WE PIONEER. WE POWER. WE INSPIRE.

alternergy

2023 Sustainability Report

Alternergy would like to thank
its sustainability consultants,
Raoul Pérez, a GRI Certified Professional,
and Ryan Bestre, for their guidance
in the 2023 Sustainability Report.

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OUR DISCLOSURES


Alternergy

ABOUT OUR REPORT

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This is the first Sustainability Report of Alternergy Holdings Corporation as a publicly listed company which covers the financial period from July 1, 2022 to June 30, 2023 and the three pillars of sustainability: PROFIT, PLANET, and PEOPLE.

AS A PIONEER in renewable power development, we have been at the forefront of sustainability since the Company's inception in 2008. In this report, we aim to share our comprehensive approach and business strategies toward: i) economic development and governance which create PROFIT, ii) development of clean energy which protects our PLANET and iii) balancing social responsibility to contribute positively to PEOPLE'S well-being.

This report is in accordance with the requirements of the 2021 Global Reporting Initiative (GRI) Standards which includes the General Disclosures, Approach on Stakeholder Engagement and Material Topics among others contained in the GRI Content Index. The objective is to provide greater disclosures and transparency in compliance with the Securities and Exchange Commission (SEC) Memorandum Circular No. 4 Series of 2019, Sustainability Reporting Guidelines for Publicly Listed Companies. We have also included our contributions to the United Nations Sustainable Development Goals (UN SDGs). No external assurance was used.

Since the inaugural Sustainability Report, a significant change has transpired wherein the SEC has approved the change in Alternergy's accounting period from calendar year ending December 31 to fiscal year ending June 30, effective July 1, 2022. The change in fiscal year was approved on June 20, 2022.

General Disclosures

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Name of organization
Alternergy Holdings Corporation

Entities included in the organization's sustainability reporting
Alternergy Holdings Corporation and its subsidiaries and affiliates

Location of operations
Level 3B, 111 Paseo de Roxas Building, Paseo de Roxas Avenue, Legaspi Village, Makati City 1229, Philippines

Business model
Alternergy Holdings Corporation (ALTER) is a renewable energy holding company that has a portfolio of investee companies which embarked on different renewable energy projects, such as wind, solar, hydro, floating solar, and battery storage power

Reporting period
July 1, 2022 to June 30, 2023

Highest ranking person responsible for this report
Vicente S. Pérez Jr.
Co-founder & Chairman of the Board

Message from the Chairman 2-11 | 2-22

Dear Stakeholders,

THIS PAST YEAR was a major milestone for Alternergy. Last March 2023, Alternergy successfully listed on the Main Board of the Philippine Stock Exchange, after undergoing a thorough review by the Securities Exchange Commission and the Philippine Stock Exchange. As a publicly listed company, we understand our responsibility to our fellow shareholders of the higher standards of corporate governance, transparency, and accountability expected from us.

We are therefore pleased to submit our second Sustainability Report, our first as a publicly listed company. In June 2022, Alternergy committed to strictly focus on renewable power and not invest in fossil fuel generation such as coal, fuel oil, natural gas, nuclear power. In July 2023, we established our Sustainability Committee with oversight on the operationalization and implementation of key decisions related to environmental, social, and governance issues of Alternergy and our renewable projects. The committee is headed by the Chairman, vice chaired by the Chief Sustainability Officer and composed of seven Sustainability Champions from various verticals: Human Resource, Treasury, Investment Relations, Administration and three Project Managers from wind, solar, and hydro technologies.

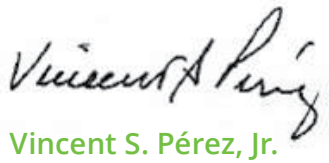
At Alternergy, the way we do our business is guided by our Quadruple Bottom Line Philosophy, placing equal importance on people and on our planet beside profit. That is, ensuring financial profitability while contributing to carbon mitigation and community development, and promoting employee satisfaction.

Consistent with our thrust for environmental sustainability, our portfolio of assets avoids 100,444 tons of carbon dioxide emissions, equivalent to displacing 4,566 jeepneys from plying our roads. Not only do we generate electricity that reduces emissions, but our electric production provides clean electricity to an equivalent of 74,730 households. We, likewise, do our best to conduct project activities that are in harmony with nature, including planting 151,000 trees to date. For our 41 host communities, we provide financial support for impact-driven initiatives on livelihood, education, health, environment, and disaster preparedness. Collectively, Alternergy's activities contribute to all 17 UN Sustainable Development Goals (SDGs).

Finally, we acknowledge the joint effort of our employees in achieving our milestones. Thus, we strive to keep employee satisfaction high by cultivating a work environment that is fulfilling, challenging, yet fun, with a balanced gender mix of 44% female and 56% male that promotes inclusivity.

As we endeavor to generate at least 1,096 GWh annually in the coming years, we believe, with the support of our stakeholders, we can create a future that is regenerative, equitable, and sustainable for the next generation.

Sincerely,



Vincent S. Pérez, Jr.

Message from the President 2-22

Dear Stakeholders,

ALTERNERGY IS HAPPY to celebrate with you its 15th year as one of the leading renewable energy companies in the Philippines. Through competence, hard work, and perseverance, we built pioneering renewable energy projects that continue to create significant economic and environmental impact, not only for the company and its employees, but also for our valued host communities, loyal customers, and partner stakeholders all over the country.

As we faced industry challenges in 2023, Alternergy continued to be guided, as we have for the past 15 years, by our Quadruple Bottom Line Philosophy, grounded on the key principles of profitability, climate change mitigation, host community benefits, and employee fulfillment. With these principles at heart, we were inspired to work together towards our successful IPO listing in March 2023. Despite the lackluster local stock market, Alternergy was able to raise PHP1.6 billion of fresh capital for the construction of new renewable energy projects. These principles also provided the encouragement that led to our impressive participation in the Green Energy Auction Program of the Department of Energy, having won in all three projects entered, with a total combined capacity of up to 244 MW. These two key events, though may seem corporate in nature, will allow Alternergy to allocate resources for equally important initiatives geared towards climate change mitigation, host community engagement, and employee fulfillment.

With plenty of projects in the pipeline, Alternergy stands unfazed by the expected challenges as the world slowly transitions out of the use of fossil fuel energy. And on this milestone year for our company, allow us to renew this promise we made 15 years ago: Alternergy, its resources and its people, will continue to strive hard towards the creation of a more sustainable future for the next generation.

Sincerely,

Gerry P. Magbanua

THE ALTERNERGY STORY

Our Purpose

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Alternergy's purpose is grounded on the following principles:

First and foremost, we are developers. At times, we acquire projects through partnerships with other developers in a project's early stages with the goal of quickly achieving economies of scale.

We value our project lenders as long-term partners. Every project we undertake is funded with non-recourse project finance, using local currency whenever available to reduce foreign exchange risk.

Alternergy is known for getting projects done on time and within budget. Our intensive project management and cost control methods mitigate possible construction delays and cost overruns.

Finally, we proactively engage in renewable policy discussions. We participate in local consultations with relevant government agencies and working groups of the Department of Energy, the Energy Regulatory Commission, and National Renewable Energy Board.

Our Vision

We strive to be a pioneering renewable power company in the Philippines.

Our Mission

Our mission is to develop power projects throughout the country from renewable energy resources.

Our Values

1) Love for the Environment

We are committed to doing business that is good for the planet. We are bound by our common love for the environment and our compassion for our host communities.

We use the best technology to make sure our work helps preserve the only planet we know. Before we start any project, we get advice from experts on nature to make sure what we build will not harm the environment.

We celebrate the amount of carbon dioxide emissions displaced by our projects. We help teach the public about climate change.

We want to be a **good partner to the communities where we work**. We consult with the local people to understand how we can bring a positive impact on their environment, livelihood, health and education. We address any concerns because we believe our host communities should be part of our success. We deeply care about the Earth and **aim to create a sustainable future for the next generation**.

2) Act with Integrity

We believe that nothing is more important than our reputation and behaving with integrity is a big part of who we are. As a group, **integrity is our most valuable asset** and is the foundation for everything we do. People admire us because we are honest and fair with our partners, stakeholders, shareholders and fellow colleagues. We believe in being clear and honest in our business practices, which leads to more business in the future. **We say what we mean, match our behaviors to our words, and take responsibility for our actions**. We deliver on our promises. We do the right thing even when no one is watching.

3) Be Accountable for Decisions, Actions, and Results

We are fully accountable for what we do or do not do. We take personal responsibility by knowing our duties and committing to do our part. **We value hard work, dedication, loyalty, and commitment**. We finish all the tasks expected of us. **We are dependable, reliable, and we go above and beyond to make things happen**. We value teamwork and we work well with our colleagues. Our work quality is good and consistent. **We are proud of our work as a reflection of our pursuit of excellence**.

4) Determination

Developing our renewable energy projects involves a lot of tough work, from originating, designing, permitting, financing to constructing. **We are determinated to deliver these projects better, faster, and within budget**. Even when things get tough, we don't back down. We have seen that persistence leads to positive things happening. We are not afraid of challenging projects—in fact, **we thrive on taking on hard projects**. We constantly push ourselves to do our best, **we look for solutions to every challenge, and we don't give up**. Every day we come to work excited to make an impact through our determination and passion.

5) Respect Underpins Everything We Do

In our workplace, we treat each other with respect. We listen to opinions and new ideas, even if they are different from our own. Our leaders encourage healthy discussions. It does not matter if someone is new or young or junior, everyone can speak up and be heard. We can freely share with our leaders any concerns bothering us. Because we respect everyone, we don't like people who are not team players, or hide their true intentions or behave insincerely.

We respect our business partners, lenders, and investors. We know they can choose any company but they chose us because they trust us to deliver the best outcome for their involvement. We work hard to keep that trust by doing what we promised. Among our suppliers, we talk openly and share as much information that is available so we can all work on terms that are fair to all sides.

We create a culture of respect by nurturing our team members. We provide them with health and medical benefits, training, and opportunities for recognition.

We respect our families too. They can come and see what we do, what we build, and what we believe in. We even have special days for families. We understand when our colleagues have urgent or important family things to take care of.

6) Enthusiasm for Learning

In everything we do, **we try to learn and use the latest and best technology** to advance our projects. As pioneers, we are not afraid in developing new forms of renewable projects. We are a group of skilled, enthusiastic, and curious people who are always **willing to learn**, who want to excel at what we do, both on our own and as a team.

7) Teamwork

We are part of a bigger team and each one has a role. Teamwork fosters cooperation to share the right information to help us work well together and meet deadlines. When work is divided up among team members, it gets done faster and our overall business operates more efficiently. Those of us who are good at getting things done quickly can help others. If one person struggles, someone else can help. **Being a good team player means focusing on what is best for the company's success**, not just on our own personal tasks to do.

Milestones

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Our vision to be the leading renewable energy power in the Philippines is motivated by past learnings and taking action in the present.

2005

June 2005
The 25 MW Bangui Bay wind farm—the first wind farm in Southeast Asia—starts commercial operation. Four of Bangui Bay's project partners will later come together to form Alternergy

April 2007
Former Energy Minister Vince Pérez invests in Bangui Bay wind farm

June 2008
8 MW Phase II of Bangui Bay comes into commercial operation

August 2008
Alternergy established

December 2008
Alternergy awarded three wind Pre-Commercial Contracts by the Department of Energy to explore wind resources in Rizal, Laguna, and Mindoro

December 2008
Renewable Energy Act comes into law, aimed at accelerating the development of renewable energy by increasing renewable energy-based installed capacity from 5,438 MW in 2010 to about 15,304 MW by 2030

August 2009
Partnership with Eurus Energy of Japan and Korea East West Power to co-develop wind portfolio

October 2009
Alternergy awarded three additional Wind Energy Service Contracts, making Alternergy the most active wind developer in the Philippines

October 2010
Asian Development Bank and the Government of Japan fund feasibility grants for Alternergy wind projects

December 2010
1.8 MW SBMHC mini hydro plant starts commercial operation

March 2011
Alternergy partners divest their 50% stake in Bangui Bay wind farm

October 2011
After Fukushima earthquake, Eurus Energy bought out by Alternergy

December 2011
Alternergy received its first bank loan

SOLAR PACIFIC

January 2013
Solar Pacific set up to bring solar power to off-grid islands

January 2013
Alternergy expands into mini hydro development

February 2013
Alternergy Mini Hydro signs joint development agreement for Dupinga mini hydro project

September 2013
Alternergy Mini Hydro acquires development rights for 7 mini hydro projects from Enerhighlands

November 2013
Solar Pacific signs first bilateral solar contract with CEPALCO

May 2014
Partnership with Equis Funds for Pililla wind project to replace Korea East West Power

July 2014
Pililla wind project receives first non-recourse local bank project financing for wind

December 2014
Solar Pacific forms joint venture with Mindanao Energy Systems

January 2015
AES founder Roger Sant's family foundation partners with Solar Pacific

February 2015
12.5 MWp Kirahon solar farm receives first non-recourse local bank project financing for solar

May 2015
ERC approves the country's first-ever bilateral solar PPA for Kirahon

June 2015
54 MW Pililla wind farm comes into commercial operation on schedule and within budget

October 2015
12.5 MWp Kirahon solar farm comes into commercial operation on schedule and within budget

April 2016
Partnership with Markham Resources for Dupinga hydro project

April 2016
Singapore-based InfraCo Asia commits to co-developing Ifugao run-of-river hydro portfolio

November 2016
Green Energy Supply Solutions (GESSI) created to give large power customers access to clean energy

December 2017
Solar Pacific receives first non-recourse local bank financing for CitySun solar rooftop portfolio

March 2018
Over 130,000 local tourists visit Pililla wind farm on Easter weekend

June 2018
Partnership with Vena Energy for Sembrano wind project

July 2018
Phase I of CitySun, first multi-rooftop solar portfolio in the Philippines, comes into commercial operation

August 2018
Alternergy celebrates 10 years of pioneering clean power for the next generation

October 2018
Lamut-Asipulo Mini Hydro Project obtained DOE Amended Hydro Service Contracts and Certificate of Confirmation of Commerciality

November 2018
Rizal Provincial Government Resolution gave permission for Tanay Wind Resource Assessment

February 2019
Kiangan Mini Hydro Project obtained ECC from DENR

February 2019
Dupinga Mini Hydro Project secured Amended ECC from DENR

April 2019
Met mast and Lidar on Tanay wind project site

May 2019
Solar Pacific CitySun's solar rooftops began operations on two more CityMalls

June 2019
Dupinga Mini Hydro Project obtained DOE Amended Confirmation of Commerciality

August 2019
Dupinga Mini Hydro Project signed PHP660 million project financing with DBP

September 2019
Solar Pacific acquired Solana Solar Alpha Inc.'s project in Hermosa, Bataan

December 2019
Alternergy Tanay Wind Corporation awarded Wind Service Contract for Alabat Island in Quezon Province

January 2020
Dupinga Mini Hydro Project signed contracts with UHBP, AIP Construction, and Gugler of Austria

May 2020
Solar Pacific selected First Ranked Bidder after competitive bidding with Palau Public Utilities Corporation, Alternergy's first project outside the Philippines

June 2020
Groundbreaking of Dupinga Mini Hydro Project in Gabaldon, Nueva Ecija

June 2020
Energy Regulatory Commission issued Retail Electricity Supplier (RES) license for GESSI

Australian Infrastructure Financing Facility for the Pacific

September 2020
Solar Pacific signed Term Sheet for project financing with Australia Infrastructure Financing Facility for the Pacific (AIFFP)

October 2020
Lamut-Asipulo Mini Hydro Project obtained ECC from DENR

December 2020
Land for Solana Solar Alpha project acquired by Solar Pacific

April 2021
Solar Pacific signed PPA with Palau Public Utilities Corporation for its Palau Solar and Battery Storage Project

April 2021
Renova Renewables of Japan and Sta. Clara International signed Investment agreement for Kiangan Mini Hydro project

RENOVA

STA. CLARA INTERNATIONAL

July 2021
Solar Pacific CitySun received Certificates of Confirmation of Commerciality for three additional mall solar rooftops in Negros

July 2021
China Bank extend medium term facility to Alternergy Holdings

August 2021
National Commission on Indigenous Peoples approved MOA with Indigenous Peoples of Asipulo and Lamut for Lamut-Asipulo Mini Hydro project

December 2021
In Palau, Australia Trade Minister Marise Payne announces funding for Solar Pacific Pristine Power

January 2022
Solana Solar Alpha signed 10 MWac PSA with Peninsula Electric Cooperative

February 2022
Nueva Ecija Electric Cooperative Area 2 signed 4.6 MW PSA with Dupinga Mini Hydro Corporation

March 2022
Pililla AVPC Corporation awarded DOE Offshore Wind Service Contract for Calavite Passage in western Mindoro

March 2022
Exeter Portofino signed Investment Agreement with Lamut-Asipulo Mini Hydro Corporation

April 2022
Solar Pacific Pristine Power reach financial close with Export Finance Australia and DFAT for its Palau Solar Battery Project

June 2022
DBP approved PHP1 billion loan facility for Lamut-Asipulo hydro project

June 2022
Alternergy acquire majority ownership of Kirahon Solar Energy Corporation

August 2022
DOE extends pre-development period for Tanay Wind Project

August 2022
Alternergy increases ownership in Solar Pacific

September 2022
Joint venture in offshore wind with Shell Overseas Investments

September 2022
Alternergy's 4.6 MW Dupinga Mini Hydro Project secured power supply deal with Nueva Ecija Electric Cooperative II-Area 2

October 2022
Installs 10th meteorological mast on Alabat island in Quezon province to harness the northeast monsoon through its wind power project

November 2022
Alternergy via its subsidiary, Pililia AVPC Corporation (PACO) and Shell Overseas Investment B.V. sealed partnership for offshore wind farm development at the Calavite Passage in Mindoro

November 2022
Alternergy and Exeter Portofino Holdings partnered for the development of the Lamut-Asipulo hydro power project; both partners share the same commitment to sustainability and local communities, improvement of cultural and preservation of the Ifugao Heritage Sites

February 2023
PACO bags three additional wind service contracts from the Department of Energy for the Tablas Strait Offshore Wind Project

March 2023
Alternergy debuted at the Philippine Stock Exchange raising PHP1.6 billion from its initial public offering—it is the first IPO for the year

June 2023
Solar Pacific Energy Corporation appoints DNV, a Norwegian construction company, as l as Owners Engineer for the 15.3 MW solar power and 12.9 MWh battery in its solar project in Palau in Western Pacific

June 2023
SPEC launched the Republic of Palau's first solar and battery energy storage (BESS) project in Ngatpang state on Babeldoab Island—The largest of its kind in the Western Pacific region and one of the most significant foreign direct investments in the island nation with a total project cost of USD29 million

July 2023
Solana Solar Alpha, Inc. cement power supply agreement with Kratos RES, a subsidiary of Prime Asset Ventures, Inc. (PAVI) of the Villar Group

July 2023
Alternergy won all three RE projects with 208 MW gross installed capacity which it bid at the Green Energy Auction 2 initiated by the DOE

August 2023
In commemoration of its 15 years in the RE business, Alternergy organized a team-building activity to create a stronger and more cohesive unit who will work efficiently and harmoniously towards a common goal

Our Value Chain

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Wind

- Viable wind resource measured over time
- Transport logistics feasible to transport wind turbine components to site
- Land tenurial rights (lease, purchase) over wind farm site and transmission line access
- Height clearance from Civil Aviation Authority of the Philippines
- Available uncongested interconnection to national grid
- Long term power purchase agreement

Solar

- Land tenurial rights (lease, purchase)
- Land not subject to flood risk, geohazard risk, shadow effect, high wind speed
- Land zonal classification (not agricultural); requires special Department of Agrarian Reform conversion order
- Available uncongested interconnection to national grid
- Long term power purchase agreement

Hydro

- Hydrology resource measured over time
- Geohazard geotechnical studies
- Consent from indigenous peoples ancestral domain
- National Water Regulatory Board permit to tap water resource without affecting irrigation (which has priority)
- Selection of experienced civil works contractor
- Available uncongested and not too distant interconnection to national grid
- Tree cutting permit during construction
- Long term power purchase agreement

Map of Renewable Energy Projects

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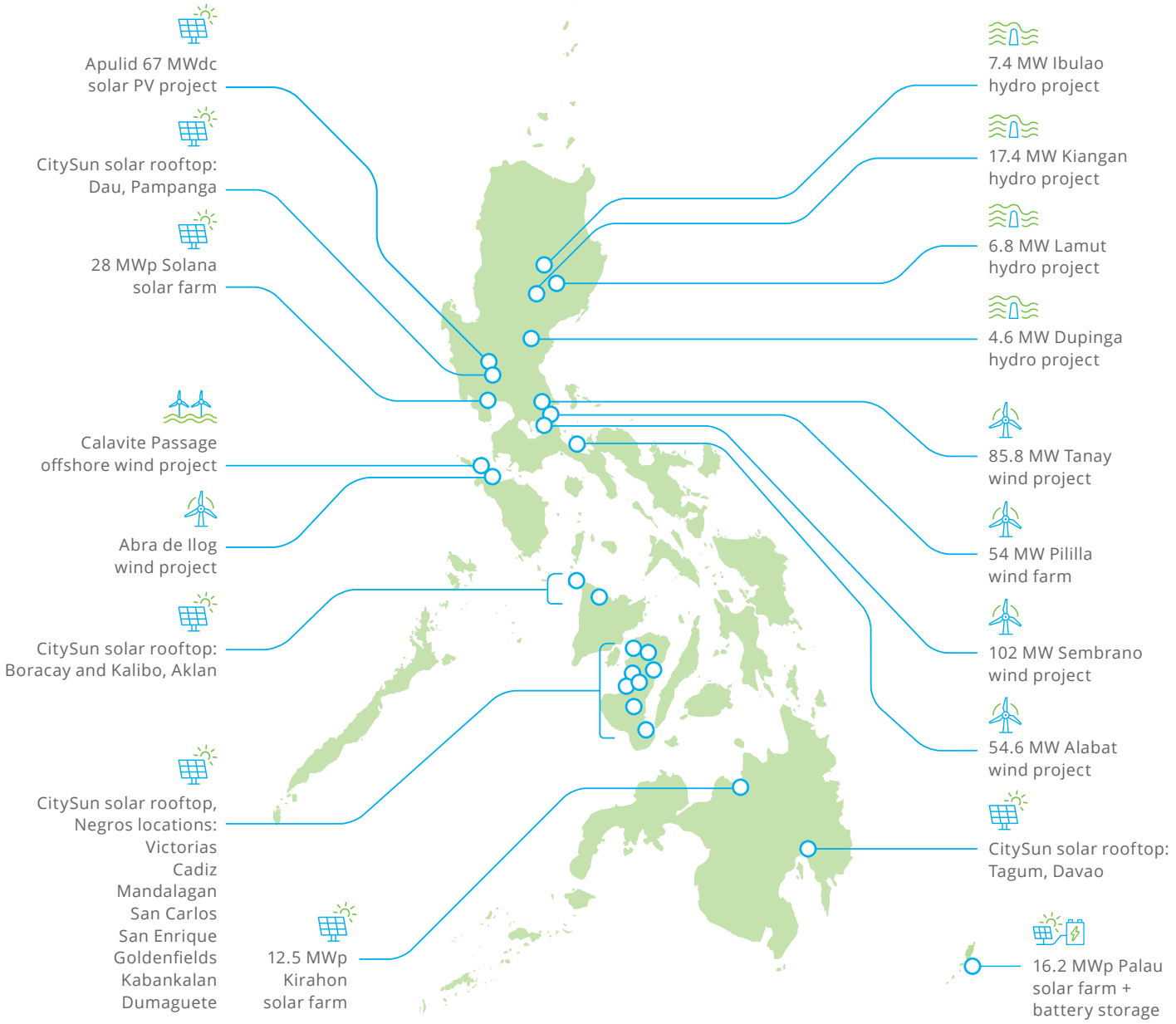

MATERIALITY PROCESS

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In embracing the country's reality and vulnerabilities, Alternergy was established by passionate individuals and true visionaries of clean energy in 2008, or thirteen years ahead of the NDC issuance to the UNFCC.

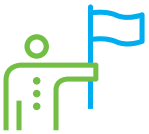
THE PHILIPPINES HAS MORE THAN 7,000 beautiful islands with abundant landscapes and seascapes. A fragile archipelago sitting on the fringes of the Asia-Pacific monsoonal belt thus vulnerable to climate change because of its geography and development. Our country is exposed to various climate hazards, such as typhoons, floods, droughts, earthquakes, tsunamis, and landslides. These physical risks are expected to worsen due to rising sea temperatures, sea level rise, and ocean acidification caused by global warming which amplify the impact of natural catastrophes in complex and unpredictable ways.

According to World Bank's Country Climate and Development Report: Philippines (CCDR, 2022), climate change could reduce our country's GDP by up to 13.6% by 2040 increasing poverty with rippling effect on inequality, urbanization, environmental degradation, and governance that make it harder to cope with and adapt to the impacts of climate change. It is imperative for the Philippines to reduce its greenhouse gas (GHG) from human activity, to cease usage of fossil fuel, coal, oil, and gas as these have direct effects on climate change. Although the Philippines is a minor source of GHG, it can contribute to global mitigation efforts by developing more renewable power and doing energy transition from fossil fuels. The government has become an active participant in the Paris Agreement on Climate Change. The Climate Change Commission (CCC) of the Philippines has set an ambitious target to reduce its GHG emissions by 75% by 2030 as part of its Nationally Determined Contribution (NDC). The NDC was submitted to the United Nations Framework Convention on Climate Change (UNFCCC) on April 15, 2021. Under the Department of Energy's (DoE) National Renewable Energy Program (NREP), the government is aiming to increase the share of the clean energy generation mix to 35% by 2030 and to 50% by 2040. The NREP aims to encourage greater private sector investments and participation in renewable energy sources. On September 23, 2022, DOE's NREP issued the circular, "Prescribing

the Adjusted Annual Percentage Increment" to be imposed on all participants of the Renewable Portfolio Standards (PRS) for on-grid areas. The circular aims to assist the government achieve the goal of accelerating the transition towards a sustainable and clean energy future by raising the RPS for on-grid areas from 1% to 2.52% effective 2023. This circular effectively mandates distribution utilities to source or produce a fraction of their power supply from eligible energy resources and thus create a market for renewable energy.

In embracing the country's reality and vulnerabilities, Alternergy was established by passionate individuals and true visionaries of clean energy in 2008, or thirteen years ahead of the NDC issuance to the UNFCC. The founders are firm advocates and pioneers of the field, who are focused on helping the Philippines achieve its renewable energy potential through the development of wind, solar and run-of-river hydro power projects across the country.

Our strong commitment and support for the government's plan in climate change mitigation are demonstrated by our **Three P's of Strengths**:



Pioneering

The co-founders of Alternergy have impeccable knowledge on energy policy, extensive experience in power development and pioneering capability in wind power. In June 2005, the 25 MW Bangui Bay wind farm, the first wind farm in Southeast Asia, started its commercial operations. The success of the project can be attributed to the technical expertise of four of Bangui Bay's project partners who became the co-founders of Alternergy. This flagship paved the way for future renewables growth. We pride ourselves with fundamental achievements with extensive list of "firsts" in clean energy development in the country which will be expounded in this report.

Partnerships

Our well-planned and cost-effective RE projects are a true testament of our capabilities. From securing power supply agreements, to working with permitting government agencies, lenders, and local and international equity partners all are secure with our track record. Since 2008, Alternergy has developed 71 MW of operating assets in wind and solar and a potential installed capacity of up to 1,245 MW of renewable energy.

Proven

As a trusted partner, we have cultivated a long period of successful partnerships to bring our RE projects into reality.

Our policy to create a more sustainable future for the next generation is anchored on our **Triple Play Portfolio**. Alternergy covers most of the key RE resources in solar, wind, run-of-river hydro, and battery storage plants. The ingenuity of Triple Play allows for a diversified mix of complementary power generation revenues. The different seasonality of solar, wind, and hydro power energy resources, produce a steady cash flow for the Company. In addition, Triple Play can provide a 24-hour clean energy supply to green option customers.

Alternergy at a Glance

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Renewable energy pioneer in the Philippines since 2008

11
Operating assets

3
Projects under construction

5
Projects in Pre-development

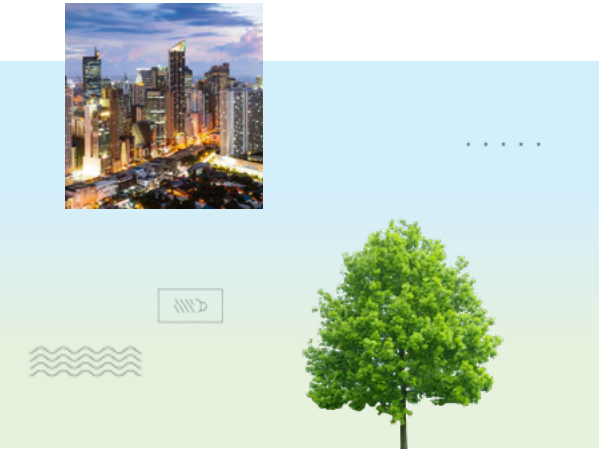
Poised to become a leading renewable energy firm in the country

Diversified "Triple Play" portfolio of investee companies in wind, solar, hydro, offshore wind, and battery storage

71 MW
Total capacity of operating assets

37 MW
Total capacity of projects under construction

366 MW
Total capacity of projects in pre-development in the next three years



Managing Economic, Environmental, and Social Impact 3-1

ALTERNERGY UNDERTOOK a materiality assessment in 2022-2023 by looking at any impacts on the environment, society and governance of its value and supply chains and long-term plans. This resulted in a list of material impacts, both negative and positive, which was reviewed against its Sustainability Framework called **Quadruple Bottom Line Philosophy**. The framework forms the basis for its roadmap aligned to vital environmental, social, and governance aspects and guides the Company to adopt business strategies to meet stakeholders' expectations, supply chain dynamics and the landscape in which it operates.

The Quadruple Bottom Line Philosophy is subject to annual review for relevance and accuracy. We keep track of our progress on the material topics most important to our stakeholders, and assess the effect of our activities on the economy, the environment, and society. The framework takes into account the expectation of its stakeholders to design its growth strategy and follows a course correction by maintaining an ongoing formal stakeholder engagement process. For one, the Executive Committee is conducted every week to present an action plan on challenges and opportunities. The subsequent sections of this report focus on disclosure of Alternergy's performance on the material issues.

List of Material Topics 3-2

1) ECONOMIC PERFORMANCE

a) Direct Economic Value Generated and Distributed: This is a positive impact of the Company's activities due to the direct economic value generated and distributed to its stakeholders and calculated on a fiscal year basis.

b) Financial Implications and other risks and opportunities due to Climate Change: Climate change can affect the natural resources used by the company for generating its renewable energy. However, climate change also provides opportunities to Alternergy as demand for renewable energy grows due to climate change concerns. Alternergy is aware of the various risks connected with climate change.

2) INDIRECT ECONOMIC IMPACT

a) Significant indirect economic impacts: Due to the Company's operations, local communities gain access to electricity to be used for economic activities. Also, certain projects like the Pililla Wind Farm have become local tourist destinations leading to the emergence of small entrepreneurial ventures catering to these tourists.

3) EMISSIONS

a) Emissions Avoided: A significant positive impact as the generation of renewable energy displaces CO_2 emissions generated from fossil fuel. The amount of emissions displaced is tracked and calculated on a regular basis. For this report, we obtained the amount of emissions avoided by multiplying each plant's annual net generation (in MWh/year) by an emission factor (in t-CO_2/MWh). The tCO_2e mitigated are estimated using the Philippines' Department of Energy National Grid Emission Factor (NGEF). The NGEF was derived from the 2015-2017 power statistics where 0.6836 t-CO_2/MWh and 0.7859 t-CO_2/MWh were used respectively for the Luzon-Visayas and Mindanao Solar and Wind projects (i.e., one MWh of electrical output is equivalent to 0.6836 and 0.7859 tCO_2e mitigated. As a pure renewable company, we measure the annual tons of carbon dioxide emissions displaced and avoided by the clean power generated from our projects.

b) Direct (Scope 1) GHG Emissions: Alternergy's Scope 1 Emissions was obtained by getting the GHG emissions of our two company owned vehicles for the entire fiscal year through official receipts that showed the amount of diesel purchased. This was then converted into kilograms of CO_2 using a conversion rate of 2.68 kilograms of CO_2 per liter of diesel. Alternergy's GHG emissions under Scope 1 is not significant primarily because this is offset by the Company's emissions avoided.

c) Energy Indirect (Scope 2) GHG Emissions: Similarly, Alternergy's Scope 2 emissions are obtained by recording the amount of electricity consumed in our Makati head office and

in our Kirahon Solar plant. Other operational plants, Pililla (operated by Vena Energy), CitySun (administration is under the CitySun Malls), and Palau are not included in this report. Alternergy's GHG emissions under Scope 2 are not significant primarily because this is offset by the Company's emissions avoided.

4) WATER AND EFFLUENTS

a) Interaction with water as a shared resource: This could potentially be a negative impact to the host community if its water source is affected by Alternergy's run-of-river hydro operations. Such negative impact is avoided through environmental and social assessments, strong engagement with the local communities, and adherence to environmental laws.

5) BIODIVERSITY

a) Significant impacts of activities, products and services on biodiversity: Another potential negative impact on the environment. The company avoids such negative impacts via stringent environmental and biodiversity assessment per project.

6) LOCAL COMMUNITIES

a) Operations with local community engagement, impact assessment, and development programs: The company has a positive impact on local communities through its outreach and development programs. However, there could be potential negative impacts. However, this is avoided thru the company's good engagement and relations with the local communities.

7) RIGHTS OF INDIGENOUS PEOPLES

a) Incidents of violations involving rights of indigenous peoples: This could be a potential negative impact but mitigated by getting Prior Consent from the indigenous peoples per project as well as continuous positive engagement with them.

8) EMPLOYEES

a) Benefits provided to full-time employees that are not provided to temporary or part-time employees: This is a positive impact for full-time employees but could be a potential negative impact for non-full-time employees.

9) TRAINING AND DEVELOPMENT

a) Programs for upgrading employee skills and transition assistance programs: This is a core focus of the company which is a positive impact for employees.

10) DIVERSITY AND EQUAL OPPORTUNITY

a) Ratio of basic salary renumeration of women to men: The company has a policy on promoting diversity and gender equality and has several female employees in the Board, management and rank and file earning comparable salaries to men.

11) SUPPLIER ENVIRONMENTAL ASSESSMENT

This can be a potential negative impact if not done and it could lead to a negative environmental impact. The Company avoids this by doing an Environment Impact Assessment before

starting a project. The Palau solar project also applied the Equator Principles which includes an assessment on environmental and social impacts.

12) SUPPLIER SOCIAL ASSESSMENT

Same as above but with respect to the social aspect of the project.

13) ANTI-CORRUPTION

Alternergy is regulated by several government agencies and is thus exposed to a lot of risks of corruption. The Company has a strong policy against corruption as mentioned in its Policy on Business Conduct and Ethics as well as a Whistleblower Policy which strongly encourages employees and external partners to report any concerns on business conduct.

Creating Value Over Time

In upholding our legacy as RE pioneer and vision to be the leading RE firm in the country, we embarked on two significant economic activities in 2023.

First Initial Public Offering in 2023. On 24 March 2023, the Alternergy listed 1.265 million common shares in the Philippine Stock Exchange Market at PHP1.28/share. The Group was able to raise PHP1.6 billion from its initial public offering. The use of proceeds is for the development and construction of green projects under development.

Green Energy Auction (GEA) Winnings. The company won all three projects (two wind and one solar) it bid for in the GEA 2 Program last July 3, 2023. The Company needs to build an estimated total of up to 244 MW contracted capacity in the next three years. These green projects have a positive impact on the public health and environment of our host communities and create hundreds of RE jobs which in turn will boost the overall economy of the country.

SUSTAINABILITY PILLARS

2-22

This report brings out how Alternergy conducted its materiality determination process to arrive at the list of material topics culled accordingly the following categories: PROFIT via economic development and governance, PLANET via environmental protection, and PEOPLE via social responsibility.

This process involved the assessment of the economic, social, and governance impacts of the value and supply chains of Alternergy as well as its long-term plans and outlook; consultations with internal and external stakeholders, peer reviews and in accordance with GRI standards.

Our Sustainability Framework: Quadruple Bottom Line Philosophy 2-22

At Alternergy, we are guided by our Quadruple Bottom Line Philosophy, which is mainly the company's sustainability framework. This dovetails with the three sustainability pillars: i) ensuring financial Profitability, ii) protecting the Planet through contribution to carbon mitigation and iii) taking care of our People through community development and promoting employee satisfaction.

Profitability

Profit - Sustainability is our fundamental business strategy to provide meaningful returns to our stakeholders, both internal and external, by creating economic value, protecting the environment and balancing our social responsibility to the communities we serve.

Climate Change Mitigation

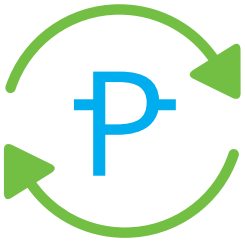
Climate Change Mitigation is measured in terms of annual tons of carbon dioxide emissions displaced or avoided. In June 2022, Alternergy committed to strictly focus on renewable power and not invest in fossil fuel generation such as coal, fuel oil, natural gas, nuclear power.

Host Community Benefits

Provide host community benefits, measured in terms of annual households energized each year. Alternergy considers the role of the community as a "social fence" in power projects in emerging countries. Every power asset will proactively engage in the rural electrification of rural villages in its host communities.

Employee Fulfillment

We aim to provide fulfillment by creating a work environment with a balanced work-life atmosphere that is both challenging and fun.



SUSTAINABILITY PILLAR I

PROFIT

201-1

First and foremost is financial profitability which is measured by annual cash flow generation in terms of per megawatt installed or invested capital. We are able to generate economic value which benefits the overall economy and other stakeholders such as suppliers, employees, consumers, host communities, lenders, government regulators and providers of capital.

2023 Economic Value (in PHP)

Direct Economic Value Generated (Revenue)	**246,263,889**
Direct Economic Value Distributed	
a. Operating Costs	**92,621,363**
b. Employee Wages & Benefits	**7,663,197**
c. Dividends given to stockholders and interest payments to loan providers	**88,019,114**
d. Taxes given to government	**4,961,997**
e. Investments to community (e.g. donations, CSR)	**5,508,318**
Economic Value Distributed	**198,773,989**
Economic Value Retained	**47,489,900**

Revenues - includes sale of electricity and equity in net earnings of associates
Payments to suppliers, other operating costs - include in operating costs
Payments to Providers of Capital - cash dividends and interest payments
Payments to Government - taxes and royalties paid
Community Investments - CSR expense to communities

Financial Implications and other risks and opportunities due to Climate Change

Climate Change Risks

201-2

ALTERNERGY IS IN THE PROCESS of assessing its business and operational risks from a climate change lens to address the physical and transition risks. Nevertheless, we have identified below key risks which will negatively impact our business growth due to its aggregate impact on the macroeconomy.

Physical Risks

A. Acute Physical Risks due to "extreme weather events" such as floods, typhoons, landslides and droughts which can cause property damage to equipment and infrastructure and disrupt our pre-development and operations leading to long down times and cost overruns. According to the Climate Change Commission Report, the Philippines has experienced a total of 317 extreme weather events over a 20-year period, which is the highest among the top 10 countries on the report.

B. Chronic Physical Risks

Increasing Temperature	Given that the output of solar cells is temperature dependent, changing climatic patterns, and rapidly rising temperatures can negatively impact operations resulting in reduced efficiency and performance of solar power plants. Elevated temperatures will directly reduce the efficiency of a photovoltaic panel.
Water unavailability	With water being an important resource required during the operation and maintenance phase of solar power plants. Water is used in the process of cleaning and cooling solar panels, which can help to improve their efficiency. Dust, dirt, and other debris can accumulate on solar panels over time, which can reduce their efficiency. Cleaning the panels with water can help to remove this debris and restore their efficiency, Water shortages will impact operations located in water stressed regions.
Declining wind Speed	Deceleration in wind speed due to ocean warming reduces output of wind turbines can impact the efficiency of wind projects. The amount of electricity that a wind turbine can generate is directly proportional to the speed of the wind. As wind speed decreases, the amount of electricity that a wind turbine can generate also decreases.
Sea Level Rise	Given that a number of wind projects are located along the coastline of the Philippines, these projects are exposed to rising sea levels which might have an impact on their operations. According to a report by the

Philippine Climate Change Commission, sea levels in the country have risen by an average of 0.56 inches (1.42 cm) per year over the past 60 years. The report also notes that sea level rise is expected to accelerate in the coming decades, with projections ranging from 0.2 meters to 2 meters by the end of the century. This could have significant impacts on coastal communities, infrastructure, and ecosystems throughout the Philippines.

Transition Risks

Policy

Changes in government regulations could impact the profitability of renewable energy projects and create uncertainty for investors such as:

- Changes in feed-in tariffs or net metering policies could impact the financial viability of solar power
- Lack of a comprehensive regulatory framework for solar power projects. This can create uncertainty for investors and make it difficult to navigate the regulatory landscape.
- High upfront costs associated with solar power projects. While the cost of solar panels has decreased significantly in recent years, the upfront costs associated with installing solar panels can still be a barrier to entry for many individuals and businesses.
- Stricter policies on water withdrawal and consumption, land acquisition as well as environmental standards for reducing air and water pollution.
- Given the rapidly booming solar energy markets and potentially hazardous nature of waste generated at the end of useful cycle of solar PV modules, regulations dedicated towards management of solar PV waste are likely to be introduced in the Philippines. This could have financial implications on Alternergy in the form of increased capital expenditure and operational costs required for adopting measures to comply with these regulations although the risk is limited near term given that Alternergy's assets are in the early part of their life cycles.

Legal

Legal liability wherein Alternergy could fail to perform obligations in the loan agreement with lenders and the green energy auction under the Department of Energy will entail an event of default and penalties.

Market	Changing demand due to consumer preference, conflict, international trade, restrictions on source of supply, and other limitations. Shifts in prices attributed to structural changes, interest rates, exchange rates, and supply shocks. Additional cost pressures attributed to increase in capital expenditure (from import restrictions, rising price of equipment, and offtaker risk) and declining tariffs coupled with enhanced market competition will directly impact the financial health of Alternergy.
Technology	The RE sector is witnessing rapid technological changes in terms of upcoming clean energy technologies (such as green hydrogen, biomass) as well as improving efficiency of existing technologies (such as larger and taller turbines, bi-facial solar etc.). New technology impacts capital depreciation and increased investment. Moreover, new and efficient technologies may be developed that make existing technologies obsolete. However, there are also opportunities associated with technological advancements in the RE sector. For example, advances in battery storage technology could help to address the issue of intermittency associated with solar and wind power which Alternergy has taken into account in some of its solar energy projects.
Reputation	Any adverse impacts due to the operations in terms of land acquisition and management, negative impact on biodiversity, environment (failure to adequately dispose waste), and neighboring communities (due to sound produced by turbine rotor blades) can damage our market reputation as well as impact the standing with investors and customers. Negative news on any RE stakeholders with regard to forced labor, child labor, gender inequality, and other social injustice can change the course of investments and negotiations.

Climate Change Opportunities

201-2

ALTERNERGY PRIDES ITSELF for being a PIONEER of renewable power in the Philippines. Our credentials and achievements speak of our PROVEN capability to successfully complete projects. With all these, we recognize the value of PARTNERSHIPS that help us achieve our goals in promoting clean energy.

Three Ps of Strengths:

Pioneering

Alternergy is a company of 'firsts', driven to establish new precedents that drive the development of clean energy in the Philippines. Alternergy's history includes an extensive list of 'Firsts'.

Alternergy's precedent-setting wind, solar, and run-of-river power projects

Bangui Bay, a 33 MW commercial wind farm in North Luzon, the first in Southeast Asia. As part of NorthWind, several of Alternergy's founding partners were involved in the development of Bangui Bay. After the project's completion, these partners—Vince Pérez, Knud Hedeager, and Gerry Magbanua—came together to create Alternergy, applying what they learned at Bangui Bay to break new ground on more renewable power projects.

Recipient of some of the first contracts from the Philippine Department of Energy for wind power. The first of Alternergy's DOE service contracts was awarded in 2008 and allowed Alternergy to start conducting wind resource assessment studies in six potential sites.

First non-recourse project financing for a wind project without corporate guarantee. For Alternergy Wind One Corporation's Pililla Rizal wind farm, three domestic banks extended an innovative non-recourse financing without a corporative guarantee, which was recognized with a Sustainable Finance award by the International Finance Corporation.

First non-recourse project financing for a solar project without corporate guarantee. For Kirahon solar farm, Alternergy worked exclusively with a local bank to achieve the financing it needed for the project. We dedicate extensive time and resources to educating and working alongside local banking institutions to design financing solutions that work for all stakeholders.

First bilateral solar contract approved by the Energy Regulatory Commission (ERC). For the Kirahon Solar project, Alternergy actively engaged in familiarizing the regulators on the unique attributes of solar power, thus paving the way for an appropriate approval process for future bilateral solar contracts, as solar projects become more prevalent.

First multi-site solar rooftop portfolio under one project financing facility. For Solar Pacific CitySun Corporation, a commercial bank extended financing for eight commercial mall solar rooftops under a single facility.

First battery energy storage in western Pacific. Alternergy is developing the first solar PV and battery energy storage hybrid project in the Republic of Palau, the largest solar hybrid project in the western Pacific.

Unique portfolio of run-of-river hydro projects in Ifugao and Nueva Ecija, co-developed with multi-lateral funded institution, InfraCo Asia, in partnership with reputable RE developers, and financed by the Development Bank of the Philippines.

Proven

With a proven track record of developing, building, and operating ground-breaking renewable energy projects in the country, Alternergy's vision is to be a leading renewable energy firm in the Philippines and strive to create a more sustainable future for the next generation. Developing projects across the country, the Company is focused on helping the Philippines achieve its renewable energy potential through the development of wind, solar, and run-of-river hydro power projects.

We demonstrate a proven capability to deliver in a well-planned and cost-effective way. From securing power supply agreements with local utilities and private commercial customers, to working effectively with permitting agencies, we have shown creativity and resilience on the way to achieving our goals. We take pride in our ability to meet even the most ambitious of construction deadlines—prudently setting aside contingencies in plant construction, handling importation, and transport logistics of equipment and reliably managing sites once they are in operation—all while adhering to health, safety, and environment protection best practices.

Taking into consideration the physical risks, Alternergy is exploring a range of measures to reduce the impacts of changing climatic patterns on the operations. We will adopt and purchase advanced technologies to monitor real-time performance of projects. We are also exploring the following:

- In-house Operations and Maintenance and Engineering (O&M)
- In-House Engineering, Procurement, and Construction (EPC)
- Use of turnkey contracts or have a fixed price on civil works and equipment
- Cost efficiency and Digitalization Measures to offset financial losses that might occur due to decrease in wind, solar, and hydro load factor.
- Insurance coverage on damages and delays due to extreme weather events and natural catastrophes

Partnerships

We see our work through the lens of partnerships: We find the people and organizations who will complement our efforts and support our vision to make the Philippines a leader in clean energy. Communities, government agencies, lenders, co-investors, corporates, and local utilities come together to build projects that will impact the country's energy future.

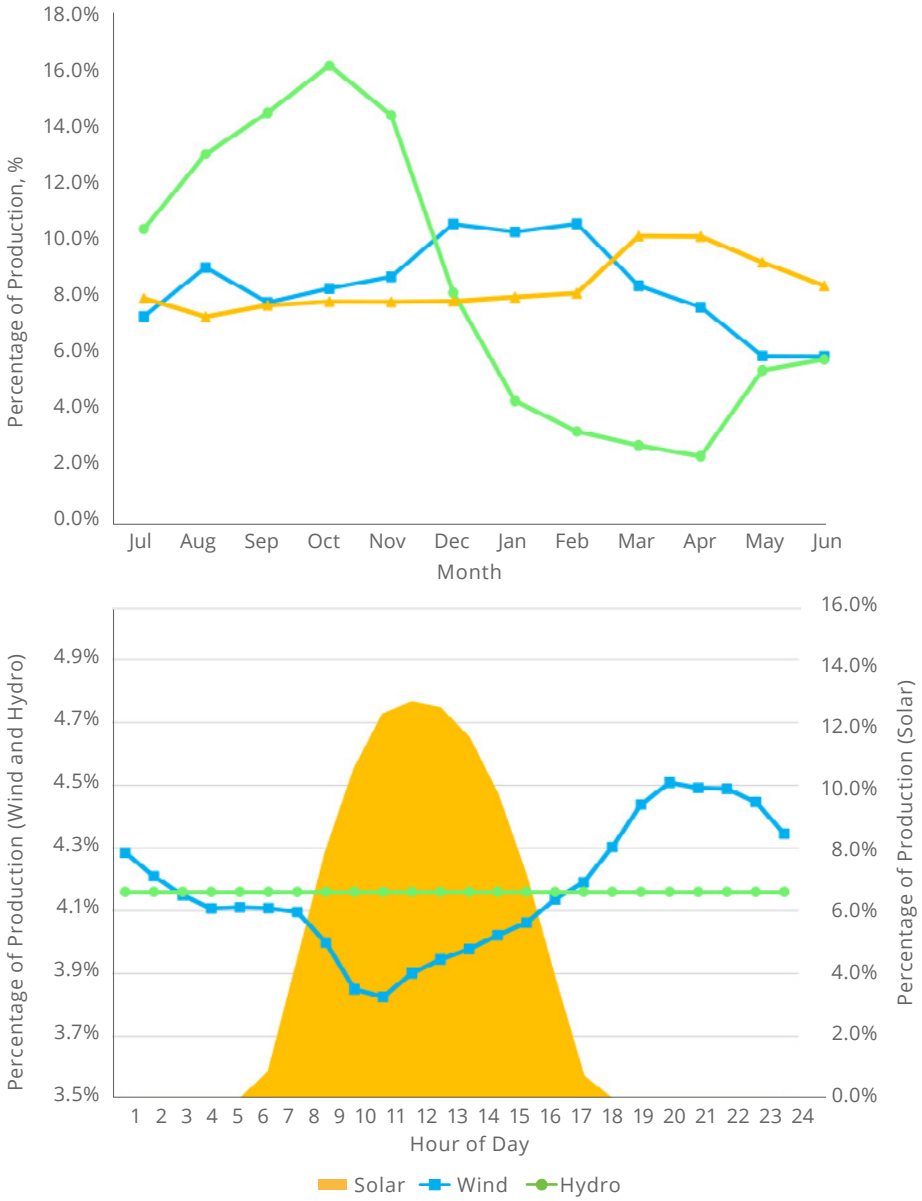
Triple Play Portfolio

2-22

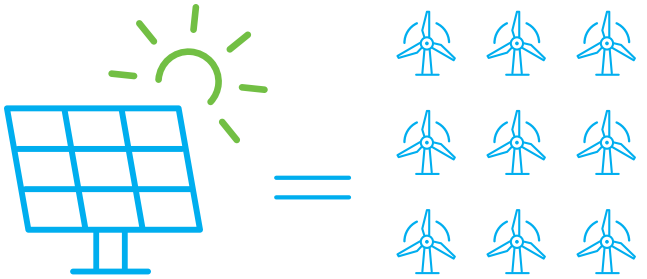
OUR POLICY TO CREATE a more sustainable future for the next generation is anchored on our Triple Play Portfolio. We have a diversified and solid portfolio of project companies engaged in wind, run-of-river hydro, solar farm, and commercial rooftop, battery storage and offshore wind projects. We use Triple Play Portfolio to address two negative impacts:

1) Climate Seasonality:
An ingenious and practical solution to maximize the seasonality in the Philippines. High wind season from "Amihan" or northeast monsoon in the Philippines is from October to March, after which comes the wet and dry season from "Habagat" or southwest monsoon, so if it is wet and rainy there is an under production of energy capacity. Adding run-of-the-river hydro power together with solar energy which are steady all year round, is seen as the best strategy to harness what nature has to offer in this part of the world; and

2) Revenue Streams:
The portfolio of three RE technologies will provide a steady cash flow for loan obligations, recurring development costs and dividend payouts.



Charts presenting the complementary seasonal generation of the Triple Play renewable energy portfolio



SOLAR	WIND
100 MWdc	57 MWdc
150 GWh	150 GWh
100 hectares of land	15 hectares of land

In terms of energy production, solar farms generally require larger land area than wind farms at the same energy generation

Alternergy covers most of the key RE resources in solar, wind, run-of-river hydro, and battery storage plants. The ingenuity of Triple Play allows for a diversified mix of complementary power generation revenues. The different seasonality of solar, wind, and hydro power energy resources, produce a steady cash flow for the Company. In addition, Triple Play can provide a 24-hour clean energy supply to green option customers. The energy storage at all timescales plays an important role in enabling increased penetration levels of solar and wind energy sources in power systems. Grid-integrated seasonal energy storage can manage seasonal fluctuations of variable power generation.

"If you combine the three renewable energy technologies with their seasonality, then you could provide a steady cash flow, which is our first bottom line metric, enough to pay the debt and pay the shareholders."

VINCE PÉREZ,
Alternergy Chairman

Governance Structure and Composition

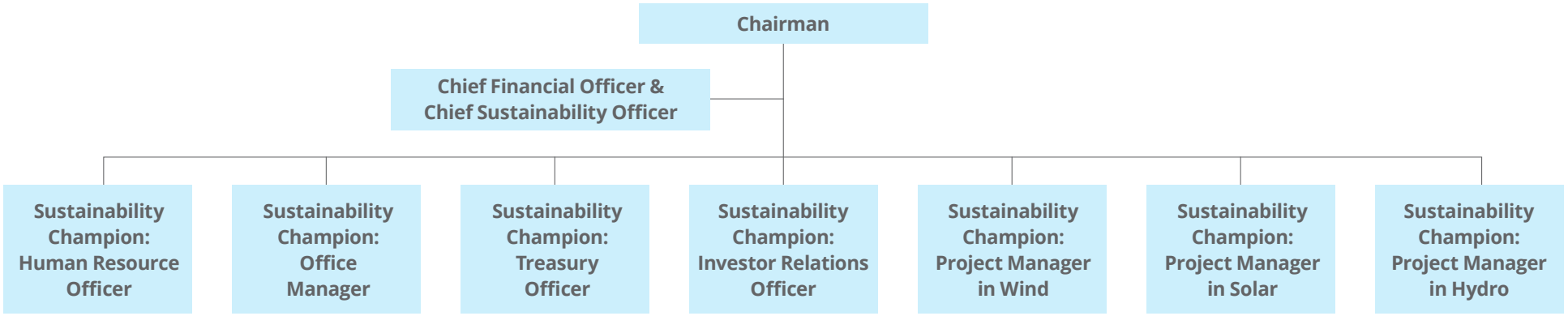
2-9

ALTERNERGY IS COMMITTED to observing the best practices of good governance. The Company is ultimately managed and supervised by its Board of Directors. The Company's executive officers provide the Company's Board of Directors the appropriate information and documents concerning business operations, financial condition and results of operations for its review and decision for short term and long-term plan of action.

The Executive Committee (EXCOM) is composed of five directors and two senior executives who are responsible for the day-to-day management of the Company. The two senior executives are the VP & General Counsel and the Chief Financial Officer, who is also the Chief Sustainability Officer. The EXCOM meetings are conducted every Mondays. The corporate governance role of the Executive Committee is to ensure that the company is managed effectively and efficiently. The committee is responsible for setting the Company's strategic direction, making key decisions, and overseeing the implementation of policies and procedures. Moreover, the EXCOM ensures that the Company complies with legal and regulatory requirements as well as safeguards that policies and procedures are in line with best practices. In addition, the EXCOM is responsible for managing and identifying risks within the company and developing strategies to mitigate those risks.

The Sustainability Committee was formed in July 2023 tasked with the management of the Company's environmental, social and governance impacts and with oversight on the operationalization and implementation of key decisions related to environmental, social, and governance issues of the Company and its RE projects. The committee is headed by the Chairman of Alternergy, vice chaired by the Chief Sustainability Officer (CSO) and composed of seven Sustainability Champions from various verticals: Human Resource, Treasury, Investment Relations, and three Project Managers from wind, solar, and hydro technologies. Sustainability management follows a top-down approach given the expertise and collective knowledge of Chairman Vicente S. Pérez on the issue of sustainable development as he has served as the chairman of WWF Philippines and trustee of WWF International, WWF China, and WWF US. The committee is also responsible for developing the annual sustainability roadmap for the business. Meetings are scheduled quarterly to track accountability and progress.

The Sustainability Committee was formed in July 2023 to provide oversight on the operationalization and implementation of key decisions related to ESG issues of the Company and its RE projects. It is tasked to strategize and define policies, goals and key indicators of the company taking into account the views and ESG impacts that will have on our stakeholders.



The Board of Directors approved and adopted the Company's Manual on Corporate Governance on June 21, 2022, incorporating therein the corporate governance standards of the SEC with respect to publicly listed companies. The Manual is a supplement to the Company's Amended By-Laws and shall serve as a guide to the Company and its various stakeholders on the Company's continued commitment to good corporate governance.

The Board of Directors is primarily responsible for the governance of the Company. In addition to setting the policies for the accomplishment of corporate objectives, it has the duty to provide an independent check on the Management. The Board is mandated to attend its regular and special meetings in person or through teleconferencing. The Company's board's independent directors are aware of their duties and are expected to look after the interests of minority shareholders.

The Company continues to monitor compliance with the SEC Rules on Corporate Governance and remain committed in ensuring the adoption of other practices of good corporate governance to enhance its value for its shareholders.

In adopting its Corporate Governance Manual, the Company understands the responsibilities of the Board and its members, in governing the conduct of the business of the Company and the Board Committees, in ensuring adherence to corporate principles and best practices.

The Board is composed of nine members, two of whom are independent directors, and three are female directors. All directors must possess the necessary qualifications to effectively participate and help secure objective, independent judgment on corporate affairs and to sustain proper checks and balances. The Board has practical oversight of the Company's corporate governance standard which is exercised through the Board's five standing committees. Each committee is composed of at least three (3) appointed Board member to each of the Board Committees set forth below.

1. Audit Committee

The Audit Committee enhances the Board's oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. It is responsible for the setting up of Internal Audit and for the appointment of the independent external auditor who reports directly to the Audit Committee. It monitors and evaluates the adequacy

Message from the Chief Financial Officer & Chief Sustainability Officer

"Wearing two hats as Chief Finance Officer and Chief Sustainability Officer is a distinctively challenging opportunity for my growth and development. I must marry the goals of profitability and sustainability, a task quite daunting yet very strategic. Guided by our Quadruple Bottom Line Philosophy framework, my dual roles enable me to monitor finance and integrate sustainability measures into standard processes across Alternergy, its subsidiaries and affiliates.

Very fortunate to be working in a high ESG impact sector and particularly proud to be part of Alternergy's business commitment in developing varied renewable energy (RE) technologies namely: wind, solar, and run-of-river hydro power. Our sustainability-focused framework not only focuses on economic development but also acts on climate change mitigation and advocates positive social impacts. We further our thrust by ensuring that the ideals of sustainability and ESG are thoroughly ingrained in our operations and business decisions and implemented throughout our programs and initiatives across the RE companies we operate in. To highlight our efforts, we created a Sustainability Committee in 2023 with a diverse mix of key members from top management, engineering, finance, and administration to champion sustainability strategies and foster collaboration to strengthen the company's ESG impact to our stakeholders."

Carmen G. Diaz

and effectiveness of the internal control system. The Audit Committee is composed of three non-executive directors, the majority of whom, including the chairperson, are independent directors. The Audit Committee meets with the Board without the presence of the CEO and periodically meets with the head of the internal audit and with the external auditor.

2. Risk Oversight Committee

The Board Risk Oversight Committee is responsible for the oversight of the company's Enterprise Risk Management system to ensure its functionality and effectiveness. It is composed of three members, of whom two are independent directors including the chairperson of the committee.

3. Board Corporate Governance Committee

The Corporate Governance Committee is tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to the nomination and remuneration committee. It is composed of three directors, majority of whom are independent directors, including the chairperson.

4. Related Parties Transactions Committee

The Related Party Transactions Committee is tasked with reviewing all material related party transactions of the company. It is composed of three members, two of whom are independent directors including the chairperson of the committee.

Pursuant to the Company's core values to uphold investors trust and confidence through transparency and prudent management of resources, and in compliance with SEC Memorandum Circular No. 10-2019, the Board of Directors adopts this group-wide material RPT polity encompassing all entities within the group, taking into account its size, structure, risk profile, and complexity of operations.

Policy Commitments

2-23 | 2-24 | 2-25 | 2-26

For more information on Alternergy's Corporate Governance policies, please visit https://www.alternergy.com/corporate-governance.

Policy on Conflict of Interest

Policy on Business Conduct and Ethics

Conflict of Interest:

- The basic principle to be observed is that a director should not use his position to profit or gain some benefit or advantage for himself and/or his related interests. If an actual or potential conflict of interest may arise on the part of a Director, he should fully and immediately disclose it and should not participate in the decision-making process.
- The Company fully respects the employee's private life. However, it is expected that an employee would avoid situations that could result in a conflict between their personal interests and those of the Company

Responsible Business Conduct:

- It is a duty of a Director to conduct fair business transactions with the Company and avoid any personal bias with respect to Board decisions.
- Every employee must perform his duties in accordance with the highest ethical and professional standards of the Company.

Policy on Whistleblowing

In line with the Code of Conduct, all Associates are required to disclose acts related to fraud, corruption, or any other misconduct that come to their attention. Similarly, the Company requires its partners and stakeholders to disclose acts of fraud, corruption, or any other misconduct that involve personnel as well as actions that undermine Company Operations. Thus, the typical disclosure required from an Associate or a concerned third party includes, without limitation, the following:

1. Failure to comply with statutory obligations;
2. Unlawful acts or orders involving violation of law, gross waste, abuse of authority, mismanagement, and substantial danger to public health or safety;
3. Corruption;
4. Fraud;
5. Misconduct;
6. Coercive Practices;
7. Collusive practices;
8. Any other activity which undermines the Company's operations

Policy on Sexual Harassment	To address sexual harassment issues in the workplace, and to provide the procedure for the resolution, settlement and/or disposition of sexual harassment cases and in compliance with the provisions of Section 4, Republic Act No. 7877, entitled "An Act Declaring Sexual Harassment Unlawful in the Employment, Education or Training Environment and For Other Purposes" • The Company will not tolerate any behavior that amounts to sexual harassment and any employee found to have committed sexual harassment shall be subjected to disciplinary action, up to and including dismissal. • The Company is responsible for taking immediate corrective action to stop sexual harassment in the workplace and for promptly investigating any allegations of work-related sexual harassment
Policy on Insider Trading	As a publicly listed company, Alternergy is subject to various laws and regulations regarding securities trading, in particular the compliance with the Securities Regulation Code under Section 3.8, Republic Act 8799 on Insider Trading Policy. • This Policy was created to assist the Company, its subsidiaries, and its Associates in complying with these laws and regulations. The Company depends upon the diligence and integrity of its Associates, both in their personal and professional capacities, to ensure compliance with this Policy.
Enterprise Risk Management Sustainability	A process to identify, assess, and monitor key risk exposures. The risk management function involves the following activities, among others: 1. Defining a risk management strategy; 2. Identifying and analyzing key risk exposures relating to economic, environmental, social, and governance (EESG) factors and the achievement of the organization's strategic objectives; 3. Evaluating and categorizing each identified risk using the Company's predefined risk categories and parameters; 4. Establishing a risk register with clearly defined, prioritized, and residual risks;

5. Developing a risk mitigation plan for the most important risks to the Company, as defined by the risk management strategy;
6. Communicating and reporting significant risk exposures including business risks (i.e., strategic, compliance, operational, financial, and reputational risks), control issues and risk mitigation plan to the Board Risk Oversight Committee; and
7. Monitoring and evaluating the effectiveness of the Company's risk management processes.

Practices

A memo on energy efficiency and waste reduction measures in the workplace was duly approved by the Chairman and President of Alternergy on September 11, 2023:

1. No Single-Use Plastics" (NSUP) Policy which includes water bottles, packaging, service wares, straws, and utensils. These are plastic products designed to be used once before being discarded. Continue using corporate eco-bags provided to all employees and purchase bond papers from our existing supplier, Paper One, which uses 100% renewable fibres. The aim is to reduce single-use plastic pollution or plastic waste. The NSUP policy was approved by the Executive Committee on July 10, 2023. The policy was enforced on the same date.
2. Use less paper: change the printing setting mode of all computers; monitor bond paper consumption of all SPV companies; use scratch papers; continue incorporating a green email signature environmental footer;
3. Secure a cloud-based storage using the Google Drive's shared drive feature for a centralized filing system;
4. Enforce proper waste management;
5. Reduce purchase of individually packed condiments;
6. Donate old scrap papers, unused paper stock, newspaper, old books to recycling solution companies;
7. Sustainable business practices such as quarterly collection of electronics waste (ie. mobile phones, cables, computer monitors, etc.), and send them to companies engaged in proper e-waste management;

8. Optimize the use of digital or electronic signature approvals;
9. Energy efficiency measures: replace incandescent lights with Light Emitting Diode (LED lights, liquid crystal display (LCD) monitor, unplug equipment that drains energy when not in use;
10. Have energy saving competitions every Christmast party to encourage employees to think of practical and creative ways to save energy and reduce waste. Recognize and award employees with incentives;
11. Raise awareness on energy efficiency in the office to adopt sustainable practices which will be cascaded by the Sustainability Champions of the Company

Anti-Corruption

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THE COMPANY and its subsidiaries are not involved in any acts of corruption. We maintain and comply with internal procedures and controls in compliance with applicable laws in the Philippines and in other jurisdictions we operate in. The energy market in the Philippines is a highly regulated industry and as such, renewable power companies in the Philippines are required to secure quite a number of permits from the Department of Energy (DOE) and other regulatory agencies. The following documents serve as a tool to prevent corruption by establishing clear guidelines and expectations for all parties involved.

1. **Service Contract:** The DOE grants renewable energy service contracts (RESCs) to qualified developers who wish to explore, develop, and utilize the renewable energy resources in a specified area. The RESCs are awarded through competitive selection or direct negotiation, and specify the terms and conditions for the development and operation of therenewable energy project.

2. **Environmental Compliance Certificate (ECC):** This certificate is issued by the Department of Environment and Natural Resources (DENR) and is required for all projects that may have an impact on the environment.

3. **Certificate of Non-Coverage (CNC):** This certificate is issued by the DENR and is required for projects that are not part of the Environmental Impact Statement (EIS).

4. **Local Government Unit (LGU) Permit:** This permit is issued by the LGU where the project will be located and is required for all renewable energy projects.

5. **Land Use Conversion Permit:** This permit is issued by the Department of Agrarian Reform (DAR) and is required if the project site was previously classified as agricultural land.

6. **Certificate of Grid Impact Study (CGIS):** This certificate is issued by the National Grid Corporation of the Philippines (NGCP) and is required for all renewable energy projects that will connect to the grid.

Due Diligence

2-24

FOR EVERY PROJECT of Alternergy, there are various studies, assessments and due diligence done during the development stage to ensure its viability and remediation of negative impacts. Wind and water resources are independently assessed for wind and hydro projects to check their technical feasibility which include environmental, safety and logistical considerations. All major permits have to be obtained, An offtake through a power sale agreement or feed-in tariff allotment will have to be secured. While social acceptability for each project has to be nurtured in the form of local government endorsements or from free and prior informed consent from indigenous peoples and local community for any project to be located within their ancestral domains.

For every project of Alternergy, there are various studies, assessments and due diligence done during the development stage.

Pre-Development stage on Project Site Selection

IN A DISCLOSURE to the Philippine Stock Exchange on October 10, 2023, Alternergy Tanay Wind Power Corp, a wholly owned subsidiary of Alternergy Holdings Corporation announced the signing of a lease contract with a revenue sharing agreement with the local government of Rizal as project site for the 100 MW Tanay Wind Power Project.

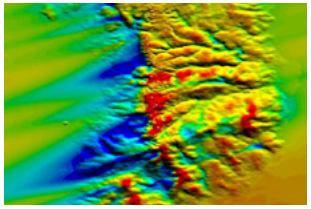
"The signing of our lease agreement from the Rizal Provincial Government is a positive development for our Tanay Wind Power Project," Alternergy chairman Vicente S. Pérez Jr., said. "This will allow us to proceed with the construction of the project by 2024."

"We are delighted to once again partner with Alternergy and deepen the ties built when Alternergy's Pililla Wind Farm was constructed in 2015 to establish the Rizal Province as the new capital for wind projects in the country," Rizal Province Governor Nina Ricci Ynares said. The Rizal Province had earlier signed a lease in September 2012 of one of its properties to Alternergy's Pililla Wind Farm.

"Negotiations for the long-term lease under a competitive process were suspended during the COVID 19 pandemic. With the signing of this lease, we are excited to help bring more renewable energy and tourism to the province of Rizal," said Atty. Ina Arriola, Alternergy Vice President and General Counsel, who led the Alternergy team.

Atty. Arriola said the lease is a landmark agreement covering 44 hectares over a 25-year period. It entitles rental income for the province for the use of the land and share in the revenue from energy generation.

The Tanay wind project is considered a viable alternative energy source, particularly given its proximity to the primary power demand center in Luzon. Tanay's highland terrain has made it a strategic location for the development of a new wind farm, leading to a partnership with the Rizal Provincial Government. Following the completion of necessary permits and in-depth technical assessments, the project aims to provide a dependable supply of clean energy, contributing to Rizal's economic growth.



1) Pre-Development

- Renewable Resource Assessment
- Micro-siting
- Land Survey
- Environmental Study
- Community Consultation
- Geotechnical Study
- Grid Study
- Permits
- Contractor Selection
- Project Financing

From the pre-development stage, Alternergy conducts a comprehensive feasibility study to determine a project's commercial viability. Our multidisciplinary team—composed of engineers, lawyers, project managers, community relations officers, regulatory compliance professionals, and financial analysts—come together to determine whether the project moves on to the next phase. Also, in the Environmental Study, we plan on how to mitigate any impact on biodiversity and animal life in the project location.

Right of way (ROW) issues are common challenges in any development project. The Company has handled ROW issues by either avoiding the property in question or negotiating an alternative ROW. To mitigate the risk of not securing the remaining ROW, the Company is in constant communication with relevant local government units for the transmission line ROW. In parallel, the Company conducts due diligence on the properties involved by verifying information with relevant government agencies, thereby ensuring the viability of all land under negotiation. In case of difficulty in securing these permits, the Company can tap the DOE for assistance.

2) Financial Close

- Creation of Term Sheets
- Negotiations with Prospective Investors and/or Lenders
- Due Diligence
- Signing of Contracts and Agreements
- Initial Drawdowns

Prior to Financial Close, we require Supplier Environmental Assessment and Supplier Social Assessment during the bidding process of EPCs. We require our prospective EPCs to adhere to the HSE Policies (Health,Safety, and Environment Policies). They also need to be ISO certified EPCs for them to be eligible bidders. Alternergy then meets with prospective lenders or equity investors, creates functional financial models, crafts term sheets for negotiations, and then goes into signing once terms have been agreed on. Financial close ensues when all financing and other agreements related to the Project have been executed and delivered and all conditions to the effectiveness of project financing agreements have been satisfied.

3) Construction

- Detailed Design
- Civil Works
- Equipment Supply
- Transmission Line
- Substation

Alternergy obtains a Declaration of Commerciality, which allows us to commercialize a viable project site over 25 years. Now, we are poised to take the project into the construction phase, where we work closely with our carefully selected third-party contractors and technical consultants

4) Operation

- High Plant Availability
- Minimize Unplanned Shutdown
- Optimize Generation
- CSR Activities

Once the project is successfully constructed, Alternergy provides operational and maintenance management to ensure high plant availability, minimize unplanned shutdown and maintain optimal electricity generation. We continue to provide benefits to host communities through our community benefit program, which is focused on livelihoods, health, education, and the environment.

Compliance with Laws and Regulations

2-27

ALTERNERGY IS DEVOTED to going above and beyond regulatory compliance to provide real, meaningful returns to all its stakeholders, both internal and external. The Company is highly regulated and requires several licenses, approvals, registrations, consents, and permits to execute and operate its renewable energy projects in the Philippines. The process flow for the registration of Renewable Energy power projects involves the following stages and requires the submission of documentary requirements and/or approvals from the relevant government agencies.

Registration and Application	
Department of Energy (DOE)	Certificate of Endorsement, Wind Energy Service Contract
Securities and Exchange Commission (SEC)	Certificate of Registration
Bureau of Internal Revenue (BIR)	Certificate of Registration
Local Government Units (LGUs)	City or Municipal Business Permit/Brgy. Clearance
Others	Letter of Intent, Application and Processing Fees, Application documents, Signing Fee and Posting of Performance Bond
Pre-development	
Department of Energy (DOE)	RE Service or Operating Contract, Certificate of Endorsement for other agencies
Department of Environment and Natural Resources (DENR)	Certificate of Non-Overlap/ Environmental Compliance
Distribution Unit (DU)/Electric Cooperative (EC)	Distribution Impact Study, Distribution Asset Study, Power Supply Agreement
National Commission on Indigenous Peoples (NCIP)	Certificate of Non-Overlap/Certificate of Pre-Condition
Department of Agrarian Reform (DAR)	Land Use Conversion
Local Government Unit (LGU)	Resolution of Support

Board of Investments (BOI)	Project Registration/Importation Authority
Bureau of Customs (BOC) and Bureau of Internal Revenue (BIR)	Availment of Incentives
National Water Resource Board (NWRB)	Water Permit/Water Rights
Department of Public Works and Highways (DPWH)	Right-of-way
Civil Aviation Authority of the Philippines (CAAP)	Height Limitation Clearance
Protected Area Management Board (PAMB)	Resolution and Clearance
National Grid Corporation of the Philippines (NGCP)	Interconnection and Location of Substation
National Commission on Indigenous Peoples (NCIP)	Certificate of Non-Overlap
Rizal Provincial Government Resolution for Wind Resource Assessment (RPG)	Land Rights Acquisition
The Philippine Institute of Volcanology and Seismology (PHILVOLCS)	Clearance on Earthquake Hazard Assessment Conversion
Conversion	
Department of Energy (DOE)	Declaration of Commerciality and Application for Conversion, Certificate of Confirmation of Commerciality

Development	
Department of Energy (DOE)	RE Service Contract, Certificate of Endorsement
Local Government Units (LGU)	Building Permit, Electrical Permit, Locational Permit, etc.
National Grid Corporation of the Philippines (NGCP)	Connection Agreement, Transmission Service Application
Energy Regulatory Commission (ERC)	Certificate of Compliance, FIT Eligibility
Wholesale Electricity Spot Market (WESM)	WESM registration
National Transmission Corporation (TRANSCO)	Renewable Energy Payment Agreement
Distribution Unit (DU)/Electric Cooperatives (EC)	Power Purchase Agreement, RE Supply Agreement
Department of Labor and Employment (DOLE)	Occupational Safety and Health Standards

Monitoring
Local Government Units (LGUs)
National Grid Corporation of the Philippines (NGCP)
Energy Regulatory Commission (ERC)
National Transmission Corporation (TRANSCO)
Board of Investments (BOI)
Department of Energy (DOE)

Tax

207-1

THE PHILIPPINES OFFERS incentives that encourage investment in RE operations to address the power crisis. As such, Alternergy avails these incentives which include the following:

- Income tax holiday (ITH) for the first seven (7) years of its commercial operations;
- Duty-free importation of RE machinery, equipment, and materials and parts thereof, including control and communication equipment, within the first 10 years from the issuance of a Certificate of Registration of an RE developer;
- Special realty tax rate on equipment and machinery and other improvements of a registered RE developer actually and exclusively used for RE facilities which shall not exceed 1.5% based on the original cost less accumulated normal depreciation or net Book Value;
- Deductibility from gross income of net operating loss carry-over (NOLCO) incurred during the first three (3) years from the start of commercial operation for the next seven (7) consecutive taxable years immediately following the year of loss, provided said NOLCO had not been previously offset as deduction from gross income;
- Corporate tax of 10% on net taxable income after the seven (7) years of ITH;
- Accelerated depreciation, if, and only if, an RE project fails to receive an ITH before full operation;
- Zero percent Value Added Tax (VAT) rate on sale of power generated from renewable sources of energy as well as on purchases of local supply of goods, properties, and services needed for the development, construction, and installation of plant facilities, and the whole process of exploration and development of RE sources up to its conversion into power;
- Tax exemption of carbon credits; and
- Tax credit on the purchase of machinery, equipment, materials, and parts from a domestic manufacturer, fabricator, or supplier equivalent to 100% of the value of the VAT and custom duties that would have been paid on the RE machinery, equipment, materials, and parts had these items been imported, provided said equipment, machinery, and spare parts are reasonably needed and shall be exclusively used by the RE developer in its registered activity, the purchase is made from an accredited or recognized domestic source, and the purchase is made within the validity of the RE service/operating contract.

Business Plans and Strategies

201-2

AS ONE OF THE PIONEERS in wind and solar energy development and with a strong track record of quickly executing and efficiently operating wind and solar power projects, Alternergy is well-positioned to take advantage of the expected massive growth in the renewable energy sector.

According to the DOE Philippine Energy Plan for 2020 to 2040, renewable energy installed capacity is targeted to increase by 53 to 81GW by 2040, with around 60% of that is projected to come from solar generation.

The Company notes that policy and investment trends towards sustainability, and clean power is expected to play a central role in sustainable development.

In a recently published article from Business Mirror dated October 11, 2023, Alternergy chairman and former energy secretary Vince Pérez recalled the groundwork for renewables started years ago with the crafting of the Renewable Energy Framework in 2003. At that time, prices of renewables were really "off the mark," RE policies and regulatory mechanisms were absent, and there were no investors ready to venture into clean energy.

Today, we at Alternergy are forging the path to RE growth through the following business plans and strategies with the goal of helping attain national and regional development.

i) **Leverage Alternergy's solar, wind, and run-of-river hydro development expertise.** By maintaining a robust pipeline of projects under varying stages of development in each of the Group's

"Renewable energy's time has come, and this could only bode well for the electricity consumers and the environment as a whole."

VINCE PÉREZ,
Alternergy Chairman

three renewable sectors, its project completion cycle ensures steady growth.

ii) Pursue new RE projects, especially in the RE resources where the Group has established expertise in the technical, regulatory, project feasibility assessment, project management, and financing aspects.

iii) Secure bankable off-take through bid participation and contracting on an opportunistic basis to maximize contracted revenues from credit-worthy off-takers.

iv) Focus on RE resource projects where FIT rates are available or are expected to be made available given developments in the DOE on the matter.

v) Capitalize on off-take opportunities from open access by directly contracting with Contestable Customers through its licensed retail electricity subsidiary.

vi) Optimize operations and harness synergies across the platform to further improve margins.

vii) Over the years, Alternergy has cultivated a preferred cadre of technical, legal, and financial service providers that shorten project development timelines and allow for smoother execution towards financial close.

viii) Tap innovative debt and capital market instruments in sustainable finance that complement the Alternergy's sustainability focused business philosophy, such as green bonds, blue bonds, supranational entity loans.

ix) Explore, adopt, and deploy emerging technologies such as battery storage, floating solar, and offshore wind that enhance the Group's renewable power business.

x) Cultivate relationships with stakeholders to ensure the success of its projects, particularly in reaching consents from indigenous peoples among its host communities.

xi) Ensure organization is able to bring in new talent to cover the growing number of projects under the group.

Two Significant Developments in 2023

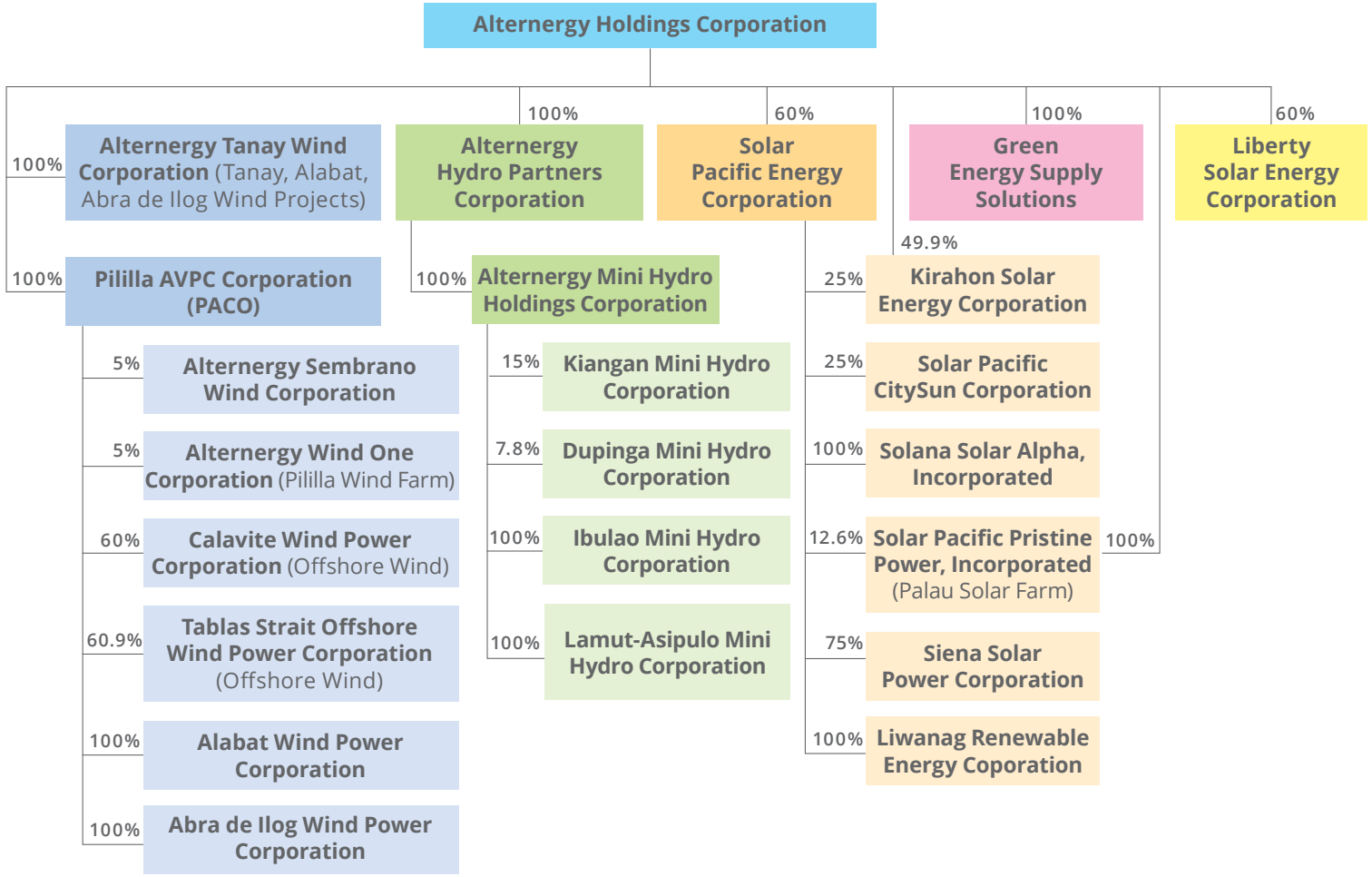
1. First Initial Public Offering in 2023

On 24 March 2023, Alternergy listed 1.265 million common shares in the Philippine Stock Exchange (PSE) Market at PHP1.28/share. The Company was able to raise PHP1.6 billion from its initial public offering. The use of proceeds is for the development and construction of green projects under development.

Funds sourced from this capital raising activity would be used in the construction phase of two shovel-ready projects—the Solana Solar Power Project in Hermosa, Bataan and the Lamut Run-of-River Hydro Project in Ifugao. These two projects will receive 35% of the IPO proceeds and will form part of the equity capital contribution of the company for its development and construction. Alternergy will also embark on more aggressive pre-development activities for the pipeline of projects using IPO proceeds. These include the Ibulao Mini Hydro Project, Tanay and Alabat Wind Projects, and offshore wind projects. A third of the IPO proceeds will be used to pay off liabilities in acquiring a controlling stake in the existing Kirahon Solar Power Project.

"As the first IPO for the year, Alternergy has once again proven to be a pioneer in joining the public equities market," Alternergy chairman Vince Pérez said.

Below is the corporate structure of Alternergy after the company went public last June 2023.



2. Green Energy Auction (GEA2) Winnings

Alternergy won 3 out of 3 RE projects (two wind and one solar), with a total planned capacity of up to 244 MW, it bid in the GEA 2 Program by the Department of Energy on July 3, 2023. The current portfolio has a total planned capacity of up to 474 MW which consists of 71 MW of total capacity of operating assets, up to 37 MW total installed capacity of projects under construction, and up to 366 MW total installed capacity in pre-development in the next 3 years. The Company has started tapping bank financing from local banks. These green projects will boost our energy supply and contribute to achieving the Department of Energy's Renewable Energy target of 35% in the power mix by 2030. Investing in renewable energy will have a positive impact on the country's economy and environment. It can create more jobs and increase the overall GDP. In addition, all the envisioned benefits to our projects' various stakeholders, including the positive impact on public health and environment of its host communities, will be realized upon the projects' completion and eventual commercial operation.

"Overall, we are listing at the PSE against a backdrop of ongoing global uncertainties, but we believe these challenges are blurred by the lasting impact of building clean and sustainable energy projects for the next generation."

GERRY MAGBANUA,
Alternergy President

STOCK COMMENTARY

Alternergy went 3-for-3 in DoE's Green Energy Auction

Merkado Barkada
July 18, 2023 | 9:40am

Alternergy [ALTER 1.04 0.9%; 55% avgVol] [link], the renewable energy company owned by Vince Perez, said that it won all three of the projects that it bid on during the Green Energy Auction 2 (GEA 2) event held by the Department of Energy (DoE) on July 3. The three projects have a combined capacity of 200 megawatts, and will bring ALTER's installed capacity up from 84 MW to 384 MW in three years' time.

Of the three projects, the 50MW Alabat wind project was mentioned in ALTER's prospectus as part of its pipeline, but it was moved up by a year so that they could build it and the 86 MW Tanay wind farm simultaneously and take advantage of the cost efficiencies of doing it that way. The 67 MW Liberty Solar project, which was also one of the projects "won" during this auction, was not a part of the IPO prospectus.

MB BOTTOM-LINE

The ability to bid on and win projects at auction is crucial for a renewable energy company, and ALTER is quickly proving that it is a capable "hunter".

The renewable energy sector is hot because the government has signaled to the business sector that there will be plenty of opportunities, both now and in the future, and these regular auctions are a big part of the process for how these opportunities are identified and distributed. ALTER has a history of operating successful projects, it's run by a team with impeccable regulatory knowledge and experience, and now it's showing us a willingness to accelerate its own plans and fight for stuff that wasn't even a part of the prospectus to begin with.

I haven't worked through the due diligence to get a feel for how these new projects could impact ALTER's financials in the years to come, but as an equity investor, these are the kinds of things that would start to get me to take notice. They're making moves that could be great for topline revenue growth.

**Merkado Barkada "MB" is a stock commentary column in the Philippine Star. The column provides insights and analysis on the stock market, including stock picks, market trends, and other relevant information. The column is written by various authors who are experts in the field of finance and economics.*

Renewable Energy Projects Awarded Under The Green Energy Auction 2

Tanay
86.8 MW

Location: Tanay, Rizal
Offtake: 20-year REPA with TransCo under GEAP II auction
Annual Gen (est): 232,779 MWh/yr, equivalent to 29.4% net capacity factor
Construction Start: Q2 2024
COD (est): Q4 2025
Project Lender: Three highly interested lenders with pre-cleared Term Sheets
% Economic Interest: 100% to date

Adjacent to Pililla Wind Farm; in partnership with Rizal Province

Alabat
54.6 MW

Location: Alabat Island, Quezon
Offtake: 20-year REPA with TransCo under GEAP II auction
Annual Gen (est): 205,100 MWh/yr, 42.9% net capacity factor
Construction Start: Q2 2024
COD (est): Q4 2025
Project Lender: Three highly interested lenders with pre-cleared Term Sheets
% Economic Interest: 100% to date

Facing northeast monsoon winds of the Pacific Ocean

Apulid
67 MWdc[1] + 13.4 MWdc

Location: Paniqui, Tarlac
Offtake: GEAP or bilateral PSA
Annual Gen (est):
103,800 MWh/yr,
17.7% net capacity factor
Construction Start: Q4 2025
COD (est): Q4 2026
Project Lender: Under discussion
% Economic Interest:
Direct 90% + Indirect 6% = 96%

Aqua-voltaic project over fish farm

Infrastructure Investments

203-1 | 203-2

Funds sourced from bank lending and the Company's equity infusion will be used to fund its robust expansion plan and projects in the next three years:

- 11 operating assets with a total of 71 MW of capacity
- 3 projects with total capacity of 37 MW under construction
- 5 projects in pre-development phase
- 3 out of 3 projects won in the GEA 2 with a total capacity of up to 244 MW

To provide a glimpse of the Company's initiatives in three renewable energy resources: wind, solar, and run-of-river hydro.

The Pililla Wind Farm received an IFC Sustainable Energy Finance award, as the first non-recourse project financing for a wind project without corporate guarantee.

Pililla AVPC Corporation (PACO)

PILILLA AVPC CORPORATION, a wholly-owned subsidiary of Alternergy, is the primary wind energy sub-holding company of Alternergy. Alternergy's subsidiaries aim to install onshore and offshore wind farms of up to 1,238 MW. To date, PACO was awarded by the DOE of Wind Energy Service Contract (WESC) 2022-02-198 for the exploration, development and utilization of the wind resource in Calavite Passage in Northern Mindoro last 3 March 2022. On October 26, 2022, the DOE approved the assignment of the WESC to Calavite Passage Wind Power Corporation, as the project company, and issued a Certificate of Registration in favor of Calavite Passage Wind Power Corporation. PACO owns 16% economic and 60% voting interest of Calavite Passage Wind Power Corporation, 16% economic and 60% voting interest of Tablas Strait Offshore Wind Power Corporation, 5% economic and voting interest in Alternergy Wind One Corporation (AWOC), and 5% economic and voting interest of Alternergy Sembrano Wind Corporation (ASWC).

Alternergy Wind One Corporation ("AWOC"), Alternergy's affiliate

Alternergy Wind One Corporation, has been operating a 54 MW Pililla, Rizal wind farm since June 2015, generating 133 GWh/year. Its generation is sold under a 20-year Renewable Energy Power Agreement (REPA) with National Transmission Corporation (TransCo) under a feed-in tariff awarded by the ERC.

Project Highlights:
Received an IFC Sustainable Energy Finance qward, as the first non-recourse project financing for a wind project without corporate guarantee. A partnership with Rizal provincial and local governments serves as tourist destination that peaks at 130,000 visitors per week Joint venture with Vena Energy (Equis).

Project Summary:
Alternergy has 100% economic and voting interest in PACO, which in turn has 5% economic and voting interest in AWOC. Thus, Alternergy has an indirect economic and voting interest of 5% in AWOC.

Project owner
AWOC

Power plant capacity
54.0 MW, FIT plant

Annual Net Generation
133,500 MWh/year

Location
Pililla, Rizal

Off-taker
National Transmission Corporation (TransCo)

PSA Term
20 years

Interconnection
Meralco's Malaya-Teresa 115 kV Transmission Line, the nearest tapping point with a distance of approximately 10 kms from the project's substation

Start of operations
June 9, 2015

Solar Pacific Energy Corporation (SPEC)

SOLAR PACIFIC ENERGY CORPORATION is Alternergy's solar energy sub-holding company that develops, builds, owns, and operates solar power plants on islands throughout the Philippines and the Pacific. Alternergy owns 60% economic interest and 77.7% voting interest in SPEC.

Kirahon Solar Energy Corporation (KSEC), Alternergy's subsidiary

In July 2013, SPEC entered into an MOU with Mindanao Energy Systems (MINERGY) for the development of Kirahon Solar Power Project Phase I (Kirahon Solar Plant) of KSEC. Kirahon Solar Plant is a 10.0 MWAC

solar Photovoltaic (PV) plant that is under a 25-year Power Supply Agreement (PSA) with a local private distribution utility Cagayan Electric Power and Light Co, Inc (CEPALCO).

Kirahon Solar Plant was first commissioned in November 2015 and received its initial COC with a validity period of five years from the ERC. In February 2022, the ERC extended the provisional authority for the period covering November 2021 to November 2022.

Project Highlights:
A 12.5 MWp embedded utility solar power plant in Misamis Oriental, Mindanao—it is the first large-scale solar PV project in the country built under a bilateral power supply agreement (PSA) that was approved by the Energy Regulatory Commission. Became a subsidiary of Alternergy in June 2022.

Project Summary:
Alternergy has a direct and indirect economic interest of 64.9% and direct and indirect voting interest of 69.4% in KSEC.

Project owner
KSEC

PV power plant size
10.0 MWAC

Annual Net Generation
18,125 MWh/year

Location
Kirahon, Misamis Oriental

Off-taker
CEPALCO

PSA Term
25 years

Start of operations
October 25, 2015

Kirahon Solar Farm is the first large-scale solar PV project in the country built under a bilateral power supply agreement (PSA) that was approved by the Energy Regulatory Commission.

The Palau Solar Project is claimed as the largest of its kind in the Western Pacific region, also making it one of the most significant foreign direct investments in the island nation.

Solar Pacific Pristine Power, Inc. or the Palau Solar Project

ALTERNERGY AND SOLAR PACIFIC ENERGY CORPORATION (SPEC, a subsidiary of Alternergy) have recently launched the Republic of Palau's first solar and battery energy storage system (BESS) project in Ngatpang State on Babeldaob Island through Solar Pacific Pristine Power Inc. (SPPP). With a capacity of 15.3 MWp solar PV and 12.9 MWh BESS, the project is claimed as the largest of its kind in the Western Pacific region, also making it one of the most significant foreign direct investments in the island nation. The project will meet more than 20% of Palau's energy needs.

SPEC was awarded a long-term power supply agreement by the Palau Public Utilities Corporation to feed power to the central grid in Babeldaob.

Project Highlights:
The project achieved energization on July 25, 2023. Alternergy has a direct and indirect economic interest of 17.6% and direct and indirect voting interest of 45.2% in SPPP.

Project owner
SPEC

PV power plant size
- 15.30 MWdc/13.20 MWac Solar PV
- 10.20 MWac/12.90 MWh Battery Energy Storage System (BESS)

Annual Net Generation
23,497 MWh/yr, equivalent to 17.5% capacity factor (DC)

Location
Ngatpang State, Babeldaob, Republic of Palau

Off-taker
25-year PPA with Palau Public Utilities Corporation (PPUC) in USD

Solar Pacific CitySun Corporation, Alternergy's affiliate

Project Highlights:
Solar Pacific CitySun Corporation has signed 13 rooftop solar PSAs for 25 years with CityMall Properties Corp. and SM Investment Corporation.
The 13 solar rooftop projects on CityMalls throughout the country with 13 Solar Energy Service Contracts are 5.6 MWAC in total.
The operations of the eight (8) solar rooftop Phase I projects commenced in September 2018 for the first six (6) projects and in May 2019 for the two (2) projects.
The SPCC rooftops received their initial COC with a validity period of five (5) years from the ERC starting from October 1, 2019 to September 30, 2024 (4 sites), February 4, 2020 to February 4, 2025 (2 sites), June 15, 2020 to June 14, 2025 (1 site), and August 4, 2020 to August 3, 2025 (1 site).

Project Summary:
Project Owner SPCC PV Power plant size 5.64 MWAC; of which 3.24 MWAC are from 8 operating projects; Annual Net Generation 9,932 MWh/year; Annual Specific Yield 1,410 kWh/kWp; Annual Degradation Rate 0.7%.

Project owner
SPCC

PV power plant size
5.6 MWac of which 3.24 MWac are form 8 operations projects

Annual Net Generation
9,932 MWh/year

Location
Various CityMall locations (13 malls)

Off-taker
Citymall Commercial Centers Inc. (CMCCI)

PSA Term
25 years

Start of operations
Phase 1 Batch 2 September 25, 2018
Phase 1 Batch 2 May 20, 2018
for plants

Various CityMall locations for Phase I Batch 1 projects
1) Boracay, Aklan;
2) Kalibo, Aklan;
3) Kabankalan, Negros Occidental;
4) Victorias, Negros Occidental;
5) Dumaguete, Negros Oriental;
6) Tagum City, Davao del Norte Phase I Batch 2 projects are located in:
7) Dau, Pampanga;
8) Mandalagan, Negros Occidental Phase II projects:
9) Cadiz, Negros Occidental;
10) San Carlos, Negros Occidental;
11) Goldenfields, Bacolod City;
12) Imus, Cavite;
13) Cotabato City, Maguindanao

The CitySun Solar Project is the first multi-site solar rooftop portfolio under one project financing facility.

Engineering innovation: combining the flow of Asin, Hungduan, and Ibulao Rivers bundled into single project to maximize power output.

Alternergy Mini Hydro Holdings Corporation (AMHHC)

ALTERNERGY MINI HYDRO HOLDINGS CORPORATION is the primary hydro energy sub-holding company and wholly-owned subsidiary of Alternergy. AMHHC is currently developing one run-of-river hydropower project in Nueva Ecija and three (3) run-of-river hydropower projects in Ifugao with a total potential capacity of about 36 MW.

AMHHC owns 100.00% (representing economic and voting interest) of Lamut-Asipulo Mini Hydro Corporation, 100% (representing economic and voting interest) of Ibulao Mini Hydro Corporation, 15% economic and 30% voting interest of Kiangan Mini Hydro Corporation, and 4% (representing economic and voting interest) of Dupinga Mini Hydro Corporation.

Kiangan Mini Hydro Corporation ("KMHC"), Alternergy's affiliate

The 17.4 MW Kiangan run-of-river project in Ifugao of Kiangan Mini Hydro Corporation combines three hydro developments along the Asin, Hungduan, and Ibulao Rivers. AMHHC took over project development of Kiangan Hydro from the original developer Enerhighlands Corporation in November 2013. In 2015, the DOE approved the assignment of the Hydro Service Contracts of Asin, Hungduan and Ibulao1 from Enerhighlands Corporation to KMHC.

Project Highlights: Engineering innovation: combining the flow of Asin, Hungduan, and Ibulao Rivers bundled into single project to maximize power output. Close community consultation with the indigenous Tuwali people to preserve natural beauty of their ancestral domains Partnership with Renova Renewables of Japan and Sta. Clara International.

Project Summary: Alternergy has 100% economic and voting interest in AMHHC, which in turn has 15% economic and 30% voting interest in KMHC. Thus, Alternergy has an indirect economic of 15% and voting interest of 30% in KMHC.

Project owner
KMHC

Power plant capacity (estimate)
17.4 MW

Annual Net Generation (estimate)
82,378 MWh / year

Annual Specific Yield (estimate)
4,734 kWh/ kW

Annual Degradation Rate (estimate)
0.5%

Location
Barangays Bokiawan, Dalligan and Mongayang within the municipality of Kiangan

Off-taker
Vying for Hydro Feed-in Tariff

PSA Term
20 years FIT

PSA Tariff
To be determined by the ERC

Interconnection
Connection Agreement with NGCP

Target start of operations
2025

Approach to Stakeholder Engagement

2-29

Our Partners co-invest with Alternergy. They believe in promoting clean energy, in replacing our dependence on fossil fuels, and in transforming host communities with sustainable investments. Our partners are our project lenders who likewise believe in allocating more financial capital to sustainable lending. Our partners are our host communities. They have given their consent for Alternergy to build sustainable projects in their community. Our partners are our employees. They chose to work with Alternergy because they believe in being involved with an enterprise that addresses climate change.

Our Lenders provide domestic banking market to renewables. Our projects are funded with non-recourse project finance. In working with banks, we strive to instill confidence in our management experience. We negotiate a balance of risk sharing between lender and borrower on market-based financing terms and conditions. We highlight long-term financial upsides of renewables and creating the structures needed to gain the buy-in of lending institutions. In every Alternergy project, we provide lenders access to world-class technical analysis. They not only gain assurance of the project's technical design robustness, but also come away with knowledge and benchmarks to apply to future renewable lending opportunities.

Our Host Communities are a crucial aspect of how we operate. We build, engage, and maintain relationships with the local community, including residents, businesses, and other organizations. Our goal is to ensure that the company's operations are sustainable and beneficial to the community in which it operates.

Our Employees are well-equipped in their chosen fields and passionate about the environment, particularly in addressing climate change. Our corporate values inspire employee trust and boosts morale of its workforce. We strive to reinforce healthy lifestyles and focus on teamwork that helps in cross collaboration among different units and teams. We promote inclusion and gender equality at the workplace.

Stakeholder	Their Value	How We Engage	Concerns	Our Response
Co-investors/ Shareholders	Provide resources and oversight	• Annual stockholders meeting • Meetings with investors	Business performance	Timely and transparent disclosures
Off-takers/Clients	Buyers of energy generated	Regular meetings	Downtime level of service	Ensure proper maintenance of renewable energy systems
Financiers/Creditors	Provides capital to support business	Regular communications and business updates	• Financing additional projects • Governance and business ethics	Comply with financing terms and agreements
Equipment/ Service Suppliers	Provider of wind and water turbines, solar panels, technical consulting, contractor expertise	• Regular communications • Supplier accreditation	Governance and business ethics	Practice supplier accreditation and ethical procurement policies
Government Regulator	Policy maker and implements regulations which govern sector	• Scheduled and unscheduled audits • Regular communications • Proactive consultation	• Compliance with legal and regulations • Governance and business ethics	• Follow rules and regulations • Provide timely and accurate reports
Host Communities	Host of renewable energy equipment	Regular dialogue and consultation with host community re project implementation and concerns	Involvement of community	Partner in implementation of projects and community benefit programs
Employees	Implement company objectives and represent company	• Regular townhall meetings • Performance appraisals	Employee welfare and benefits	Ensure work-life balance, good working environment and employee fulfillment
Media/ Capital Markets	Accurate reporting on company performance	Media and analysts' briefings	• Business performance • ESG Impacts	Provide timely, transparent and accurate updates on the business

Membership Associations

2-28

Alternergy is part of major RE associations which can provide several benefits, such as access to industry-specific resources, networking opportunities, roundtable discussions and professional development programs. The Company takes advantage of these associations as these provide a platform for members to share their knowledge and expertise with others in the RE industry, which can help them stay up-to-date with the latest trends and best practices. This also serves as an advocate for members' interests and provide a unified voice on issues that affect the RE industry.

Developers of Renewable Energy for AdvanceMent, Inc. (DREAM)	DREAM is an organisation of renewable energy associations, launched in January 2019. Its core objective is to push for policy reforms to be taken by the Philippine government for more efficient delivery of services, and to help attain the country's RE targets. DREAM is the national umbrella organization that unifies all RE industry associations, and provides them with a broader platform to advance the cause of RE mainly through policy advocacy and knowledge sharing. It counts as institutional members six (6) RE associations, namely: National Geothermal Association of the Philippines (NGAP); Biomass RE Alliance (BREA); Confederation of Solar Developers of the Philippines (CDSP); Philippine Solar and Storage Energy Alliance (PSSEA); Philhydro Association, Inc. (Philhydro); and Wind Energy Developers Association of the Philippines (WEDAP).
Philippine Hydro Association (Philhydro)*	Philhydro is a non-profit organization that aims to promote the development of hydropower in the Philippines. The association provides a platform for stakeholders in the hydropower industry to share knowledge and expertise, collaborate on projects, and advocate for policies that support the development of hydropower in the Philippines. The following are the objectives: • Promoting the use of hydropower as a sustainable and renewable energy source • Encouraging investment in hydropower projects • Advocating for policies that support the development of hydropower in the Philippines • Providing a forum for stakeholders to share knowledge and expertise • Supporting research and development in the field of hydropower

Wind Energy Developers Association of the Philippines (WEDAP)*	WEDAP is a non-profit organization that aims to promote the development of wind energy in the Philippines. The association provides a platform for stakeholders in the wind energy industry to share knowledge and expertise, collaborate on projects, and advocate for policies that support the development of wind energy in the Philippines. The following are the objectives: • Promoting the use of wind energy as a sustainable and renewable energy source • Encouraging investment in wind energy projects • Advocating for policies that support the development of wind energy in the Philippines • Providing a forum for stakeholders to share knowledge and expertise • Supporting research and development in the field of wind energy
Philippine Solar and Storage Energy Alliance (PSSEA)*	PSSEA is a non-profit organization that aims to promote the development of solar and energy storage technologies in the Philippines. The alliance provides a platform for stakeholders in the solar and energy storage industry to share knowledge and expertise, collaborate on projects, and advocate for policies that support the development of these technologies in the Philippines. The following are the objectives: • Promoting the use of solar and energy storage technologies as sustainable and renewable energy sources • Encouraging investment in solar and energy storage projects • Advocating for policies that support the development of solar and energy storage technologies in the Philippines • Providing a forum for stakeholders to share knowledge and expertise • Supporting research and development in the field of solar and energy storage

**Philhydro, WEDAP, and PSSEA are NGOs composed of members from various sectors, including government agencies, private companies, academic institutions, and non-governmental organizations.*

SUSTAINABILITY PILLAR II

PLANET

At its core, Alternergy is a company that puts the planet at the center of its business. As the country's pioneers in the renewable energy space, we endeavor to be leaders in the challenging feat of planet conservation.

We ensure that every aspect of the company is committed to adhering to our mandate of Planet protection by complying with and supporting environmental laws and regulations, conserving biodiversity, and proactively responding to climate change. We use technology to monitor and measure the impact of our sustainability initiatives, which will help us identify areas for improvement and make data-driven decisions and targets.

Energy

302-1

ALTERNERGY PRIDES ITSELF in being a pure-play renewable energy developer. We understand and put importance in our GHG emissions as a byproduct of our day-to-day business operations. As a pure-play company, Alternergy's emissions are primarily driven by company-owned vehicles or mobile combustions. The table that follows displays data on Alternergy's head office's fuel and energy consumption. To be noted is that while our plants are operating all over the Philippines as well as in the Pacific island of Palau, we only hold offices in the Makati main office and the Ifugao office. For the scope of this year's Sustainability Report, we are limited to the emissions of our Makati office along with our Kirahon Solar Plant in the southern island of Mindanao.

In our first year of reporting our energy and water consumption, we are creating a baseline which we aim to improve in the years ahead. However, as the company and team expand, it is realistic to expect our emissions to grow along with it. We plan to extend our head office area in the coming year, to almost double its size. Despite the projected growth of resource consumption, office energy, and water usage, we have mechanisms in place with the goal of minimizing our consumption and carbon footprint.

As we put utmost importance on the value of transparency, we are reporting our consumption for the fiscal year presented in the following tables.

Energy Consumption Within the Organization (July 2022 - June 2023)

Disclosure	Quantity	Unit
Energy Consumption (Electricity)	• Makati head office: 9,014 • Kirahon Solar Energy Corp.: 98,000	kWh

Stakeholders affected

Stakeholder	Issues that influence their assessments and decisions (in relation to energy consumption)
Management	Efficiency of managing resources
Stockholders	Profitability of the organization, efficiency of managing resources
Community, Environmental NGOs	Extent of energy consumption alongside scarcity of supply
Public, media	Extent of energy consumption alongside scarcity of supply; potential reputational impact

What is the impact and where does it occur?
What is the organization's involvement in the impact?

Efficient energy consumption within Alternergy's operations can translate to energy savings. This, in turn, can contribute to possible reduction in the country's significant reliance on fossil fuel-based energy along with its positive impact in the company's profitability in its internal cost savings.

Management approach to impact

Head office's transition to LED lighting: the new office may employ the usage of LED lights entirely as we continuously find ways to increase efficiency in our energy consumption.

Risks identified

The release of greenhouse gas emissions during the production of electricity is a significant factor in driving global warming and influencing climate patterns. Inefficient management of energy use can lead to the risk of higher operating costs. Another risk is the negative and conflicting effects to Alternergy's core business of reducing GHG in the environment.

Management approach to risks

The Management put up a Sustainability Committee led by "Sustainability Champions" that monitor, enforce, and promote the benefits of being mindful of sustainability practices.

These include guidelines on containing operating expenses through commitments on environmental responsibility and resource efficiency. The initiatives in support of these guidelines include switching to LED lighting systems and the application of energy-saving mechanisms in the office.

Opportunities identified

An opportunity identified is the redesigning of the office to further promote energy efficiency practices and using more energy efficient furnishings in the new office (LED lights, energy efficient refrigerators, etc.) Another is information dissemination among employees and consistent reminders on minimizing energy usage (turning off appliances when not in use, unplugging appliances and gadgets, etc.)

Management approach to opportunities

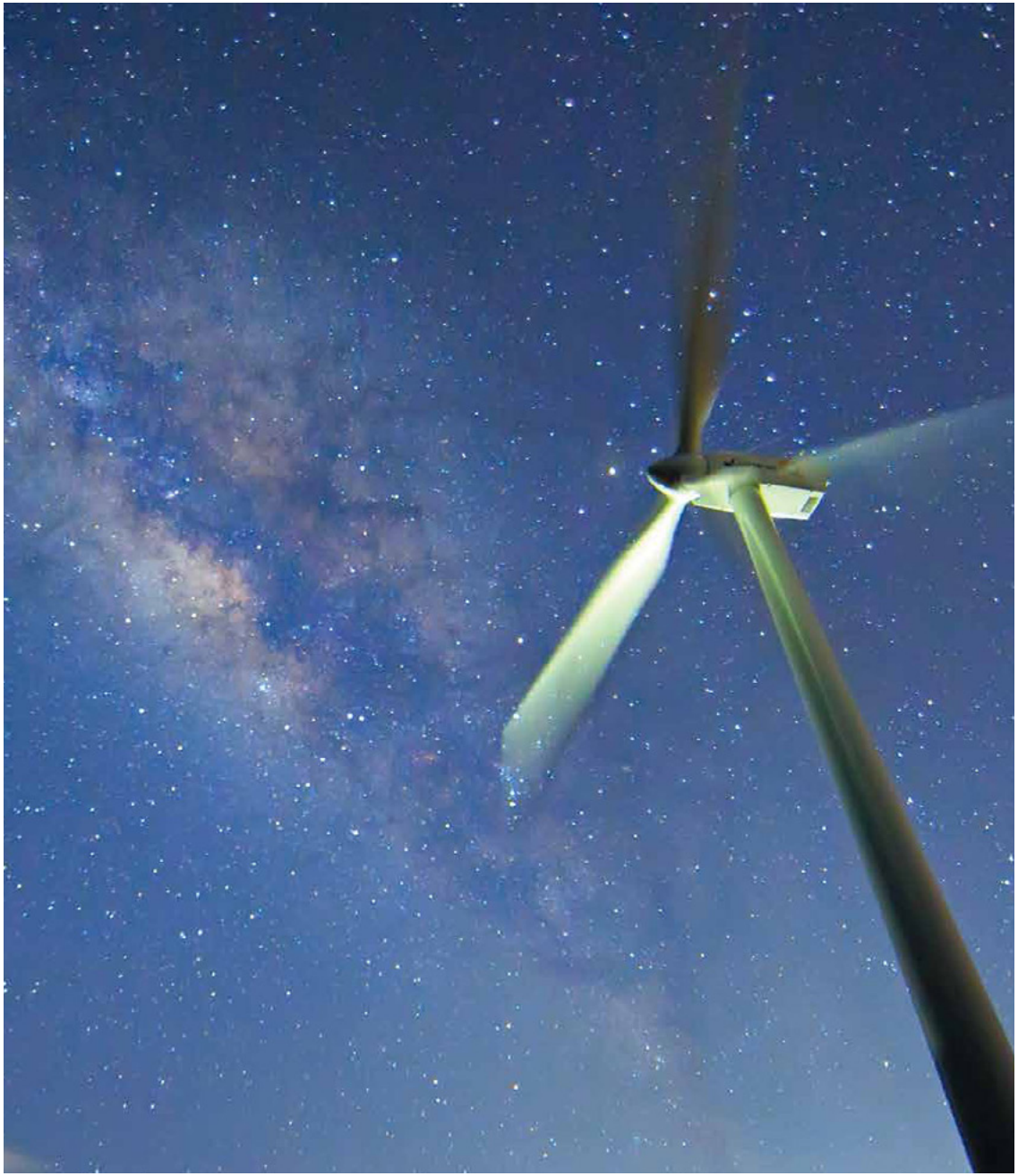
Alternergy is committed to operational efficiency leading to the conservation of energy. A Sustainability Committee has been set up to ensure the office and its employees are being reminded and regulated in being energy efficient. The HR department's Sustainability Champion is tasked in designing the new office and ensuring it has energy efficient appliances in place.

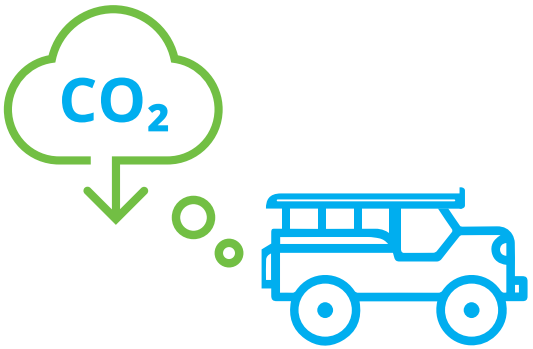
Emissions

305-1 | 305-2 | 305-6

ALTERNERGY PRIDES ITSELF in being a pure-play RE company which in essence, means we are not generating GHG from our core business' products. Thus, our Scope 1 is limited to the GHG emissions from our two company vehicles. The entire mandate of Alternergy is to prevent the production or emission of GHG into the environment and the planet.

Alternergy's climate change mitigation is measured in terms of annual tons of carbon dioxide emissions displaced or avoided. In June 2022, Alternergy made a commitment to strictly focus as a renewable power company and will not invest in fossil fuel generation such as coal, fuel oil, natural gas, and nuclear power.





100,444

Tons of carbon emission reduced per year, equivalent to 4,566 less jeepneys on the road

151,500

Trees planted to date

As part of its commitment, the Company ensures that it has a competent team to handle compliance with environmental regulations and formulate programs to efficiently adapt to prospective changes in regulation. Its portfolio and pipeline made up of solar, wind, and hydro plants also help hedge any risk exposures to changes in environmental regulations.

Emissions Displaced

Alternergy's ultimate measure of success is its impact on the next generation. The power created from our 86 MW wind and solar farms in operation displaces 100,444 tons of carbon emissions per year (from 89,298 tons reported last year) that would have otherwise been created through fossil fuel generation.

This is equal to 4,566 less jeepneys plying our roads. The main driver of the increase in carbon emissions displaced is our adaptation and usage of the streamlined Department of Energy National Grid Emission Factor (NGEF) figures.

Since we are relying on renewable resources such as solar, hydro, and wind, we are highly dependent on the climate, on seasonality of weather, and on the long-term patterns of climate change. We have therefore strategically chosen to invest in three different renewable resources, such that their seasonality and diurnal patterns complement each other in terms of daily or annual electricity generation.

Measuring Carbon Footprint

The tCO_2e mitigated are estimated using the Philippines' Department of Energy National Grid Emission Factor (NGEF). The NGEF was derived from the 2015-2017 power statistics where 0.6836 t-CO_2/MWh and 0.7859 t-CO_2/MWh were used respectively for the Luzon, Visayas, and Mindanao Solar and Wind projects (i.e., one MWh of electrical output is equivalent to 0.6836 and 0.7859 tCO_2e mitigated. Alternergy estimates that its best case pipeline portfolio could result in a maximum of 880,140 mitigated, from 554,569tCO_2e reported last year.

Alternergy prides itself in being a pure-play RE company which in essence, means we are not generating GHG from our core business' products.

Trees Planted

As part of the group's CSR, community officers located in our Run-of-River plants, Pililla, Sembrano, and Palau plants are required to enact a tree planting program. To date, 151,500 trees have been planted since the start of the Tree Planting Program in 2018.

Operational Plants' Environmental Monitoring Report

Alternergy employs a methodology that ensures our plants cause the least amount of harm in the environment. The respective SPVs' Pollution Control Officers are put in charge of publishing a quarterly report that documents the environmental effects of our plants in operation. The report covers permits and inspection results from Government agencies such as the DENR. In one of Alternergy's operational plants Kirahon Solar Farm (KSEC), it shows that there is no significant negative environmental impacts throughout its operating periods.

PROPONENT COMPLIANCE MONITORING REPORT (CMR): *Semi-annual Module 5 of SMR*
KIRAHON SOLAR ENERGY CORP.

KIRAHON SOLAR ENERGY CORP
PROPONENT'S NAME

MONITORING PERIOD COVERED: JANUARY to JUNE 2023

I. BASIC PROJECT INFORMATION AND UPDATES

ECC Control No/REFERENCE Code No: ECC-R10-1209-0151
Project Title: KIRAHON SOLAR ENERGY CORP (KSEC)
Project Type: POWER GENERATION (SOLAR POWER PLANT)
Location: SITIO KIRAHON, BRGY. SAN MARTIN, VILLANUEVA, MISAMIS ORIENTAL
Project Coordinates: Latitude: 8°33'28"N Longitude 124°47'14"E
Project Stage/Phase: (i.e. construction, commissioning, etc.) Plant is Operational
Contact Person: OLIVER G. LABARES *Contact Number:* 09178731274
EMP Approval: ☐ During ECC Application Stage
☐ (X) Updated after ECC issuance; approved on September 6, 2012
Changes in Project Design (if any): NO changes in Project design

II. EXECUTIVE SUMMARY

No major activities that influenced the monitoring parameters during the monitoring period.

Table II-1. Summary of Major Findings for the Monitoring Period

Condition / Requirement / Commitment	Compliance Status & Summary of Actions taken	Recommendation/Commitment for the next reporting
Compliance with ECC	Compliance with ECC Conditions	Committed to comply with the ECC conditions in the next reporting
Compliance with EMP	Compliance with EMP Conditions	Committed to comply with the EMP conditions in the next reporting of CMR and SMR reports
Implementation of appropriate & effective environmental impact remedial actions in case of exceedances	Compliance to conditions, implemented solid waste management, hazardous waste segregation, clean air act and waste water treatment facilities.	Continuous implementation and monitoring in compliance to RA 9003, RA 6969, RA 8749 and RA 9275

Kirahon Solar Farm's Compliance Monitoring Report zero significant negative environmental impacts

Air Emissions: GHG (July 2022 - June 2023)

Disclosure	Quantity	Unit
Direct (Scope 1) GHG Emissions (company vehicles' emissions)	1,698	Kg of CO_2
Energy indirect (Scope 2) GHG Emissions	• Makati head office: 6,162 • Kirahon Solar Energy Corp.: 66,992	Kg CO_2e
Emissions of ozone-depleting substances (ODS)	NA	NA

Stakeholders affected

Stakeholder	Issues That Influence Their Assessments and Decisions (in relation to energy consumption)
Management	Managing and adhering to the company's Pillar of Sustainability and conservation of the environment
Stockholders	Compliance with environmental laws and regulations; potential reputational impact that may lead to divestment
Community, Environmental NGOs, Government	• Compliance with environmental laws and regulations • Reduction of environmental impacts • Concern for environmental protection
Public, Media	Reduction of environmental impacts and concern for environmental protection; potential reputational impact

What is the impact and where does it occur? What is the organization's involvement in the impact?

Refer to details on Energy Consumption Within the Organization for Scope 2. The impact for Scope 1 is directly to the environment as our company-owned vehicles are emitting GHGs. The organization is directly involved as it uses these vehicles for its usual business operations.

Management approach to impact

Refer to details on Energy Consumption Within the Organization for Scope 2. Management recognizes the GHG emissions from its company vehicles and tries to offset this this the production of clean energy as its primary product. The company can offset its GHG emissions from the renewable energy it puts out in the market in place of coal or other non-renewable sources of energy.

Risks identified

Refer to details on Energy Consumption Within the Organization

Management approach to risks

Refer to details on Energy Consumption Within the Organization

Opportunities identified

Refer to details on Energy Consumption Within the Organization

Management approach to opportunities

Refer to details on Energy Consumption Within the Organization

Waste and Resource Management

306-1 | 306-2

ON JULY 10, 2023, the Executive Committee approved the "No Single-Use Plastics" (NSUP) Policy which includes packaging, service ware (such as water bottles, wrappers), straws, and utensils. The aim is to be mindful of the environment by addressing the issue of plastic waste. The NSUP policy was implemented with the non-purchase order of plastic water bottles given the following detrimental impacts: 1) plastic pollution, 2) contributes to global warming, 3) bottled water is expensive, 4) plastic bottles need a lot of water to make them and 5) harmful to the health. The NSUP policy was effective immediately.

We have also engaged with Primex Printing services in the printing of our inaugural Sustainability Report, as Primex offered utilizing soy ink instead of the traditional petroleum-based ink. Soy ink is widely known to be an environmentally-conscious choice being sourced from a renewable resource, reduces GHG emissions in its production, and is less toxic than petroleum-based ink as it is made from natural ingredients.

The following are ongoing programs being enacted as part of the company's continued environmental management efforts led by the Committee on Sustainability.

1. No Single-Use Plastics.

- For the Company sponsored lunch meals and take-out food orders, choose restaurants which have paper packaging or made of eco-friendly materials and not from styro or plastics;
- Purchase finger-food appetizers that can be eaten without the use of cutlery or plastic utensils;
- Highlight the use of canvas eco-bags which was distributed to all employees during the team building;

- Purchase eco-friendly toilet papers and hand paper towels from suppliers which use renewable materials, such as Quanta Paper Corp., Ecobudget Corp. Philippines, Trade Key Philippines, and Fibre Sorting Inc.;
- All employees are encouraged to use and bring their own mugs and utensils; and
- Continue to purchase bond papers from our supplier, Paper One which uses 100% renewable fibers.

2. Use less paper.

- Change the printing setting mode of all computers;
- Admin will monitor the bond paper consumption of all SPV companies;
- Use scratch papers; and
- Continue incorporating a green email signature environmental footer such as, "Please consider the environment before you print this email."

3. Secure a cloud-based storage using the Google Drive's shared drive feature for centralized filing system.

- For personal use, can use the corporate Gmail account on Google drive with 1 terabyte (TB) for each user; and
- For group use, IT will prepare a structure of filing system for dissemination to all employees.

4. Enforce proper waste management.

We practice the segregation of waste disposals. We sort and separate dry and wet wastes to facilitate recycling and correct onward disposal; We have three trash bins in the office pantry for residual wastes, biodegradable wastes, and recyclable wastes.

Implement the ff:

- Color coding of garbage bags based on the type of wastes; and
- Create more awareness in the office to segregate wastes by placing the signages on the type of wastes to be posted near the garbage bins.

Note: Unfortunately, our building administration does not segregate wastes before disposal. All garbage being disposed by the tenants of the building are being disposed directly to the garbage truck without segregation.

5. Donate old scrap papers, unused paper stock, newspaper, old books to recycling solution companies or social enterprise.

The Executive Committee approved the "No Single-Use Plastics" (NSUP) Policy which includes packaging, service ware (such as water bottles, wrappers), straws and utensils. The aim is to be mindful of the environment by addressing the issue of plastic waste.

6. Sustainable business practices as part of our daily routine:

- "Clean As You Go" from the surfaces, tables and/or other equipment in our work stations, pantry, and in the meeting rooms. We need to ensure that these are clean, hygienic, and clutter-free. Continually cleaning up after yourself to minimize risks to hygiene, health, and safety Additional signages will be placed on desks as reminders to everyone to clean as they go; and

- Quarterly collection of electronic waste (ie. Mobile phones, computers, tablets, cables, chargers, monitors etc.) for proper waste management is crucial in building a sustainable future. Send or donate used electronics to organizations such as HMR Super Surplus Bodega, E-Waste Management Philippines, The E-Waste Project and Envirocycle Philippines Inc. Some of these organizations offer door-to-door pick-up in various cities in Metro Manila. Start of evaluation and inventory of electronic appliances/ device for disposal starting October 2, 2023 and will dispose these items before end of December 2023.

8. Optimize use of e-signature

- Digital signatures/approvals; and
- Adobe acrobat to edit and sign PDFs.

9. Energy Efficiency Measures in the workplace:

- Replace incandescent lights with Light Emittion Diode (LED) lights;
- Open the window blinds and use natural lighting or daylighting. When feasible, turn off lights near windows and use task lighting to directly illuminate work areas;
- Procure energy-efficient copiers with a low standby feature, printers with power management features, and LED or liquid crystal display (LCD) monitors;
- Unplug equipment that drains energy when not in use;
- Properly unplug all appliances by end-of-day (EOD) or when done for the day. Signages will be placed on desks on reminders to everyone to turn off lights/unplug appliance;
- Turn off lights EOD or when not in use;
- When we transfer to the new office:
  - use dimmer switches which can save energy and extend their lifespan; and
  - install motion sensors which can automatically turn-off

10. Raise awareness on energy efficiency in the office to encourage employees to adopt sustainable practices which can be cascaded by the Sustainability Champions.

- Monitor the bond paper consumption of each SPV company;
- Perform an energy audit which can help identify areas where you can improve our office's energy efficiency;
- Email newsletters regularly to provide information on energy saving practices, highlight employee achievements, and promote upcoming events;
- Email posters, flyers, and catchy messages that highlight the benefits of saving energy and provide tips of the day on how to do so;
- Use carpools and public transportation can also help promote energy efficiency in the workplace; and
- Consider implementing positive and motivating energy campaigns around the office to get your employees involved in energy-saving practices.

Water and its Effluents

303-1 | 303-5

WE RECOGNIZE AND APPRECIATE water as a life-giving resource that is central to Alternergy's core business. Water is also the center of civilization in our Ifugao run-of-river plants; essential to the entire ecosystem of the area, from the Ifugao wildlife to the communities' livelihoods. While run of river mini hydro power plants are one of the safer power generators in the industry, several impacts upon its construction and long-term operations can impose dangers to the ecological setting present upstream and downstream. The construction of our run-of-river hydro power plants may have a negative environmental effect on the natural state of the host environmental area.

To properly regulate the possible alterations that may transpire during the development phase, the National Water Resources Board (NWRB) has set a list of standards that will help mitigate and avoid the problems hydro power plants might cause. In their findings, it was concluded that our Dupinga and Kiangan Mini-Hydro power plants are considered sustainable projects that could help provide power resources without causing heavy damage to the environment. The studies held by Oasis Renewables recommend developing a comprehensive rehabilitation program which involves tree-planting activities to protect the surrounding landscape and the creation of a dedicated monitoring team which will look after illegal logging activities and illegal hunting of fauna species along the riparian ecosystem to help preserve the area from gradual degradation. The company's on-site community officers take the lead in ensuring the studies' findings are being implemented.

Alternergy does not discharge any effluents as all hydro plants are complete and compliant in their studies conducted and permits obtained for their development, some of which are disclosed as follows.

The Environmental Compliance Certificate (ECC) is a document issued by the Department of Environment and Natural Resources (DENR) in the Philippines that allows a proposed project to proceed to the next stage of project planning. The ECC certifies that the proponent is committed

to implement an approved Environment Management Plan and that the proposed project will not cause a significant negative impact on the environment through its Environmental Impact Assessment (EIA). Any type of project created in the Philippines that may affect the environment must secure an ECC from the DENR. Alternatively, the project may be issued a Certificate of Non-Coverage (CNC) if the DENR-EMB team finds that the project is not part of the Environmental Impact Statement (EIS). The DENR has specific requirements that need to be fulfilled in order to obtain an ECC, CNC, LLDA clearance, or other environmental clearance. The ECC came from Administrative Order #42, which mandates the Environmental Management Bureau (EMB) under the DENR to accept, process, and approve qualified applications for ECC.

The hydro plants in development (Kiangan, Dupinga, and Lamut) submit semi-annual Compliance Monitoring Reports that ensure continued adherence with the DENR's requirements for the ECC (Environmental Compliance Certificate) and the EMP (Environmental Management Plan).

Alternergy's project sites pay tribute to the natural beauty and life that surrounds them. By conducting best-practice wildlife and ecological assessments at the start of each project, we take every possible step to ensure what we develop is in harmony with the environment. We wish to protect watersheds of rivers we tap for energy through run of river hydro projects that do not create negative footprint from damming of rivers which flood upstream terrain.

The list on the next page states some of the Technical Studies and Regulatory Requirements obtained.

A. Compliance Status -

For the reporting period Jan - Jun 2023, DMHC continued to comply with the terms and conditions of the ECC, EMP, SDP, IEC, EMoP and other relevant Environmental Laws and Guidelines in particular:

1. Conducted Safety Orientation,Trainings and Walkthroughs
2. Assisted in putting out wildfire incidents near the project area
3. Enforced Health and Safety Protocols at the project site.
4. Continued to prioritize local employment.
5. Conducted regular clearing and cleaning of debris along the national road in front of the project site.
6. Do some dust mitigations, waste management, installation of slope protection and care of water activities.

A. Compliance Status

For this reporting period covering January to June 2023, KMHC continued to comply with the terms and conditions of the ECC, EMP, IMP, SDP, IEC, EMoP, and other relevant Environmental Laws and Guidelines.

In particular, the following were implemented during this reporting period:

1. Continued enforcement of Health and Safety Protocols at the project site.
2. Continued conduct of safety orientation, trainings, and walkthroughs,
3. Continued to prioritize local employment.
4. Continued installation of slope protection, barrier protection walls, armor rocks to prevent run-off of earth materials and construction spoils into the river and bodies of water. Installation of slope protection on landslide prone areas and gabion structures along the riverbanks, grouted riprap in support to the embankment of access road and other mitigating measures to prevent the run-off of excavated earth materials into the river. Water Quality Monitoring was also conducted last May 24, 2023.
5. Continued hauling of excess excavated materials for disposal to the Ifugao Sports Facility as requeste by the LGU.
6. Continued clearing and cleaning of debris along the roads and rivers within the project site.
7. Continued implementation and monitoring of EMP, IMP, EMoP, IEC and SDP Plans, Emergency Preparedness and Response Plan, Mitigation and Protection Plan, Noise Minimization Plan

DENR Permits/Licenses/Clearances

Environmental Laws	Permits		Date of Issue	Expiry Date
P.D. 984	A/C No.			
	PO No.			
PD 1586	ECC 1	ECC-OL-R03-2016-0297	Feb 06, 2019 – Amended	-
	ECC 2	N/A		
	ECC 3	N/A		
RA 6969	DENR Registry ID	N/A No chemicals are being used at the site		
	CCO Registry	N/A		
	Importer Clearance No	N/A		
	Permit to Transport	N/A		
RA 8749	A/C No.	N/A No need for Air Pollution Control Facility		
	PO No.			

Kiangan and Lamut Run-of-River Hydro Project's Compliance Reports to the DENR

DUPINGA
(4.8 MW, Nueva Ecija)
Construction ongoing

Technical studies completed:

Comprehensive Feasibility Study, Hydrology Revalidation, Geotechnical Studies, Detailed Engineering Design, Distribution Impact Study, Distribution Impact Study, Environmental Study, Sedimentation Study, Ecological Study and Sustainabiity Plan, Geological, Geotechnical, and Geohazard Assessments

PSA is with Nueva Ecija One Electric Cooperative Inc (NEECO)

Regulatory requirements obtained:

DOE Hydro Service Contract, Certificate of Confirmation of Commerciality, DENR ECC, DENR CNO of the 13.2kV T/L, DENR CNO for the permanent access road to the powerhouse, NWRB Water Permit, LGU endorsements, NCIP Certificate Precondition, BOI Certificate of Registration, BOC Accreditation, Provincial Environmental Clearance Certificate, DENR Special Land Use Permit, Land Reclassification Ordinance of Powerhouse location, DAR Provincial Agrarian Reform Officer (PARO) Clearance, DAR Land Use Conversion Order, Zoning Certificate, Locational Clearance, Building Permit and other Construction Permits, Entitlement for Zero-rated VAT

Tender process:

Tender process completed in Q4 2014, Civil Works Contract and Owner's Engineer Contract signed in Q1 2017, E&M Supply Contract signed in Q1 2020

KIANGAN
(17.4 MW, Ifugao)
Construction ongoing

Technical studies completed:

Comprehensive Feasibility Study, Optimization Study, Hydrology Revalidation, Grid Impact Study, Facility Study, Detailed Engineering Design, Environmental Impact Study, Ecological Study, Sustainability Plan, Geological, Geohazard, and Geotechnical Studies

Regulatory requirements obtained:

DOE confirmed Declaration of Commerciality, LGU endorsements, BOI Certificate of Registration and Entitlement for Zero-rated VAT, NCIP FPIC process completed and Certificate Precondition, DENR ECC, DENR Special Land Use Agreement, NWRB Water Permits, Connection Agreement and Transmission Service Agreement with NGCP secured, Parcellary Survey completed, Land Options Agreements signed; Majority of the Long- Term Land Lease Agreements signed; MOAs for Road Right of Way with Host LGUs signed, includes Building, Engineering, and Construction Permits from LGU

Tender process completed and construction contracts signed in Q1-Q2 2021

LAMUT
(6.8 MW, Ifugao)

Technical studies completed:

Comprehensive Feasibility Study, Optimization Study, Hydrology Revalidation, Grid Impact Study, Facility Study, Detailed Engineering Design, Geological, Geohazard, and Geotechnical Studies, Ecological Study, and Sustainability Plan, Environmental Impact Study

Regulatory requirements obtained:

DOE Amended HSCs/CORs (assignment and change in capacity generation), DOE Certificate of Commerciality, LGU Endorsements, Signed MOA with the Indigenous Peoples/Cultural Communities, NWRB Water Permit, DENR ECC, Grid System Impact Study & Facility Study, NGCP Connection Agreement, NCIP Certification Precondition, BOI Certificate of Registration, Entitlement for Zero-rated VAT

Alternergy's project sites pay tribute to the natural beauty and life that surrounds them. By conducting best-practice wildlife and ecological assessments at the start of each project, we take every possible step to ensure what we develop is in harmony with the environment.

Water Consumption Within the Organization (July 2022 - June 2023)

303-5

Disclosure	Quantity	Unit
• Total volume of water consumption discharges • Percent of wastewater recycled	Makati head office: 852	Cubic meters

Stakeholders affected

Stakeholder	Issues that influence their assessments and decisions (in relation to water consumption)
Management	Efficiency of managing resources
Stockholders	Profitability of the organization, efficiency of managing resources
Government	Issuing of permits needed for compliance and business operations
Community, Environmental NGOs	Extent of energy consumption alongside scarcity of supply
Public, Media	Extent of energy consumption alongside scarcity of supply; potential reputational impact

What is the impact and where does it occur?
What is the organization's involvement in the impact?

Efficient water consumption in the Company's operations can translate to savings, thereby contributing to preserving water as a limited resource.

Management approach to impact

Alternergy promotes being mindful of sustainability practices such as water conservation (i.e turning off the pantry and washroom faucets when not in use) through the installation of Sustainability Champions per department that audits the company's employees ensuring that Sustainability measures in place are being upheld. The Company's Sustainability Champions keep in mind the UN's SDGs as their primary directive, and as such promotes SDG 6 as part of their mandate by fostering water conservation, among others, at a personal and at a corporate level.

Risks identified

The inefficient and improper use of water can lead to negative environmental impacts, in light of water being recognized as a limited resource. It can also lead to higher operating costs.

Management approach to risks

Responsible water consumption is one of the underlying objectives of the Management's cost control measures and as such include guidelines on minimizing operating expenses through commitments on environmental responsibility and resource efficiency. The initiatives in support of these guidelines include proper use of faucets and responsible consumption of drinking water.

Opportunities identified

Employees can be reminded regularly through signages and the promotion of sustainable workplace practices on the importance of conservation of water.

Management approach to opportunities

Management can disseminate information on how crucial water is as a resource and how conservation of water in an office setting will be beneficial to the company's Sustainability mechanism which includes mindful water usage.

Materials Used by the Organization (July 2022 - June 2023)

Disclosure	Quantity	Unit
Bond paper (renewable)	375	Reams

Stakeholders affected

Stakeholder	Issues that influence their assessments and decisions (in relation to materials consumption)
Management	Efficiency of managing resources
Stockholders	• Profitability of the organization • Efficiency of managing resources
Community, Environmental NGOs	Environmental effects of materials used and practices employed by suppliers
Suppliers	Changes in the organization's resource consumption practices

What is the impact and where does it occur?
What is the organization's involvement in the impact?

There is an indirect impact brought about by Alternergy's process of choosing its suppliers.

Management approach to impact

Alternergy does a rudimentary check on its suppliers to ensure that their suppliers uphold sustainability standards and practices including compliance with Philippine laws. The supplier's environmental performance is widely considered.

Risks identified

There is no guarantee that the supplier would be accessible for as long as the Company would need the material. Another risk is any adverse practices from its suppliers would reflect negatively on Alternergy.

Management approach to risks

The company is keeping a roster of other suppliers that are in line with its sustainability-driven practices to mitigate the risks. In the case that Paper One is not available, Alternergy has the following brands as substitute to its primary supplier that are in line with Alternergy's sustainability practices: a.) Double A Paper, and b.) Hard Copy Paper. The assessment of suppliers includes their sustainability initiatives before Management decides to source materials from prospective suppliers.

Opportunities identified

We can expand our scope to other widely and commonly used-materials in the office other than office paper.

Management approach to opportunities

Alternergy continues to improve its Sustainability mechanism by being consistent in its vetting for its widely-used materials. For example, for materials and collaterals that need to be printed and distributed, the company uses soy-ink in its printing.

Alternergy has been sourcing bond papers from Paper One since 2016. Paper One is part of the APRIL Group, a manufacturer of pulp and fine paper, with responsibly managed, sustainable fibre plantations and operations in Indonesia. The Group is committed to produce the highest quality paper with the lowest possible impact on the environment. Paper One's materials are from chlorine-free pulp and 100 per cent renewable plantation fibres.

Ecosystems and Biodiversity

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304-3 | 304-4

Ecosystems and Biodiversity (July 2022 - June 2023)

Disclosure	Quantity	Unit
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	• 3 Plants: • Dupinga (Nueva Ecija, Philippines) • Palau (Babeldaob, Republic of Palau • Tanay (Rizal, Philippines)	• Dupinga (Run-of-River Mini Hydro) • Island of Palau (Solar+Battery Storage) • Tanay (Wind)
Habitats protected or restored	• 3 Plants: • Dupinga (Nueva Ecija, Philippines) • Palau (Babeldaob, Republic of Palau • Tanay (Rizal, Philippines)	• Hydro: 1.9 ha (Dupinga) • Palau: 16 ha • Wind: 44 ha
UCN Red List species and national conservation list species with habitats in areas affected by operations	• 2 species	• Catadromous eel and Pacific Island land snails

Stakeholders affected	Issues that influence their assessments and decisions (in relation to ecosystems and biodiversity)
Management	• Compliance with environmental laws and regulations • Business compliance and operations through obtaining environmental permits • Reduction of environmental impacts • Concern for environmental protection

What is the impact and where does it occur?

In the business of providing clean energy, Alternergy puts utmost value in ensuring the locations of our projects experience minimal foreign disturbance and damage brought about by our development. As such, we conduct Ecological and Sustainability Plans for every project we undertake.

Three of Alternergy's project sites are in areas of high biodiversity value, namely the Palau Solar and Battery Storage plant, the run-of-river Dupinga hydro plant, and the Tanay Wind Plant. An area in the Dupinga hydro plant houses an endangered species of eel and the Tanay project area contains a watershed. Some species of endemic Pacific snails inhabit the Palau project area which also covers a part of an Important Bird Area by the IUCN. While the Dupinga eels and Palau's snails are not in the IUCN Red List, the areas may still be remarked with high biodiversity value.

Management approach to impact

Our Palau Solar and Battery Storage plant reached energization in July of 2023. An integral part of the Palau project's development was a biodiversity study conducted by the International Biodiversity Experts from Australia and New York State University in the USA led by Dr. Guy Dutson. The study included a Critical Habitat Assessment and Biodiversity Action Plan as the project site is within the Important Bird Area (IBA) of IUCN. IBAs are critical sites for the conservation of birds, however, our project is located on a savannah area with no endangered biodiversity, and thus the project was cleared to be built.

Another study conducted for the Palau power plant was a Survey of Pacific Land Snails and Ants within the Palau Solar Project Site done by Dr. Rebecca Rundell and Dr. Jesse E. Czekanski-Moir brought about by the species endangerment of the Pacific Native Island snails. In ensuring that the species are not present in the Project Site, we contacted and commissioned experts for the study.

As part of the pre-development process of our hydro plants, we published a paper that explored the impact of the proposed Dupinga Mini Hydro (Low-Height Weir) on the ecology, migration and the fishery for catadromous eel (Anguilla sp.) in Dupinga River Gabaldon, Nueva Ecija. The study made use of rapid assessment to generate relevant information of the fishery and ecology of freshwater eels in the area as input in designing management and mitigation measures for sustained eel fisheries in harmony with achieving the goal of energy sufficiency.

Our Tanay wind plant has obtained the ECC permit as well as a PAMB (Protected Area Management Board) clearance under the DENR. Our Alabat wind plant does not host any protected area and as such is only required to obtain its ECC. Both plants are not known habitats of endangered species.

Risks identified

The long-term changes in the ecosystem caused by occupying the area is not guaranteed to cause completely nil adverse environmental impacts.

Management approach to risks

Management is always expected to conduct in-depth studies during pre-development and be entirely compliant with the environmental rules and laws in place.

Opportunities identified

Adhering to the protection of ecosystems and biodiversity helps the business in its goal of being able to service all the Sustainable Development Goals.

Management approach to opportunities

Management remains consistent and faithful to its sustainable practices in protecting biodiversity and conserving the natural environment that houses our projects, Our Project Managers are fully compliant with the laws and regulations that aim to protect and preserve the environment.

SUSTAINABILITY PILLAR III

PEOPLE

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Sustainability DNA is ingrained in the founders of Alternergy who effectively fostered behavioral changes throughout the company. For this reason, sustainability has become an integral part of our culture, embedded in our employees and internal processes. Empowered by a culture of sustainability, we aim to create a sense of purpose among employees to ensure that we work towards a common goal.

Alternergy's senior partners, led by former Philippine Energy Minister Vince Pérez, collectively bring a depth of experience and expertise across all stages of the development process. We are pioneers in wind, solar, and run-of-river hydro power development in the Philippines, and we have extensive experience in energy policy, land tenure acquisition, negotiating local project debt finance, and permitting and regulatory compliance.

Board of Directors

Vicente S. Pérez, Jr.	Chairman
Gerry P. Magbanua	Director
Knud Hedeager	Director
Michael James Lichtenfeld	Director
Eduardo Martinez Miranda	Director
Gregory L. Domingo	Independent Director
Maria Theresa D. Marcial	Independent Director
Ephyro Luis B. Amatong	Board Adviser
Marivic Españo*	Board Adviser

Management Team

Gerry P. Magbanua	President
Knud Hedeager	Technical Director
Michael James Lichtenfeld	Chief Executive Officer, Solar Pacific
Eduardo Martinez Miranda	Chief Executive Officer, Alternergy Mini Hydro Holdings Corporation
Maria Carmen G. Diaz	Chief Finance Officer and Chief Sustainability Officer
Janina C. Arriola	Vice President and General Counsel
Annette M. Rafael	Vice President for Government Affairs
Luisito S. Pangilinan	Treasurer
Anna Melissa R. Lichaytoo	Corporate Secretary
Sherleen Lourds R. Macatangay	Asst. Corporate Secretary

**Ms. Espano has been appointed on July 1, 2023 as Board Adviser*

Vicente S. Pérez Jr.

Chairman

Vince is the Founder and Chairman of Alternergy Holdings Corporation. He was Philippine Energy Secretary from June 2001 to March 2005. He promoted clean indigenous energy and crafted a ten-year renewable energy policy framework. Vince played a key role in President Arroyo's economic diplomacy, by forging strategic energy partnerships with several Asian countries, the UK and USA. He served briefly in early 2001 as Undersecretary at the Department of Trade and Industry. Prior to his government service, Vince had 17 years of experience in debt restructuring, capital markets, and private equity in emerging markets. He joined Mellon Bank in Pittsburgh in 1983 as Latin American credit analyst and Mexico desk officer. In 1987, Vince joined Lazard Brothers' debt trading team in London. The following year he moved to Lazard Frères in New York and formed its emerging markets team. At 35, he became the first Asian General Partner at Lazard Frères. He was Managing Director of Lazard Asia Singapore from 1995 to 1997. Vince founded Next Century Partners in 1997, a private equity firm, and launched the Philippine Discovery Fund and the Asian Conservation Company. He assisted several investee companies with their Singapore Stock Exchange listings. He was also Chairman of Merritt Partners, an energy advisory firm focused on Asia and was Vice Chairman of National Renewable Energy Board from 2009 to 2010. He has served as independent director of Energy Development Corporation and SM Investments and is currently an independent director of Banco de Oro Universal Bank, Double Dragon Properties, and non-executive director of ST Telemedia. He is on the advisory boards of Pictet Clean Energy Fund and Yale Center for Business in the Environment. He was Chairman of WWF-Philippines and trustee of WWF-International. Vince obtained an MBA from the Wharton Business School of the University of Pennsylvania and a Bachelor's Degree in Business Economics from the University of the Philippines. He was a World Fellow at Yale University, where he lectured an MBA class on renewable energy in emerging countries. He is currently Honorary Consul for the Kingdom of Bhutan.

Gerry P. Magbanua

Director

Gerry is a co-founder and the President of Alternergy Holdings Corporation. Prior to joining Alternergy in June 2007, Gerry spent nine years with InterGen, a leading global green-field power developer with plants in Australia, Mexico, Netherlands, Philippines, Singapore, and UK. Gerry worked as Commercial Manager for InterGen in the Philippines for four years, responsible for financial modeling and planning, asset management, and contracts management. He also served as Controller responsible for accounting, tax, and treasury. Before joining InterGen, he spent 4 years with SGV, an affiliate company of Ernst & Young, as an auditor for the power, oil and gas industry. Gerry completed his degree in Bachelor of Science in Accountancy at the Philippine School of Business Administration and is a Certified Public Accountant. He served briefly as CFO of NorthWind in 2008 and 2009.

Knud Hedeager

Director

Knud is a co-founder of Alternergy Holdings Corporation. Prior to joining Alternergy in January 2007, he gained extensive experience in management and has worked in the wind industry for 11 years initially as Senior Vice President in NEG Micon, one of the world's leading wind turbine manufacturers, with responsibility for its business in Southeast Asia and its worldwide hybrid power business (combining diesel and wind turbines in off-grid applications). In 2004, when he took up residence in Manila, Knud founded the Moorland Group investing in renewable energy projects primarily in Asia. Until March 2011, Moorland had a 28% equity stake in NorthWind Power which successfully developed, built and operates the first commercial wind farm in Southeast Asia in northern Philippines. He also developed a 1.8 MW mini hydro project for Smith Bell Mini Hydro Corporation. Knud graduated with a degree in Mechanical Engineering from Aarhus Technical University in Denmark.

Michael J. Lichtenfeld

Director

Mike is the co-founder of Solar Pacific Energy Corporation and Alternergy's solar partner company. Since 2012, he has been responsible for growing Alternergy's solar power capabilities and capacity. His work at Solar Pacific has been defined by "firsts," including conceptualizing and developing the 12.5 MW Kirahon Solar Power Project—the first large-scale solar photovoltaic (PV) project in the Philippines to be built under a bilateral power supply agreement with a local utility, and the first bilateral solar agreement to be approved by the country's Energy Regulatory Commission. Mike has managed a portfolio of over 300 MW of solar development assets, and has closed more than USD250 million in solar project financing. Prior to Alternergy, he served as Director of Utility Solar Development at SunEdison, LLC until 2012. He has also held leadership positions in U.S. solar company MMA Renewable Ventures and Spanish solar firm IPP Fotowatio SL (FRV). Mike started out in the financial industries, working in investment banking at UBS, private equity investing at Blue Wolf Capital Management in New York, and conservation finance at The Nature Conservancy - Indonesia. He holds an MBA and Master of Environment Management from Yale University. He has resided in the Philippines since 2013.

Eduardo Martinez-Miranda

Director

Eduardo is the President of Alternergy Mini Hydro Holdings Corporation, responsible for bringing to life the company's hydro portfolio. Eduardo focuses his work at Alternergy on creating hydro power assets that are socially, environmentally, and economically sound, benefitting both local citizens and lenders for the long term. Eduardo is an experienced finance executive with a global career that spans almost every form of banking. His finance posts include serving as Director and Head of Corporate Finance for Merill Lynch Securities Philippines, Managing Director and Head of Philippine Investment Banking operations at Macquarie Securities Philippines, and Senior Investment Officer and Hub Leader for IFC in the Philippines.

Maria Theresa Dela Peña Marcial

Independent Director

Theresa is a seasoned banker and has 27 years of experience in banking and finance. She is President & CEO of BPI Asset Management & Trust Corporation, providing a wide range of investment, trust and wealth management solutions to corporate, institutional, high net worth, mass affluent and retail client segments. From April 2017 to May 2022, Theresa served as BPI's Chief Finance Officer, responsible for driving the bank's strategic planning and budget process, performance management, capital structure and sustainability agenda, and was concurrent Chief Sustainability Officer of the bank. In 2014, she was recognized as one of the Top 25 Most Influential Women in Asset Management in Asia by Asian Investor, Most Outstanding Alumnus of the University of the Philippines Los Baños in 2006, and received the CEM Centennial Outstanding Alumni Award from the University of the Philippines Los Baños in 2019. She is a also a Trustee and Treasurer of WWF Philippines, a member of WWF Asia Pacific Council, a Board Director of Philippines Inter-Island Sailing Federation and a fellow of the Foundation for Economic Freedom. Theresa obtained her master's degree in economics from the University of the Philippines Diliman in 1994 and graduated cum laude with a Bachelor's Degree in Economics from the University of the Philippines Los Baños in 1990. She completed the Advanced Management Program at Harvard Business School in 2010 and the CFA Institute Investment Management Workshop at the Harvard Business School in 2006.

Gregory L. Domingo

Independent Director

Gregory served as Department of Trade and Industry (DTI) Secretary from July 2010 to December 2015 and previously was the DTI Industry and Investments Group Undersecretary and Board of Investments Managing Head from May 2001 to April 2004. He is currently Senior Adviser to SM Investments Corporation and is a director of BDO Private Bank and a few other companies. He has served as director of Belle Corporation, Pico de Loro Beach & Country Club, Pampanga Sugar Development Company, Carmelray JTCI Corp, and Manila Electric Company. Gregory has a distinguished banking career for over 15 years, with Chase Manhattan Bank (Manila), Chemical Bank (New York), and other financial institutions in Philadelphia, Pittsburgh, and New York including First Boston, Drexel Burnham Lambert, and Mellon Bank. He finished his Bachelor of Science in Management Engineering at the Ateneo de Manila University, graduated with distinction at the Asian Institute of Management (AIM) with a Master's in Business Administration, and completed his diploma for Master of Science in Operations Research at the Wharton School at the University of Pennsylvania.

Ephyro Luis B. Amatong

Board Adviser

Ephyro Luis is a corporate and securities lawyer, sustainable finance advocate, and former regulator. From May 2014 to March 2022, he was Supervising Commissioner of the Markets and Securities Regulation Department and the Economic Research and Training Department of the Philippine Securities and Exchange Commission (SEC). He was also the Philippine SEC's representative to the ASEAN Capital Markets Forum (ACMF), participated in the development of the Roadmap for ASEAN Sustainable Capital Markets (2020) and was part of the ASEAN Sustainable Finance Taxonomy project. As Supervising Commissioner of the Markets and Securities Regulation Department, he led the finalization of 2015 Implementing Rules and Regulations (IRR) of the Securities Regulation Code (SRC), the development of the SEC's Sustainability Reporting Guidelines for Publicly Listed Companies, the revision of the Implementing Rules and Regulations (IRR) for Real Estate Investment Trusts (REITs) and the development of the SEC's Crowdfunding Rules to improve access to financing for SMEs. Currently, he is a consultant for the Sustainable Banking and Finance Network (SBFN) of the World Bank Group, Advisor to the Chair of the ACMF, and a consultant for the Government Securities Roadmap project of the Bureau of Treasury (BTr). He is a Professorial Lecturer with the LL.M. Program of the University of the Philippines College of Law; a Trustee of the Andres Bonifacio College; an Independent Director of Asialink Finance Corporation, Global Dominion Finance Corporation and the South Asialink Finance Corporation.

Marivic C. Españo

Board Adviser

Marivic is a Certified Public Accountant, a Certified Management Accountant, and a Certified GRI Professional. Her wide range of expertise includes accounting, audit and risk management, change management, corporate strategy, and governance. Marivic first joined Punongbayan & Araullo in 1997, was admitted to the partnership in 1999, appointed COO in 2009, and became Chair and CEO in 2011 until her retirement in June 2023. She has worked with the Department of Finance, Senate of the Philippines, and Atlantic, Gulf & the Pacific. Marivic completed her Masters degree in Accountancy at the Polytechnic University of the Philippines and has attended various executive programs at the Asian Institute of Management, Wharton Business School of the University of Pennsylvania, and the Said School of Business at Oxford University. She was also former Governor of the Management Association of the Philippines and Grant Thornton International Ltd., Chair of Financial Executive Institute of the Philippines (FINEX), and National Director of the Philippine Institute of Certified Public Accountants (PICPA) for the Public Practice. Marivic was recognized as the 2020 Outstanding Professional in the Field of Accountancy by the Philippine Professional Commission, an Eminent Philippine Normal University Alumni in 2015, an Outstanding Manila Science High School Alumni in 2013, PICPA's Most Outstanding CPA in Public Practice in 2011, and a recipient of the P&A Founders Award. She is currently a member of the Board of Trustees of St. Paul University Philippines.

Janina C. Arriola

VP & General Counsel

Janina is Vice President and General Counsel of Alternergy and as such acts as internal legal, regulatory, and contractual advisor to the Company. Her experience and expertise span all stages of power plant project development, as well as energy and electric power industry regulation. Janina started her career as an associate at Puno Law Offices and then went on to work as in-house counsel (Assistant Vice President) at First Gen Corporation and the First Gas Group of Companies, where she also served as Corporate Secretary. She was later seconded to Energy Development Corporation after its acquisition by First Gen in 2007. Janina established an independent consultancy after her stint at EDC, advising clients engaged in developing and operating natural gas, geothermal, hydro, wind, and solar power plants. Prior to joining Alternergy in May 2021, she was Legal Group Head at Federal Land, Inc., one of the largest real estate developers in the country, and co-founded Winnergy Holdings Corp., the renewable energy company that built and operated the first ever floating solar farm in the Philippines.

Maria Carmen G. Diaz

Chief Financial Officer & Chief Sustainability Officer

Carmen, an international commercial and development banker with 25 years of experience, was appointed Chief Financial Officer and Chief Sustainability Officer of Alternergy in June 2023. Her vast hands-on experience in sustainable finance, risk management, development of sustainable finance banking products, risk assessment on Environment Social Governance (ESG), credit risk on debt and equity transactions, and investor relations are strong attributes as we beef up our team as a publicly listed entity. Carmen started her banking career as a Trust Credit Officer at Equitable PCI Bank. She then held various positions as Credit Risk Department Head at the French investment bank Calyon, as AVP for Corporate Banking at Mizuho, the Japanese commercial bank, and as Senior Risk Management Officer at ADB. Her last position was with RCBC as Vice President and Sustainable Finance Officer under RCBC's Risk Management Group.

Annette M. Rafael

VP for Government Affairs

Annette is Alternergy's Vice President for Government Affairs. In this role, she views herself as a springboard for technical considerations, regulatory matters, and contractual work, providing the insight and resources needed to empower her teammates with the tools they need to address the issues at hand. Before joining Alternergy in 2014, Annette served in the Philippine Government for 17 years. She worked at the National Economic and Development Authority (NEDA), and became a Director at the Department of National Defense (DND) and at the Department of Interior and Local Government (DILG). She was an Assistant Secretary of the Department of Environment and Natural Resources (DENR) and Assistant Secretary of the Department of Energy (DOE). After her civil service career, Annette had eight years of extensive experience in the renewable energy industry with Constellation Energy and Sunwest, where she focused on government permitting and regulatory compliance issues. Annette earned a Master of Science degree in Geo Information Systems for urban applications from the International Institute for Geo Information Systems and Earth Observation of the University of Twente in the Netherlands, and a Bachelor of Science in Information Technology, cum laude, from the Polytechnic University of the Philippines.

Luisito S. Pangilinan

Treasurer

Louie is the Treasurer of Alternergy Holdings Corporation. He is responsible for managing company finances and maintaining budget accounts. He ensures Alternergy is in compliance with reporting requirements and on time when it comes to billing and payments. Louie is responsible for supervising and training Alternergy's administrative and accounting staff, as well as developing new systems and processes that increase efficiency and accuracy. Louie has nearly two decades of experience in the accounting field, spanning industries including property development, energy, tourism, and renewable energy. He has honed his accounting expertise at firms including Rockwell Land Corporation, Caltex Asia, and Ten Knots Development Group, the developer for El Nido Resorts. Louie received his Bachelor of Science in Accountancy from San Sebastian College ± Recoletos. A marathoner and triathlete, he trades counting receivables for counting kilometers in his pre-dawn runs across Manila.

Host Community Benefits

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WE PROVIDE host community benefits, measured in terms of annual households energized each year. At the moment, this is equivalent to 74,730 households. Alternergy considers the role of the community as a "social fence" in power projects in emerging countries. Alternergy is committed to funding this third priority beyond the mandatory PHP 0.01/kWh, pursuant to DOE Regulation 1-94. Moreover, Alternergy will voluntarily contribute a percentage of net income to the benefit of host communities.

- **Inclusion for priority employment of local residents:** The Company gives priority employment to local residents with sufficient qualifications throughout the life cycle of the project—from pre-development during public consultations and engagements and permitting to construction stage all the way to operations and management. Special training courses are offered to interested individuals to better equip them with knowledge and skills necessary for the required jobs and increase their employability. The development of the Pililla Wind Farm brought an increase of tourists in the area and as a result, small local stores have been getting an influx of tourists. An estimated 358,000 tourists pass through our visitor centers each year. Our CSR Teams in the Kiangan and Dupinga project sites are composed of qualified local residents. In Palau, about 60% of the employed personnel during the construction of our solar project were locals.

- **Infrastructures incidental to the project (i.e. opening of access road, improvement of certain roads, construction of concrete bridge):** A major contribution of renewable energy projects specially located in the rural areas and within the ancestral domains of the indigenous peoples is a significant improvement in the infrastructure in the communities. Access roads are being opened on areas that have long been considered remote. New bridges and farm-to-market

41

Number of villages
hosting Alternergy's project sites

74,730

Equivalent households
energized each year

roads are also built not only to serve the movement of the equipment and staff of the energy projects but also to provide better mobility to the local residents who usually travel through longer routes and by foot. Through our CSR, water systems are also being rehabilitated to improve the supply of potable water in our host communities. Likewise, hand washing system, public toilet facility, and e-community centers are some infrastructures being funded through our CSR projects.

- **Benefits derived from the Memorandum of Agreement between the Host Community and Mini-Hydro Company (Royalty, requested infrastructure projects, etc.):** As host communities, the local governments and the indigenous peoples received royalty shares in the revenues derived from the energy projects. These royalties are credited to the LGUs and Indigenous Cultural Communities that they can use to directly fund their respective projects to better improve welfare of the people and the communities. Over and above the committed royalty fees, we allocate annual CSR funds during the pre-construction, construction, and operational stage depending on the project. To obtain community buy-in, cooperation, full support and to generate optimum impact on the any CSR funded activity, the CSR projects were identified collectively by our community stakeholders based on their needs. Surveys and dialogues are being conducted in the identification and prioritization of these CSR activities. Ideas were also sought from the local government officials and other project stakeholders.

- **Assistance to programs that strengthen the Indigenous Peoples Organization:** Energy projects present in the ancestral domains help indigenous peoples organize their group into legal entities to strengthen and empower themselves. Energy projects provide funding to conduct series of

workshops to form their indigenous peoples structure and draft their development program which would guide them in managing their organization and address the needs. Royalties received from the energy projects also serve as seed capital to fund their development programs. In particular, Alternergy assists in the formation and accreditation of Indigenous People's Organizations (IPOs) of its host communities and provides technical assistance and funds in formulation and implementation of their Community Royalty Development Plan (CRDP) and Ancestral Domain Sustainable Development and Protection Plan (ADSDPP).

- **Compensation for affected properties/ assets during construction and operation as provided for in MOA signed between Mini-Hydro Company and ICCs:** Alternergy is committed to upholding and respecting the inherent rights of the indigenous peoples on their land and resources. Any property, asset or resources that are affected during the construction and operation of the projects are given due compensation.

- **Lease/rent of land area for structures:** Alternergy offers competitive lease/rents/ acquisition cost for the land areas that will be used or affected within the project sites. Third party realty consultants were engaged to conduct land valuation and appraisal study to serve as benchmark for the competitive lease/rents and acquisition costs.

- **Drive economic activities in the locality:** Energy projects especially renewable energy projects located in the remote areas become one of the largest taxpayers, driving economic activities in the localities with presence of new business centers, restaurants, and accommodations and lodging facilities. And with the construction of access roads and farm-to-market roads, the flow of local products and commodities improve significantly.

Alternergy assists in the formation and accreditation of Indigenous People's Organizations (IPOs) of its host communities and provides technical assistance and funds in formulation and implementation of their Community Royalty Development Plan (CRDP) and Ancestral Domain Sustainable Development and Protection Plan (ADSDPP).

358,000

Number of people
who pass through Alternergy's visitor centers each year and learn more about the benefits of clean power

- **Corporate Sustainability and Responsibility (CSR) Program in coordination with the host communities:** Alternergy has developed a comprehensive CSR Program to be implemented over the project lifecycle. The activities under the program may be done yearly such as Brigada Eskwela, Christmas Outreach, Tree Planting or as necessary such as Disaster Relief Efforts and LGU infrastructure assistance. The CSR Program is developed in consultation with the indigenous peoples to determine priority development programs and activities for implementation. The CSR Program is subject to regular reviews and may be revised according to communities' priorities. The CSR program is focused on five key areas: environment, education, health, livelihood, and disaster risk reduction and emergency preparedness.

CSR Activities	Province	Description	CSR Category
Tree planting	Sta. Rosa, Nueva Ecija	$NEECO_2$ Tree Planting	Environment
	Gabaldon, Nueva Ecija	DENR (CENRO) Tree Planting and Clean Up Drive	Environment
	Gabaldon, Nueva Ecija	LGU Tree Planting	Environment
LGU Assistance	Gabaldon, Nueva Ecija	Clean up of gravel	Environment
	Gabaldon, Nueva Ecija	Backfilling of LGU Proposed Entertainment Hub	Environment
	Gabaldon, Nueva Ecija	Backfilling of cottage area near river crossing	Environment
	Gabaldon, Nueva Ecija	Excavation of shallow pool	Environment
	Gabaldon, Nueva Ecija	Hauling of unwanted rocks and soil at Bgy. Hall in Malinao	Environment
	Gabaldon, Nueva Ecija	Allowed use of cement mixer for LGU use	Environment
	Gabaldon, Nueva Ecija	Backfilling for relocation of cottages along river	Environment
	Gabaldon, Nueva Ecija	Backfilling of area near cottages for parking	Environment
	Kiangan, Ifugao	Cash donation for prizes during the Farmers and Fisherfolk Week Celebration	Livelihood
	Kiangan, Ifugao	Cash assistance to Mungayang LGU to fund Barangay General Assembly	Livelihood
	Kiangan, Ifugao	Cash assistance to Bokiawan LGU to fund Barangay General Assembly	Livelihood
	Kiangan, Ifugao	Food donation to Lagawe LGU for Christmas Party	Health
	Kiangan, Ifugao	Sponsorship of Christmas Community Mass	Health
Brigada Eskwela	Kiangan, Ifugao	Cash assistance for Bokiawan Elementary School	Education
	Kirahon, Cagayan de Oro	Donation of paint cans to Cosinglot Elementary School	Education
	Kirahon, Cagayan de Oro	Donation of health kits to Vicente N. Chaves Memorial Center School	Health
	Kirahon, Cagayan de Oro	Donation of school supplies to Kirahon Elementary School	Education
	Kirahon, Cagayan de Oro	Donation of construction materials for the proposed Reading Hub at Don Fernando Jacinto Elementary School	Education
Fire Prevention	Kirahon, Cagayan de Oro	Cash donation to BFP Villanueva Fire Station during Fire Prevention Month	Disaster Risk Reduction
Other Community Assistance	Lamut, Ifugao	Food donation to CENRO Ifugao for year-end assessment and Christmas Program	Health
	Kiangan, Ifugao	Donation of uniforms for the Bokiawan Farmers for the fiesta town parade	Health
	Gabaldon, Nueva Ecija	Giveaways for IP Christmas Party	Health
	Kirahon, Cagayan de Oro	Cash donation for BFP Villanueva team in the BFP Basketball League	Health
	Kirahon, Cagayan de Oro	Sponsorship of prizes and trophies for the Bgy. San Martin Youth Chess Tournament	Health
	Kirahon, Cagayan de Oro	Organized a Christmas Outreach Program in BFP Villanueva	Health
Army support	Kirahon, Cagayan de Oro	Cash donation to purchase building materials for the new Philippine Army HQ	Disaster Risk Reduction

Employment Data

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44% Female

56% Male

Gender Ratio
of team members

Executive, Supervisory, Rank and File in Numbers

Executives	7	13%
Managers & Supervisory	33	60%
Rank & File	15	27%
TOTAL	55	100%

Regular Employees

30 (NCP & Solar)

Head Office vs Field Based

Head Office	44	80%
Field	11	20%
TOTAL	55	100%

Number of Employees from Indigenous Communities and/or Vulnerable Sector

(Vulnerable Sector includes elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid—Class D and Class E

TOTAL	6

Age Distribution

Less than 30 years old	9	16%
30-49 years old	28	51%
50 years and above	18	33%
TOTAL	55	100%

Length of Employment with Alternergy

Less than 1 year	14	25%
1-4 years	14	25%
5-9 years	14	25%
10 years & more	13	25%
TOTAL	55	100%

Workers Who are Not Employees

Consultants	11
TOTAL	11

Number of Employees and Breakdown by Region

CAR	9	16%
NCR	31	56%
Region III	2	4%
Region IV	12	22%
Region X	1	2%
TOTAL	55	100%

Employee Satisfaction

Compensation

2-19 | 2-20

ALTERNERGY BELIEVES it maintains a positive relationship with its skilled professionals. To attract and retain skilled talents, the Company strives to provide a competitive compensation and benefits package. It recognizes that employees are a critical resource and efforts to retain this talent through implementation of employee engagement programs, competitive compensation, and benefits (training programs, succession planning, and programs to promote employee well-being). Other monthly allowances include communication, transportation, and food.

The Company is subject to the laws governing all Philippine corporations, such as corporation laws, securities laws, tax laws, and the Local Government Code. All Philippine corporations are also subject to labor laws and social legislation, including RA No. 11199 or the Social Security Act of 2018, RA No. 10606 or the National Health Insurance Act of 2013, RA No. 11223 or the Universal Health Care Act, RA No. 9679 or the Home Development Mutual Fund Law of 2009, the Philippine Labor Code and

The company believes it maintains a positive relationship with its skilled professionals.

its implementing rules and regulations, and other labor-related laws, regulations, and mandated work-related programs of DOLE.

Aside from government-mandated benefits, the Company also provides the following to our regular employees:

- Accidental Death and Disablement Benefit
- Bereavement Leave and Assistance
- Communication Allowance
- Discretionary Performance Bonus
- Emergency Leave
- Employee Loan
- Group Life Insurance Coverage
- HMO (coverage depends on limit set per level)
- HMO extension for two (2) qualified dependents after six-months of engagement
- Total and Permanent Disability Benefit
- Parking Space for Executives
- Maternity Leave (105 days = SSS and AHC)
- Paternity Leave
- Sick Leaves
- Terminal Illness Living Benefit
- Vacation Leaves

To safeguard confidential salary information of its employees, the Company outsources its regular payroll processing to Prople BPO, an independent Philippine-based business solutions provider, with expertise and in-depth experience in the areas of Finance and Accounting, Tax Services, Human Resources/ Payroll, and Data Management Services. Propol BPO provides value adding, cost efficient solutions, and services enabling its clients to achieve its business goals for more than a decade now.

In January 2023, Alternergy engaged Mercer, a global leader in career consulting and solutions, to develop a salary structure that is market-driven and suited to Alternergy's business model and rewards system. This is expected to be implemented by the end of 2023. Mercer is an American consulting firm founded in 1945. It is one of the four operating subsidiaries of global professional services firm Marsh McLennan. Mercer is headquartered in New York City with offices in 43 countries and operations in 130 countries. The company primarily provides human resources and financial services consulting to its clients.

Professional Development Training

404-2

ALTERNERGY SUPPORTS the enhancement and improvement of knowledge and skills of its employees. In 2021, a culture sensitivity workshop was conducted for our Kiangan team in anticipation of its engagement with the Indigenous People (IP) community at the project site. In June and September 2022, the company sponsored two communication skills workshops led by FIlipino leadership communication coach, Narciso “Ärchie” Inlong, which was attended by all employees. Mr. Inlong is an international communications coach, motivational speaker, and consultant in sales, public speaking, public relations, and media. His decades-long experience in communications has helped leaders and organizations get their message across to their respective audiences, enhancing their public image and reputation. His present and past clients include the biggest utilities companies in the country, international agricultural technology companies doing business in the Philippines, frontline government agencies, some of the country’s biggest conglomerates and partisan political interests.

The company recognizes the importance of continuous workplace learning, both internal and external, as well as other developmental interventions to ensure that everyone is equipped with the necessary competencies in their current jobs or to prepare them for higher positions. In determining these, the Company shall undertake a Training Needs Analysis (TNA) contemporaneous to the annual performance review. Identified training and development programs shall be implemented by conducting an in-house program or sending the participant/s for external training. Requests for training shall be processed in accordance with Company Policy and Procedures. The Company, at its sole discretion, may impose conditions relative thereto, such as Training Bond and the like, as a guarantee for a fair “return on investment.”

Employee Engagement

2-26 | 216

WHILE THE COMPANY’S EMPLOYEES do not have a workers’ union, communication between management and the employees are kept open and updated through regular consultations and quarterly Town Hall meetings, usually conducted virtually, to allow employees in the various project sites to participate.

Renewable Energy Safety, Health, and Environment Rules, and Regulations

403-1

PURSUANT TO THE ENACTMENT of the Renewable Energy Act of 2008, the DOE issued Circular No. DC-2012-11- 0009, or the Renewable Energy Safety, Health, and Environment Rules and Regulations of 2012 (RESHERR), which outlines the pertinent rules and regulations applicable to all RE Employers, Employees, Contractors, and other entities engaged in RE Operations in the Philippines. The RESHERR covers all activities related to exploration, development and utilization of RE resources and manufacturing, fabrication, and suppliers of locally-produced RE machineries, equipment, components and parts.

All persons employed in the practice of occupational safety in the RE industry are required to be duly qualified and accredited by the REMB. In addition, the RESHERR likewise establishes minimum occupational safety and health requirements for RE facilities. Non-compliance with the provisions of the RESHERR may result to fines and/or suspensions of operations. As of end-June 2023, Alternergy and all its projects is RESHERR compliant.

Long-Term Incentive Plan

2-16 | 2-26

IN 2022, ALTERNERGY ISSUED 45,083,179 Common Shares at par value to Banco de Oro (BDO) Trust as the trustee and funded by the Company for select officers and consultants of the Company who will be covered by the Long-Term Incentive Plan, currently being formulated.

Health Insurance

403-6

ALTERNERGY HAS a group life insurance coverage provided by a leading life insurer in the Philippines, First Life Financial Co. Inc., while the HMO coverage (health maintenance organization) is provided by Etiqa Life Philippines, a multinational insurance company majority owned by Etiqa International Holdings (EIHSB) Malaysia. All employees are provided with medical, group life and business travel insurance programs. Other benefits include accidental death and disablement, total and permanent disability coverages. The HMO coverage includes two (2) qualified dependents.

The health and wellness of its employees remain the priority of the Company. The following are medical insurance and accidental Insurance benefits provided to all regular employees:

- Group Life Insurance coverage with Total & Permanent Disability Benefit and Term Illness Living Benefit
- Accidental Death and Disablement Benefit
- HMO coverage upon hire and coverage of two (2) qualified dependents upon regularization

In 2022, Alternergy spent more than PHP1.50 million for health benefits of employees and their dependents. For each of the 48 total employees in the same year, average monthly spending was PHP33,000. All medicines prescribed by the doctors to our employees can be reimbursed subject to set limits by the HMO provider.

The Company continues to practice proactive measures to minimize health risks and increase wellness among its employees such as adopting a hybrid work arrangement and extending health maintenance organizations (HMO) coverage to qualified dependents of its employees.

Health and Wellness

403-1 | 403-6 | 404

ALL REGULAR EMPLOYEES are required to undergo an annual physical examination, free of charge. The Company shall comply with the programs of the government on the following:

1. Implementation of a Drug-Free Workplace Policies and Programs (Department of Labor and Employment Department Order No. 53-03, Series of 2003);

2. Implementation of HIV and AIDS Prevention and Control in the Workplace Program (Department of Labor and Employment Department Order No. 102-10, Series of 2010);

3. Implementation of a Workplace Policy and Program on Hepatitis B (Department of Labor and Employment Department Advisory No. 05, Series of 2010); and

4. Tuberculosis treatment through the TB-DOTS Package of the Philippine Health Insurance Corporation.

Legal Proceedings

2-27 | 411-1

Alternergy does not have any lawsuits.

Disclosure on Cases, Complaints, and Incidents	Status
205-3 Confirmed incidents of corruption and actions taken	None
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None
403-2 Hazard identification, risk assessment, and incident investigation	None
406-1 Incidents of discrimination and corrective actions taken	None
408-1 Operations and suppliers at significant risk for incidents of child labor	None
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	None
411-1 Incidents of violations involving rights of indigenous peoples	None
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	None
417-2 Incidents of non-compliance concerning product and service information and labeling	None
417-3 Incidents of non-compliance concerning marketing communications	None
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	None

Forced Labor

409-1

ALTERNERGY DOES NOT EMPLOY forced labor. Its Solar Pacific subsidiary, Solar Pacific Pristine Power, has committed to a loan covenant to avoid forced labor in its supply chain.
All newly hired employees sign a contract stating that they agree to the terms and conditions of their employment.

Child Labor

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ALTERNERGY DOES NOT EMPLOY child labor. The company's recruitment policy requires a college degree at the minimum.

The Company offers an Internship Program open to graduating students from local universities. The interns are given a meal and transportation allowance and are only required to work 8 hours a week or a total of 40 hours for the duration of the program.

First Solar Inc., the US company that supplies the solar panels for our project in Palau, is compliant with the California Transparency in Supply Chains Act of 2010 and the UK Modern Slavery Act 2025. These are statutes which require companies to disclose information regarding their efforts to address the risks of modern slavery in operations and supply chains. The procurement of solar panels from First Solar by SPPP, a subsidiary, was aligned with the Company's commitment to adhere to global standards on social and environmental safeguards, which address issues like child labor and modern slavery.

The Equator Principles

This project has adopted the Equator Principles in addition to national laws, regulations, and guidelines to ensure that it operates in a manner that reflects sound environmental management practices. It has also taken the precautionary approach to categorise itself as Category B under the Equator Principles (i.e., "projects with potential limited adverse environmental and social risks, and/or impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures").

The Environmental and Social Management Plan of the solar project in Palau outlines these environmental commitments:

a) Ensure compliance with all relevant environmental laws and regulations in Palau.

b) Apply the ten requirements of the Equator Principles to provide a minimum standard for due diligence and monitoring to support risk-decision making.

c) Conduct business in an environmentally responsible manner and continually seek ways to reduce the impact of our facilities, products, services, and operations on the environment.

d) Minimise the environmental impact of products and services and seek opportunities to promote products and services that are based on positive environmental attributes and market needs.

e) Apply the principle of mitigation hierarchy (avoid, minimise, restore, and offset) in all activities.

f) Integrate the protection and promotion of biodiversity into the company's strategy and develop a business model that is sustainable and positive with nature.

g) Communicate the Policy and program initiatives to team

members and other stakeholders in order to educate, train, and motivate them to conduct their employment and engagement with the Project in an environmentally responsible manner.

h) Continuously improve environmental performance by measuring significant impacts, setting realistic but ambitious targets for improvement and monitoring progress.

i) Report environmental performance in annual public accountability statements or sustainability reports.

In addition, the ESMS outlines the following social commitments:

a) Avoid or, where this is not possible, minimize our impacts, while contributing to lasting environmental and social benefits where we operate.

b) Show strict respect for the human rights recognised under domestic and international law in the conduct of our activities. And will not engage or be complicit in any activity in any part of our supply chain or business activities that solicits, encourages or has streaks of human rights violation.

c) Identify potential impacts that the Project's operations and activities might have on human rights, either directly or through third parties.

d) Respect the rights of ethnic minorities and of indigenous peoples that are affected by our projects, and to favour an open dialogue that includes different cultural frameworks. Undertake and comply the Free, Prior, and Informed Consent ("FPIC") Application, Consultation, and Participation process in accordance to the implementing rules of the relevant national law of the host country.

e) Guarantee equal opportunity and non-discrimination to quality employment opportunities.

f) Encourage the use of inclusive language in all types of internal and external corporate communications, and in any case eradicate the use of discriminatory language.

g) Committed to engage and coordinate with local and national authorities and stakeholders and institutions in a transparent manner to ensure that they can express their views on positive opportunities, risks, adverse impacts as well as prevention and mitigation measures. And also to properly secure consent necessary for the implementation of the project.

h) To respect the right to the environment of all the communities in which it operates, considering their expectations and needs.

i) Implement the principle of equal opportunity in the workplace, the observance of which is one of the basic pillars of professional development, and which entails the commitment to provide and show equitable treatment that promotes the personal and professional progress of Solar Pacific's workforce.

j) To understand access to energy as a right related and linked to other human rights, working with public institutions in the implementation of systems for the protection of vulnerable customers and on plans to extend service to communities that lack access to energy.

k) Promote gender equality within Solar Pacific in its management and staff, complying with applicable law in the country in which it operates and following the best international practices, as well as the provisions in this regard of goal five of the Sustainable Development Goals (SDGs) approved by the United Nations, particularly as regards access to employment, professional training and promotion, and working conditions.

l) Adhere to the ten requirements of the Equator Principles to provide a minimum standard for due diligence and monitoring to support risk-decision making.

OUR CONTRIBUTIONS TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Our mission is to develop power projects throughout the country from renewable energy resources. As an RE pioneer, we are forging the path to a sustainable future and committing to socio-economic advancement through our business practices that prioritize social and environmental responsibility.

With our overarching Quadruple Bottom Line Philosophy, we are able to contribute to all 17 UN SDGs by providing clean and affordable energy to the local community while reducing greenhouse gas emissions.

Environmental and Societal Value/ Contribution to UN SDGs

No Poverty

We cultivate relationships with our stakeholders to ensure the success of our run-of-river hydro projects, particularly in obtaining consents from indigenous people and the local communities: in the Lamut and Asipulo ancestral domain and from the Dumagat, Kalaguya, Ayangan and Tuwali Indigenous communities.
We help reduce poverty by providing them with access to education, healthcare and clean and affordable energy.

We comply to the Energy Regulation No. 1-94 (ER 1-94) which was enacted to make sure that host communities get a reasonable share of the profit from power plants operating in their area. The policy guidelines fall under the Department of Energy Act of 1992 in conjunction with the Electric Power Industry Reform Act of 2001 (EPIRA). The ER-1-94 program stipulates that communities hosting the power generating facilities are entitled to financial benefits of one-centavo per kilowatt-hour (P0. 01/ kWh), from the electricity sales of the Generating Companies (GenCos).

We promote social inclusion by providing access to affordable and reliable solutions for marginalized communities. This can help reduce poverty and promote sustainable development.

Zero Hunger

We contribute to livelihood and community development projects. When the 54 MW Pililla Wind Farm in Rizal became operational in June 2015, this attracted local residents and tourists alike. During that time, we developed the following programs which helped promote entrepreneurship and continues to be a source of regular income for the local community.

Local residents of host communities with sufficient qualifications are given priority employment throughout the life cycle of our projects.

- **Handicrafts Training**. The company helped residents of the nearby residents of the Halayhayin village gain a new stream of income by teaching them to construct bamboo windmills to be sold in local shops. The company scaled the program by promoting and developing new lines of goods.

- **Farmer Education**. The company hosted seminars on black bug infestation at the Pililla Rizal Visitor Center. This center was created in partnership with WWF Philippines. Members of farmers' cooperatives attend to learn how to combat pests.

Given its proximity to Metro Manila, the Pililla Wind Farm is now a landmark destination and a choice for school field trips. It has become a tourist attraction and has boosted local business activities surrounding the wind farm i.e.. Refreshment stands, food and coffee shops, and souvenir stalls.

For our Dupinga Mini Hydro Corp, we encouraged local farmers to plant "kakawate" (madre de cacao) trees to reap economical and environmental benefits.

Good Health and Well-Being

We have a group life insurance coverage provided by a leading life insurer in the Philippines, First Life Financial Co. Inc. Etiqa Philippines, a multinational insurance company majority owned by Etiqa International Holdings (EIHSB) Malaysia covers the HMO coverage of employees. All employees are provided with medical, group life and business travel insurance programs. Other benefits include accidental death and disablement, total and permanent disability coverages. The HMO coverage includes two (2) qualified dependents.

In 2022, we spent more than PHP1.50 million for health benefits of employees and their dependents. For each of the 48 total employees in the same year, average monthly spending was PHP33,000. All medicines prescribed by the doctors to our employees can be reimbursed subject to set limits by the HMO provider.

We aim to provide employee satisfaction by creating a work environment with a balanced work-life atmosphere that is both challenging and fun.

Quality Education

Local residents of host communities with sufficient qualifications are given priority employment throughout the life cycle of our projects—from pre-development (during public consultations, engagements and permitting) to construction stage all the way to operations and management. Our projects also conduct special training courses for interested individuals to better equip them with the knowledge and skills necessary for the required jobs and increase their employability. We also developed programs with the aim of uplifting the livelihood of surrounding communities.

In 2021, one of our hydro project companies supported the efforts of the Department of Education (DepEd) and the Municipal Government of Gabaldon to provide continuity of education to learners through additional access to technology and internet connectivity in the Municipality of Gabaldon amid the COVID-19 global pandemic. The hydro project set up E-Learning Centers in host barangays and installed WIFI modems/ routers. For the period 2021-2023, the E-Learning Centers receive monthly prepaid internet connection.

Through our wind, solar and hydro companies also support the DepEd's Brigada Eskwela Program by providing school supplies and materials to students before the start of a school year. Alternergy also provided assistance in the repair, rehabilitation and upgrade of school rooms as well as donated multi-media equipment to enhance learning.

- **School Supplies Distribution**. Two hundred and fifty marginalized schoolchildren from Hulo and Bagumbayan, two other villages in proximity to the Pililla wind farm, received school bags filled with supplies at the start of the school year. On a yearly basis, Alternergy team members distribute the supplies and share the benefits of renewable power.

- **Community Library**. The Rice Terraces Indigenous Knowledge Systems and Practices Learning Resource Center and Community Heritage Library is one outlet for Ifugao community members to protect, conserve, and nurture the Ifugao rice terraces culture. Alternergy provided donation to the library to purchase display cabinets and contribute toward the lighting of displays in the center.

The Rice Terraces Indigenous Knowledge Systems and Practices Learning Resource Center and Community Heritage Library is one outlet for Ifugao community members to protect, conserve, and nurture the Ifugao rice terraces culture.

Alternergy Key Services

Our Sustainability Framework: Quadruple Bottom Line Philosophy (QBLP)

1) Profitability
2) Climate Change Mitigation
3) Host Community Benefits
4) Employee Fulfillment

Triple Play Portfolio with project companies engaged in:

1) **Wind:** Pililia Wind Farm, Tanay Wind & Alabat Wind Projects
2) **Hydro:** Kiangan & Dupinga Run-of-River Mini Hydro Projects
3) **Solar:** Kirahon, Solana Solar, and Apulid; Solar commercial rooftops: CitySun Solar Rooftop with City Malls Solar with battery storage: Palau Solar Project (Republic of Palau)

Several Offtake Agreements:

Alternergy offers to supply distribution utilities, electric cooperatives with clean renewable, cost competitive power supply.

Compliance to Energy Regulation ER 1-94

To ensure that host communities get a reasonable share of the profit from power plants operating in their area. The policy guidelines fall under the Department of Energy Act of 1992 in conjunction with the Electric Power Industry Reform Act of 2001 (EPIRA). The ER-1-94 program stipulates that communities hosting the power generating facilities are entitled to financial benefits of one-centavo per kilowatt-hour (P0. 01/kWh), from the electricity sales of the Generating Companies (GenCos). The contribution will be allocated to the following: Electrification Fund (EF), Development and Livelihood Fund (DLF) and Reforestration, Watershed Management, Health and/or Environment Enhancement Fund (RWMHEEF).

Corporate Social Responsibility (CSR) Programs are part of the project development

Collaboration, effectiveness, and integrity are enshrined in Alternergy's corporate philosophy. We aim to foster a culture of trust and transparency, partnering with our host communities in delivering sustainable long-term value. We work towards building prosperous and resilient communities which is supported by our strong institutional set-up and CSR Policy which guide and steer our outreach initiatives.

Membership in RE associations:

- Developers of Renewable Energy for Advancement, Inc. (DREAM)
- Philippine Hydro Association (Philhydro)
- Wind Energy Developers Association of the Philippines (WEDAP)
- Philippine Solar and Storage Energy Alliance (PSSEA)

- **School Upgrades**. When the Bugarin Elementary School near Pililla Rizal upgraded its campus, Alternergy partnered with the school's Parents-Teachers Association. We provided assistance in completing a roof for an outdoor study and play area.

- **Environmental Education**. As part of the "Seize the Sun" project with WWF-Philippines, Alternergy conducts environmental education sessions with students of the Kirahon Elementary School. In addition, Alternergy has provided funds for classroom upgrades, building improvements, and school supplies.

Gender Equality

We proactively promote gender equality by hiring based on qualifications and not on gender. We uphold pay parity where employees in the same job are paid fairly regardless of gender or ethnicity.

Clean Water and Sanitation

In all our hydro projects, we obtain the National Water Regulatory Board (NWRB) permit to tap water resource without affecting irrigation (which has priority).

We make sure that our projects will not have any adverse impact on the physical environment and the communities who reside and will benefit from our hydro projects.

We aim to protect watersheds of rivers we tap for energy through run-of-river hydro projects that do not create a negative footprint from damming of rivers which flood upstream terrain.

In our CSR program for the Dupinga Project, we provided water systems to improve the supply of potable water in our host communities. Likewise, hand washing system, public toilet facility and e-community centers are some infrastructures that were funded and being used to date. We also undertook tree planting within the Dupinga Watershed in the surrounding area of the host community. We donated six truckloads of garden soil to the Gabaldon municipality in support of the tree planting activity.

In our CSR program for the Kiangan Project, we actively participated in community clean-ups to beautify the local surroundings and to keep residents safe from environmental hazards.

Affordable and Clean Energy

We help mitigate climate change by reducing GHGs through the use of renewable energy sources. Our RE projects provide access to affordable, reliable and sustainable energy sources. We have 11 operating projects with 86 MW total capacity, 4 projects under construction with 144 MW total capacity and 6 projects in pre-development with 1,245 GW total capacity, of which 207 MW are awarded under the Grean Energy Auction Program (GEAP2 in July 2023).

Benefits to our host communities:

- Supply sustainable electricity from renewable source
- Improves quality and reliability of electricity in the island

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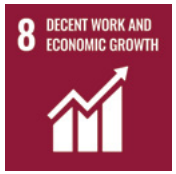


Decent Work and Economic Growth

We create jobs and promote economic growth by investing

in RE projects. During project construction, majority of labor work is sourced from the locals. For instance, for Kirahon Solar Power Project, 350 local jobs were created. Correspondingly, for Dupinga and Kiangan Run-of-River Hydro Projects, 74 (including 36 Katutubong Dumagat) and 349 (including 236 local hires, of which 178 are indigenous people) were employed. There are also compulsory training programs requiring selected employees to attend. These trainings would most often involve highly technical subjects, but are not necessarily limited as such. Alternergy also recognizes the importance of continuing workplace learning, both internal and external, as well as other developmental interventions to help the employees acquire a higher level of skill, proficiency and competence so that they could efficiently and effectively discharge their duties and responsibilities.

Benefits to our host communities:

- Contribute to local reality tax and other local business taxes
- Attract tourism to wind farm sites
- Small businesses opened surrounding the project area
- Priority employment of local residents

Industry, Innovation, and Infrastructure

We create major infrastructure investment in the provinces. We promote innovation and infrastructure development by investing in research and development of new technologies for wind, solar and hydro which include Wind Resource Assessment, Hydrology Study, Solar PVSYS, Geohazard, Land Survey, Avian Impact Study, Line of Sight Clearance, Height Clearance Permit, Light Detection and Ranging (LIDAR), Aerial photogrammetry among others.

Reduced Inequalities

Through our project companies we give priority employment to competent members of the indigenous peoples communities as full time employees during the pre-development, construction and operation stages of the projects. We promote diversity and build a safe and comfortable working environment.

Sustainable Cities and Communities

We help create sustainable cities and communities by providing clean energy solutions, reduce carbon emissions and promote sustainable urbanization with our solar rooftops at the malls We also strengthen resilient business infrastructure on the condition of ensuring safety.

Potential Negative Impact of Contribution and Management Approach to Negative Impact

Renewable energy generation has the following negative impacts:

1. **Land use:** Solar farms and wind plants require large areas of land to generate electricity, which can lead to habitat loss and fragmentation.

2. **Excessive water use:** Hydropower requires significant amounts of water to generate electricity. This can lead to water scarcity and negatively affect aquatic ecosystems.

3. **Noise pollution:** Wind turbines and solar power plants can produce noise pollution that can be disruptive to nearby communities

4. **Visual pollution:** RE plants can also be visually intrusive and affect the aesthetic value of natural landscapes.

5. **Waste management:** The production and disposal of renewable energy equipment can generate waste that requires proper management.

Alternergy is mindful of the negative impacts of its RE plants.

In the pre-development stage of an RE Contract, we do extensive assessment and feasibility studies, due diligence, permitting and licensing, up to the financial closing of the RE project.
We undertake several measures which include the following:

1. **Avoidance:** Through our due diligence, we assess where to build our plants and avoid ecologically sensitive areas, such as protected areas and conserved areas, to minimize the impact on biodiversity.

2. **Minimization:** We use RE technology that reduces noise pollution and visual pollution.

3. **Restoration:** We will restore degraded habitats and ecosystems to offset the potential impact of our renewable energy plants on biodiversity.

4. **Offsetting:** In our projects, we do tree-planting to offset the impact of renewable energy plants on biodiversity and affected areas.

We help promote social inclusion by providing access to affordable and reliable solutions for marginalized communities. This can help reduce poverty and promote sustainable development.

Responsible Consumption and Production

As a pure renewable company, we measure the annual tons of carbon dioxide emissions displaced and avoided by the clean power generated from our projects. It is our mission to do carbon reduction with our business operations, sustainable practices, developing innovative technologies and collaborating with other stakeholders.

For our Palau Project, we have a 13.2 MWac Palau solar farm and 12.9 MWh battery storage. We developed renewable energy storage solutions that reduce reliance on non-renewable energy sources and promote energy efficiency.

We also collaborate with other stakeholders to promote sustainable consumption and production patterns wherein we partner with local communities to develop renewable energy projects that provide access to clean energy and promote economic development.

Climate Action

Alternergy's ultimate measure of success is its impact on the next generation. The power created from our wind and solar farms in operation displaces 125,648 tons of carbon emissions per year (from 73,000 tons reported last year) that would have otherwise been created through fossil fuel generation. This is equal to 5,711 less jeepneys plying our roads. The main driver of the increase in carbon emissions displaced is the energization of Palau and along with our usage of the streamlined Department of Energy National Grid Emission Factor (NGEF) figures.

Our projects currently under construction and those in the pipeline can further avoid 754,491 tons of carbon emissions per year, equivalent to 34,295 less jeepneys. Since we are relying on renewable resources such as solar, hydro and wind, we are highly dependent on the climate, on seasonality of weather, and on the long-term patterns of climate change.

Life Below Water

An integral part of the Palau project's development was a biodiversity study

conducted by the International Biodiversity Experts from Australia and New York State University in USA led by Dr. Guy Dutson. The study included a Critical Habitat Assessment and Biodiversity Action Plan as the project site is within the Important Bird Area (IBA) of International Union For Conservation of Nature (IUCN).

All hydro plants are complete and compliant in their studies conducted and permits obtained for the development of the projects. The hydro plants in development (Kiangan, Dupinga, and Lamut) submit semi-annual Compliance Monitoring Reports that ensure continued adherence with the DENR's requirements for the ECC (Environmental Compliance Certificate) and the EMP (Environmental Management Plan) to ensure that the projects' development are not detrimental to the biodiversity below water.

On July 10, 2023, the Executive Committee approved the "No Single-Use Plastics" (NSUP) Policy which includes packaging, service ware (such as water bottles, wrappers), straws and utensils. This effort contributes to the reduction of plastic pollution that could affect marine organisms in water bodies.

Life on Land

For our Dupinga Project, we continue to support the Central Sierra Madre Mountain Range Critical Habitat for Philippine Eagle and other Wildlife Species through the Environmental Literacy Campaign of the DENR.

As part of the group's CSR, community officers located in our Run-of-River plants, Pililla, Sembrano, and Palau plants are required to enact a tree planting program. To date, 151,500 trees have been planted since the start of the Tree Planting Program in 2018 where we added a total of 12,400 trees for the fiscal year 2022.

We also undertook tree planting within the Dupinga Watershed in the surrounding area of the host community. We donated six truckloads of garden soil to the Gabaldon municipality in support of the tree planting activity.

Peace, Justice, and Strong Partnerships

We promote peaceful and inclusive societies for sustainable development by cultivating strong relationships with the indigenous peoples by obtaining clearances and consents from the National Commission on Indigenous People (NCIP). This is a certificate of compliance to the Free and Prior Informed Consent (FPIC) process and certifying that the Kalaguya, Ayangan and Tuwali Indigenous Communities have given its Consent to our hydro projects.

We help promote social inclusion by providing access to affordable and reliable solutions for marginalized communities.

We also support good governance by promoting transparency, accountability and participation in decision-making processes. This can help build effective and inclusive institutions at all levels.

Partnerships for the Goals

We have established competitive strengths that result in the success of our project development and execution, profitable operations and acquire new opportunities for growth. These are our competitive strengths:

i) We have a well-defined and committed strategic focus on renewable power generation as its core business given our robust renewable energy (“RE”) project pipeline in the Philippines and the Pacific islands.

ii) RE pioneer, particularly in wind renewable energy. In June 2005, the 25 MW Bangui Bay wind farm, the first wind farm in Southeast Asia, has started its commercial operations. The success of the project can be attributed to the technical expertise of four of Bangui

We have established competitive strengths that result in the success of our project development and execution, profitable operations and acquire new opportunities for growth.

Bay's project partners who became the co-founders of Alternergy. This flagship paved the way for future renewables growth. We obtained service contracts and undertook feasibility and technical studies for wind farms back in 2008 when it was granted one of the earliest Wind Energy Service Contract (WESC).

iii) We are one of a few RE developers with a diversified "Triple Play" renewable energy portfolio that currently covers most of the key RE resources, particularly in solar, wind, and run-of-river hydro and battery storage plants. This allows for a diversified mix of complementary power generation revenues.

iv) Most of our operating RE projects were able to avail long term power sale agreements comparable to feed-in tariff rates that have allowed us to be financially viable and attractive.

v) Our key customers are high-quality off-take institutions like TransCo, high credit-rated private distribution utilities, credit-worthy electric cooperatives, and key commercial customers.

vi) Our Senior Management have been involved in both the public and private sector relative to energy development as well as policy development and implementation.

vii) Our Senior Management team is comprised of professionals with a diverse but complementary background and expertise in policy, engineering and project management and implementation, finance, law, sustainability and regulatory compliance for RE projects.

viii) Our senior management remains active and engaged in working with public sector officials in the development, regulation, monitoring and promotion of renewable energy.

ix) Our Senior Management also maintains proactive engagement with energy policy and regulatory officials through active participation and leadership in private sector renewable industry associations.

x) Our Senior Management has a wide network of contacts among domestic and foreign equity partners that has been key to funding its various projects.

xi) Our pioneering debt experience, particularly in project finance, has provided Alternergy access to competitive financing terms from a variety of domestic lenders and supranational lenders.

xii) Collaboration with RE non-profit organizations, civil society organizations and government agencies to share knowledge and expertise and work towards common goal or RE Growth. This creates synergies and maximize the impact on socio-economic advancement initiatives. We have established working relationships with key senior and mid-level officials of relevant government agencies of the Department of Energy (DOE), Department of Agrarian Reform (DAR), Department of Environment and Natural Resources (DENR), Department of Interior and Local Government (DILG), Department of Public Works and Highways (DPWH), Bureau of Investments (BOI), Civil Aviation Authority of the Philippines (CAAP), National Commission on Indigenous People (NCIP), National Water Resources Board (NWRB) and the respective Local Government Units (LGUs) where its projects are located.

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

102-55

Statement of use	Alternergy Holdings Corporation has reported in accordance with the GRI Standards for the period July 1, 2022 to June 30, 2023.	
GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD		
GRI 2: General Disclosures 2021	2-1 Organizational details	**5, 52**
	2-2 Entities included in the organization's sustainability reporting	**5, 52**
	2-3 Reporting period, frequency and contact point	**5, 162, 164**
	2-4 Restatements of information	**None**
	2-5 External assurance	**No external assurance was used**
	2-6 Activities, value chain and other business relationships	**16, 17, 21, 33, 56 - 65**
	2-7 Employees	**101**
	2-8 Workers who are not employees	**101**
	2-9 Governance structure and composition	**37 - 39**
	2-10 Nomination and selection of the highest governance body	**38, Manual on Corporate Governance**
	2-11 Chair of the highest governance body	**88, 89**

2-12 Role of the highest governance body in overseeing the management of impacts	**37, Page 24 of Manual on Corporate Governance**
2-13 Delegation of responsibility for managing impacts	**37**
2-14 Role of the highest governance body in sustainability reporting	**5, 37, Page 24 of Manual on Corporate Governance**
2-15 Conflicts of interest	**40**
2-16 Communication of critical concerns	**40**
2-17 Collective knowledge of the highest governance body	**37, 87**
2-18 Evaluation of the performance of the highest governance body	**Page 21 of Manual on Corporate Governance**
2-19 Remuneration policies	**Page 15 of Manual on Corporate Governance**
2-20 Process to determine remuneration	**Page 15 of Manual on Corporate Governance, 102 - 103**
2-21 Annual total compensation ratio	**Information unavailable/ incomplete after IPO**
2-22 Statement on sustainable development strategy	**6 - 7**
2-23 Policy commitments	**40 - 43**
2-24 Embedding policy commitments	**40 - 43**

	2-25 Processes to remediate negative impacts	**40, 98**
	2-26 Mechanisms for seeking advice and raising concerns	**40**
	2-27 Compliance with laws and regulations	**46 - 48**
	2-28 Membership associations	**68 - 69**
	2-29 Approach to stakeholder engagement	**66 - 67**
	2-30 Collective bargaining agreements	**None**
GRI 3: Material Topics 2021	3-1 Process to determine material topics	**22**
	3-2 List of material topics	**23 - 25**
GRI 201: Economic Performance 2016	3-3 Management of material topics	**30 - 34**
	201-1 Direct economic value generated and distributed	**29**
	201-2 Financial implications and other risks and opportunities due to climate change	**30 - 34**
GRI 203: Indirect Economic Impacts 2016	3-3 Management of material topics	**96, 99**
	203-1 Infrastructure investments and services supported	**55, 96**
	203-2 Significant indirect economic impacts	**97 - 98**

GRI 205: Anti-corruption 2016	3-3 Management of material topics	**40**
	205-1 Operations assessed for risks related to corruption	**43**
	205-2 Communication and training about anti-corruption policies and procedures	**40**
	205-3 Confirmed incidents of corruption and actions taken	**107**
GRI 303: Water and Effluents 2018	3-3 Management of material topics	**80 - 81, 83**
	303-1 Interactions with water as a shared resource	**81 - 82, 120**
	303-2 Management of water discharge-related impacts	**None**
	303-3 Water withdrawal	**None**
	303-4 Water discharge	**None**
	303-5 Water consumption	**83**
GRI 304: Biodiversity 2016	3-3 Management of material topics	**86**
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	**85**
	304-2 Significant impacts of activities, products and services on biodiversity	**80 - 81**
	304-3 Habitats protected or restored	**85**
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	**85**

GRI 305: Emissions 2016	3-3 Management of material topics	**72 - 73, 79**
	305-1 Direct (Scope 1) GHG emissions	**76**
	305-2 Energy indirect (Scope 2) GHG emissions	**76**
	305-3 Other indirect (Scope 3) GHG emissions	**Information unavailable/ incomplete; still working on Scope 3 calculation**
	305-4 GHG emissions intensity	**None**
	305-5 Reduction of GHG emissions	**74**
	305-6 Emissions of ozone-depleting substances (ODS)	**None**
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	**None**
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics	**84, 108**
	308-1 New suppliers that were screened using environmental criteria	**84, 108**
	308-2 Negative environmental impacts in the supply chain and actions taken	**84, 108**
GRI 401: Employment 2016	3-3 Management of material topics	**102**
	401-1 New employee hires and employee turnover	**101**
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	**103**
	401-3 Parental leave	**103**

GRI 404: Training and Education 2016	3-3 Management of material topics	**102, Page 2 of Policy on Health & Wellness and Training**
	404-1 Average hours of training per year per employee	**Dependent on Training Needs Analysis**
	404-2 Programs for upgrading employee skills and transition assistance programs	**104**
	404-3 Percentage of employees receiving regular performance and career development reviews	**104**
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	**116**
	405-1 Diversity of governance bodies and employees	**38, 101**
	405-2 Ratio of basic salary and remuneration of women to men	**116**
GRI 413: Local Communities 2016	3-3 Management of material topics	**99**
	413-1 Operations with local community engagement, impact assessments, and development programs	**100**
	413-2 Operations with significant actual and potential negative impacts on local communities	**None, 107**
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	**84, 108**
	414-1 New suppliers that were screened using social criteria	**84, 108**
	414-2 Negative social impacts in the supply chain and actions taken	**None, 107**

ANNEX A

Policy on Business Conduct and Ethics

Business Conduct & Ethics	Directors	Senior Management / Employees
a) Conflict of Interest	The basic principle to be observed is that a director should not use his position to profit or gain some benefit or advantage for himself and/or his related interests. If an actual or potential conflict of interest may arise on the part of a Director, he should fully and immediately disclose it and should not participate in the decision-making process.	The Company fully respects the employee's private life. However, it is expected that an employee would avoid situations that could result in a conflict between their personal interests and those of the Company.
b) Conduct of Business and Fair Dealings	It is a duty of a Director to conduct fair business transactions with the Company and avoid any personal bias with respect to Board decisions.	Every employee must perform his duties in accordance with the highest ethical and professional standards of the Company.
c) Receipt of Gifts from Third Parties	It is a duty of a Director to conduct fair business transactions with the Company and avoid any personal bias with respect to Board decisions.	Every employee must perform his duties in accordance with the highest ethical and professional standards of the Company. Further, receipt of gifts from third parties must at all times be dealt with in a prudent manner.
d) Compliance with Laws & Regulations	It is the duty of Directors to ensure faithful compliance with all the laws, rules, and regulations.	It is a policy of the Company to strictly and faithfully comply with relevant laws and government regulations. Prompt compliance thereto is equally enforced.
e) Respect for Trade Secrets/ Use of Non-public Information	It is the duty of Directors to observe confidentiality with respect to non-public information they may acquire by reason of their position as directors.	It is a company policy that all employees must observe confidentiality with respect to non-public information an employee may acquire by reason of their being an employee of the Company.

f) Use of Company Funds, Assets, and Information	It is a duty of a director to conduct fair business transactions with the Company and avoid any personal bias with respect to Board decisions. It is the duty of a director to observe confidentiality.	All assets by the Company shall be used solely in furtherance of its business. Likewise, every employee must observe confidentiality with respect to non-public information it may acquire by reason of their being an employee.
1) Employment and Labor Laws & Policies	It is the duty of Directors to ensure faithful compliance with all the laws, rules, and regulations.	It is a policy of the Company to strictly and faithfully comply with relevant laws and government regulations. Prompt compliance thereto is equally enforced.
2) Disciplinary Action	A Director is disciplined, subject to the rules on due process, either by removal as such permanently or temporarily.	The Company adopts the relevant provisions of the Labor Code and other laws and regulations, in addition to the Company's Code of Conduct in the process of employee discipline, particularly the grounds for suspension or dismissal.
3) Whistle Blower	The Company abhors fraud, corruption, or any other misconduct that would certainly affect its public image and goodwill.	In line with the Code of Conduct, all employees are required to disclose acts related to fraud, corruption, or any other misconduct that come to their attention. Similarly, the Company requires its partners and stakeholders to disclose acts of fraud, corruption, or any other misconduct that involve personnel as well as actions that undermine Company Operations.
4) Conflict Resolution	Directors shall attempt in good faith to resolve any conflict that may arise between them relating to their rights and responsibilities provided in the Articles of Incorporation, By-laws, and the Code of Corporate Governance.	Conflicts involving the Code of Conduct and corporate governance shall be resolved in accordance with the administrative investigation procedure.

ANNEX B

Significant Impacts on Local Communities Through the Years

- Livelihood
- Health
- Education
- Disaster Relief
- Environment

Livelihood

Location

Kiangan Run-of-River Hydro Project

To generate sustainable livelihood, Alternergy rehabilitated the Barangay Water System of Upper and Lower Bokiawan and improved the Farm-to-Market road of Barangay Dalligan.

Location

Dupinga Run-of-River Hydro Project

DMHC helps Katutubong Dumagats job applicants secure necessary employment documents to ensure getting hired by the Dupinga project.

Location

Dupinga Run-of-River Hydro Project

Dupinga Project supplied construction materials for the proposed Entertainment Hub Area of the Gabaldon Municipality.

Location

Dupinga Run-of-River
Hydro Project

Local farmers are encouraged to plant
kakawate (madre de cacao) trees to
reap economical and environmental benefits.

Location

Pililla Wind Farm

When the Pililla Wind Farm became a tourist attraction, Alternergy provided training to members of its host barangay to make souvenirs to sell to sightseeing visitors.

Location

Pililla Wind Farm

Due to its proximity to Manila, the Pililla Wind Farm became a landmark destination and a choice for school field trips. Local business activity flourished around the wind farm such as refreshment stands, coffee shops, and souvenir stalls.

Health

Location

Kiangan Run-of-River Hydro Project

Amidst the raging pandemic, we were there alongside our frontliners by providing handwash systems to the local communities in Ifugao.

Location

Kiangan Run-of-River Hydro Project

The KMHC donations of 5 oxygen tanks to the Municipality of Lagawe was received by the Municipal Administrator Atty. Lito Baguiwa and Barangay Captain Victor Tayaban Only 2 are shown in the photo and the other 3 were delivered to the municipal hall.

Location

Dupinga Run-of-River Hydro Project

DMHC donated Moderna COVID-19 Vaccines to the Municipality of Gabaldon to help protect the well-being of the community.

Location

Dupinga Run-of-River Hydro Project

During the COVID-19 pandemic, DMHC supplied daily meals to Provincial Social Welfare teams distributing relief goods throughout Nueva Ecija province.

Location

Dupinga Run-of-River Hydro Project

During the COVID-19 pandemic, DMHC provided thermal scanners, vitamins, alcohol and sanitizers to hospitals and clinics in the municipality of Gabaldon.

Location

Dupinga Run-of-River Hydro Project

During the COVID-19 pandemic, DMHC provided sacks of rice to the host Dumagat Indigenous Cultural Communities.

Location

Dupinga Run-of-River Hydro Project

DMHC constructed Handwashing Systems of host Barangays Ligaya and Malinao and host Municipality Gabaldon.

Location

Kirahon Solar Farm

As COVID-19 made it difficult for families to obtain food, Kirahon Solar donated sacks of rice to local communities in Misamis Oriental.

Location

CitySun Solar
Rooftop Portfolio

As COVID-19 made it difficult for families to obtain food, CitySun delivered hot meals to Bacolod City barangays under the Huaming X Core Initiative.

Location

Pililla Wind Farm

Alternergy supported healthcare frontliners defending against COVID-19 by providing hot meals to the medical staff of Binangonan Rizal Provincial Hospital.

Location

Lamut-Asipulo
Run-of-River Hydro Project

During the COVID-19 pandemic, LAMHC donated PPE suits, KN95 masks and large size handwashing systems to its host communities.

Education

Location

Kiangan Run-of-River Hydro Project

To help the indigenous people propagate their way of life and preserve their heritage, Alternergy supported the Rice Terraces IKSP Learning Resource Center and the Community Heritage Library.

Location

Kiangan Run-of-River Hydro Project

To help host communities adapt to new learning methods enforced on our youth due to the pandemic, KMHC donated color printers and computers to Bokiawan Elementary School and Mungayang National High School.

Location

Kiangan Run-of-River Hydro Project

To promote better resource management and continuing education, Alternergy assisted in the formation of the Bokiawan Barangay Water System and Farmer's Association.

Location

Pililla Wind Farm

Alternergy teamed up with WWF and Google Earth to map the entire Pililla Wind Farm, to allow the public to virtually view a wind farm.

Location

Pililla Wind Farm

The Pililla Wind Farm set up a visitor information center in partnership with WWF, where visitors and the local community learn about the benefits of clean energy.

Location

Kirahon Solar Farm

Kirahon Solar taught grade school pupils of Kirahon Elementary School on how solar energy can improve their livelihood.

Location

Kirahon Solar Farm

As part of Brigada Eskwela 2021 program, Kirahon Solar donated school supplies to Kirahon and Dawayan Elementary Schools. Construction materials were provided for the repair and renovation of school facilities.

Location

Kirahon Solar Farm

Kirahon Solar renovated classrooms of Casinglot Elementary School in Tagoloan to protect them from floods during typhoons.

Location

Kirahon Solar Farm

KSEC donated various construction materials for the renovation of the school stage in the Alternative Learning School, Gumaod Integrated School, Claveria, Misamis Oriental.

Location

Dupinga Run-of-River Hydro Project

DMHC's "Kaagapay sa Komunidad" initiative built new community e-learning centers where teachers and students can access the internet to further their online education during the COVID-19 pandemic.

Location

Dupinga Run-of-River Hydro Project

DMHC donated Wi-Fi routers and printing materials to Ligaya Elementary School Special Science Class to help teachers and students thrive with alternative learning methods.

Location

Dupinga Run-of-River Hydro Project

DMHC donated ink and bond papers to 25 schools in Gabaldon for printing of Self- Learning Modules during the COVID-19 pandemic.

Disaster Relief

Location

Kiangan Run-of-River Hydro Project

KMHC is always ready to help its host communities rebuild after natural disasters. By providing workers and construction materials, KMHC help mitigate the effects of typhoons on the indigenous population.

Location

Dupinga Run-of-River Hydro Project

DMHC provided food and shelter to Katutubong Dumagat families affected by Typhoon Ulysses in November 2020.

Location

Dupinga Run-of-River Hydro Project

DMHC distributed relief food to140 Katutubong Dumagat families affected by Typhoon Ulysses in November 2020.

Location

Dupinga Run-of-River Hydro Project

DMHC provided emergency response in clearing roads damaged by typhoons and landslides in October 2020.

Location

Dupinga Run-of-River Hydro Project

DMHC sprung to assist Katutubong Dumagat families affected by a fire, providing them with temporary shelter, food, and medical supplies.

Location

CitySun Solar
Rooftop Portfolio

Super Typhoon Odete was particularly devastating to rural folks. To help them get back on their feet, CitySun provided relief packs and rice to 500 affected families in Candoni municipality of Negros Occidental.

Location

CitySun Solar
Rooftop Portfolio

CitySun provided Disaster Risk Response training to public school teachers.

Location

Solana Solar Power Project

As COVID-19 lockdowns made it difficult for families to obtain food, Solana Solar donated rice to households of Hermosa, Bataan.

Environment

Location

Kiangan Run-of-River Hydro Project

KMHC actively participated in community clean-ups to beautify the local surroundings and to keep residents safe from environmental hazards.

Location

Dupinga Run-of-River Hydro Project

DMHC donated 6 truckloads of garden soil to Gabaldon municipality in support their tree planting activity.

Location

Dupinga Run-of-River Hydro Project

DMHC supports the Central Sierra Madre Mountain Range Critical Habitat for Philippine Eagle and other Wildlife Species through the Environmental Literacy Campaign of DENR.

Location

Dupinga Run-of-River Hydro Project

Local farmers planted kakawate (madre de cacao) plantings to regenerate mountain slopes affected by the construction of the project.

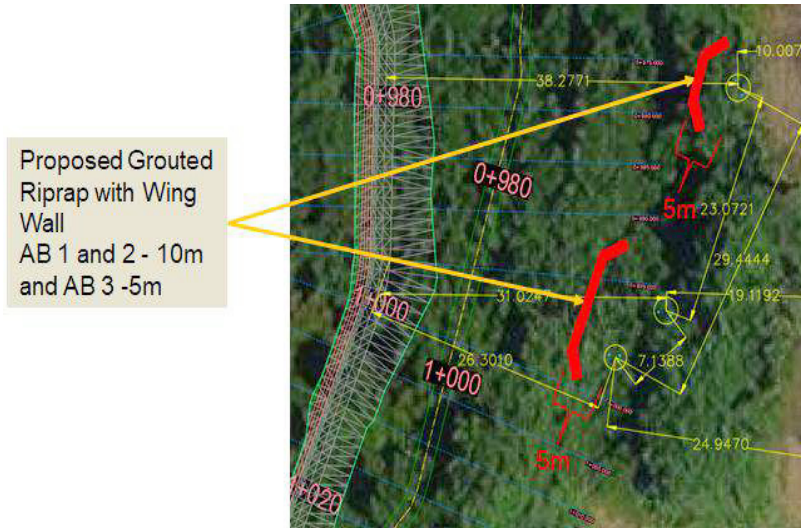
Location

Dupinga Run-of-River Hydro Project

Dupinga Project joined Gabaldon Municipality's Clean-up Drive.

Location

Dupinga Run-of-River Hydro Project



Dupinga Project built riprap to protect 4 ancestral burial sites that could be affected during construction.

Location

Dupinga Run-of-River Hydro Project

Alternergy employees undertook tree planting within the Dupinga Watershed.

Sustainability Reporting Process

Our reporting process described in four steps below are in line with the GRI Reporting Principles of Materiality, Sustainability Context, Stakeholder Inclusiveness, and Completeness.

1) Sustainability Awareness
Awareness of the importance of sustainability strategy and impact.

2) Identification of Material Topics
Identification of impact areas by a sustainability working group across the company's value chain and evaluation of operations and management approaches.

3) Gathering of Data
Collection of data and accomplishments to support action on material topics.

4) Management Review
Management's review and acceptance of material topics and collected information.

Shareholder Information

2-3

Annual Stockholders' Meeting
December 13, 2023 or every second Wednesday of December

Stock Listing
Philippine Stock Exchange (PSE) debut on March 24, 2023 with the stock symbol "ALTER." The Company raised PHP1.6 billion from an initial public offering (IPO).

Number of Shares of Common Stock
3,933,840,480 Shares for the fiscal year ending June 30, 2023

Shareholders
The number of common shareholders of record as of June 30, 2023 was 3,252

Major Shareholder
Vespers Holdings Corporation with 40.36% shareholder stake
Nationality: Filipino

Investor Relations
Located at the principal office of the Company, with contact details as follows:
beatriz.bathan@alternergy.com
+632 7759 4327

Access to Our Reports

In line with our efforts to be paperless, it is intended for this Sustainability Report to be distributed digitally. In the case that printed copies are required, the report will be printed in recycled materials, preferably on paper certified by the Forest Stewardship Council (FSC).

Scan the QR code to access the 2023 Sustainability Report:

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For more information about the Company, you may access https://www.alternergy.com/. A copy of the Preliminary Prospectus of the Company is available at https://www.alternergy.com/company-disclosures. The Preliminary Prospectus contains the information required to be stated in any notice, circular, advertisement, letter or other forms of communication that will be published or transmitted to any person after a registration statement has been filed under Rule 8.3.1 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code of the Philippines.

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A REGISTRATION STATEMENT RELATING TO THE COMPANY'S SECURITIES REFERRED TO HEREIN HAS BEEN FILED WITH THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION, BUT HAS NOT YET BECOME EFFECTIVE. THESE SECURITIES MAY NOT BE SOLD NOR OFFERS TO BUY THEM BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT IS RENDERED EFFECTIVE. THIS COMMUNICATION SHALL NOT CONSTITUTEAN OFFER TO SELL OR BE CONSIDERED A SOLICITATION TO BUY.

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2-3

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