ALTER Group E&S Policy Statement

Alternergy Holdings Corporation (ALTER) is committed to developing and operating renewable energy projects in a way that prioritizes people, protects the planet, and upholds purpose with integrity.

Our purpose is to create a future where energy is clean, inclusive, and empowering. Anchored on ALTER's *Quadruple Bottomline Philosophy*, reframed as **People, Planet, Purpose, and Responsible Profit**, we are fully committed to deliver meaningful value for all stakeholders, i.e., our shareholders, communities, employees, and the environment.

In line with this, we are set to establish an **Environmental and Social Management System (ESMS)** consistent with the IFC Performance Standards on Environmental and Social Sustainability, applicable Philippine laws and regulations, and international best practice. The ESMS provides the framework through which ALTER identifies, assesses, manages, and monitors environmental and social (E&S) risks and impacts across the full project lifecycle.

1. Policy Commitments

1.1. Respect and Safeguard People

1.1.1. Protect the rights, health, safety, and well-being of our employees, workers, and host communities.

1.1.2. Ensure workplaces are inclusive, fair, and free from child labor, forced labor, discrimination, harassment, and abuse.

1.1.3. Provide safe and supportive work environments, equitable benefits, and fair employment practices across all offices and project sites, consistent with applicable laws and recognized human rights principles.

1.1.4. Ensure that employee grievances are properly heard and addressed in a timely manner.

1.1.5. Require comprehensive environment, safety, and health standards and Occupational Safety and Health (OSH) policies. Subsidiaries and contractors / suppliers must uphold these standards and ensure effective onboarding and training for staff.

1.1.6. Engage openly and continuously with stakeholders, including Indigenous Peoples and vulnerable and marginalized groups, ensuring that their perspectives inform project decisions.

1.2. Protect the Planet

1.2.1. Prevent, minimize, and where necessary mitigate adverse environmental impacts arising from our operations.

1.2.2. Comply with all applicable national and local environmental laws, rules, and regulations, including those issued by the DOE, DENR, and other relevant agencies.

1.2.3. Promote sustainable resource use and protect biodiversity.

1.2.4. Support the transition to a low-carbon economy and strengthen climate resilience.

1.2.5. Ensure that subsidiaries, contractors, and suppliers apply these same standards.

1.3. Uphold Purpose and Integrity

1.3.1. Conduct business with transparency, accountability, and zero tolerance for corruption.

1.3.2. Require contractors, suppliers, and partners to meet ALTER's E&S standards and comply with applicable laws.

1.3.3. Prioritize inclusive and positive impacts for communities affected by our projects, particularly indigenous and vulnerable and marginalized groups, including Free, Prior, and Informed Consent (FPIC) and continuous stakeholder engagement.

1.3.4. Design and deliver corporate social responsibility programs aligned with group priorities and stakeholder needs.

1.3.5. Ensure grievance mechanisms are transparent, accessible, and fair for employees, workers, communities, and other stakeholders.

1.3.6. Pursue continuous improvement in E&S performance through monitoring, capacity-building, and regular review.

1.4. Responsible Financial Profitability

1.4.1. Financial profitability is pursued together with responsible environmental and social practices.

1.4.2. Financing activities must adhere to our Green Finance Framework and aligned international standards such as the IFC Performance Standards and the World Bank Group's Environmental, Health, and Safety Guidelines.

2. Compliance and Application of Standards

ALTER is committed to complying with all applicable laws and regulations, including those issued by the DOE, DENR, DAR, DOLE, SEC, PSE, and other national government agencies, as well as the regulations and requirements of local government units in the areas where we operate.

We maintain robust governance mechanisms to ensure full legal compliance across the parent company and all subsidiaries.

Where applicable, ALTER also goes beyond compliance by aligning with international standards and good-practice frameworks, and by exercising our influence with affiliates and our supply chain partners, to the extent practicable.

3. Implementation, Oversight, and Accountability

3.1. Scope

3.1.1. This Policy applies to all ALTER subsidiaries, projects, assets, contractors and suppliers, and business partners (subject to their consent)..

3.1.2. All wholly-owned subsidiaries and affiliates (subject to consent of partners) are required to adopt this Group Policy and establish their own E&S policies and systems to address E&S risks specific to their operations. Such policies must be consistent and aligned with this Group Policy.

3.1.3. In addition, all wholly-owned subsidiaries and affiliates (subject to consent of partners) must adopt and implement the overall ESMS.

3.1.4. Where applicable, Alternergy commits to go beyond compliance to laws and regulations and align with international standards such as, but not limited to, the IFC Performance Standards (IFC PS), the World Bank Group's Environmental, Health, and Safety Guidelines, and other aligned green finance frameworks.

3.2. Oversight

The Board of Directors has ultimate oversight of ESMS implementation. The Executive Committee provides direct oversight for policy application.

3.3. Management

The Chief Sustainability Officer, with the support of the Sustainability Committee and ESG Division Heads, is responsible for execution, integration, and monitoring.

3.4. Reporting

E&S risks are monitored through the Sustainability Committee and reported to the Executive Committee. Environment and Social data are disclosed through targeted communications and annual Sustainability Reports.

3.5. **Responsibility**

All ALTER personnel and contractors share responsibility for compliance with this Policy and the ESMS.

4. Extended Scope and Effectivity

4.1. Key partners such as contractors and suppliers must abide by these policies, as reinforced through the Supplier Code of Conduct.

4.2. This Policy is effective as of June 22, 2026 and will not be applied retroactively.

4.2.1. For legacy projects and contracts executed or completed before this Policy's effective date, ALTER will conduct a desk-based review of available documentation to flag risks, compliance gaps, and lessons learned. We will also require suppliers and contractors to submit regular incident reports and mitigation actions through a standardized checklist, aligned with the reporting systems in place (e.g., via the Owner's Engineer) at each project site.

4.2.2. Where existing contractual arrangements allow, updated E&S requirements will be incorporated at the next renewal or major amendment.

5. Statement of Commitment

ALTER affirms that people come first, supported by the protection of the planet and guided by purpose. Financial profitability is achieved responsibly, never at the expense of people or the environment.

This Policy is approved by the Executive Committee and will form an integral part of ALTER's Environmental and Social Management System.

APPROVED BY:

ALTERNERGY HOLDINGS CORPORATION

By authority of the Executive Committee

Date Approved: 22 June 2026

Effective Date: 22 June 2026