ms. Thunberg, who has noted that what we do or don't do right now will affect the lives of the coming generation—and cannot be undone by them.

When the fate of our entire world, and not just our small part of it, hangs in the balance, it has a chilling, sobering effect. One could choose to shrug and doggedly pursue business as usual regardless of the consequences. One could fall to despair or paralysis, overwhelmed at the fact that the situation is only getting worse and that we need to act decisively for the greater good.

To us at First Gen, finding a way for our business to participate in attaining climate justice is the only direction we can, in good conscience, make. We adhere by our Lopez Credo and Values, which underscore social justice through business excellence and a pioneering entrepreneurial spirit. First Gen's motto has never been a passive one—We Care, We Dare. And we'll do it all-hands-on-deck.

2018 SUSTAINABILITY PERFORMANCE HIGHLIGHTS



USD 1.27 billion
(Php 66.4 billion)
Consolidated Revenues from Electricity Sales

USD 248 million
(Php 13.0 billion)
Attributable net income

10.24% increase
(from 11,972.92 GWh in 2017)
Total power generation

2,198 GWh
from 1,417 GWh power generation increase due to San Gabriel plant

92% of procurement budget spent on local suppliers

100% of our operations have been assessed on their risks for bribery and corruption, and have yielded no significant risks thereof



0 spills at our facilities

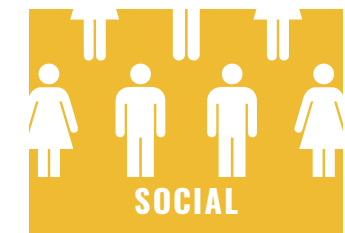
58.72 MWh of electricity utilized by First Gen Clean Energy Complex Administration Building in Batangas produced from solar panels

100% of new suppliers screened using environmental criteria

3% decrease in GHG emissions intensity from 0.38 tons/MWh in 2017

65% reduction in hazardous waste disposed from 133.95 tons in 2017

127 species of birds, bats, marine fishes, and mangroves monitored with habitats in areas affected by operations



100% of all employees covered by an occupational health and safety management system

100% of new suppliers screened using social criteria

100% of operations subjected to human rights reviews

281 training hours devoted to human rights policies and practices relevant to our operations

USD 836,144.94
(Php 43.9 million)
Total Community Investments

595 students provided with school supplies

2,650 families benefited through post-disaster activities

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ABOUT FIRST GEN



First Gen Corporation is the largest independent power producer (IPP) in the Philippines with a diversified portfolio of indigenous, clean and renewable sources of energy—natural gas, geothermal, hydro, wind, and solar. The Company which is majority owned by FPH, one of the listed Filipino conglomerates, was incorporated in December 22, 1998. First Gen has over 20 years of experience in power development and has been listed on the Philippine Stock Exchange since 2006.

First Gen operates a total of 30 power generation plants with a combined power capacity of **3,492 megawatts (MW)**, which accounts for **21.3 percent** of the Philippines' gross energy generation. All of these power plants are majority-owned and controlled by the Company through its subsidiaries: First Gas Power Corporation (FGPC); FGP Corp. (FGP); Prime Meridian Powergen Corporation (PMPC); First NatGas Power Corp. (FNPC); Energy Development Corporation (EDC); FG Bukidnon Power Corporation (FG Bukidnon), via First

Gen Renewables Inc. (FGRI); and First Gen Hydro Power Corporation (FGHPC).

First Gen Energy Solutions, Inc. (FGES), a wholly owned subsidiary of First Gen, markets, supplies, delivers, purchases and sells electricity to contestable customers. FGES also provides value-added initiatives that foster customers' business growth and expansion, support their advocacies and provide information and analytics. With the commencement of the Retail Competition and Open Access (RCOA) on June 23, 2013, FGES' retail electricity supply business started its commercial operations on the same date.

Among First Gen's customers are large industrial clients, electric cooperatives, and public and privately owned distribution utilities. These include the Cagayan Electric Power and Light Company Inc. (CEPALCO), Manila Electric Company (Meralco), National Power Corporation (NPC), National Grid Corporation of the Philippines (NGCP), Wholesale Electricity Spot Market (WESM), and various cooperatives and contestable customers.

“Powering Through Tough Times” achieves a Silver Rank at the Asia Sustainability Reporting Rating 2018

First Gen, together with parent FPH, and subsidiary Energy Development Corp., were recognized in the Asia Sustainability Reporting (ASR 2018) held by the National Center for Sustainability Reporting (NCSR), in collaboration with the Institute of Certified Sustainability Practitioners (ICSP).

First Gen, in particular, was awarded a Silver Rank for the 2017 Sustainability Report, **Powering Through Tough Times**. Chairman Federico R. Lopez indicated that the recognitions validate the extensive efforts that the Lopez companies have been putting into ensuring sustainable operations.

The ASR Rating, previously called the Sustainability Reporting Awards (SRA), is conferred to companies that have successfully communicated their sustainability performance to stakeholders through sustainability reports using the GRI Framework. The event has been held since 2005.

First Gen was nominated for the award by Professor Colin Legarde Hubo, Executive Director of the Center for Social Responsibility of the University of Asia and the Pacific, who provides the Company with technical guidance in the preparation of Sustainability Reports. Participants included companies from the Philippines, Indonesia, Malaysia, Singapore, and Bangladesh.

Other Awards

First Gen Clean Energy Complex was recognized as a partner in the protection of fragile natural resource and for its sustainable practice by the DENR—EMB CALABARZON.

FGP Corp. received the 2018 Corporate Safety and Health Excellence Award from the Safety and Health Association of the Philippine Energy Sector, Inc. (SHAPES) and DOE.

FG Bukidnon obtained a Hall of Fame of the Corporate Safety and Health Excellence Award from SHAPES and DOE.







Certifications

FIRST GEN	FG BUKIDNON CORPORATION	FIRST GAS POWER CORPORATION AND FGP CORP.
<ul style="list-style-type: none"> ISO 9001:2015 	<ul style="list-style-type: none"> ISO 9001:2015 ISO 14001:2015 OHSAS 18001:2007 	<ul style="list-style-type: none"> ISO 9001:2015 ISO 14001:2015 OHSAS 18001:2007

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Partnerships

 Philippine Independent Power Producers Association	 Semiconductor and Electronics Industries in the Philippines, Inc.
 PhilHydro Association, Inc.	 Philippine Business for the Environment
 National Renewable Energy Board	 Philippine Disaster Resilience Foundation

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FIRST GEN AT A GLANCE

COMPANY GROWTH

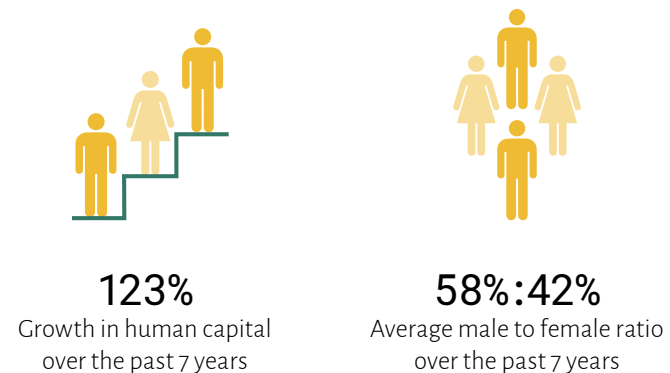


USD **4.5 billion**
(Php 236.1 billion)
TOTAL CAPITALIZATION

USD **1.8 Billion**
(Php 94.5 billion)
NET CONSOLIDATED SALES
up by 16% from 2017



1.21 : 1
MALE TO FEMALE RATIO



POWER GENERATION (INCLUDING EDC AND FGHP)



30
POWER PLANTS

3,492 MW
COMBINED POWER CAPACITY

14.66%
OF THE PHILIPPINES'
TOTAL INSTALLED CAPACITY*

21.30%
OF THE PHILIPPINES'
GROSS ENERGY GENERATION*

*Department of Energy's Power Statistics 2018

Source	Capacity (MW)	Plants	Ownership/Interest	Serves
NATURAL GAS	2,017 MW	4 Plants in the First Gen Clean Energy Complex in Batangas		
Santa Rita (FGPC)	1,000 MW	100% equity interest	serves Meralco in Luzon	
San Lorenzo (FGP)	500 MW	100% equity interest	serves Meralco in Luzon	
San Gabriel (FNPC)	420 MW	100% equity interest	serves Meralco in Luzon	
Avion (PMPC)	97 MW	100% equity interest	serves WESM in Luzon and Visayas	
GEOTHERMAL	1,179 MW	12 plants in Leyte, Negros Oriental, Bicol, and North Cotabato	EDC, 46.6% equity interest	serves NPC, WESM NGCP, various customers in Luzon and Visayas
WIND	150 MW	1 plant in Ilocos Norte	EDC, 46.6% equity interest	serves WESM NGCP, various customers in Luzon and Visayas
HYDRO	134 MW	3 plants in Nueva Ecija and Bukidnon		
Pantabangan-Masiway (FGHPC)	132 MW	67.4% effective interest	serves WESM NGCP, various cooperatives in Luzon and Visayas	
Agusan (FG Bukidnon)	1.6 MW	100% equity interest	serves CEPALCO in Mindanao	
SOLAR	12 MW	10 plants in Ilocos Norte, Iloilo, Leyte, Cebu, and Sorsogon	EDC, 46.6% equity interest	serves WESM, NGCP, various cooperatives in Luzon and Visayas

FIRST GEN'S ENERGY VALUE CHAIN

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To be both forward-looking and future-ready, the Company strikes a balance of energies – natural gas, geothermal, solar, wind, and hydro. First Gen continues to invest in natural gas, which it pioneered in the country, as this platform is both reliable and complementary to the rise of renewables in the grid.

First Gen adopts efficiency measures and pursues eco-friendly activities that protect and improve the natural ecosystems surrounding its operations. First Gen also invests in partner communities so that they may attain self-sufficiency and attainment of holistic human development.

A. Offshore Supply

The natural gas used in First Gen's power plants is sourced from the Malampaya gas field, which is located 80 kilometers west of northern Palawan. With much lower CO₂ emissions compared to other fossil fuels such as coal, natural gas is the cleaner and more eco-conscious choice for energy generation—an ideal fit for the envisioned low-carbon future.

B. Onshore Gas Plant (OGP)

From Malampaya, the extracted natural gas is delivered to an onshore gas plant (OGP) in Tabangao, Batangas City for final filtering. Here, other items are removed from the delivered natural gas, until the gas is purified to the proper quality for the power plants.

C. Delivery to the Power Plants

The natural gas then makes its way through an approximately nine-kilometer underground pipeline to reach the First Gen Clean Energy Complex and the four wholly-owned natural gas-fired power plants therein.

D. Power Generation

Natural gas serves as the power plants' primary fuel to spin turbines and produce electricity. The 1000-MW Santa Rita and 500-MW San Lorenzo power plants generate baseload power, operating reliably even after nearly 20 years. In 2016, First Gen inaugurated two new plants. The 420-MW San Gabriel power plant flexibly caters to either baseload or mid-merit market requirements, and was recognized as the most efficient natural gas plant in Southeast Asia. The 97-MW Avion power

plant is also flexible enough to cater to the mid-merit or peaking requirements of the market, pioneering the use of aircraft-based ("aeroderivative") engines for land-based power plants, which allows it to provide energy when most needed.

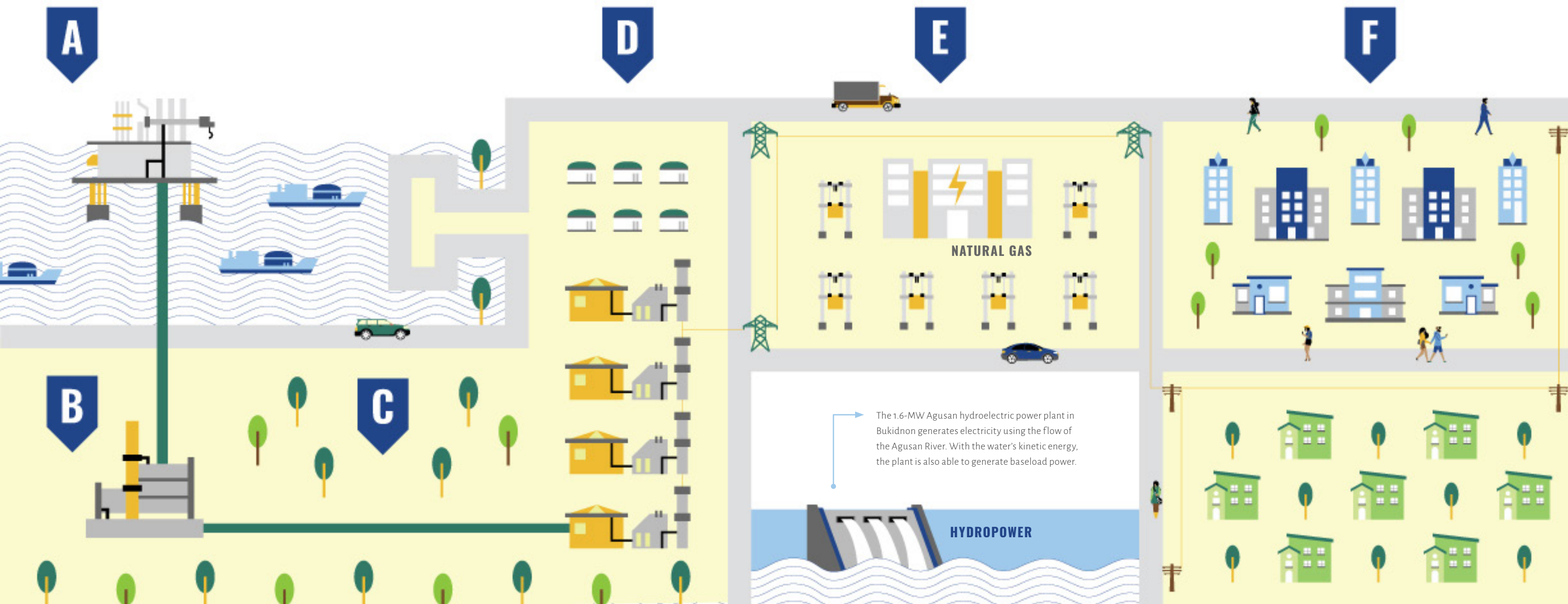
Onsite tank and fuel jetty. The Sta. Rita, San Lorenzo and Avion power plants have dual-firing capability (i.e., able to use both natural gas and liquid fuel), which reduces power generation disruptions in the event of a natural gas supply interruption. For Santa Rita and San Lorenzo, liquid fuel is delivered by sea vessels and received through the fuel jetty located in Batangas Bay. For Avion, liquid fuel is delivered via trucks/lorries.

E. Powering the Philippines

Natural gas, geothermal, hydro, wind, and solar power are all part of the clean and green energy portfolio of First Gen. The Company provides 21.3 percent of the Philippines' gross energy generation, with electricity primarily sold to energy distributors Manila Electric Company (Meralco) and National Power Corporation (NPC), Cagayan Electric and Power Company (CEPALCO), electric cooperatives, privately-owned distribution utilities, large industrial clients, and the Wholesale Electricity Spot Market (WESM).

F. Ensuring Inclusivity

First Gen develops programs that fulfill a triple bottom line and engenders systemic value. The surrounding environment is nurtured and protected so that it can support a thriving society, which in turn will help the business prosper.



FIRST GEN'S SUSTAINABILITY PRINCIPLES, STRATEGY, AND ROADMAP

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VISION

First Gen desires to enhance its position as the leading world-class Filipino energy company; aims to deliver cost-effective and reliable energy services to customers; and will rise to the challenges of world-class competition.

MISSION

First Gen's mission is to be the preferred provider of energy services, to be the preferred employer, to be the preferred investment, and to be the preferred partner in nation-building and community development.

For a more comprehensive discussion of our mission/vision statements, please visit our website: <http://www.firstgen.com.ph/ourcompany/mission-vision-statement>.

VALUES

In its service to the Filipino people, First Gen is guided by the following distinct Lopez values:

- A Pioneering Entrepreneurial Spirit
- Business Excellence
- Unity
- Nationalism
- Social Justice
- Integrity
- Employee Welfare and Wellness

It is by living according to these values that a company can be built to last.

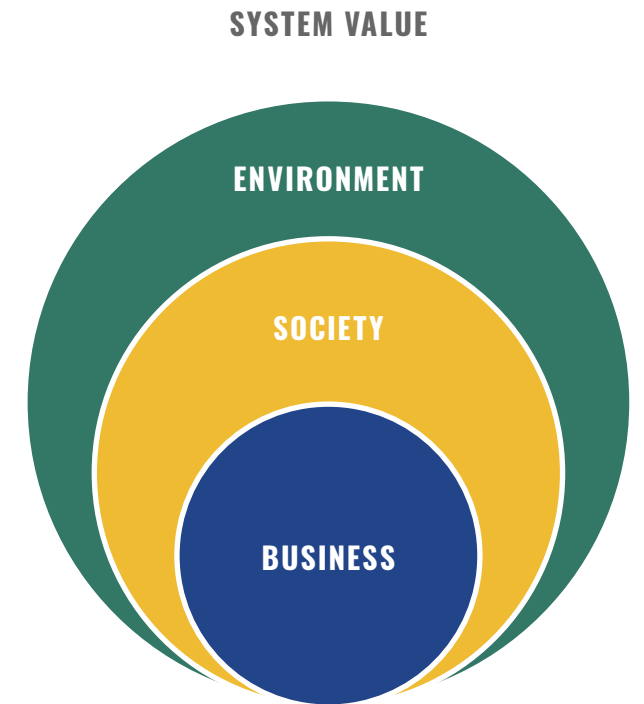
THE FPH GROUP SUSTAINABILITY STRATEGY: A GUIDE TO FIRST GEN'S SUSTAINABILITY PRACTICES

In support of FPH's mission to develop infrastructure that will help uplift the lives of Filipinos and to give them a better world, we have been steadfast in our sustainability strategy across the FPH businesses. In summary, we preserve nature so we can protect our businesses, and in doing so, the healthful environment we create, and our stable operation, continue to positively impact the lives of our host communities and the country. This is the "system value strategy" that we disclosed last year, which guides us through our sustainability process. The system value approach espouses the interconnectivity of nature, people, and business, and helps address the following global conditions affecting businesses today, such as: a.) disrupted Earth with degrading natural processes upon which man and businesses depend on (e.g., water, clean air, materials, etc.); b.) communities with increasingly unmet needs due to increasing inequality; c.) hidden costs of business due to short-term perspectives that tend to discourage solutions to systemic problems.

FPH AND FIRST GEN SUSTAINABILITY ROADMAP

The sustainability journey of FPH is divided into three stages (preparation of the organization, future proofing and value creation). Embracing sustainability as a business process aims at the behavioral transformation of the organization, beginning with the employee who is the smallest unit of change. In the past four years (2015-2018), FPH has undertaken the basic diagnostics and capacity building activities to prepare it to capture the benefits of a mature sustainable organization in the future.

First Gen's sustainability journey is anchored to FPH's corporate sustainability policy and supports the overall sustainability plans and strategy of FPH.



2015-2016		2017		2018	
FPH	FIRST GEN	FPH	FIRST GEN	FPH	FIRST GEN
Benchmarking	Crafted the First Gen Corporate Social Responsibility Policy	Employee Embedding	Employee embedding and continued capacity building	Formulation of environmental and social safeguards policies	Participation in crafting the policies
Baseline Profiling		Continue Capacity Building		Sustainability database development	Review of database operability
Gap Analysis	Development of the Sustainability TWG Charter	Carbon Reduction Targets	Setting of carbon reduction targets	Pinning down the Sustainable Development Goals relevant to FPH's business sectors	Contribution to 17 SDGs
Sustainability Policy	Baseline profiling and capacity building		Installation/implementation of carbon reduction programs		
Pilot Study	Stakeholder engagement and selection of indicators			Advocacy for climate action	Partnership with organizations aspiring for 100% RE
Selection of indicators		Standard Protocols	Continued CSR programs and projects		
Capacity Building		Sustainability Monitoring		Continued capacity building and employee embedding	Participation in the program
Sustainability Report	Adopted the FPH Corporate Sustainability Policy	Sustainability Report		Sustainability scorecard	

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STAKEHOLDER ENGAGEMENT AND MATERIALITY

First Gen values the inputs and feedback from our stakeholders, thus we make sure to provide necessary information and implement our channels of engagement (CE) with them.



TOP MANAGEMENT
CE: Executive Committee meetings, ManCom meetings and Board of Directors meetings



EMPLOYEES
CE: Annual general assemblies, regular meetings, surveys, bi-annual performance evaluation



CUSTOMERS
CE: Satisfaction surveys, and regular meetings



SUPPLIERS
CE: Meetings and updates



SHAREHOLDERS, INVESTORS AND LENDERS
CE: Local and international investor roadshows, Board of Directors meeting, investor relations, press releases, company website



LOCAL GOVERNMENT AND REGULATORS
CE: Periodic surveys and meetings



LOCAL COMMUNITIES
CE: Multi-Partite Monitoring engagements, community consultations



Stakeholder engagement in Pasig

For the purposes of fair, accurate, and balanced sustainability reporting, the business heads and Sustainability Technical Working Group selected the stakeholders who will participate in the engagement based on their vulnerability to the effects of the Company's activities and on their ability to influence First Gen's environmental, social, and governance performance. Consultations were held with keystakeholders through surveys and focus group discussions (FGDs) facilitated by the University of Asia and the Pacific Center for Social Responsibility. The stakeholders answered questionnaires based on the GRI standards on economic, environmental, and social topics. The survey results, including the concerns raised by the stakeholders during the FGDs, were assessed and helped identify the GRI topics material to First Gen's business operations. The dialogue included representatives from our Head Office and power plants in Batangas and Bukidnon, regulators, shareholders, customers, and community members.

Out of the 33 topics, 28 were gauged as material topics with mean scores ranging from 2.5 to 4. In addition, most of the indicators under the Electric Utilities Sector Disclosures were considered material to our business operations. The following topics were identified as material to First Gen:

ECONOMIC	ENVIRONMENTAL	SOCIAL
Economic Performance	Effluents and Waste	Training and Education
Indirect Economic Impacts	Water	Local Communities
Anti-corruption	Biodiversity	Socioeconomic Compliance
Market Presence	Emissions	Labor/Management Relations
Anti-competitive Behavior	Environmental Compliance	Occupational Health and Safety
Procurement Practices	Supplier Environmental Assessment	Security Practices
	Energy	Customer Privacy
	Materials	Non-discrimination
		Employment
		Human Rights Assessment
		Customer Health and Safety
		Supplier Social Assessment
		Diversity and Equal Opportunity
		Child Labor



Stakeholder engagement in Bukidnon



Stakeholder engagement in Batangas

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CORPORATE GOVERNANCE

Good corporate citizenship is part of our commitment to running a responsible and sustainable business. The Board and its employees are expected to perform their duties with utmost honesty and integrity, and according to the best interests of the Company and its stakeholders.

First Gen abides by its Manual on Corporate Governance, Code of Business Conduct, and Ethics and Company Code on Employee Discipline supplemented by several policies:

Conflict of Interest	Quality Policy	Gender Equality and Diversity
Insider Trading	Environment, Safety and Health	Enterprise Risk Management
Related Party Transactions	Corporate Social Responsibility	Cultural Heritage and Indigenous Peoples
Anti-Bribery and Anti-Corruption	Contracting Policy	Human Rights
Whistleblower Policy	Anti-sexual Harassment	Responsible Asset Protection

For our organizational structure, visit www.firstgen.com.ph/our-company/organizational-chart

MANAGING RISKS AND OPTIMIZING OPPORTUNITIES

Using the Enterprise Risk Management (ERM) System, First Gen recognizes the risks ahead such as the new laws and regulations associated with its business operations; sourcing of fuel for its natural gas-fired plants at the end of the Gas Supply Purchase Agreement with Malampaya; geophysical hazards; and the changing consumer behavior. The Risk Management Group headed by the SVP and Chief Risk Officer facilitates the risk assessment and reviews, and monitoring of actions to address the risks. The ERM System creates value by:

- supporting strategic decisions by analyzing threats and opportunities in the form of market, economic, political, legal, technological, environmental and societal factors;
- optimizing capital efficiency by identifying high value investments, matching them with cost-effective sources of funds, and exploring hedging opportunities;
- protecting stakeholder value by establishing systems and processes that strengthen the reliability, sustainability, and resiliency of our operations;
- building investor confidence by discussing and reporting major risks and recommended treatment options with the Board of Directors, Management, and key stakeholders; and
- developing a “risk-aware” organization by nurturing a culture of continuous improvement fostered by risk management processes, tools and techniques.

The concerned groups or the business units manage the risks and report the progress of risk management to the Senior Management Risk Review Committee (SMRRC) and Board Risk Oversight Committee (BROC). First Gen commits not only to comply with the applicable laws and regulations on power generation, power plant operations, occupational health and safety, environment, and labor management but also to ensure that the risks are dealt within the area of operations and the communities.

The FGES, being the marketing arm of the Company, together with the business units, ensure that existing contract requirements with the customers are met and sustained.

The Company, through its business development groups, continues to seek and explore potentials of constructing its own liquefied natural gas (LNG) terminal as part of its business continuity management.

Risk assessment for FG Bukidnon in August 2018



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ECONOMIC PERFORMANCE:

POWERING INDUSTRY WITH CLEAN ENERGY

PERFORMANCE HIGHLIGHTS:

USD 178.40 million

(Php 9.36 billion) of generated income paid to stakeholders (shareholders, government, employees)

13,199.27 GWh

Net energy output

7,935,052.52 tCO₂e emissions avoided

in lieu of coal by our natural gas power plants

Operations personnel at work in Avion power plant



The Company's goals are to meet target returns on investments, as well as annual budget targets, and to maintain sufficient cash at all times to fulfill the Company's obligations in a timely manner.

First Gen regularly monitors investment returns on its projects, as well as its average cost of capital, on an annual basis. Projects being developed are evaluated based on their project and equity Internal Rate of Return and Net Present Value, among other factors. First Gen is also actively contracting its capacity with customers to increase the stability of its earnings.

We have also implemented a deleveraging program to lower debt levels and improve cost of capital. Likewise, First Gen considers partnerships with reputable parties to enhance value. For instance, EDC has partnered with Macquarie Infrastructure and Real Assets (MIRA), which contributes its expertise and global network to strengthen the business. Lastly, First Gen has partnered with Tokyo Gas for the development of the LNG Terminal.

The Finance department prepares financial models, performs capital budgeting analyses, and conducts stress testing/scenario analysis to understand, calculate, and predict the possible outcomes of its investment decisions and resource allocation.

DIRECT VALUE GENERATED, DISTRIBUTED, AND RETAINED

As a publicly listed company, our dividend policy is to declare, subject to certain conditions, an annual cash dividend on common shares equivalent to 30 percent of the prior year's recurring net income. Any such declaration of the cash dividend is conditional upon the recommendation of the Board of Directors. It is also subject to the preferential dividend rights of the Company's Voting Preferred Shares.

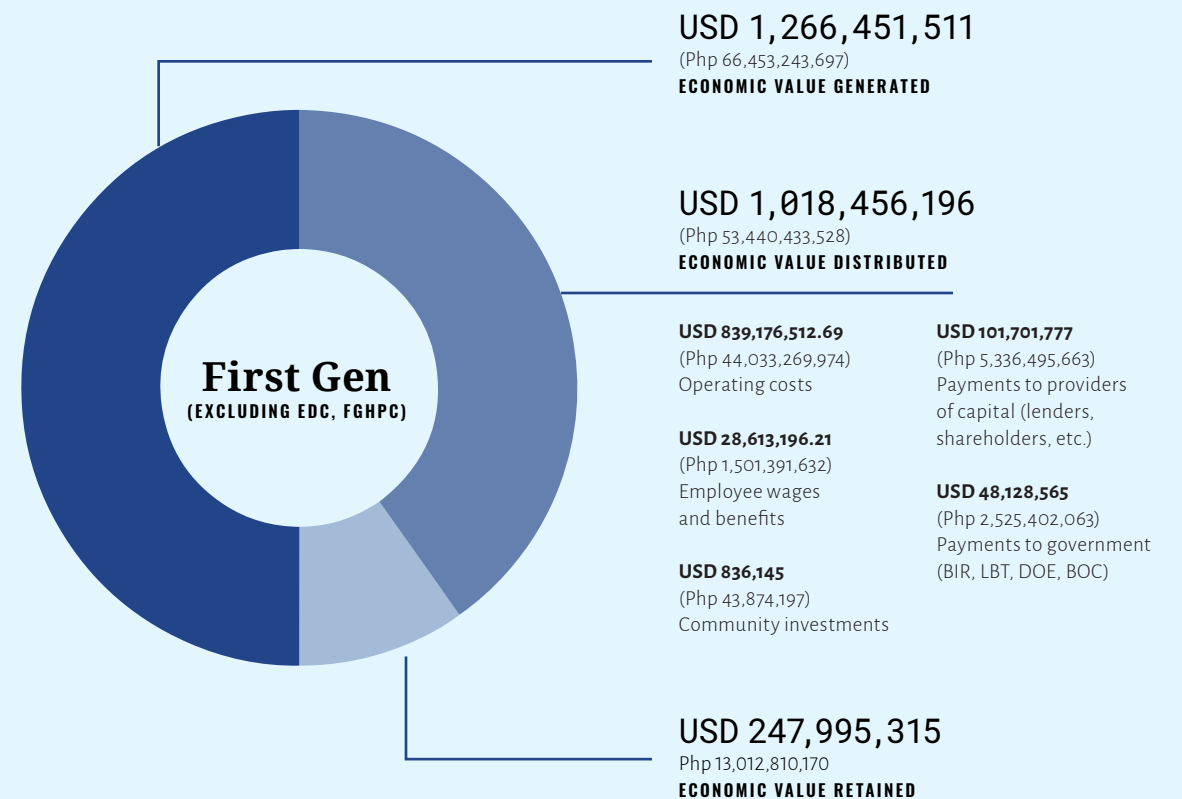
Beyond the gains provided to shareholders, First Gen also responsibly accounts for redistribution of income for salaries and wages of our employees, and the taxes and duties owed to government. Moreover, the Company is very much involved in community building, with a significant portion of its generated income allotted to social investments through its corporate social responsibility programs.

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TAX RELIEF

USD 1,997.54

(Php 104,814.92)

TAX RELIEF RECEIVED IN 2018

USD 1,142.30

(Php 59,938.77)

DUE TO FNPC

USD 855.24

(Php 44,876.15)

FROM FGP CORP.

COMPETITIVE AND ETHICAL BUSINESS CONDUCT

First Gen complies with the Philippine Competition Act (Republic Act 10667), and the Electric Power Industry Reform Act (EPIRA). We do not engage in anti-competitive behavior, nor do we abuse our dominant position as a pioneering company in the natural gas and renewables market. As such, we only participate in competitive bids to ensure arms-length transactions. We also ensure that our employees and third-party representatives follow our Code of Conduct and do not engage in unethical behavior.

Our Power Marketing and Legal and Regulatory Departments ensure our compliance with government regulations, as well as monitor relevant laws and guidelines. They take an active part in defending the Company's rights and business interests during the proposition of new laws and policies, or any adjustments to the same.

In 2018, there were no legal actions taken against First Gen for anti-competitive behavior, antitrust, and monopoly practices.

ABC-CHECK

Zero

confirmed incidents of bribery and corruption

Anti-bribery and corruption (ABC) policies have been communicated to

100%

of Board of Directors, Senior Management, and employees

100%

of our operations assessed on their individual and collective risks for bribery and corruption

We adhere to our Policy on Anti-Bribery and Corruption by upholding the principles of honesty, integrity, and transparency in conducting business. As a result, First Gen enjoys a solid reputation with business partners, service providers, customers, and government agencies.

Part of the Risk Management process is the assessment of operational and project risks based on general risk classifications which include political, regulatory, and social risks. Under these classifications, the probability and impact of perceived and/or actual attempts for corruption are identified, analyzed, and mitigated.

All of our business units have been assessed with regard to risk of bribery or corruption particularly involving dealings with public officials (political risk) and potential conflict of interest or preferential treatment of specific communities and vendors (social risk).

PLANT PERFORMANCE

	FGPC	FGP	FNPC	PMPC	FG Bukidnon
Plant Availability (%)	96.4	97.5	90.5	88.9	95.5
Generation Efficiency (%)	50.16	50.70	59.06	33.75	81.98
Power Outage Frequency (No. of events)	46	27	89	52	28
Power Outage Duration (No. of hours)	1,354.42	1,052.37	2,205.22	980.84	523.28

RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE

Recognizing that climate change has a disruptive effect on economic and socio-cultural systems, and not just ecosystems, First Gen identifies enterprise risks and strategizes on how to take advantage of potential opportunities and mitigate possible adverse impacts. Such assessments stem from our risk management culture, which trains members of our organization to become more "risk-aware" and to effectively manage uncertainties.

Climate-related risks include but are not limited to regulatory changes and country commitments that may directly or indirectly affect the energy sector; physical risks such as increased vulnerability to geohazards and typhoons; and reputational risks for carbon-based generators, including users of natural gas—although it is the cleanest fossil fuel. Remedies to these risks, respectively, include First Gen's continued advocacy for an optimal energy mix inclusive of natural gas and

renewable energy (RE); technology upgrades and other measures to build upon resiliencies and fine-tune contingency plans in the event of disaster or emergency; and continued dialogue and education with stakeholders.

Conversely, among the evident opportunities that surfaced from First Gen's risk/opportunities assessment is that natural gas generation can become even more competitive against coal-based generation, given the growing anti-coal sentiment and the international commitments to lower carbon emissions. In the Philippines, this has manifested in the increased tax on coal under the Tax Reform for Acceleration and Inclusion (TRAIN) Law, and pending bills in Congress seeking a climate/carbon tax for electricity end-users. In this instance, First Gen's brand value as an environmentally friendly customer option will provide a competitive edge, and there will be increased demand for our clean and RE power services.

Natural gas generation can become even more competitive against coal-based generation

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MARKET PRESENCE

As a show of commitment to our hosts, First Gen prioritizes hiring the best talent from our local communities.

We leverage on the leadership capabilities of our local hires. In fact, majority of our senior management are from the significant locations of operations, namely, the Head Office in Metro Manila, and our operating plants in Batangas, and Bukidnon.

Local hires account for a majority of senior management (VP or higher):

- 82.35%** of total senior management
- 90.00%** of female senior managers
- 79.17%** of male senior managers

The compensation provided to the local hires are at par with the minimum wage set by the Department of Labor and Employment, and also based on the wage standards in the energy industry.

SUPPLY CHAIN MANAGEMENT

First Gen is committed to efficiently procure the necessary products and services, at the best possible value, to address the needs of the Business and Support groups and ensure prompt delivery. Our procurement team considers both locally sourced and foreign-sourced material. The choice on whether to go with the local vendor or foreign one depends on established criteria: (1) amount, (2) delivery lead-time, (3) technical standards/technical specifications set by the proponents, and (4) quality of the products offered.

We source directly from Original Equipment Manufacturers. If OEM nominated a local vendor/or they to have an exclusive agent based in the Philippines, said agent is considered for the requirement. Goods with multiple agents generally follow the three-bid rule depending on the amount of purchase. In 2018, most items ordered or required in our plant sites were sourced from foreign suppliers. As a matter of policy, we require our procurement team to check on several sources, even when offered huge margins by locally based foreign agents.

All procurement groups within the First Gen group (except for EDC) functionally report to the Head Office. The First Gen Policy on Procurement and Inventory Management (POL-PUR-001), approved last May 2017, is the basis of all procurement procedures. We employ several methods: Purchase Requisition Preparation and Approval, Supplier Sourcing and Purchase Order Preparation and Approval, and First Gen Emergency Purchasing Procedure.

In 2018, 92 percent of our procurement budget was paid to local suppliers and 8 percent to foreign suppliers.

The Purchasing Department seeks to accomplish the following goals:

- Establish processes and procedures that will ensure efficient and timely procurement of all necessary goods and services for the business to operate and succeed;
- Source, negotiate, and obtain the best value for the items and services vital to meet the business goals needed through effective material resource planning, strategic sourcing, and maintaining of alignment between demand forecasts and procurement plans;
- Align the procurement requirements of the various groups in the organization and identify opportunities for possible economies of scale that can lead to time and cost reductions and maximize profitability; and
- Ensure timely deliveries and releasing of imports and exports. Maximize trade and government incentives that result in additional savings.

EXPANDING SERVICES TO OUR CUSTOMERS

Our net energy output **increased by 10.24 percent to 13,199.27 gigawatt-hours (GWh) from 11,972.92 GWh in 2017.** Net capacities increased the most in San Gabriel, to 2,198 GWh from 1,417.0 GWh, followed by Sta. Rita's 7,259.35 from 6,845.00.

There were a total of **27 accounts** in 2018, two of which were new customers. Customers belong to the manufacturing, real estate, agriculture, cement, electronics, and aerospace industries. There were also three academic institutions in the roster: Central Luzon State University, De La Salle Lipa, and Far Eastern University.

Beyond providing clean power, First Gen also extends value-added services (VAS) to customers through FGES. VAS are critical tools used to strengthen customer relationships. In 2018, we offered the following services:

- **Sponsorship of customers' events and advocacies.** Shared items or allocated resources in support of customer's events.
- **Knowledge sharing and training sessions on industry and regulatory information.** Helped customer's management and technical teams understand the intricacies of energy industry and advantages of sourcing from renewable power plants
- **Technical testing and data analytics.** Performed relevant tests on customer's machinery to improve their efficiency; executed preventive maintenance when necessary; and installed smart meters to provide data analytics on the energy consumption per warehouse or piece of equipment, which became the basis for recommendations on how to improve operational efficiency.
- **Tree planting and donation of seedlings.** Contributed native tree seedlings for customer's tree planting activities and supplied indigenous plants for the customer's facilities in support of their sustainability initiatives.
- **Customer Appreciation Night.** Treated customers to a celebratory event, which included a day seminar and an evening program where outstanding partners for the year were recognized.

First Gen Customer Appreciation Night



BUSINESS CONTINUITY MANAGEMENT: CLEAN ENERGY FUTURE

EU2
EU3
EU10

First Gen is keen on maintaining its status as a leader in clean power generation. The Company continues to pursue and employ its pioneering efforts for natural gas by developing an import and regasification LNG terminal. Its planned construction and operation is in preparation for the eventual exhaustion of the Malampaya gas field and also to support the development of the Philippine gas industry. The Company continues to work on various development activities to be able to advance the project and make a final investment decision. The LNG terminal's Front End Engineering Design (FEED) has been completed, and it is now going through a tender for the engineering, procurement, and construction (EPC) Contract. The Company has partnered with Tokyo Gas under a Joint Development Agreement to pursue the development works together, and an application for a notice to proceed license for the LNG terminal has also been submitted to the DOE last December 2018.

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ENVIRONMENTAL PERFORMANCE:

FROM POLICY TO PRACTICE

PERFORMANCE HIGHLIGHTS

9,375 seedlings

of various tree species planted in the Marikina Watershed since 2016 with an average survival rate of 97% for 2016 and 2017

101.93 hectares

of Marine Protected Areas (MPAs) in the Municipality of Lobo, Batangas protected through the Center of Center Marine Biodiversity Conservation Program since 2004

58 species

of birds recorded since monitoring started in 2008

51 species

of marine fishes recorded for the 4th Quarter of 2018 monitoring period



MANAGING OUR MATERIAL USE

In accordance with the Sustainability Policy, First Gen recognizes that our business can only thrive if the natural resources and ecosystems on which we depend are healthy and stable. As such, the Company focuses on the protection and conservation of the environment in all the areas where we operate.

As a good corporate citizen, we abide by all pertinent environmental laws and regulations in the country.

Beyond this, we commit to operating in compliance with internationally recognized standards and maintain our ISO certifications, including ISO 14001 (for Environmental Management System). First Gen has established policies on Quality and Environment, Safety, and Health (ESH), to direct and guide our operations and ensure that we are able to manage environment impacts of our operations.

In order to produce the energy required by our customers, FGEN uses both renewable and non-renewable materials. Specifically, we consume natural gas, as well as liquid fuel, diesel, and water. In order to warrant reliability of our service, First Gen must ensure that liquid fuel supplies are available when needed by our gas plants. We forecast the importation of liquid fuels based on current inventory levels, as well as on expected planned and unplanned Malampaya shutdowns. Additionally, we also have an Enterprise Risk Management system in place, which evaluates the risks related to the procurement of liquid fuel and the acquisition of capital. This risk management allows us to develop mitigation plans should the need for such arise.




In 2018, FGEN's four natural gas facilities consumed a total of 2,027,433.08 tons of natural gas, and 11,661.08 tons of liquid fuel/diesel. All our facilities posted increases in consumption over our 2017 figures, due to our increased generation. There was a significant increase in power produced in the San Gabriel facility in 2018. This was the result of the Power Supply Agreement with Meralco.

In Santa Rita and San Lorenzo, **liquid fuel consumption decreased by over 10 percent from 2017**. It should be noted, however, that our 2017 consumption was quite high (particularly in February), due to the 20-day Malampaya shutdown.

Our diesel fuel consumption also increased in 2018, primarily at our Avion facility. This was because of the increase in dispatch hours during periods of fuel unavailability.

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Materials used

Non-Renewable Materials 2,039,094.16 tons		Renewable Materials 46,400.71 megaliters
 2,027,433.08 tons NATURAL GAS	 11,661.08 tons LIQUID FUEL/DIESEL	 46,400.71 megaliters WATER

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DRIVING IMPROVEMENTS IN ENERGY CONSERVATION

We have implemented conservation programs and initiatives that reduce our fuel and electricity consumption. For instance, we have installed more energy-efficient LED lighting in our FGCEC and FG Bukidnon facilities. Additionally, our FGCEC Administration Building also has solar panels to help further reduce our electricity consumption. We engage our employees in our efforts at energy conservation through information campaigns.

First Gen utilizes a combination of natural gas, liquid fuel, and diesel fuel for our power generation activities, but our facilities also maintain and operate vehicles, which also contribute to our fuel consumption.

In 2018, we implemented vehicle fuel reduction initiatives, such as the use of a shuttle system to Batangas (instead of individual vehicle bookings); the use of an electric vehicle as a plant shuttle at FGCEC; and the promotion of the use of Transport Network Vehicle Service such as Grab within travels in Metro Manila among Head Office employees, instead of vehicle rentals.

ENERGY INTENSITY

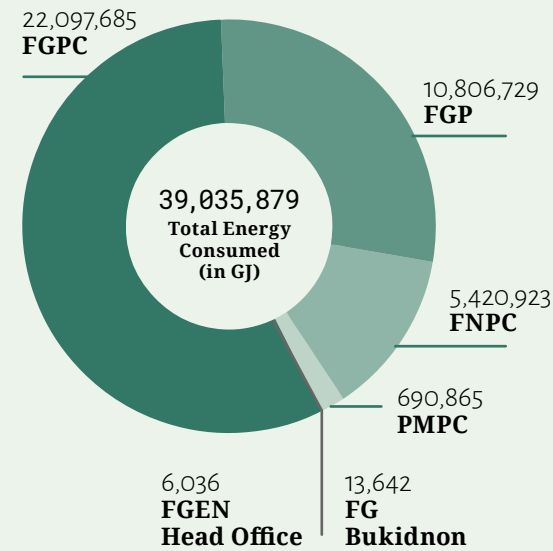
	Power Generation (GJ)	Total Energy (GJ)	Net Energy Output (MWh)	Product Energy Intensity*	Over-all Energy Intensity**
FGPC	48,191,641.89	22,097,684.82	7,259,350.00	6.64	3.04
FGP	23,749,194.44	10,806,728.51	3,606,730.00	6.58	3.00
FNPC	13,321,008.40	5,420,922.72	2,198,410.00	6.06	2.47
PMPC	1,127,004.55	690,864.90	123,560.00	9.12	5.59
FG Bukidnon	49,222.64	13,641.94	11,220.00	4.39	1.22
Head Office	-	6,035.93	-	-	-
First Gen (Over-all)	86,438,071.92	39,035,878.82	13,199,270.00	6.55	2.96

*Power Generation (GJ)/Net Energy Output (MWh)

**Total Energy (GJ)/Net Energy Output (MWh)

ENERGY CONSUMPTION

We also monitored the energy consumption as a result of our use of vehicle rentals and Grab. Our energy consumption for business travel (outside our organization) amounted to 120.21 liters of fuel, as estimated from the cost of fuel provided by our vehicle rentals for 2018.



USING WATER WISELY

First Gen utilizes water in various phases of its operations:

Operational processes:
boiler feed water, washing, and cooling water; running hydropower turbines (FG Bukidnon); and NOx cooling (PMPC) in the treatment process

Domestic use:
canteen operations, and sanitation and maintenance of facilities

First Gen uses the available water sources: groundwater, river water, and marine water. The Company's various plants in the FGCEC draw from seven deepwells, as well as Batangas Bay. Meanwhile, FG Bukidnon's hydropower plant avails of water from the Manolo Fortich Water District, which manages its own deepwells, and the nearby Agusan River. Finally, the Head Office uses water supplied by water concessionaire Manila Water Company, Inc., which sources from Angat Dam, which supplies the east zone of Metro Manila.

We do not take more than what we need. All of our wells have the corresponding permits from the National Water Resources Board

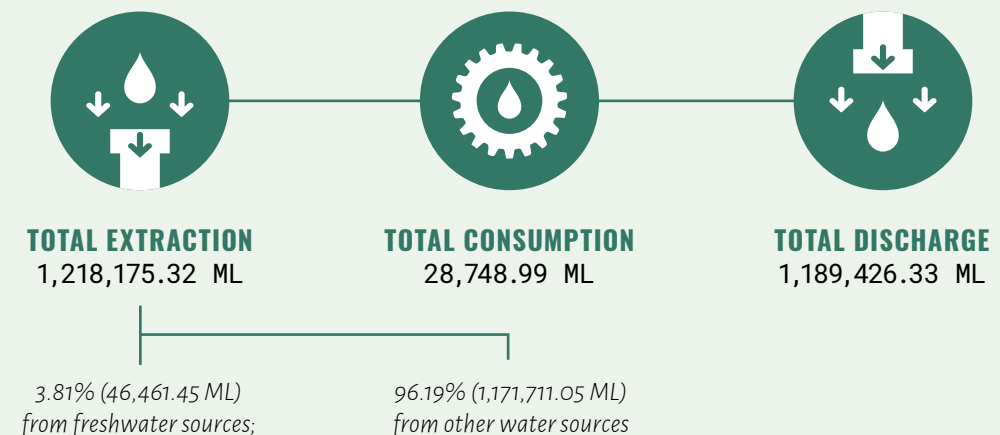
(NWRB) and are monitored to ensure that we do not exceed the extraction limits.

Out of the allowable water from our permit for groundwater of 5,696.44 megaliters, we have utilized 893.45 megaliters, while for our water permit for seawater of 1,188,907.20 megaliters, we have utilized 1,171,711.05 megaliters.

We practice water conservation and ensure that the water bodies near our power plants, particularly those from which we draw water and to which we discharge wastewater, are protected. An accredited third party conducts weekly sampling and analysis of our wastewater.

Water Source 2018 extraction amounts (in ML)

Water Utility (FG Bukidnon, HO)	2.82
Ground Water (FGPC, FGP, FNPC, PMPC)	893.45
Surface Water (FG Bukidnon, FGPC, FGP, PMPC)	45,568.00
Sea Water (FGPC, FGP, FNPC)	1,171,711.05
Total	1,218,175.32



ENHANCING BIODIVERSITY IN OUR PROJECT AREAS

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First Gen acknowledges that its power projects may impact the biophysical environment, from site development to their construction and operations. Some emissions and discharges may have potential impacts on the physico-chemical characteristics of air, water, or land of the project site and areas adjacent to the projects.

The Company ensures that its projects in Batangas City are in areas that are not classified as Environmentally Critical Areas (ECAs) to limit its impact to biodiversity. The First Gen Clean Energy Complex is in an industrial zone, which used to be composed of abandoned fishponds and rice fields with a few species of trees and mangrove associates.

First Gen also uses state-of-the-art technology to ensure that its operational processes will be efficient and will have minimal impact on the environment in terms of emissions, discharges, and wastes. By preventing pollution of air, water, and land, we also protect the habitats of various flora and fauna that can be found in and near our project sites. The cooling system is also designed in such a way that it will limit marine organisms from flowing into the system and ensure that the temperature increase is within the acceptable limit.

As part of its commitment in its Environmental Impact Statement (EIS) and its Environmental Compliance Certificate (ECC), First Gen enhanced the biophysical environment along the periphery of the Project by planting trees and mangrove species.

A total of 9,755 seedlings have been planted in the Marikina Watershed-Calawis Antipolo Rizal (9,375) and Provincial Sports Complex in Batangas City (380), with 92 percent and 96 percent survival rates recorded for the 2018 monitoring period, respectively.

Monitoring of biodiversity in areas where First Gen operate is conducted on a regular basis. Avifauna and mangrove monitoring are conducted semi-annually while aquatic biota monitoring is conducted quarterly.

A total of 58 bird species have been recorded in the areas monitored within the First Gen gas power plants in Batangas since monitoring started in 2008. Twenty one (21) species are endemic to

the Philippines. Based on the International Union for Conservation of Nature (IUCN) one (1) species recorded in the November 2018 monitoring period is endangered. Four (4) species of bats were recorded in the same monitoring period. Fourteen (14) mangrove species were recorded for the second semester monitoring period conducted on November 2018. One (1) species is categorized under the vulnerable category based on IUCN. On the other hand, 51 species of marine fishes were recorded in the marine water monitoring stations during the Aquatic Biota Monitoring for the 4th Quarter 2018. One (1) species is categorized as near threatened based on IUCN.

First Gen implements its Environmental Management and Monitoring Plan to ensure that its power plant operations are compliant with the various environmental standards that apply to its operation. Among the ecological media being monitored are air, water, solid and hazardous wastes, and terrestrial and aquatic environment. Regular assessments by environmental consultants are also being performed such as the Cumulative Impact Assessments, which evaluate the cumulative impacts of the power plants on valuable environmental components (VECs). Ecological risks are also being assessed regularly for determining the potential dangers of plant operations to the environment.

First Gen also participates in various environmental enhancement and protection programs of the government such as the Adopt-an-Estero or Water Body Program (specifically for the maintenance and clean-up of Cabubulag River), the National Greening Program, and the Verde Island protection program.

Other notable projects:

Operation of a Forest Tree Nursery within the First Gen Energy Complex, which provides seedlings to various organizations and agencies within Batangas province

Operation of a Mangrove Nursery which provides mangrove seedlings and propagules within Batangas province

GUARDIANS OF THE SEA: VERDE ISLAND CONSERVATION & OTHER COASTAL INITIATIVES

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- EU13

Beyond our commitment to operate our plants safely and according to the highest environmental standards, First Gen also acknowledges its responsibility to maintain the health and stability of our surrounding environment. The sea is the backdrop for four of First Gen's plants.

In 2006, First Gen, together with First Philippine Conservation, Inc. and Conservation International, initiated a program called Project Center of the Center (CoC), focused on the Verde Island Passage, off the coastal waters of Batangas, Oriental Mindoro, Occidental Mindoro, Marinduque, and Romblon. The Philippines has long been acknowledged by marine conservationists as the center of the world's marine biodiversity. According to Dr. Kent Carpenter from the IUCN, Verde Passage is "the center of the center," with possibly the most biologically diverse—and also the most vulnerable—waters on the planet.

Sadly, this significant marine ecosystem is endangered. **Project CoC was established to help the Verde Island Passage, and today it covers 35 marine areas spread across 1,554 hectares.** FirstGen, through FirstGas, became the direct implementer of Project CoC in 2010. The project focused on marine law enforcement in nine marine protected areas (MPAs), in the coastal towns of Mabini, Tingloy, and later, Lobo, Batangas province. First Gas extends logistical support for the activities of 364 Bantay Dagat (Sea Watch) volunteers in the three towns. Furthermore, First Gas also provides livelihood support to the Bantay Dagat in Mabini town.

First Gas also provides support to the marine biodiversity program of the Provincial Government of Batangas. The Batangas Recognition Awards for Verde's Outstanding'

MPAs, or "BRAVO," aims to encourage and popularize good governance practices and performance among local government units in designated MPAs in Batangas.

The continued initiatives to protect the Verde Island Passage have not only conserved the rich marine biodiversity of the Province of Batangas but also helped improve the status of the fisheries sector. In the Municipality of Lobo, the community has reported an increase in its fish catch. Moreover, because of its thriving marine environment, Lobo is now gaining a reputation as a diving and tourist destination. From only 31,584 resort tourists in 2017, **a total of 83,800 resort tourists were received in 2018, a 165 percent increase in tourist traffic boosting the local economy.**

Another of First Gen's major coastal environment initiatives is the preservation and protection of the mangrove area. Mangroves serve as a nursery habitat for fish and crustaceans; act as a biological filter for estuarine waters; and also functions as a carbon sink, that captures and stores CO₂. The project has successfully rehabilitated the mangrove area at FGCEC. Before the start of the project, an assessment of the area recorded only three species, today, at least 14 species are found. Apart from improving the species richness of the mangroves, this project has also helped supplement the livelihood of the marginal fishing community that harvests in this area.

First Gen also conducts monthly coastal clean-ups. In 2018, there were 12 clean-up events held in Sta Rita Aplaya, Danglayan and Sta Clara, in the province of Batangas. A total of 2,265 volunteers participated and were able to collect 12,648 kilos of compostable and 1,373 kilos of residual wastes.

First Gen's targets in terms of biodiversity are the following:

- Perform the Environment Management Plan (EMP) and Environment Monitoring Plan (EMoP) requirements of each project.
- Produce 100,000 seedlings annually in our Forest Tree Nursery.
- Implement measures to protect and enhance water quality in our adopted river.
- Ensure the survival of at least 171,520 seedlings to be planted from 2016-2019 under the NGP.
- Plant mangroves at Brgy. Banoyo, San Luis from 2016-2019. There are currently 14 mangrove and mangrove-associated species found within the reforestation areas.

MONITORING AND MANAGEMENT

OF OUR CARBON EMISSIONS

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Greenhouse gas (GHG) emissions are significant contributors to climate change. First Gen's natural gas-fired power plants in Batangas contribute to carbon dioxide emissions from energy consumption, purchased electricity, and fuel consumption from outsourced vehicles. Other significant air emissions from First Gen's natural gas-fired power plants include nitrogen oxides (NOx) and sulfur oxides (SOx). These emissions can have adverse effects on air quality, habitats, and human health. Emissions of GHG and other significant air emissions are released from the combustion of natural gas, liquid natural gas, and diesel fuel.

Natural gas-fired power plants are designed to achieve optimum operational efficiency with secondary emissions. The mitigation measures are inherent to the design such as the use of low NOxBurner Technology and utilization of natural gas with minor emissions. In times of natural gas unavailability, the O&M contractor utilizes

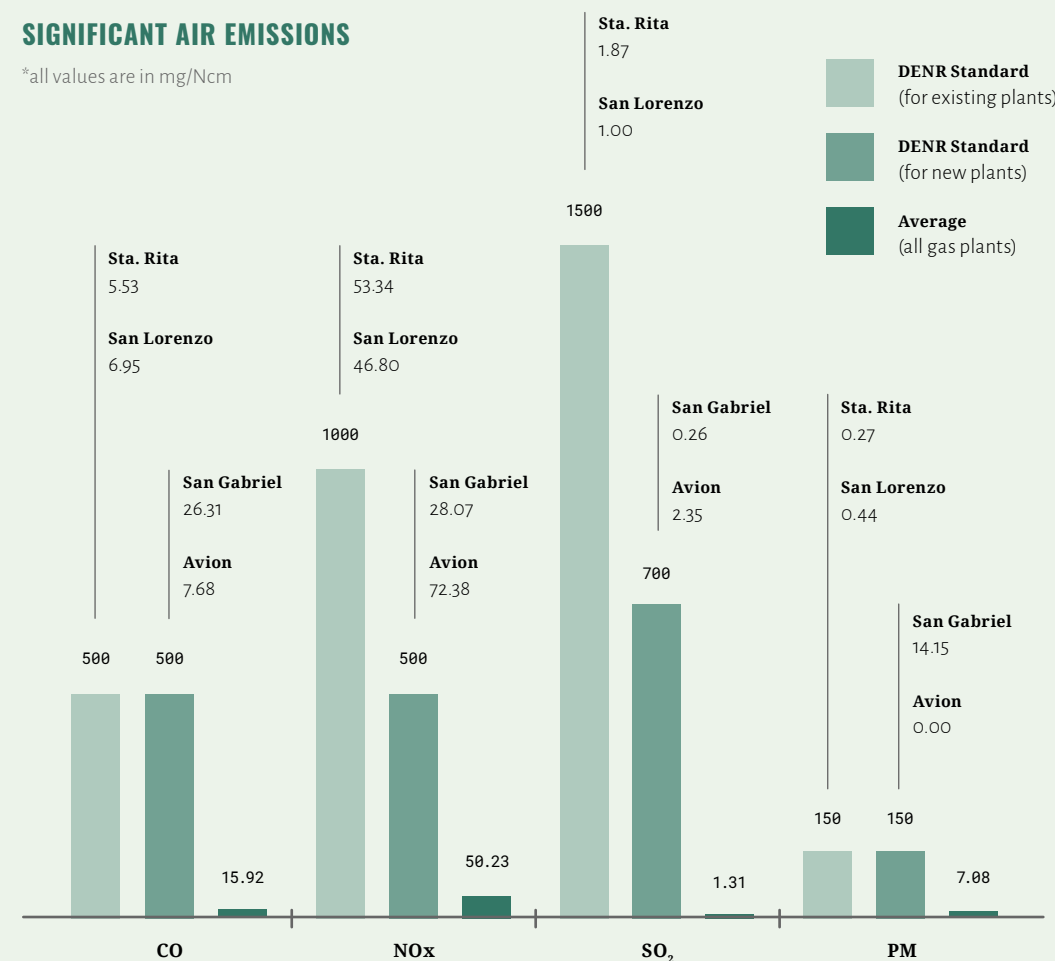
liquid fuel with low sulfur content and water injection technology to reduce NOx emissions.

The First Gen Corporation Environment, Safety and Health Policy (ESH) states explicitly: "Improve the management of its environment, safety and health programs to reduce work-related incidents, environmental emissions, effluent, and wastes, and promote the efficient use of energy, water, and other resources."

First Gen power plants are committed to environmental protection and prevention of pollution as embedded in its policies, operations, and practices. First Gen's goal is to comply with the Point Source Emission Standards of Republic Act 8749 or the Philippine Clean Air Act of 1999 and its Implementing Rules and Regulations (DAO 2000-81) as part of its commitment under the ECC issued by the Environmental Management Bureau (EMB) to the project for the following primary pollutants:

SIGNIFICANT AIR EMISSIONS

*all values are in mg/Ncm



The plants' compliance is monitored by the QESH Department where the Pollution Control Officer (PCO) is part of the team. The PCO is responsible for monitoring compliance of the Operation and Maintenance Contractor with the regulatory requirements. The PCO is accredited by the EMB with specific responsibilities mandated by law.

For Batangas operating assets, the O&M Contractor is audited to check that it operates within the terms of reference stated in the contract and the applicable regulatory requirements. Plans, procedures, guidelines and work instructions are issued to ensure compliance with the requirements on plant emissions. The Company supplies natural gas with lesser emissions as the primary fuel and low-sulfur liquid fuel as a back-up fuel.

The Company ensures that monitoring systems and procedures are in place to operate and maintain the Continuous Emission Monitoring System (CEMS) which measures the plant emissions in real-time basis. The O&M Contractor is audited to confirm that CEMS undergo quarterly Cylinder Gas Audit (CGA) and annual Relative Accuracy Test Audit (RATA) and to determine the accuracy of the monitoring system.

Average CO₂ emissions intensity for 2018 (0.37 tons CO₂/MWh) decreased by 0.01 tons from 2017 (0.38 tons CO₂/MWh). This accounts for a 3 percent decrease in First Gen's emissions intensity.

The Company integrated its Environmental group with Quality, Environment, Safety and Health groups to have a holistic approach and enable the group to have cross-functional responsibilities.

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EMISSIONS

Site	Emissions (tCO ₂ e/MWh)						Emission Intensity (tons/MWh)	
	Scope 1 (Direct)		Scope 2 (Energy Indirect)		Scope 3 (Other Indirect)		2018	2017
Head Office	180.58	309.58	719.32	537.72			N/A	N/A
Sta. Rita	2,716,462.36	2,624,935.75	-	546.36			0.37	0.38
San Lorenzo	1,334,205.56	1,329,438.24	-	88.16	9.94	12.82	0.37	0.38
San Gabriel	748,034.57	493,917.93	2,806.07	6,732.95			0.34	0.35
Avion	64,773.47	87,925.81	1,680.79	1,174.08			0.54	0.56
FG Bukidnon	14.46	14.53	-	-	-	4.71	0.00	0.00
Total	4,863,671.00	4,536,541.84	5,206.18	9,070.27	9.94	17.53	0.37 (Average)	0.38 (Average)

KEEPING OUR OPERATIONS CLEAN

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First Gen's facilities generate effluents and waste which include water discharges, hazardous and nonhazardous wastes, and spills from oil or chemicals. Water discharges from First Gen's facilities can affect aquatic habitats and the quality of available water supply for the communities and other water users. Generation, transport, treatment, and disposal of wastes and spills of oil or chemicals can potentially affect soil, water, air and biodiversity, and can pose harm to human health.

The environmental impacts are covered by various environmental laws that the Company should adhere to, such as:

Clean Water Act (Republic Act 9275) for the management of wastewater

Ecological Solid Waste Management Act (RA 9003) for solid waste management

Toxic Substances and Hazardous and Nuclear Wastes Control Act (RA 6969) for hazardous waste management

First Gen ensures that it not only follows strict environmental protocols, but also ensures that its suppliers undergo an Environmental Impact Assessment (EIA) and are screened for their compliance with the same laws. **In 2018, 100% of new suppliers were screened using environmental criteria.** There were no significant impacts in the supply chain.

Hazardous and non-hazardous wastes are generated from different processes in the power plant and from various activities in administrative offices. Oil and chemicals are released when there is a failure in the integrity of tanks, pipes, and/or containers, or

when there is a failure in handling. This 2018, there were no significant spills and untoward incidents.

First Gen strives to limit its amount of disposable waste. **As such, the Company recovered 7.15 tons of waste oil in 2018, and recycled 3.53 tons of glass, scrap plastics, and other recyclables. Thus, First Gen disposed via landfill a total of 84.47 tons of biodegradable and residual non-hazardous waste.** Comparatively, First Gen also disposed via landfill a lower amount of hazardous waste, year on year: 1.27 tons in 2018 versus 11.41 tons in 2017. This landfilled waste consisted mostly of oily cloths and sorbents.

However, a fraction of waste oil at 17.20 tons was incinerated in 2018 via an accredited waste disposal contractor. Incineration was done using modern equipment, with the proper permits.

On the other hand, 16.52 tons of laboratory waste (acidic boiler sludge, a mixture of acid and organic solvents, and mercuric and benzene compounds), underwent physico-chemical treatment, whereas 4.41 tons of paint residues and paint-contaminated containers underwent a process of solidification/encapsulation to ensure that these materials do not leach into the environment.

Disposal of wastes is monitored to determine if these wastes were adequately disposed of. All hazardous wastes are transported, treated, and disposed of locally through DENR-accredited Treatment, Storage, and Disposal (TSD) Facilities. Inspection of the third-party waste transporter/treater is carried out to check compliance with regulatory requirements.

NON-HAZARDOUS WASTE

Waste Type	Disposal Method*	2017 (in tons)	2018 ** (in tons)
Biodegradable Waste, Residual Waste	Landfill	38.15	84.47
Recyclables, Scrap Plastics, Scrap Wood, Scrap Plastic, Glass	Recycling	8.75	3.53
Total Disposed Non-hazardous Waste		46.90	88.00

* Disposal method determined using information provided by the waste disposal contractor
 **The increase in non-hazardous waste for 2018 is attributed to wastes generated from activities conducted during the maintenance outage in Sta. Rita Power Plant in Batangas.

HAZARDOUS WASTE

Waste Type	Disposal Method*	2017 (in tons)	2018 (in tons)
Waste oil	Incineration	0.00	17.20
Waste oil	Recovery	113.73	7.15
Oily sorbents and rags	Landfill	11.41	1.27
Acidic wastewater, acidic boiler sludge, and lab waste**	Physico-chemical treatment	1.71	16.52
Acidic boiler sludge, paints, adhesives, sealants, solidified paint residues, and paint-contaminated containers	Solidification/Encapsulation	7.10	4.41
Total Disposed Hazardous Waste		133.95	46.55

* Disposal method determined using information provided by the waste disposal contractor
 ** Lab waste consists of solvents, benzene, benzene compounds, mercuric compounds



PROTECTING OUR WATER RESOURCES

All power plants have specific wastewater treatment system for each type of wastewater, such as oil-water separator for oily wastewater, and power plant washings and rainwater collected at fuel handling and storage area. Our power plants also have a neutralization system for acidic or alkali wastewater, sewage treatment plant for domestic wastewater, and one pass-through cooling water system for a lower increase in temperature of the cooling water.

The Company manages the impacts of its effluents and waste through wastewater treatment facilities before discharge to receiving bodies of water. The Company and the O&M contractor established an integrated waste management program to ensure that hazardous and nonhazardous wastes are stored, transported, treated, and disposed of according to regulatory requirements and standards.

First Gen complies with the Effluent Standards of the Philippine Clean Water Act of 2004 as part of its commitment under the Environmental Compliance Certificate issued by EMB to the project.

Water discharge is assessed using the following measures:

- Biochemical Oxygen Demand (BOD): no greater than 100 mg/L,
- Oil and Grease: no greater than 10 mg/L,
- Total Suspended Solids (TSS): no greater than 150 mg/L,
- Acidity and Alkalinity: within the pH level range of 6 to 9.

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EFFLUENTS

Water Discharge Destination	2018 discharged effluents (in ML)
Water Utility (HO)	2.82
Surface Water (FG Bukidnon, FGPC, FGP, PMPC)	45,899.31
Seawater (FGPC, FGP, FNPC)	1,143,524.20
Total	1,189,426.33

In 2018, the water meter that measures the volume of effluent discharges sometimes encountered downtime; this resulted in estimated releases for some of the reporting months.

With regard to our effluent discharge, the Company does not release liquid waste into any identified protected areas. Receiving bodies of water are as follows:

Cabubulag River. The river serves as a catchment of various water discharges that flow from upstream canals/drainage system within Brgy. Sta. Rita Karsada and Brgy. Bolbok, Batangas City and Brgy. Danglayan, San Pascual. First Gen adopted the 1.75-km stretch of the Cabubulag River on June 19, 2012, under the DENR Adopt-an-Estero or Water Body Program.

Cabubulag River receives water collected in our rainwater retention basin, which includes water flowing from upstream canals.

Batangas Bay. Effluent discharged into Batangas Bay include discharges/final effluent from the following sources:

- Cooling water seal pit
- Oil/ water separator
- Sewage treatment plant
- Neutralization System
- Washwater basin

Our activities have not adversely affected Batangas Bay. No resident species is endangered.

Laguna Lake. This is not a protected area; however, environmental protection of the Laguna Lake is imperative. Existing laws mandate the Laguna Lake Development Authority to oversee and manage developments, projects, and other economic activities that occur within the Laguna de Bay Watershed.

The First Gen Head Office, through the management of Rockwell Business Center Tower 3, is discharging its wastewater through the city's sewerage network, which eventually drains to Marikina and Pasig Rivers, and then to Laguna Lake. The building has an onsite Sewage Treatment Plant (STP) to handle the domestic waste.



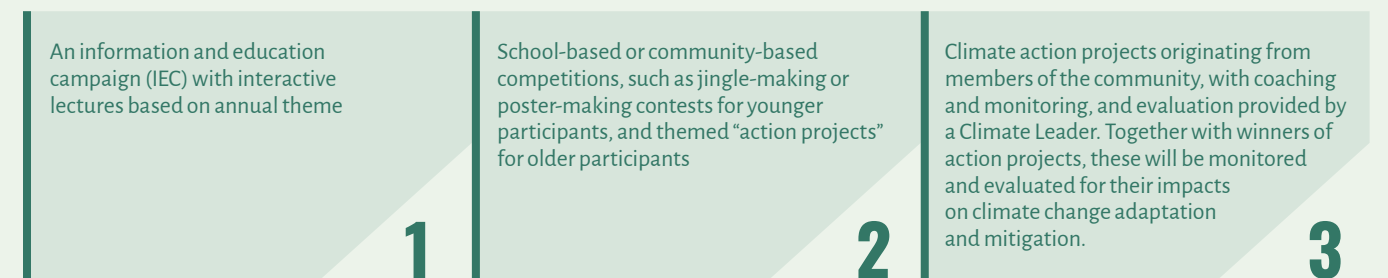
First Gen encourages children to visualize the steps needed to achieve a climate-resilient future, through a poster-making contest

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CREATE FOR THE CLIMATE PROJECT

First Gen strives to involve the community in its environmental advocacies. Create for Climate is an environmental program that supports Climate Change awareness and education in the hope of creating model individuals and “steward communities” for climate action and environment protection. It started in 2017 as a corporate social responsibility (CSR) program, meant to address the big issue of Climate Change by helping host communities be more mindful of their social and environmental impacts.

The Company takes a three-phased approach:



Since its inception, the project has directly benefited more than 5,302 students and communities.

In 2018 alone, there were four schools and four barangays in Batangas City, Batangas, and another four schools and four barangays in Pantabangan, Nueva Ecija, who participated in Create for Climate. The student winners of “Create-A-Poster” and “Create-A-Jingle” were treated to a visit at KidZania Manila or similar educational trips, whereas winners of the “Create-A-Project” community contest were given opportunities to implement their proposed winning idea.

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SOCIAL PERFORMANCE:

FIRST GEN PEOPLE, EMPOWERED TO MAKE A DIFFERENCE



Collaboration and sharing of expertise is encouraged among our employees

In this competitive and challenging world we live in, the employees play the vital role in making a business thrive. Thus, in First Gen, we ensure that our hires are qualified based on skills, work experience and capability to perform assigned duties and responsibilities regardless of gender, ethnic background, age, and religion.

The Company hires employees of legal age; it does not engage the services of individuals below 18 years old. It also invests to provide its employees competency enhancement through trainings, coaching, and other forms of continuous learning; a safe and healthy workplace; competitive compensation and benefits; and opportunities to advance in their career paths. Ultimately, employees are empowered to make a difference in producing clean

and reliable energy, creating a positive impact on people's lives, and making this world a sustainable place to live in. First Gen recognizes the value of gender equality and diversity in building a sustainable organization, as stated in its policy on Gender Equality and Diversity. First Gen believes that in doing so, it contributes to the Company's economic performance and long-term success, to the realization of the full potential of its employees and stakeholders, and to a more inclusive society. The Company shall strive to reduce gaps and strengthen equality by incorporating gender equality and diversity in its governance, day-to-day operations, competencies and performance measurements, and resource allocation.

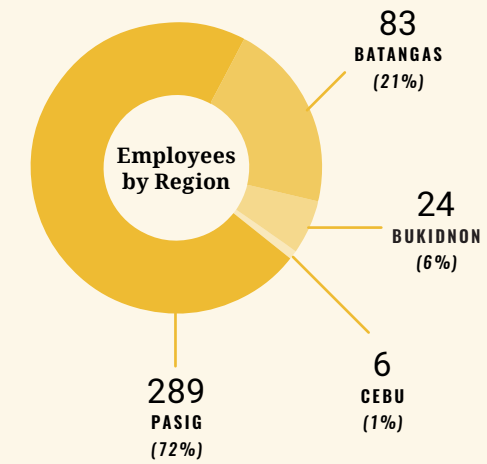
The Company also has a policy on Cultural Heritage and Indigenous

Peoples, which recognizes Indigenous Peoples (IPs) as valuable partners in its areas of operation. In the conduct of its business, the Company upholds their rights to their territories, to cultural integrity, and to self-determination. This is the Company's contribution to the preservation and enrichment of the nation's cultural heritage and diversity.

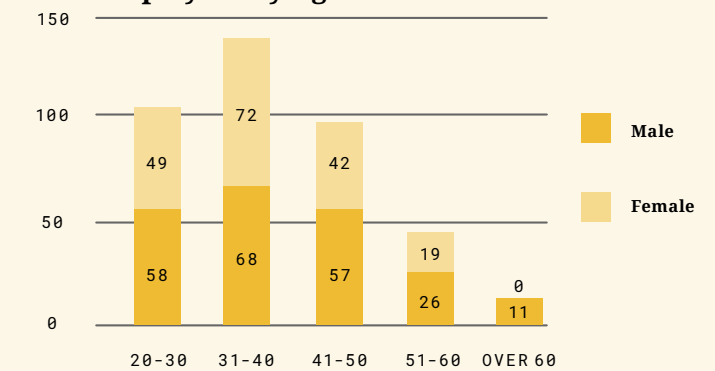
The Company also developed an Anti-Sexual Harassment Policy which aims to promote a work environment that values the dignity of every person and guarantees full respect of human rights, free from offensive behavior and intimidation detracting from employees' ability to perform their jobs. It identifies procedures to be followed in investigating and resolving complaints alleging specifically prohibited conduct, and emphasizes the education and training of employees.

First Gen has started to work on Data Privacy initiatives in compliance with the Philippine Data Privacy Act of 2012, its Implementing Rules and Regulations, and other relevant issuances of the National Privacy Commission (NPC), to (1) protect the privacy of individuals while ensuring the free flow of information to promote innovation and growth; (2) regulate the creation and collection, recording, organization, storage, updating or modification, retrieval, consultation, use, consolidation, blocking, erasure and destruction of personal data; and (3) ensure that the Philippines complies with international standards set for data protection through the NPC. First Gen ensures that all customer data are protected based on the Data Privacy Act. **There were no substantiated complaints from customers during the reporting period.**

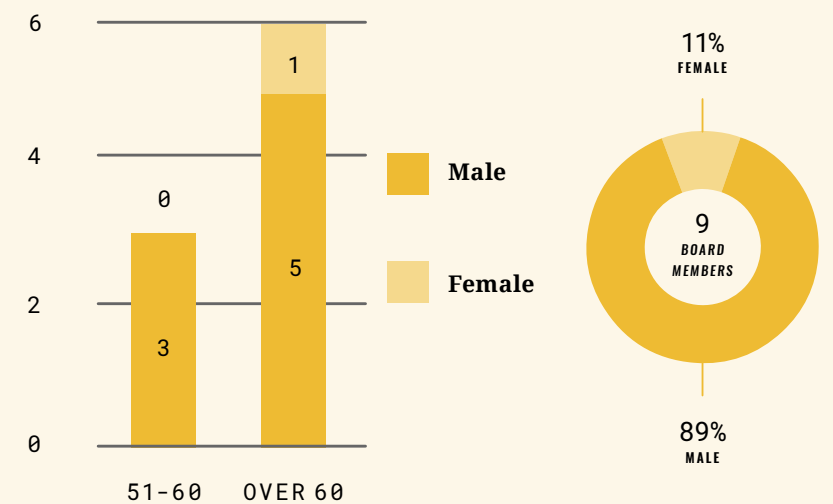
MANPOWER PROFILE



Employees by Age and Gender



Board Composition and Diversity



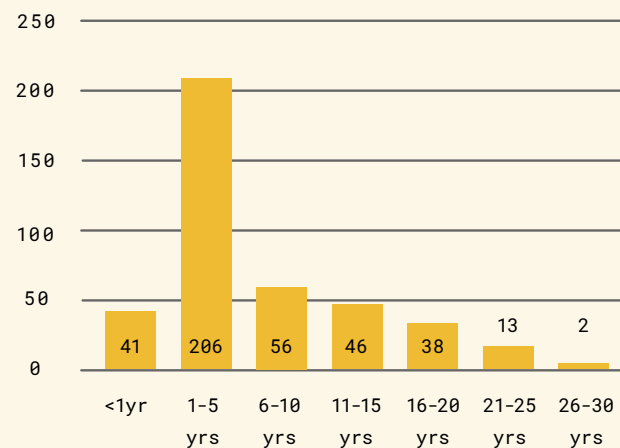
MANAGING OUR WORKFORCE

Career opportunities at First Gen are posted in our website www.firstgen.com.ph/careers/. Qualified and dynamic applicants who share the same vision with us are welcome to start a career with the Company. Our Human Resources Group continues to research through surveys, feedback and engagements of the employees, re-evaluate existing roles and structures, and create manpower development programs for better productive work relationships and environment.

We not only recognize our responsibility in complying with the national labor laws and standards as prescribed by the government but also influence suppliers, contractors, and other service providers to comply with the applicable laws and regulations. **First Gen employs a total of 402 non-unionized employees across its operations**, in 4 locations—Pasig, Batangas, Cebu, and Bukidnon. Majority of our workforce is based at our Pasig City headquarters. There are no part-time employees employed by the Company.

In 2018, First Gen had 42 new hires, evenly divided among men and women. The hiring rate is 10.4 percent while the turnover rate is 9.2 percent. Many of the employees who withdrew from the Company are the younger ones who sought greener pastures overseas.

Average Tenure of Current Employees



Seventy-five percent of employees have an average tenure of fewer than 10 years.

Seven percent of our regular employees are eligible to retire within 5 years, and 20 percent within 10 years.

The compensation program is designed to attract, motivate, retain, and reward talented employees who drive First Gen's success. Management is committed to giving just and fair remuneration and career progression for all employees and does not tolerate any form of gender discrimination. The Company uses percentiles from the general industry compensation report and values the employees' experience, skills, competencies, and performance without any gender bias. **The annual conduct of the Performance Engagement Process (PEP) to all employees are performance- and values-based.**

The Company provides overtime benefits to our rank and file employees, as well as night shift differentials. First Gen also guarantees a 13th month pay, and provides rice and uniform allowance. Other benefits include accumulated leaves, insurance, as well as medical reimbursement, and an annual medical check-up for employees. To prepare our employees who will be transitioning out of the workforce, a retirement benefit at all levels was also made available.

First Gen also recognizes the importance of family to our employees. Therefore, a parental leave benefit is provided to eligible employees. Out of our 402-strong workforce, **220 males and 182 females were entitled to parental leave. A total of 7 men and 3 women availed of the benefit, and all of them returned to work at the end of the prescribed leave period. Of those who availed of the parental leave benefit, 10 were also still employed one year after. First Gen has a 100 percent return to work rate.**

LOOKING AFTER OUR EMPLOYEES' HEALTH AND SAFETY

In order to ensure smooth and continuous business operations, securing the safety and health of our employees is of paramount importance to us. First Gen has an Environmental, Safety and Health policy that provides guidance on how occupational health and safety (OHS) should be integrated in the pursuit of business objectives and the way of life of all employees. As part of our commitment, First Gen ensures that OHS requirements are in place and employees have the necessary resources to help achieve a safe and healthy workplace.

Our 402 employees and 986 workers are covered by an OHS management system that is internally audited at least once a year. The Quality, Environment, Safety and Health (QESH Group) is responsible for establishing the First Gen ESH Management System (ESHMS) with the policies and documented processes that govern First Gen's Head Office and operations of the power plants. The operating plants have their own Site QESH Groups to oversee the implementation of the ESHMS.

OHS hazards and risks are identified based on their likelihood and impact on the employees and the business. Among the work-related hazards with risk of high-consequence injury are working at heights, electricity, confined spaces, excavation, workplace transport, and fire.

Meanwhile, the following are the work-related hazards that pose a risk of ill-health: prolonged sitting, extreme temperature (heat), noise, and snake bites. The concerned groups ensure that mitigating actions to lower the risk levels are carried out by using the hierarchy of elimination, substitution, engineering, administrative controls, and use of PPE. In addition, corresponding legal and regulatory requirements are considered in instituting OSH programs.

First Gen's Job Hazard Analysis (JHA) is reviewed and updated following alterations, such as, but not limited to: change in site or work conditions,

transfer to new work area, occurrence of an incident or accident, use of new equipment, adoption of new process, and implementation of a new standard or regulatory requirement.

The Company has established ESH Committees or formal joint management-worker health and safety committees in all facilities. The ESH Committee of First Gen, headed by the Company's President, is composed of representatives from the different groups. Likewise, all the operating plants have established their own ESH Committees. These committees meet on a monthly basis and members hold the authority to make decisions on the relevant issues and concerns discussed.

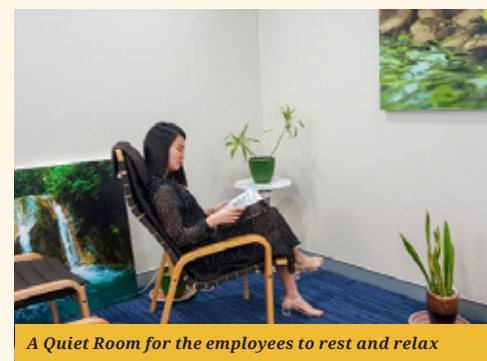
The ESH Management Manual System has a provision for an employee or worker to exercise stop work authority if the workers' safety is compromised in the conduct of the activity. These hazardous conditions should be immediately reported to the head of the working party or to QESH for proper actions.

Workers at all work sites are also oriented in site-specific OSH awareness and trained to maintain a safe work environment. At the Head Office, for example, new employees are oriented in safe work practices by QESH, and the Emergency Response Team is trained in first aid and basic life support, among other training provisions. At the plant sites, meanwhile, safety training runs the gamut from behavioral-based safety training to scaffolding training, working at heights, chemical handling and spill response, and incident command system training, among others.

These training sessions are intended to equip First Gen's workers and prevent work-related deaths, paralysis, loss of consciousness, and physical injuries, namely, amputation of a limb, laceration, fracture, hernia, and burns. **In 2018, there were no work fatalities and injuries, and no incidents of work-related ill health.** See related story on our Top 5 trainings on OSH on page 45.



HEALTH AND WELLNESS ACTIVITIES



A Quiet Room for the employees to rest and relax

EMPLOYEE WELLNESS

In response to the health concerns of employees, the Company has put in place a standardized and fit-for-purpose health strategy under the Health and Wellness (H&W) program. This program is initiated by the FPH health team in coordination with QESH.

The program aims to achieve the following objectives:

- create a healthier workforce;
- increase employee productivity;
- decrease employee absenteeism due to illnesses;
- potentially lower employer's health care cost;
- increase employee morale; and
- attract and retain good employees.

The H&W program focuses on the physical and emotional aspects of the workforce through six pillars:

1. Individual Health Risk Assessment (iHRA) involves evaluating the results of the Annual Physical Exam (APE) or Annual Health Exam (AHE), assessing the health risks to an employee, and developing employee-specific health goals and plans. Health goal-setting and planning are voluntary for the employee.

2. Healthy Eating involves providing healthy eating options to employees, by creating policies and conducting activities, such as Meatless Mondays, that promote healthy eating habits.

3. Smoking Cessation promotes a smoke-free work place and assists employees who wish to quit smoking.

4. Sleep Pillar raises the awareness of employees regarding the importance of sufficient sleep as part of health and wellness. It has been shown that lack of sleep is associated with workplace accidents and decreased productivity.

5. Physical Activity involves supporting and promoting increased physical activity of the employees as part of strategy to keep them fit and healthy.

First Gen provides a well-equipped gym for the employees and hires gym instructors who assist the employees on proper exercises and use of gym equipment. The Company also sponsors physical wellness activities such as badminton, basketball, volleyball, bowling, table tennis, and zumba/dance. Finally, the Company also encourages competitive sport through friendship games with other organizations.

6. Emotional Well-being promotes emotional resilience in employees through awareness, education, development of a supportive work environment, and access to other support services when needed.

Employees undergo the annual APE. Afterwards, they are requested to have iHRA. During the iHRA, the other pillars of the H&W program are also discussed with the employees.

EMOTIONAL WELL-BEING

In 2018, we introduced the sixth pillar, Emotional Well-being because we recognize the importance of mental and emotional resilience in improving overall health. As such, an Emotional Well-being Check is done alongside the APE.

The Company also provides quiet rooms for employees to escape into a brief, restorative oasis of peace and solitude. These facilities enable employees to meet their mental, physical, and spiritual needs by having a place for silence, meditation, prayer, and relief from stress.

In addition, the Company also conducts the following activities:

- Information campaign through digital media signage (DMS), posters, emails, and the ESH website
- Resiliency Modules (12) for small group meetings
- Mindfulness, Resiliency, and Stress Management training as part of FPH/FGEN HR Learning
- Education sessions on detection and prevention of Mental and Emotional Health Issues (via third-party provider)

The resilience modules are 30-minute, team-based/small-group learning and sharing sessions with a central theme of building resilience among employees. Since the last quarter of 2018, First Gen has conducted 17 sessions benefiting 175 employees.

To complement the resilience modules series, the Company engages an external provider through the Employee Assistance Program (EAP). The provider offers the following services:

- Hotline: unlimited access to 24/7 phone coaching
- Chatline: unlimited access to 16 hours in 5 days Skype chatline
- Face-to-face or Skype video coaching sessions (up to 6 sessions each per employee/dependent/relationship per case per year)
- One (1) 30-minute legal or financial consultation by phone, per employee per case per year
- Twelve (12) learning sessions (maximum of 50 participants) per year: 1 to 2 hours, live class or webinar format
- Two (2) EAP orientations per year for HR and Management
- Services to Management including (a) phone consultation with company management and HR personnel seeking to manage troubled employees, enhance work environment, and improve employee job performance, and (b) consultation in managing crisis and critical events

Lastly, in case an employee incurs prolonged absence due to an emotional condition, the Company conducts fitness for duty or return to work assessment prior to re-integration of the employee.

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EXTENDING HEALTH AND SAFETY TO OUR CONTRACTORS

First Gen rolled out the Contractor Environmental Safety and Health Management (CESHM) System to contractors engaged by the Company to help promote better standards for ESH, and to guide them in complying with applicable ESH laws and regulations. The processes in CESHM depict clear accountabilities, active engagement of contractors in incident reporting protocols, robust risk assessment and planning of their activities, monitoring of their ESH performance and compliance with laws and regulations such as RA 11058 (OSH Law).

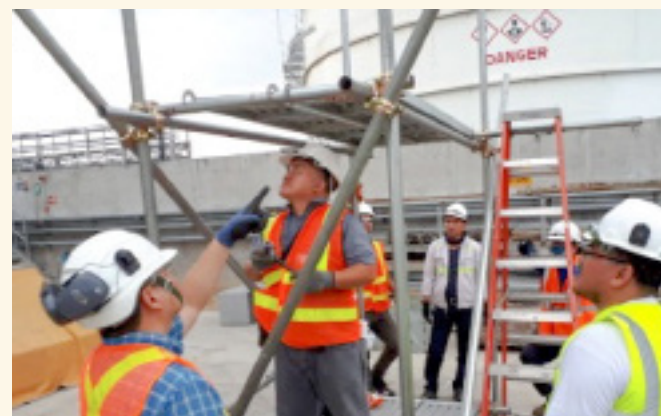
All contractors are required to undergo ESH orientations, participate in toolbox meetings, use appropriate Personal Protective Equipment (PPE), follow the Permit to Work (PTW) process, and report ESH hazards, risks and incidents to their superiors.

Second party audits (see findings at bottom of page) were conducted to contractors with existing agreements in reference to General Labor and Occupational Health Standards and ESH Management System standards. Gaps identified were rectified by the contractors.

As stated in the ESH Policy, First Gen shall continue to influence suppliers and other service providers to comply with applicable laws and regulations and to adhere with the standards set by the Company on environmental protection and occupational health and safety.



Early morning Toolbox Talks include a safety orientation and reminders for the workers to use personal protective equipment



Periodic safety inspections are conducted by line managers

Screening contractors for social criteria

100% of new suppliers screened using social criteria

In total, First Gen screened 31 of its suppliers. Of these, 30 were found to have actual and potential negative social impact.

The following were the findings in the screening process which were acted upon by the company:

- Absence of safety and health controls
- Failure to secure license and/or registration or failure to submit compliance report requirements
- Safety and Health controls are implemented/practiced, however there is lack of formal policies and/or procedures

First Gen provides recommendations on how the suppliers could improve their performance and reduce or eliminate the potential of negative impact.

INVESTING IN OUR PEOPLE

First Gen is fully aware of the need for continuous development across all levels in the organization. All qualified employees are strongly encouraged to take part in various forms of technical and leadership training as well as personality enhancement programs.

To safeguard organizational development, First Gen has training procedures that provide the mechanics of the training program, and the annual Performance Engagement Process and Development Plan so that every employee is empowered to develop and further grow in his/her career. It identifies and tracks the competencies of the employees at the start, middle, and end of each year. To monitor the effectiveness of each training program and/or activity, employees utilize training forms as needed.

We have implemented and sponsored a total of 248 training programs, of which 216 are functional-related, 25 are related to developing core skills, and 7 focused on leadership, by internationally recognized and respected facilitators. For 2018, a total of 1,271 regular workers participated in these trainings.

First Gen also invests in training our service providers who are valuable partners in our business. In 2018, these service personnel comprised 903 workers. There were 683 full-time equivalent (FTE) days served by 193 construction workers, 401 FTE days served by 466 operations workers, and 1,030 FTE days by 244 maintenance workers.

In particular, workers involved in activities with high risk of encountering occupational hazards are provided relevant health and safety training to allow them to perform their work well and according to safety standards. **New contractors composed of 353 operations and maintenance workers underwent these training sessions at First Gen in 2018.**

TOP 5 TRAINING PROGRAMS ON OSH

Safety training is given to new employees and workers as part of the site safety induction and pre-work activities. Our top 5 OSH training programs include:

QESH orientation on safe work practices, occupational health, and environmental impacts

National Fire Protection Agency (NFPA) 1600: Standards for Emergency Response, Crisis Management, and Business Continuity

Incident Command System Training

NFPA 70E: Standards in Electrical Safety at the Workplace

NFPA 25: Standards in Fire Pumps/Fire Protection System Inspection, Testing and Maintenance

The training sessions aim to promote proper implementation of safe work practices as well as emergency and disaster response programs, with each worker knowing their role and duty should an incident occur. Safety in the workplace is maintained given the inherent knowledge of electrical safety and fire protection, with the assurance that protocols are in place to deal with an incident so that business operations are not affected unduly.

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SAFEGUARDING HUMAN RIGHTS

First Gen recognizes that every individual has inherent and inalienable rights as enshrined in local laws and international conventions. The Company respects these rights and strives to uphold them, and where applicable, shall take responsibility and remedial action for any corporate actions that may infringe on these rights.

First Gen has its own human rights policy, which recognizes and respects the rights and dignity of each individual. The Company complies with the minimum required policies as mandated by the Philippine Labor Laws related to Human Rights, as well as applicable international standards. Moreover, the Company aims to prevent or mitigate adverse human rights impacts in the provision of its services.

Although First Gen does not have a specific policy on the implementation of human rights reviews or assessments, the Company takes its cue from the FPH human rights policy issued in Nov. 2018. **All our work sites are subjected to human rights impact assessments.** In doing so, First Gen avoids causing adverse human rights impacts in its operations—but, should these occur, the Company shall facilitate access to a grievance redress mechanism.

Our employees are also briefed on company policies meant to instill discipline (Company Code on Employee Discipline) and appropriate consideration for their own safety and health, as well as the welfare of the entire organization. New hires especially are oriented regarding security procedures, and other related practices. Aside from this, the Company regularly provides internal training seminars for employees, and sponsors the attendance of employees in external development training sessions, seminars, and programs.

In total, there were 281 training hours spent on human rights policies and procedures relevant to our operations in 2018. A total of 29 employees, representing our various businesses, were trained.

HUMANE SECURITY PRACTICE

First Gen believes that a sound security practice is critical to ensure that human rights—of personnel, residents where we operate, and visitors to our worksites—are respected and observed, particularly in the implementation of security procedures, the security plan, and other related security practices.

First Gen targets zero recurring security incidents, no human rights violation, and compliance with all applicable regulatory requirements. To achieve these goals, the Company relies on the External Affairs and Security Department. We also allot a budget to equip the security personnel with the necessary equipment, training, and logistical support to be effective.

Our policies for human rights and the enactment of a grievance mechanism is embedded in our service contracts with our security providers. KPIs are also included for evaluating the performance of the security providers within these contracts. Finally, the Company also conducts a QESH Audit and other First Gen Management Audits. Representatives monitor the daily conduct of troop information and education for all security personnel.

First Gen contracts the services of 38 security personnel—in 2018, **32 (82.41 percent) of the security personnel** were provided training on Voluntary Principles on Human Rights and Security, Firearms Safety and Marksmanship, and Grievance Machinery. Semi-annual refresher courses for all security personnel are also available.

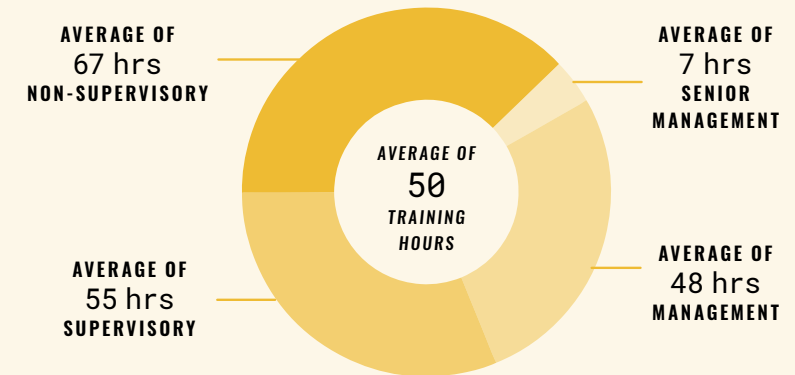
SUMMARY OF TRAINING STATISTICS

At First Gen, we believe in providing the type of skills enhancement training that fits the role of the employee, prepares them for the workplace and boosts their productivity, and keeps their skills at par with industry practice. **In 2018, our employees received an average of 44 hours of training.**

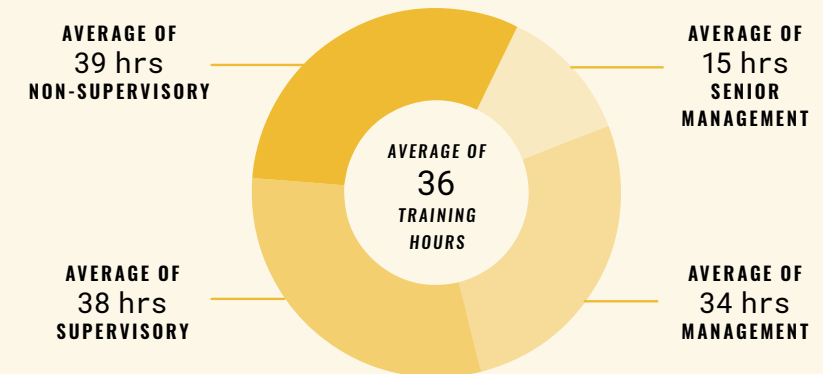
Apart from in-house programs such as the requisite New Employee Orientation, Power 101, and Powered Up Professionals, we also provide core programs including but not limited to: 5 Choices to Extraordinary Productivity, 7 Habits of Highly Effective People Signature Program, Data Storytelling for Business, and Design Thinking.

As a matter of policy, we encourage both female and male leaders and ensure that they are equally equipped for management. The management programs we provide include but are not limited to: Executive Masters in Business Administration, 4 Disciplines of Execution™ Learnshop, Fundamentals of Coaching & Mentoring, Performance Management, Leadership in the Age of Disruption, and Leading Change.

AVERAGE TRAINING HOURS FOR MALES



AVERAGE TRAINING HOURS FOR FEMALES



Our HR practitioners are also given training to better administer training workshops to the rest of the workforce, through programs such as the Group-wide FPH DPA Train the Trainor and 5 Concrete Ways to Measure the ROI of Training Programs. Since we put a premium on industrial peace, we also provide training on Proactive Labor Relations for Non-unionized Environment. To be able to assist employees in receiving benefits, as well as planning for retirement, our HR practitioners are also trained in the PMAP Administering Labor Standards and Benefits and PMAP Retirement Planning Seminar.

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PARTNERING WITH THE COMMUNITY

First Gen recognizes CSR as integral to our business model. Given this commitment, the Company shall serve as a prime mover for nation-building, social development, and environmental stewardship in the areas where we operate. In line with our CSR policies, our Environmental Compliance Certificate, and our memorandum of agreement (MOA) with the host community, the Company shall promote harmonious relationships with the stakeholders, that are characterized by mutual trust and benefit.

First Gen's local community is Batangas City, with a particular focus on five areas—Barangay Sta. Rita Aplaya, Barangay Sta. Rita Karsada, Barangay Bolbok, Barangay Danglayan, and Barangay Sta. Clara.

First Gen's CSR efforts focus on stakeholder engagement and the implementation of community relations programs in its host communities on the following themes: job generation, health, education, environment, and partnership.

First Gen's educational programs include awarding of scholarships, provision of medals for top performers as incentive, distribution of school supplies, provision of materials for school repairs, and training on welding (flux-cored-arc) to increase employability. Our health programs include setting up community clinics, conducting dental and optical missions, and providing free milk to improve children's nutrition. Meanwhile, our environmental program includes activities such as a monthly coastal clean-up, funding for "Bantay Dagat" (sea watch) patrols, and the reforestation of the Marikina watershed.



One of 12 clean-up events where volunteers collected over 14,000 kilograms of compostable and residual waste

BRIGADA ESKWELA (NATIONAL SCHOOLS MAINTENANCE WEEK)

Activity	Beneficiaries
Rehabilitation of cafeteria	1,728 students of Sta. Rita Aplaya Elementary School
Rehabilitation of covered school stage	380 students of Sta. Rita Aplaya Elementary School
Construction of multi-purpose hall and stage	783 students of Sta. Rita National High School
Renovation of stage with extended flooring	1,506 students of Bolbok Elementary School
Renovation of handwashing area	1,651 students of Sta. Clara Elementary School
Repair of 2 classrooms	245 students of Damilag Integrated School, Barangay Manolo Fortich, Bukidnon
Repair and repainting of classrooms, chairs, and fences	400 Aeta students of Nabuclod Elementary School, Floridablanca, Pampanga
Construction of Drainage System, Concrete Pavement and Streetlights at Philippine Science High School Campus, Access Road at Barangay Sampaga	972 students of Philippine Science High School

7,665 students

PROVISION OF SCHOOL SUPPLIES

Beneficiaries
260 students of Sta. Rita Elementary School
100 students of Sta. Rita Aplaya Elementary School
235 students of Bolbok Elementary School

595 students in Batangas City public schools

USD 512,150.95
(Php 26,873,584.65)
Total Investments in Education



First Gen employees volunteer their time in community-building efforts

ENVIRONMENTAL CONSERVATION AND CLIMATE ACTION

First Gen continues its capacity-building partnership with the community of Batangas to promote a resilient disaster risk response and mitigation. Following the construction of First Gen Advanced Learning Emergency Response Training (ALERT) facility in Batangas in 2017, our Company sponsored and supported the training and drills conducted by the Bureau of Fire Protection (BFP) for the church-organized group called BASIC (Batangueños Assistance

and Social Investment during Calamities). Training workshops on Basic Fire (Fighting) Brigade, Rescue and First Aid, and Documents Preservation were conducted for 150 volunteers from the Archdiocese of Lipa and barangays.

Further, First Gen continues to support the continued protection of the Verde Island Passage that has not only conserved the rich marine biodiversity of Batangas but has also helped enrich the fisheries and tourism sector.

Through the operational support that First Gen has been providing, the Bantay Dagat was able to conduct regular patrolling activities that deter both illegal and commercial fishers, strictly enforce marine law especially on catching “tamak” (fish fry). Regulating fishing activities ensures that no fishing is conducted in the sanctuaries and artificial reef, allowing the population to increase.

A reputation for diverse marine life has also attracted tourists to Lobo: from only 31,584 tourists in 2017, a total of 83,800 tourists were received in 2018, a 165 percent increase in tourist traffic boosting the local economy.

First Gen is also involved in the reforestation of the Marikina Watershed, a major source of underground water in Metro Manila, having reforested 10 hectares with native trees and fruit-bearing trees. These are planted primarily by 10 households engaged in the reforestation activities.

First Gen volunteers take part in tree-planting activities to replenish the Marikina Watershed



Activity

Beneficiaries

Center of Center Project support for Bantay Dagat patrollers for the marine protected areas in the Verde Island Passage in the Province of Batangas

364 community volunteers provided with life and accident insurance to promote health security and well-being

Pangasinan Relief Efforts

Typhoon Ompong, September 2018

1,000 disaster-stricken families provided with relief assistance

Marikina Relief Efforts

Storm Karding, August 2018

1,650 disaster-stricken families provided with relief assistance

First Gen President Giles B. Puno (right) leads the MOA signing for Project BASIC



Emergency drills familiarize our first responders with the protocols for firefighting





Project SIKAT harnesses youth energy to bring benefits of RE technology to rural communities

SIKAT

SHIFTING GEARS: REDEFINING THE IMPACT OF RENEWABLE ENERGY

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Social

An estimated 12 million Filipinos had no access to energy in 2018. In an archipelagic country with varied topography like the Philippines, where millions of Filipinos reside in areas such as mountains, coastlines, and islands—connecting communities to the grid is a challenge. Major energy producers and local electric cooperatives find investing in these areas to put up traditional power grid structures too costly, subjecting millions to experience a great Energy Poverty.

Energy Poverty is widely defined as the lack of access to opportunities and basic needs for development due to the absence of electricity in a community. It affects communities in several aspects: education, health, livelihood, and overall quality of life.

As a non-profit organization focused on promoting the use of Renewable Energy (RE) for rural development, the **Sikat Solar Challenge Foundation, Inc. launched its new flagship program, the Sikat Impact Challenge.** Sikat supports the development and innovation of grassroots projects done by established

organizations with partner communities in remote areas that utilize existing RE technology to address root causes of energy poverty.

Sikat funds USD 9,528.89 (Php 500,000) into the projects, provides capacity building for the organization in project management and sustainability, and works with stakeholders in the fields of energy, community development, and social entrepreneurship to create self-sustaining and innovative projects that the community can take ownership of for the years to come.

Currently, there are three organizations under the program—starting with Keep Hope Alive (KHA), a non-profit organization established in 2007, formed as a result of friends performing medical missions in their hometown of Mansalay, Mindoro. KHA has a strong volunteer base of 1,400 members who do outreach programs on health, sanitation, hygiene, and nutrition to over 20 indigenous communities in Mansalay, and were awarded as one of the Ten Accomplished Youth Organizations (TAYO) in the Philippines by the National Youth Commission in 2016.

Their project, Project Bantay Kalusugan, is a program that seeks to improve the quality of health of the residents of Brgy. Panaytayan in Mansalay, who are members of the Hanunuo Mangyan Tribe. The project primarily features a Solar-powered Community Health Center, complete with the necessary equipment required in a rural clinic that offers basic health services and amenities and serves more than 1,440 people in the area.

The second organization TAO Pilipinas, a non-profit organization that started after the EDSA revolution when a group of planners and architects came together to serve the urban poor. They use the participatory approach to allow communities to actively participate in urban community planning.

Project Recharge is a water and security development project for the residents of the MASAGANA association, a resettlement community originally from flooding- and calamity-prone Navotas, now relocated in Bulacan. The project primarily features a solar-powered water purification system done with the Ateneo Innovation Center as well as 20 solar street lights to aid in the security of the area.

The third organization is the 2030 Youth Force in the Philippines, a group of young leaders that are a part of an Asia-Pacific youth movement aimed at addressing the Sustainable Development Goals (SDGs), recognized by the United Nations Development Programme—this particular team focuses on addressing SDG 7, Affordable and Clean Energy for all. Project Liyab focuses on access to clean and affordable water through solarizing a water pump, as well as integrating a waste management plan in the community coupled with livelihood capacity building.

Aside from the main projects the teams are working on, **Sikat also pilots various small-scale RE technologies in the communities, done in partnership with Power4All.** One being the solar-powered perimeter light in the communities of 2030 Youth Force and Tao-Pilipinas, the first in their respective areas. A solar-powered charging station was also deployed in 2030 Youth Force's community, where they charged users according to economic background and earned a little income. One of the bigger deployments was a solar-powered battery pack in KHA's community in Oriental Mindoro, that powered an audio system and nebulizer, and qualified the local school for printers and laptops care of Department of Education.

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Youth leaders inspect existing infrastructure at a community site



HOW FIRST GEN CONTRIBUTED TO EACH SUSTAINABLE DEVELOPMENT GOAL IN 2018

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Sustainable Development Goals



End poverty in all its forms everywhere.

- Job provision to residents of host communities
- Investments in Batangas schools
- Sponsored livelihood trainings



End hunger, achieve food security and improved nutrition and promote sustainable agriculture

- Milk feeding program



Ensure healthy lives and promote well-being for all at all ages

- Lower concentration of emissions compared to other sources of energy
- OSH programs resulting to zero occupational illnesses and diseases
- Implementation of the Substance Abuse Policy
- Maintained proper segregation, storage, transport and disposal of waste
- Conduct of medical and dental clinics
- Refurbished health centers for better medical services



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- School supplies provided to Batangas residents
- Provision of construction materials to schools in host communities
- Provision of medals and incentives to outstanding students
- Conducted values formation seminar to student leaders
- Repaired and repainted classrooms



Achieve gender equality and empower all women and girls

- No discrimination in hiring, job functions and designations



Ensure availability and sustainable management of water and sanitation for all

- Treatment of effluents before discharge
- Extraction of water from ground water resources is within the limits set by the National Water Resources Board



Ensure access to affordable, reliable, sustainable and modern energy for all

- Operation of clean energy plants
- Proper maintenance and operation of existing power plants
- Continues to innovate and to seek solutions to the rising energy demand by developing more power plants and LNG regasification terminal



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

- Implementation of trainings and OSH programs for employees to be more productive and have a balanced way of living
- Provision of employment opportunities for the community
- Compliance with labor standards
- Hired employees based on qualifications regardless of gender, age and race; and paid employees based on performance



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

- Financial support on the construction of roads, repairs of schools, installation of streetlights, upgrade of drainage and water system for the benefit of the communities



Reduce inequality within and among countries

- Recognitions of Human Rights



Make cities and human settlements inclusive, safe, resilient and sustainable

- Trained barangay volunteers in Basic Firefighting, Rescue and First Aid Training, and Documents preservation through Project BASIC (Batangueños Assistance and Social Investment during Calamities)
- Maintained monitoring and proper segregation, storage, transport and disposal of waste



Ensure sustainable consumption and production patterns

- Purchases from local suppliers



Take urgent action to combat climate change and its impacts

- Continued to implement the 'No Coal' policy as part of clean and green advocacy
- Proactively managed climate change-related risks by preparing for contingencies, enhancing the 'strategic spares' program, and future-proofing power plants
- Provision of immediate relief to families affected by disaster to aide faster recovery
- In partnership with Climate Reality Project, conducted climate change education through competitions
- Continued disaster risk reduction and mitigation training through Project BASIC.



Conserve and sustainably use the oceans, seas and marine resources for sustainable development

- Continued to protect 10-hectare Mangrove Reforestation Area within First Gas Energy Complex
- Along with Conservation International, continued to support the 'Project Center of the Center' through marine law enforcement in nine marine protected areas (MPAs) in the coastal towns of Mabini, Tingloy, and Lobo, Batangas province
- Continued to protect the Verde Island Passage for the conservation of its rich marine biodiversity and enrichment of the fisheries sector, while attracting local ecotourism to help boost the local economy of the province of Batangas
- Conducted 12 coastal clean-ups at Sta Rita Aplaya, Danglayan and Sta Clara in Batangas



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

- Established a tree nursery with the Archdiocesan Ministry on Environment (AMEn) in Batangas to aid reforestation efforts
- Continued restoration efforts at Marikina Watershed
- Continued maintenance and protection of 14 mangroves and mangrove-associated species, with periodic assessments, in the mangrove reforestation areas in the vicinity of First Gen Clean Energy Complex in Batangas
- Continued species rescue project with EDC BINHI by planting of 79 endangered premium Philippine timber tree seedlings in the Damilag Integrated School and FG Bukidnon Power Corp. compound



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

- Institutionalized policies on anti-bribery and corruption, conflict of interest, insider trading, whistleblower protection and management, and related party transactions



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

- Focused on key areas of UN SDGs through partnership with government (national and local government units), the private sector (technological cooperation with international business partners and collaboration with Philippine Disaster Resilience Foundation and other similar organizations), civil society (NGOs) including Philippine Business for the Environment (PBE), and citizens

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INDEPENDENT ASSURANCE STATEMENT



Manila, 08 April 2019

General Disclosures

First Gen Corporation (First Gen) sought the assistance of the University of Asia and the Pacific Foundation Incorporated-Center for Social Responsibility (UA&P-CSR) in facilitating the external assurance of its 2018 Global Reporting Initiative (GRI)-based Sustainability Report (SR).

An External Review Committee (ERC) composed of independent experts in assurance practices ("external assurers") was formed; they conducted the assurance in a manner that is systematic, documented, evidence-based, and characterized by defined procedures.

First Gen provided for the expenses incurred during the site visits, including the honoraria of the external assurers, and the support provided by UA&P-CSR. First Gen pre-selected the stakeholders interviewed and the sites visited, and provided data and information during the review process, when requested. To ensure objectivity, UA&P-CSR as the host of the assurance process facilitated the activity of the external assurers.

Level of Assurance and Methodology

This is the first time that First Gen has subjected its SR to external party assurance.

The entire assurance process was conducted within six (6) weeks in 2019, from the mobilization meeting on February 20 to the submission of a draft summary of the SR 2018 disclosures on March 28 and the Assurance Statement on April 5. Site visits were conducted in Batangas and Bukidnon (March 18 and 25), alongside consultations with First Gen's Technical Working Group, and an interview with the President/Chief Operating Officer (March 21).

The external assurers considered the Report's boundaries which covered natural gas, wholesale electricity trading, and hydro operations in First Gen's portfolio. The geothermal, wind, and solar operations will be covered by a separate SR of an affiliate company.

Findings

The external assurers view First Gen's SR 2018 as comprehensive and in accordance with the GRI Standards on report content, quality management, and topic-specific disclosures for economic, social, and environmental aspects.

The Report highlights First Gen's sustainable business practices and efforts to document material impacts, major stakeholders and environs affected, and the management of these impacts. The disclosures are recent, understandable, readily available, comparable with previous years' performances, and readily verifiable by external parties. Sufficient justifications are given on the limitations posed by some disclosures.

Disclosures on the environmental aspect are accurate, comprehensive, transparent, and thorough. First Gen's strict compliance with environmental laws and its programs to support biodiversity and protected areas (including the collection of baseline information on emission, effluents, and waste) are commendable.

The findings show that First Gen benefited from the efficiency gains following its investments in technologies and the higher retail-power sales from customers who prefer low-carbon or renewable energy sources. The company continues to address the potential impact of the 2024 projected depletion of the Malampaya gas reserves with ongoing studies and negotiations for a Liquefied Natural Gas (LNG) terminal. It also plans to put up new hydro power plants in Mindanao and house new plants that will boost future capacity in Batangas.

Recommendations

The following recommendations are outlined to further improve First Gen's sustainability programs.

SUSTAIN THE CULTURE AND GREENING THE SUPPLY CHAIN.

First Gen should continue its internal communication campaigns and formation and education programs at all levels of the organization to reinforce the mindset and activities necessary to pursue a sustainable business model. This also involves enjoining other suppliers and partners in its value chain to align their processes with company standards;

COVER MORE ENHANCEMENT AREAS AND PROVIDE MORE INFORMATION.

Consider other specific enhancement areas such as biodiversity and/or water management. For the Verde Island Passage area, programs that will improve marine and coastal protection would be worth pursuing. For the site in Bukidnon, a program toward enhancing biodiversity, forest extent and cover, and water retention capacity of the watershed upstream of the plant may also be considered. In subsequent reporting, First Gen may also provide more quantitative information on survival and growth performance of mangrove plantations, Valued Environmental Components (VEC) results, International Union for Conservation of Nature (IUCN) Red List for Bukidnon, biodiversity values, water stress calculations, and water audits;

ENHANCE THE MONITORING AND EVALUATION OF SOCIAL IMPACT TARGETS AND SUCCESSION PROGRAMS.

First Gen can enhance the monitoring and evaluation of targets and actual results of its social projects. Long-term developmental projects and their expected and actual benefits both on the target community and the company, should also be closely monitored and evaluated. Lastly, First Gen may consider putting in place a robust internal succession program.

Certification

We, the members of the External Review Committee, have validated via external assurance activities the First Gen Corporation's 2018 performance, as presented in its Sustainability Report, based on Global Reporting Initiative Standards (GRI Standards) and disclosure guidelines and requirements relying on relevant data or information disclosed to and/or received by us during the validation process. This certification does not extend to matters beyond the coverage of such data or information and/or outside the scope of such process. More so, nothing in our assurance statement should be construed as a position or opinion of the organizations where we are presently connected.

Our collective external assurance statement is attached hereto.

IN WITNESS WHEREOF, we have hereunto set our hands this 8th of April 2019 at the University of Asia and the Pacific.

Dr. Winston Conrad Padojinog, DBA
President,
University of Asia & the Pacific
Chair, External Review Committee for First Gen SR 2018



Dr. Winston "Stan" Padojinog, is an associate professor of industrial economics and strategic management and the fourth President of the University of Asia and the Pacific. He lectures on and undertakes researches in the fields of industry dynamics, strategic management, finance, and business sustainability courses in the graduate programs of UA&P. He is also a founding member of the Center for School Governance. Since 2011, he has served as member of the External Review Committee of various companies that subjected their sustainability reports for external assessment.

Prof. Nanette Dungo, Ph.D.
Former Chairperson,
Department of Sociology
University of the Philippines, Diliman



Prof. Nanette G. Dungo, PhD, is an adjunct professor in UA&P as a faculty member in the School of Law and Governance under its Political Economy Program, teaching courses on Philippine Society and Culture, Migration and Development, Culture and Development, and Qualitative Research. Her research involvements and conference papers were written in the area of Development Studies and covered topics on Women, Children, Youth, and Community Evaluation Projects.

Rene N Rollon, Ph.D.
Former Director, Institute of Environmental Science & Meteorology
College of Science, University of the Philippines, Diliman



Dr. Rene Rollon is a member of the Department of Environment and Natural Resources – Environmental Management Bureau Technical Review Committee. He specializes in studying aquatic ecosystems, coastal marine biology and ecology, mangrove and seagrass ecology, coastal resource management, environmental impact assessment, and environmental sciences. He obtained his doctoral degree in Agricultural and Environmental Sciences in WAU-IHE, The Netherlands.

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GRI CONTENT INDEX

GRI STANDARDS (“In Accordance - Comprehensive”)

This report has been prepared in accordance with the GRI Standards: Comprehensive option. The index lists GRI General and Specific Standard Disclosures and Electric Utilities Sector Disclosures issued in 2016/2018 and 2013, respectively. It also summarizes First Gen's coverage and details where we report in relation to each Standard Disclosure. For the Materiality Disclosure Services, GRI Services reviewed that the GRI Content Index is clearly presented and references for disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. This report is assured by an External Review Committee (ERC) hosted by the University of Asia and the Pacific Center for Social Responsibility. For a detailed explanation of GRI Standard Disclosures, please visit www.globalreporting.org.



GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
GRI 101: Foundation 2016				
GRI 102: General Disclosures 2016				
Organizational Profile	102-1	Name of the organization	8	
	102-2	Activities, brands, products and services	8	
	102-3	Location of headquarters	2	
	102-4	Location of operations	2, 10	
	102-5	Ownership and legal form	8	Visit our website at www.firstgen.com.ph/our-company/corporate-structure/
	102-6	Markets served	8, 11	
	102-7	Scale of the organization	10	
	102-8	Information on employees and other workers	10, 39	
	102-9	Supply chain	12, 13	
	102-10	Significant changes to the organization and its supply chain		There was no significant change in the location, share capital structure and supply chain from 2017 to 2018.
	102-11	Precautionary Principle or approach	19	
	102-12	External initiatives	9	First Gen reports to the Carbon Disclosure Project, follows the Global Reporting Initiative framework, and maintains international standards under the International Organization for Standardization.
	102-13	Membership of associations	9	
Strategy	102-14	Statement from senior decision-maker	4	
	102-15	Key impacts, risks, and opportunities	19	
Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	14	
	102-17	Mechanisms for advice and concerns about ethics	18	
Governance	102-18	Governance structure	18	
	102-19	Delegating authority	19	
	102-20	Executive-level responsibility for economic, environmental, and social topics	18	
	102-21	Consulting stakeholders on economic, environmental, and social topics	16	

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
Governance	102-22	Composition of the highest governance body and its committees		The Composition of the Board can be found at www.firstgen.com.ph/our-company/board-of-directors/ while the Board Committees and their functions and composition are detailed in www.firstgen.com.ph/corporate-governance/board-committees/
	102-23	Chair of the highest governance body		Mr. Federico R. Lopez is both the Chairman of the Board, and the Chief Executive Officer of First Gen.
	102-24	Nominating and selecting the highest governance body		The company's Manual on Corporate Governance requires the members of the company's Nomination and Governance Committee to review and evaluate the qualifications of all persons nominated to the board to ensure that each board election will result in a mix of proficient directors, each of whom will be able to add value and bring prudent judgment to the board. The committee does not discriminate against any person by reason of that person's age, race, sex, religion, and marital status. Among the factors considered by the committee are: expertise in the power industry; financial, marketing, international, risk management, legal, human resources, technological, and operational expertise; and gender diversity. Stockholders votes for or against the election of qualified nominees to the Board are also taken into account in the process. A copy of the Manual on Corporate Governance is available at: www.firstgen.com.ph/wp-content/uploads/2018/05/Revised-Manual-on-CG_May-2017.pdf
	102-25	Conflicts of interest		The process and mechanism laid down to detect, determine and resolve any possible conflict of interest between the company and/or its group and their directors, officers, and significant shareholders are disclosed in the Annual Corporate Governance Report (as of May 2017), Section B: Code of Business Conduct and Ethics, pp. 33-34, 40-42. A copy of the Corporate Governance Report (as of May 2017) is available at: www.firstgen.com.ph/corporate-governance/manual-on-corporate-governance/
	102-26	Role of highest governance body in setting purpose, values, and strategy		The Corporation's vision and mission are reviewed by the Board of Directors during its Strategic Board Update which is conducted annually. Such vision and mission were revisited and affirmed by the directors during their annual board update held on September 26, 2017.
	102-27	Collective knowledge of highest governance body		As per the Manual on Corporate Governance, the Board may require a newly elected Director to attend a seminar on corporate governance conducted by any duly-recognized private or government institution. Appropriate training opportunities for both existing and potential directors may from time to time be identified and undertaken as assessed. The enumerated list of the trainings attended by the Directors are listed in the Annual Corporate Governance Report (as of May, 2017), Section A: Board Matters - 6 Orientation and Education Program pp. 28-33.

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
Governance	102-28	Evaluating the highest governance body's performance		The process followed and criteria used in assessing the annual performance of the Board and its committees, individual directors, and the CEO/President are disclosed in the Annual Corporate Governance Report (as of May, 2017), Section M: Board, Director, Committee and CEO Appraisal, pp. 125-127.
	102-29	Identifying and managing economic, environmental, and social impacts	19	
	102-30	Effectiveness of risk management processes	19	
	102-31	Review of economic, environmental, and social topics	19	
	102-32	Highest governance body's role in sustainability reporting	2	
	102-33	Communicating critical concerns	19	The Company has an internal Risk Management Group as well as a Risk Management Committee which assists the Board of Directors in its oversight responsibility over management's activities in managing risks involving physical, financial, operational, environmental and other risks of the Corporation. The Committee is composed of three(3) Board Members, a Management representative and resource persons from other Company departments as may be necessary. Part of the Committee's responsibility is to regularly assess the Company's risk management activities and report this to the Board.
	102-34	Nature and total number of critical concerns		The identification and nature of critical concerns depends on the department or operating group directly involved in or handling the concern. These concerns typically involve operations, financing, and/or regulations covering the Company. When a critical issue is identified, the department or operating group first studies the situation and raises the concern to various bodies such as the management, and/or the Board of Directors if need be.
	102-35	Remuneration policies		Provision of the information is restricted by confidentiality and security considerations.
	102-36	Process of determining remuneration		Provision of the information is restricted by confidentiality and security considerations.
	102-37	Stakeholders' involvement in remuneration		Provision of the information is restricted by confidentiality and security considerations.
	102-38	Annual total compensation ratio		Provision of the information is restricted by confidentiality and security considerations.
	102-39	Percentage increase in annual total compensation ratio		Provision of the information is restricted by confidentiality and security considerations.
	Stakeholder Engagement	102-40	List of stakeholder groups	16
102-41		Collective bargaining agreements		First Gen is not unionized.
102-42		Identifying and selecting stakeholders	16	
102-43		Approach to stakeholder engagement	16	

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
Reporting Practice	102-44	Key topics and concerns raised	17	
	102-45	Entities included in the consolidated financial statements	2	
	102-46	Defining report content and topic Boundaries	16, 17	
	102-47	List of material topics	17	
	102-48	Restatements of information		There are no restatements of information.
	102-49	Changes in reporting		There are no significant changes from the previous reporting periods in the Scope and Aspect Boundaries.
	102-50	Reporting period	2	
	102-51	Date of most recent report		May 9, 2018
	102-52	Reporting cycle	2	
	102-53	Contact point for questions regarding the report	2	
	102-54	Claims of reporting in accordance with the GRI Standards		This report has been prepared in accordance with the GRI Standards: Comprehensive option.
	102-55	GRI content index	58	
102-56	External assurance	56		

GRI 200 ECONOMIC STANDARD SERIES 2016

Economic Performance

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	21	
	103-2	The management approach and its components	21	
	103-3	Evaluation of the management approach	21	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	7, 21	
	201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change	23	
	201-3	Defined benefit plan obligations and other retirement plans		First Gen has distinct, funded, non-contributory, defined benefit retirement plans, which covers all permanent employees, each administered by the committees of each subsidiary.
	201-4	Financial assistance received from government	22	

Market Presence

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	24	
	103-2	The management approach and its components	24	
	103-3	Evaluation of the management approach	24	
GRI 202: Market Presence 2016	202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	24	
	202-2	Proportion of senior management hired from the local community	24	

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
GRI 200 ECONOMIC STANDARD SERIES 2016				
Indirect Economic Impacts				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	50, 52	
	103-2	The management approach and its components	50, 52	
	103-3	Evaluation of the management approach	50, 52	
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	49	
	203-2	Significant indirect economic impacts	50, 51	
Procurement Practices				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	24	
	103-2	The management approach and its components	24	
	103-3	Evaluation of the management approach	24	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	7, 24	
Anti-corruption				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	22	
	103-2	The management approach and its components	22	
	103-3	Evaluation of the management approach	22	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	7, 22	
	205-2	Communication and training about anti-corruption policies and procedures	22	
	205-3	Confirmed incidents of corruption and actions taken	22	
Anti-competitive Behavior				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	22	
	103-2	The management approach and its components	22	
	103-3	Evaluation of the management approach	22	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	22	

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
GRI 300 SERIES ENVIRONMENTAL STANDARDS SERIES 2016/2018				
Materials				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	27	
	103-2	The management approach and its components	27	
	103-3	Evaluation of the management approach	27	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	27	
	301-2	Recycled input materials used		Not applicable. The primary input in our process is fuel, which is non-recyclable.
	301-3	Reclaimed products and their packaging materials		Not applicable. The Company is primarily involved in power generation.
Energy				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	28	
	103-2	The management approach and its components	28	
	103-3	Evaluation of the management approach	28	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	28	
	302-2	Energy consumption outside of the organization	28	
	302-3	Energy Intensity	28	
	302-4	Reduction of energy consumption	7, 28	
	302-5	Reductions in energy requirements of products and services		There is no reduction in energy requirements in our operations during the reporting period.
Water				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	29	
	103-2	The management approach and its components	29	
	103-3	Evaluation of the management approach	29	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	29	
	303-2	Management of water discharge related impacts	29	
	303-3	Water withdrawal	29	
	303-4	Water discharge	29, 36	
	303-5	Water consumption	29	

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
GRI 300 SERIES ENVIRONMENTAL STANDARDS SERIES 2016/2018				
Biodiversity				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	30	
	103-2	The management approach and its components	30	
	103-3	Evaluation of the management approach	30	
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	30	
	304-2	Significant impacts of activities, products, and services on biodiversity	30	
	304-3	Habitats protected or restored	26, 30	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	7, 26, 30	
Emissions				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	32, 33	
	103-2	The management approach and its components	32, 33	
	103-3	Evaluation of the management approach	32, 33	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	33	
	305-2	Energy indirect (Scope 2) GHG emissions	33	
	305-3	Other indirect (Scope 3) GHG emissions	33	
	305-4	GHG emissions intensity	33	
	305-5	Reduction of GHG emissions	28	
	305-6	Emissions of ozone-depleting substances (ODS)		Not applicable. ODS is not used in our facilities.
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	32	
Effluents and Waste				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	34, 35	
	103-2	The management approach and its components	34, 35	
	103-3	Evaluation of the management approach	34, 35	

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
GRI 300 SERIES ENVIRONMENTAL STANDARDS SERIES 2016/2018				
Effluents and Waste				
GRI 306: Effluents and Waste 2016	306-1	Water discharge by quality and destination	36	
	306-2	Waste by type and disposal method	34, 35	
	306-3	Significant spills	7, 34	
	306-4	Transport of hazardous waste		No hazardous wastes were transported, imported nor exported internationally. All hazardous wastes were transported, treated, and disposed of, locally, through DENR-accredited Transport, Storage, and Disposal Facilities.
	306-5	Water bodies affected by water discharges and/or runoff	36	
Environmental Compliance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	34	
	103-2	The management approach and its components	34	
	103-3	Evaluation of the management approach	34	
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	30	There were no incidents of non-compliance with environmental laws and regulations.
Supplier Environmental Assessment				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	44	
	103-2	The management approach and its components	44	
	103-3	Evaluation of the management approach	44	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	7	
	308-2	Negative environmental impacts in the supply chain and actions taken	34	
GRI 400 SOCIAL STANDARDS SERIES 2016/2018				
Employment				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	40	
	103-2	The management approach and its components	40	
	103-3	Evaluation of the management approach	40	

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
GRI 400 SOCIAL STANDARDS SERIES 2016/2018				
Employment				
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	40	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	40	
	401-3	Parental leave	40	
Labor-Management Relations				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	40, 41	
	103-2	The management approach and its components	40, 41	
	103-3	Evaluation of the management approach	40, 41	
GRI 402: Labor-Management Relations 2016	402-1	Minimum notice periods regarding operational changes		First Gen is non-unionized. Nonetheless, Management is transparent with employees on changes in the company that may affect them.
Occupational Health and Safety				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	41	
	103-2	The management approach and its components	41	
	103-3	Evaluation of the management approach	41	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	41	
	403-2	Hazard identification, risk assessment, and incident investigation	41	
	403-3	Occupational health services	43	
	403-4	Worker participation, consultation, and communication on occupational health and safety	44	
	403-5	Worker training on occupational health and safety	41, 45	
	403-6	Promotion of worker health	43	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	41, 43, 44	
	403-8	Workers covered by an occupational health and safety management system	41	
	403-9	Work-related injuries	41	
	403-10	Work-related ill health	41	
Training and Education				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	45, 47	
	103-2	The management approach and its components	45, 47	
	103-3	Evaluation of the management approach	45, 47	

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
GRI 400 SOCIAL STANDARDS SERIES 2016/2018				
Training and Education				
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	45	
	404-2	Programs for upgrading employee skills and transition assistance programs	45	
	404-3	Percentage of employees receiving regular performance and career development reviews		100% of employees receive performance assessments and career reviews.
Diversity and Equal Opportunity				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	38	
	103-2	The management approach and its components	38	
	103-3	Evaluation of the management approach	38	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	39	
Non-discrimination				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	38, 39	
	103-2	The management approach and its components	38, 39	
	103-3	Evaluation of the management approach	38, 39	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken		No incidents of discrimination were reported during the reporting period.
Freedom of Association and Collective Bargaining				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	40, 41	
	103-2	The management approach and its components	40, 41	
	103-3	Evaluation of the management approach	40, 41	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		First Gen is non-unionized.
Child Labor				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	38	
	103-2	The management approach and its components	38	
	103-3	Evaluation of the management approach	38	
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	38	

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
GRI 400 SOCIAL STANDARDS SERIES 2016/2018				
Security Practices				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	46	
	103-2	The management approach and its components	46	
	103-3	Evaluation of the management approach	46	
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	46	
Human Rights Assessment				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	46	
	103-2	The management approach and its components	46	
	103-3	Evaluation of the management approach	46	
GRI 412: Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	7, 46	
	412-2	Employee training on human rights policies or procedures	7, 46	
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		All significant agreements contain general clauses, requiring service providers, contractors, consultants, and counter parties, with relevant laws, rules and regulations. Significant investment agreements are those where the amount is 10% or more of the company assets.
Local Communities				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	48	
	103-2	The management approach and its components	48	
	103-3	Evaluation of the management approach	48	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	9, 39, 50, 51	
	413-2	Operations with significant actual and potential negative impacts on local communities		None of our operations had significant actual negative impacts on local communities. Preventive measures were conducted to manage potential risks.
Supplier Social Assessment				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	44	
	103-2	The management approach and its components	44	
	103-3	Evaluation of the management approach	44	

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
GRI 400 SOCIAL STANDARDS SERIES 2016/2018				
Supplier Social Assessment				
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	7, 44	
	414-2	Negative social impacts in the supply chain and actions taken	44	
Customer Health and Safety				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	41	
	103-2	The management approach and its components	41	
	103-3	Evaluation of the management approach	41	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories		All of our operating plants were designed and operated per Industry health and safety standard.
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		There were no incidents of non-compliance concerning the health and safety impacts of products and services during the reporting period.
Customer Privacy				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	39	
	103-2	The management approach and its components	39	
	103-3	Evaluation of the management approach	39	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	39	
Socioeconomic Compliance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	40, 41, 44	
	103-2	The management approach and its components	40, 41, 44	
	103-3	Evaluation of the management approach	40, 41, 44	
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area		There were no incidents of non-compliance with laws and regulations in the social and economic area during the reporting period

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NUMBER	DIRECT ANSWERS AND OMISSIONS
ELECTRIC UTILITIES SECTOR DISCLOSURES	EU1	Installed capacity, broken down by primary energy source and by regulatory regime	11	
	EU2	Net energy output broken down by primary energy source and by regulatory regime	25, 28	
	EU3	Number of residential, industrial, institutional and commercial customer accounts	25	
	EU4	Length of above and underground transmission and distribution line by regulatory regime		Not applicable. The Company is primarily involved in power generation.
	EU5	Allocation of CO ₂ emissions, allowances or equivalent, broken down by Carbon Trading Framework		The Philippines is a Non-Annex 1 country and therefore has no binding carbon reduction targets or allowances in the Kyoto Protocol.
	EU10	Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime	25	
	EU11	Average generation efficiency of thermal plants by energy source and by regulatory regime	23	
	EU12	Transmission and distribution losses as a percentage of total energy		Not applicable. The Company is primarily involved in power generation.
	EU13	Biodiversity of offset habitats compared to the biodiversity of the affected areas	30, 31	
	EU15	Percentage of employees eligible to return in the next 5 and 10 years broken down by job category and by region	40	
	EU17	Days worked by contractor and subcontractor employees involved in construction, operation and maintenance activities	45	
	EU18	Percentage of contractor and subcontractor employees that have undergone relevant health and safety training	45	All contractors and subcontractors have undergone relevant health and safety training.
	EU22	Number of people physically or economically displaced and compensation, broken down by type of project		Not applicable. There was no construction of new plants and expansion of existing plants during the reporting period.
	EU25	Number of injuries and fatalities to the public involving company assets, including legal judgments, settlements, and pending legal cases of diseases		There were no injuries and fatalities to the public during the reporting period.
	EU26	Percentage of population unserved in licensed distribution or service areas		Not applicable. The Company is primarily involved in power generation.
	EU27	Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime		Not applicable. The Company is primarily involved in power generation.
	EU28	Power outage frequency	23	
	EU29	Average power outage duration	23	
	EU30	Average plant availability factor by energy source and by regulatory regime	23	

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