



2023 INTEGRATED
REPORT

**CAN WE SECURE
OUR COUNTRY'S**

**GROWING
ENERGY NEEDS?**



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About the Cover

The cover for First Gen Corporation’s 2023 Integrated Report poses a crucial question that the energy industry must ask itself moving forward: How does a rapidly developing country, like the Philippines, balance its energy needs with its responsibility for the environment?

With the country’s growing energy demand, we must push renewable energy (RE) solutions to the forefront of the energy industry. But while expanding investments in RE helps us support the Philippines’ energy goals and the Company’s long-term ambition of a Net-Zero portfolio by 2050, it is also important to consider the challenges that we face in terms of energy security.

The top image on the cover highlights the reality of this challenge, as the demand for

energy increases with the growing population. This is juxtaposed against an image of First Gen’s response: our Batangas liquefied natural gas (LNG) terminal which helps us continue providing clean and reliable power, especially with the expected depletion of the Malampaya gas field. This project is a necessary step towards a decarbonized and regenerative future, with natural gas as the transition fuel to a 100% renewable energy future—without sacrificing the country’s energy security.

Above all else, First Gen ensures we keep the lights on for the Filipino people. We honor our responsibility as one of the country’s leading clean energy providers. As we grow, the Company will continue to develop new and improved services to best deliver on the country’s needs and accelerate the clean energy transition.

About the Report

This report is both a summary and a disclosure detailing the management and performance of the Company's financial and non-financial assets throughout 2023. It recounts how we continue to pursue new opportunities, develop our existing assets, and improve and innovate in our operations in regards to our mission to regenerate the planet while also providing value to our stakeholders. With this report, the Company, our shareholders, and our stakeholders have confidence in moving forward towards a more sustainable future.

Scope and Boundary

The First Gen Corporation ("First Gen," "the Company") 2023 Integrated Report (IR) provides the material sustainability and climate change-related information on our mission, governance, strategy, business model, risks and opportunities, external environment, the performance and related metrics of our six capitals (financial, manufactured, human, intellectual, natural, and social and relationship) and outlook. The report also discusses our process of value creation for the Company and our stakeholders. We do this by identifying and

assessing environmental, social, and governance (ESG) issues that impact our capital use and presenting the Company's financial and non-financial ESG performance from January 1 to December 31, 2023.

We detail the management of our assets: a) natural gas power plants in Batangas; b) hydropower plants in Nueva Ecija and Bukidnon; c) geothermal plants in Leyte, Negros Oriental, Albay-Sorsogon, and North Cotabato; d) solar power plants in Ilocos Norte, Iloilo, Leyte, Cebu, and Sorsogon;

and e) a wind power plant in Ilocos Norte. The Portfolio of Assets on page 18 provides a complete list of power plants.

Disclosures and data included in this report were consolidated by First Gen's IR Technical Working Group (TWG). The report was reviewed by First Gen's management and approved by First Gen's Board of Directors (BOD) as advised and assisted by the Board Risk Oversight Committee (BROC). The Certification from the Board is presented on page 7 of this IR.

Reporting Philosophy

This report was prepared in accordance with the guiding principles and content elements of the International Integrated Reporting <IR> Framework of the Value Reporting Foundation (formerly known as the International Integrated Reporting Council). The financial portion of the report was prepared in compliance with the Philippine Financial Reporting Standards (PFRS). The discussion of the non-financial aspects was guided by Memo Circular No.4 of 2019 of the Philippine Securities and Exchange Commission (SEC).

The Company's analysis of the ESG issues is in reference to the GRI Standards and the G4 Electric Utilities Sector Disclosures, Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), the UN Guiding Principles on Business and Human Rights (UNGP-BHR), and the UN Sustainable Development Goals (SDGs).

The current global and local regulatory landscapes that

aim for greater comparability, consistency, and reliability of ESG information enabled First Gen to integrate the latest advancements in global sustainability reporting frameworks. These include the International Financial Reporting Standards (IFRS) S1 or the General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 or Climate-related Financial Disclosures as well as the new rules of the SEC, which is taking a similar approach as outlined in their draft Memorandum Circular of October 4, 2023.¹ Our adoption to these new prescriptions enriched the ESG discussions and complemented the integrated reporting standards of the <IR> Framework. SEC's related rules are expected to be issued in 2024.² Even as we are allowed to report under the old SEC rules, we are advancing the integration of the new prescriptions in our IR. Beyond the regulatory compliance, the new IFRS and SEC rules provide good guidance in developing the report for the primary users. The initiative also facilitates our transition to the new rules.

The sustainability-related and climate-related risks and opportunities discussed in this report are based on the results of stakeholder consultations and materiality determination done from October to December 2023. The involvement of the investors and other stakeholders helped us capture their perceptions of the impacts of the ESG risks and opportunities on the prospects of the Company.

For a better understanding by the users of the report, comparable 3-year data were discussed in the report under the section on "Value Generated" on page 107.

The connection of financial and non-financial information for a coherent and holistic report is assisted by the adoption of integrated thinking principle in the <IR> Framework, which led to the connectivity of information.

An index of the relevant ESG standards and references is presented on pages 242-259 of this report.

¹ SEC (2023). Implementation of the Revised Sustainability Reporting Guidelines and Sustainability Report (SuRe) Form. Retrieved from https://www.sec.gov.ph/wp-content/uploads/2023/12/2023.Notice_Notice-to-the-Public-re-SuRe-Form-dated-29-Dec-2023_rev_Comm-Bry.pdf

² SEC (2023). Exposure draft on Memorandum Circular on the Revised Sustainability Reporting Guidelines for Publicly Listed Companies and the SEC Sustainability Reporting (SuRe) Form. Retrieved from https://www.sec.gov.ph/wp-content/uploads/2023/12/2023Notice_2023RFC_Sure-Guidelines_v2.pdf

Materiality Approach

In order to determine the ESG matters significant to us, we utilized the “Double Materiality” assessment, which includes desk research, benchmarking within the industry, stakeholder consultation, and management consultation. An independent party conducted the stakeholder consultations and materiality determination, which resulted in material topics classified under environment, social, and governance. Our detailed materiality approach, material topics, and the corresponding key indicators are discussed in the Materiality Issues section on page 44-51 of this report.

How to Read the Report

This report focuses on our value creation approach and story. It opens with key highlights and milestones reached in 2023 and with an introduction to our business. These are followed by our leadership’s overview of where we stand on our path towards achieving our mission and our direction ahead. This tone from the top, with our operating context, influenced how our strategy and business model delivered the mission.

It follows with a discussion of our integrated management framework and an analysis of the effects of external environment factors that affect the transformation of our capitals into products and services, and values for our stakeholders—our value creation sources. The section on

governance was incorporated into our discussion of our value creation approach.

We then translated the values we captured from these capitals into financial and non-financial results to determine our impacts on these precious resources. After which, we identified which created values aligned with and contributed to the Sustainable Development Goals. Lastly, we discussed the outlook of our business and how these will affect our future operations.

The information on sustainability-related and climate-related disclosures is found in this IR, and in the First Gen’s IR microsite. A summary of our ESG disclosures is also found on our ESG Profile webpage (<https://www.firstgen.com.ph/investor-relations/esg>)

Assurance

To check the report’s compliance with the Guiding Principles and Content Elements of the <IR> Framework, we commissioned the University of Asia and the Pacific-Center for Social Responsibility (UA&P-CSR) as an independent third-party expert to review the report. The result of the evaluation is presented on page 231.

Certification from the Board

In line with our responsibility to ensure the integrity of the First Gen 2023 Integrated Report, it is the opinion of the Board that the report is a fair presentation of the Company’s operations from January 1 to December 31, 2023. The disclosures presented in the report were based on accurate information available to the Company for the reporting period as well as the analysis of all ESG issues material to our value creation process. The Board acknowledges that this integrated report is presented in accordance with the <IR> Framework. Additionally, a third-party expert reviewed its alignment with the framework.

The certification is being issued based on the authorization of the First Gen Board for the annual issuance of an Integrated Report to communicate to the Company’s stakeholders its financial and non-financial (environmental, social, and governance) performance, and its designation of the Board Risk Oversight Committee to review and finalize the report.

The Management supported the Board in preparing the report through the inter-departmental Technical Working Groups (TWG) from all participating First Gen subsidiaries. The President and COO provided oversight in collaboration with responsible officers from the Quality, Environment, Safety and Health, Strategy and Planning, Enterprise Risk Management, Finance, Accounting, Information Technology, Operations, Human Resources, Corporate Social Responsibility, Legal and Regulatory, Power Marketing, Economics and Trading, Integrated Corporate Communications, and FPH Corporate Sustainability groups. The Board Risk Oversight Committee conducted the final review of the report and authorized its release on March 22, 2024.


FEDERICO R. LOPEZ
Chairman and Chief Executive Officer
First Gen Corporation

Disclaimer On Forward-Looking Statements

The report contains forward-looking statements based on the Company’s analysis of trends, projections, plans, and other information available during the writing stage of this report. The scenarios presented were not intended to predict likely future events and outcomes. While

we believe that the declared expectations may be reasonable, investors and other stakeholders are cautioned that actual outcomes may differ materially from those expressed or implied, as future situations are difficult to predict and subject to risks and uncertainties beyond the Company’s control.

2023 Highlights

FINANCIAL CAPITAL

**In USD thousands except per share data*

	2023	2022	2021	2020	2019
Revenues	2,474,748	2,666,706	2,166,782	1,830,300	2,151,386
Consolidated Net Income	449,333	369,512	354,240	393,734	414,228
Net Income Attributable to Equity Holders of the Parent	312,204	261,390	258,253	275,695	296,208
Recurring Net Income Attributable to Equity Holders of the Parent	277,036	265,446	252,437	252,104	284,410
Total Assets	6,126,657	5,375,868	5,503,389	5,708,472	5,209,697
Total Liabilities	2,825,531	2,416,251	2,530,186	2,752,421	2,618,198
Equity Attributable to Equity Holders of the Parent	2,676,172	2,413,980	2,438,010	2,423,481	2,124,979
Non-Controlling Interests	624,954	545,637	535,193	532,570	466,520
Basic/Diluted Earnings Per Share for Net Income Attributable to Equity Holders of the Parent (in USD/share)	0.087	0.071	0.070	0.073	0.078

MANUFACTURED CAPITAL

3,474.2MW
installed capacity

21,604.5GWh
of power generated in 2023

INTELLECTUAL CAPITAL

100% subsidiaries
certified to ISO 9001,
ISO 14001 and ISO 45001

No complaints
on breach with Data Privacy

Reinforcement of a unified record management system
for a more secure and organized repository of documents

USD59.9 thousand
investment in R&D for business model, strategy, planning, alternative materials, extraction process and projects related to circularity

USD10.2 million
investment on various initiatives addressing information security, technology risk, and data privacy

NATURAL CAPITAL

10,740,303.6 CO₂e
greenhouse gas (GHG)
emissions avoided vs. coal

0.32 tCO₂e/MWh
emission intensity

1,739,824.0tCO₂e
carbon sequestered from natural forests in geothermal reservations

127,608 hectares
of natural forest protected in geothermal reservations

10,140 hectares
of forest reforested

SOCIAL AND RELATIONSHIP CAPITAL

618 students
supported through scholarships

30,438 students and teachers
provided with educational assistance

10,710 individuals
from host communities extended with medical services

94% availment
of Value Added Services

19 social enterprise and livelihood projects
supported to augment sources of income of host communities

PHP15.5 million income generated
from livelihood projects and contracts for host communities

Very Satisfactory rating
based on Customer Satisfaction Survey

HUMAN CAPITAL

Net hire ratio of 2.0
indicates the workforce increased

75% of new hires
are ages 40 and below

78% increase
in total training hours from previous year

67% increase
in average training hours per employee from previous year

Main drivers of increased training hours:

- Functional Training
- Digital/technology Training
- Environment, Safety, Health, and Security Training
- People Manager Training
- Capability Building-related Skills Training

Diversity, Equity, and Inclusion (DE&I)

- Obtained a score of 54% (Achiever) in the initial assessment using the WEPs Gender Gap Analysis Tool. This is higher than the 2022 global and regional (Asia) averages of 32% and 35%, respectively

New Policies Promoting Wellbeing and Human Rights of Employees

- Issuance of new policies that promote DE&I, namely:
 - » 'Breastfeeding Policy' - The policy promotes well-being and child-care for women
 - » 'Policy Against Forced Labor and Child Labor' - Promotes and protects human and children's rights by taking a strong stance against forced or child labor

Zero reported incidents
of child labor and forced labor

0.18 Total Recordable Incident Rate vs. 0.18 TRIR target
for employees and workers

Readiness for hybrid workforce

- Hybrid work practices and programs are reviewed with business units through check-in sessions.
- With the opening of the Rockwell Business Center (RBC) office, employees gained access to newly renovated hot desks, meeting rooms, and collaboration areas that advocate productivity, creativity, flexibility, and inclusivity.

2023 Key Milestones

In 2023, First Gen overcame many challenges to make significant progress with our current and upcoming projects.

First Gen remains committed to our Mission and Purpose which guides our strategy to create enduring value for all our stakeholders. The Company continues to uphold this commitment by reaching these key milestones.

Our key milestones focused on decarbonizing our assets, and increasing our share of renewables, as well as creating a safe and capable environment for our stakeholders, while making sure that the lights stay on for the whole country.

JANUARY



First Gen formalized a partnership with the Climate Change Commission (CCC) with the signing of a Memorandum of Agreement that will support local government units (LGUs) in mainstreaming climate change action and accessing the People's Survival Fund.

The Department of Environment and Natural Resources (DENR) partnered with Energy Development Corporation (EDC) in developing a strategic program called "TRANSFORM" (Transdisciplinary Approach for Resilience and Environmental Sustainability Through Multi-Stakeholder Engagement) to complement and enhance the climate action and resilience initiatives of its host Ormoc LGU.

The Wholesale Electricity Spot Market (WESM) in Mindanao commenced commercial operations last January 26, 2023, this allowed our Mt. Apo Geothermal Power Plants' capacities to start trading in the spot market.

FEBRUARY

First Gen signed a Memorandum of Understanding (MOU) with the Department of Science and Technology-Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development (DOST-PCAARRD). The deal lets the two parties jointly explore and support agribusiness technologies and projects that will improve the livelihood of small farmers and fishermen.



FG Bukidnon obtained approval from the Independent Electricity Market Operator of the Philippines (IEMOP) as WESM Direct Member and Trading Participant (Generation Company Category). The WESM membership was deemed effective on January 12, 2023.

EDC secured a PHP3 billion loan from Banco de Oro (BDO).

MARCH



First Gen signed a Special Use Agreement in Protected Areas (SAPA) with the DENR for the development of a 120-MW pumped storage hydroelectric facility in Pantabangan, Nueva Ecija, while preserving the project site as part of a protected area.

Started the site construction of the 28-MW Mahanagdong Geothermal Brine Optimization Plant.

APRIL



First Gen won two bronze awards at the 8th Asia Integrated Reporting Awards in the following categories: Asia's Best Integrated Report (Integrated Thinking) Award and Asia's Best Integrated Report (CEO Message). EDC clinched one gold and two silver awards in three categories—Asia's Best Sustainability Report (CEO Letter), Asia's Best Integrated Report (Value Creation), and Asia's Best Sustainability Report (Private Company).

EDC secured a PHP2 billion loan from China Banking Corporation (CBC).

MAY



First Gen, through its wholly-owned subsidiary Fresh River Lakes Corp., was the highest bidder for the privatization of the 165-MW Casecnan Hydro Electric Power Plant in Pantabangan, Nueva Ecija on May 16, 2023. Fresh River Lakes Corp. received the Notice of Award on May 26, 2023.



First Gas Power Corporation (FGPC), FGP Corp. (FGP), First NatGas Power Corp. (FNPC), and Prime Meridian Powergen Corporation (PMPC) adopted plantations that can serve as carbon sinks in coordination with First Gen Hydro Power Corporation (FGHPC). The four gas companies executed an agreement with various farmer associations and agreed to provide funding for the establishment, maintenance, replanting, and enhancement planting activities in the 1,209-hectare plantation of BINHI, a Greening Legacy Program within Pantabangan-Carranglan Watershed Forest Reserve (PCWFR).

JUNE



First Gen welcomed the arrival of BW Batangas, a floating storage and regasification unit (FSRU) as part of its interim offshore liquefied natural gas (LNG) terminal project in Batangas Bay.

First Gen inked a MOU with Prime Infrastructure Capital Inc. (Prime Infra) for the lease and operation of the latter's LNG storage and regasification terminal for its gas aggregation business plan.

Celebrated the 40th anniversary of the 112.5-MW Palinpinon-1 Geothermal Power Plant.

EDC secured a PHP2 billion loan from Bank of the Philippine Islands (BPI).

JULY



Mobilization and berthing of the FSRU BW Batangas pursuant to the Time Charter Party (TCP) executed by FGen LNG Corp, a wholly owned subsidiary of First Gen with BW FSRU IV Pte Ltd (BW).

AUGUST



First Gen received the first delivery of imported LNG.

SEPTEMBER

EDC secured a PHP2 billion loan from BDO.

NOVEMBER

First Gen signed Term Loan Agreements for an aggregate PHP20 billion with BDO and BPI for the Company's growth projects, including the acquisition of the 165-MW Casecnan Hydroelectric Power Plant.

The mechanical completion of the 29-MW Palayan Bayan Binary Power Plant

First send-out of LNG from the FSRU to the First Gen gas power plants

DECEMBER

A 15-year terminal lease agreement was signed between FGen LNG and Gas Aggregator Philippines Inc., a wholly owned subsidiary of Prime Infra. The lease of the FGEN LNG terminal will form part of Prime Infra's proposed gas aggregation strategy, which will enable it to deploy a tolling business model. The proposed business model will allow Prime Infra to leverage its existing Malampaya project facilities and its expertise in the natural gas market.

FGen LNG's completion of commissioning of the FSRU

EDC secured a PHP3 billion loan from BPI.



Our Business

Who We Are

Guided by our mission “to forge collaborative pathways for a decarbonized and regenerative future”, First Gen is one of the leaders in providing clean and renewable energy in the Philippines.

The Lopez Credo and Values guide our decision-making processes at all times. As a power generation company, we are

committed to acting in the best interest of our stakeholders to ensure equitable benefits for all. While we sustain consistent collaboration across all levels to achieve our decarbonization and regeneration goals, we maintain our mission to prioritize the welfare of our customers, employees, suppliers, contractors, the environment, communities, and investors.

The Lopez Credo and Values

We, as employees of the Lopez group of companies, believe that our primary reason for being is to serve God and the Filipino people.

Thus, we shall always conduct ourselves in a manner that is mindful of the long-term mutual benefit of the Lopez Group, and the various publics we serve.

We will be responsible stewards of all our resources, and conscious of our obligation to present and future generations.

Since 1928, and in the years and generations to follow, our commitment to the distinctive Lopez values will not change as we remain committed to serve our stakeholders.

In our service to the Filipino people, we will be guided by the following distinct Lopez Values:

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

We know from generations of experience that it is by living according to these values that a company can be built to last.

Our Mission

To forge collaborative pathways for a decarbonized and regenerative future.

Our Purpose

We recognize that our planet's life support systems and social institutions are now at a breaking point. Unbridled consumption and primacy of bottom-line growth are at the root of the climate crisis, our alienation from nature, and the profound social and economic divisions, that have become existential threats to humanity today.

Overcoming all of these challenges will require paradigm shifts in the ways that we think, live, and do business. It is now clear that pursuing sustainability that seeks only to do less harm is no longer good enough.

Instead, we need to create symbiotic, mutually beneficial relationships with nature and

society that benefit more than just shareholders. Businesses today must urgently become a regenerative force that elevates everything that they touch—customers, employees, suppliers, contractors, the environment, communities, and investors.

The transformation cannot be done by entities working alone. We are mindful that we exist within highly diverse and nested systems, and that we must all play unique, reciprocal, and synchronized roles in a world that needs to be healed.

Our collective success will be measured by how quickly we can decouple economic and social

prosperity from the destruction of our planet's life support systems.

We choose this path because it is the only way to a destination where everyone has the opportunity to thrive and prosper on a healthy planet. We choose this path because we believe it is the only way to create lasting value for all stakeholders and not just shareholders. We choose this path because it is inseparable from the Lopez Values that have, and always will, define us.



Our Chosen Path

We choose to harness only those energy sources that allow us to meet the needs of the present without harming the ability of future generations to meet theirs.

With a deep understanding of the evolving needs of our customers, we will deliver resilient and compelling energy solutions that will promote energy productivity, empowering our customers to make the right choices and to do more with less energy, simultaneously reducing their carbon footprints.

We will lead the transition to a decarbonized energy system in line with the UN IPCC target of limiting global warming to 1.5 degrees Celsius, by focusing on the following:

- We will build on our platform of renewable and low carbon energy assets and complement them where appropriate with flexible generation and storage technologies.
- We will expand the use of clean and renewable geothermal resources that provide uninterrupted power 24/7 globally, deploying our extensive experience in geothermal development, gained over four decades in the Philippines.
- We will operate our geothermal and hydrological resources with a regenerative mindset that will strengthen and enrich the communities and biodiverse ecosystems in which we are all embedded.
- We reaffirm our 2016 commitment that we will not build, develop or invest in coal-fired generation plants because to do so would be inconsistent with the UN IPCC target and lead to a planet that is uninhabitable for future generations.
- We believe that natural gas, as the least carbon-intensive fossil fuel, will continue to play a vital role in the transition to a decarbonized world for some time. Natural gas-fired plants will enhance grid security and resilience and support the development of more variable renewable sources such as wind, solar, and hydro, in combination with storage. Gas-fired plants can respond quickly and reliably when variable renewable sources are not available, allowing the lights to stay on.
- We will pioneer the development of a liquefied natural gas (LNG) terminal that will introduce reliable, flexible, and cost-competitive LNG to the Philippines. LNG will enable our own and other existing gas-fired plants to continue to operate by initially supplementing, and eventually even replacing, declining indigenous natural gas reserves. The LNG terminal can serve as a hub that will underpin new large and small-scale LNG opportunities as a means to introduce natural gas throughout the many islands of the Philippines.
- We will actively pursue new, innovative, economically viable technologies that can further reduce the carbon intensity of natural gas, recognizing that it may otherwise become necessary to phase natural gas use down in line with decarbonization targets.
- We will lead the development of decentralized and resilient microgrids that enable universal access to electricity in ways consistent with social justice and the transition to a decarbonized future.

As we progress along our chosen path, we will always seek to enable shared prosperity and well-being in ways that will regenerate our planet for future generations.

What We Do

First Gen is one of the largest Independent Power Producers (IPPs) in the Philippines, with a total installed capacity of 3,474.2 megawatts (MW) generated by 31 operating power plants across the Luzon, Visayas, and Mindanao power grids.

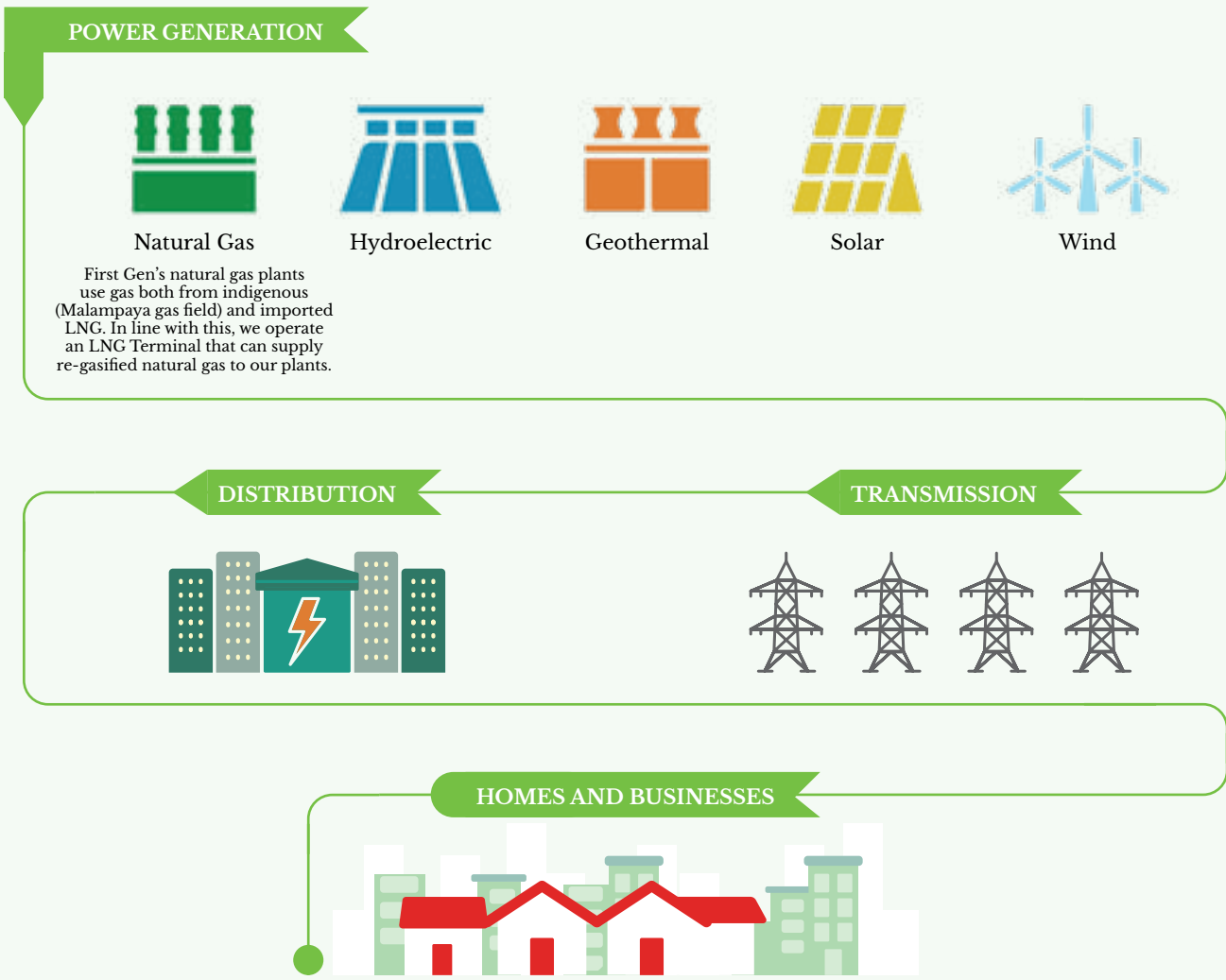
First Philippine Holdings Corporation (FPH) is the majority shareholder of First Gen. One of the oldest and largest conglomerates in the Philippines, FPH has significant investments spread across multiple industries,

which include power generation, real estate, manufacturing, construction, and engineering.

First Gen's power generation facilities produce electricity using a combination of traditional and renewable resources such as natural gas, geothermal steam, hydroelectricity, wind, and solar energy. The generated power is primarily sold to privately owned distribution utilities (DU), the National Power Corporation (NPC), local electric cooperatives, large commercial and industrial

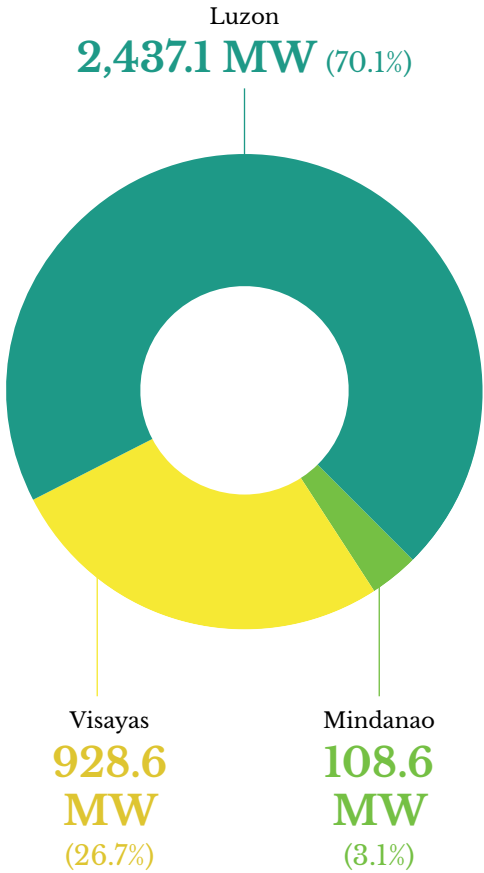
clients through its licensed Retail Electricity Suppliers (RES) and Renewable Energy Suppliers, and the National Grid Corporation of the Philippines (NGCP). These are sold under long-term Power Purchase Agreements (PPAs), Power Supply Agreements (PSAs), Retail Supply Contracts (RSCs), Feed-In Tariff (FiT), Ancillary Service Procurement Agreements (ASPA), and in the Wholesale Electricity Spot Market (WESM). After these sales, the associated distribution services and transmission lines deliver electricity to customers.

First Gen's Energy Value Chain

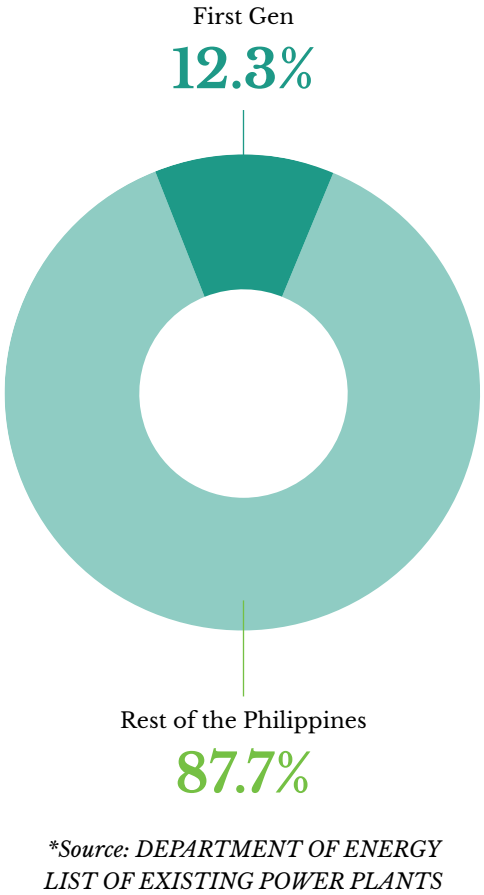


Refer to the Business Model section for more details on the Value Chain.

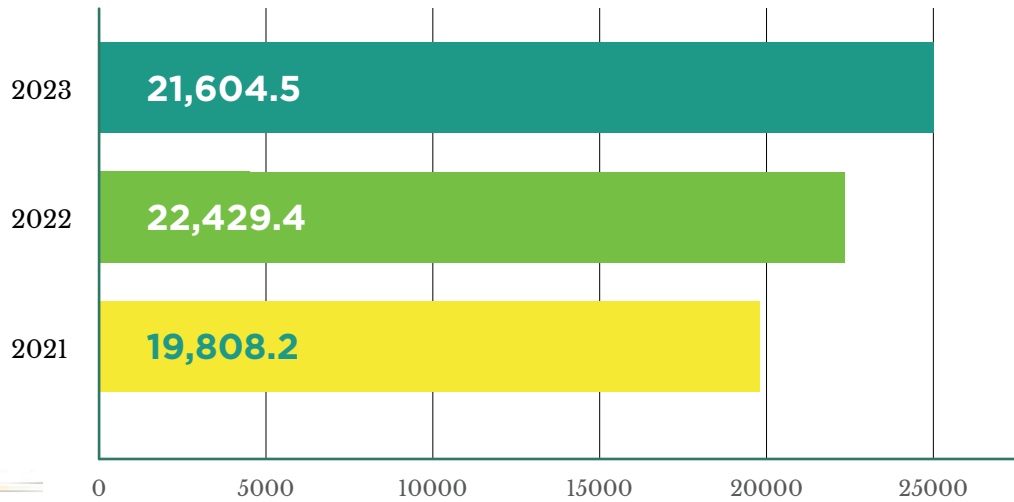
FIRST GEN INSTALLED CAPACITY PER ISLAND GROUP (as of December 31, 2023)



TOTAL INSTALLED CAPACITY SHARE OF FIRST GEN VS. TOTAL INSTALLED CAPACITY OF THE PHILIPPINES (as of November 30, 2023)



FIRST GEN TOTAL POWER GENERATED (GWH) (as of December 2023)

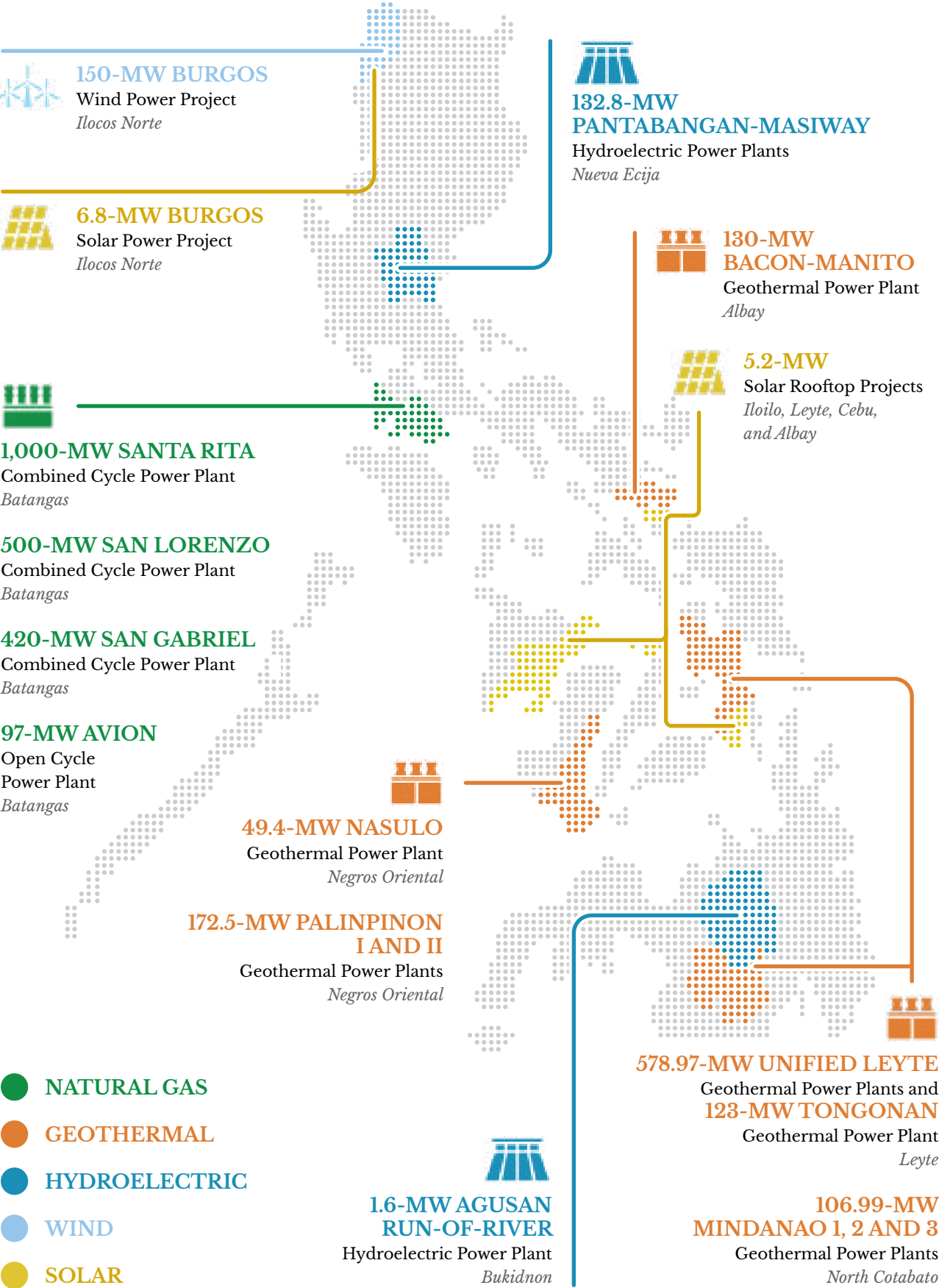


The 2021 and 2022 figures have been adjusted. Please refer to the Restatements section for the summary of changes.

Portfolio of Assets

(as of December 31, 2023)

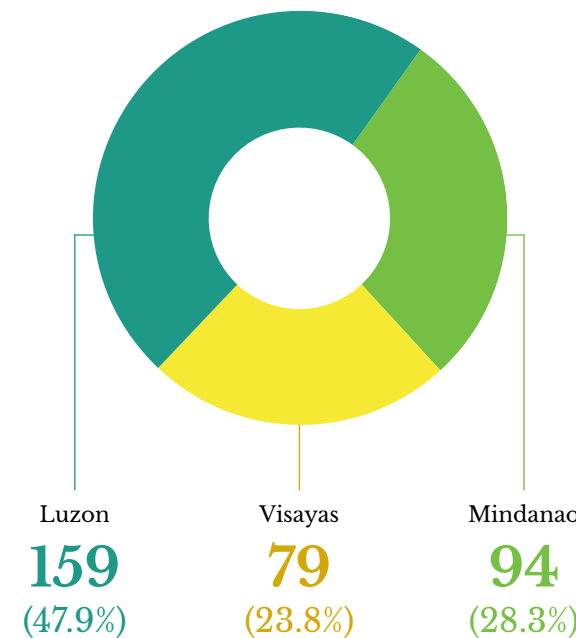
 **3,474.2**
MEGAWATTS OF
ELECTRICITY



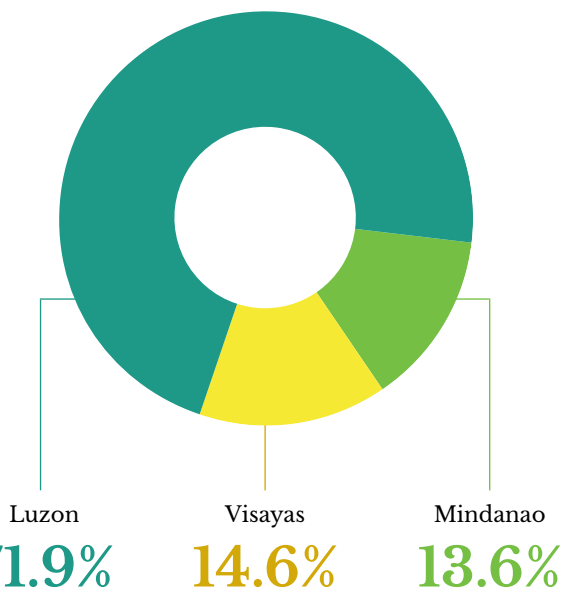
The Philippine Power Industry in Numbers

Currently, First Gen exclusively serves the Philippine market. There are 357 power stations in the nation as of November 2023, totaling 28,359MW of generating capacity. As of 31 July 2023, there are 119 retail power suppliers and 3,227 customers in the Luzon and Visayas regions who are eligible for contestability. We present the important details of the Philippine Power Industry to put First Gen's national contribution and the available opportunities into context.

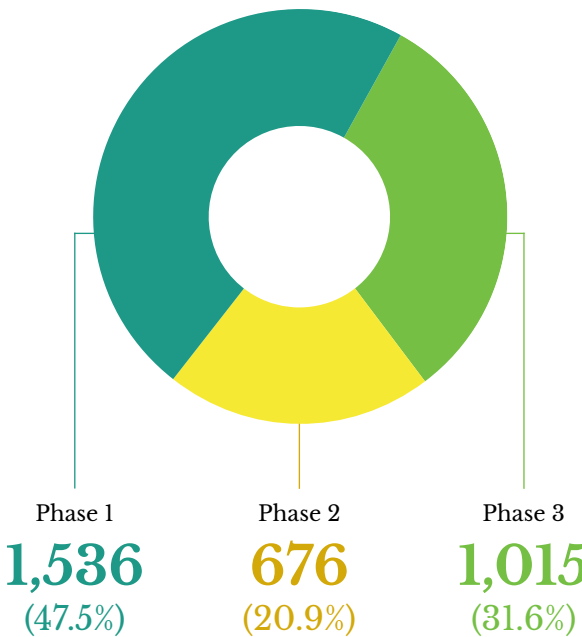
TOTAL POWER PLANTS IN THE PHILIPPINES
(as of November 2023)



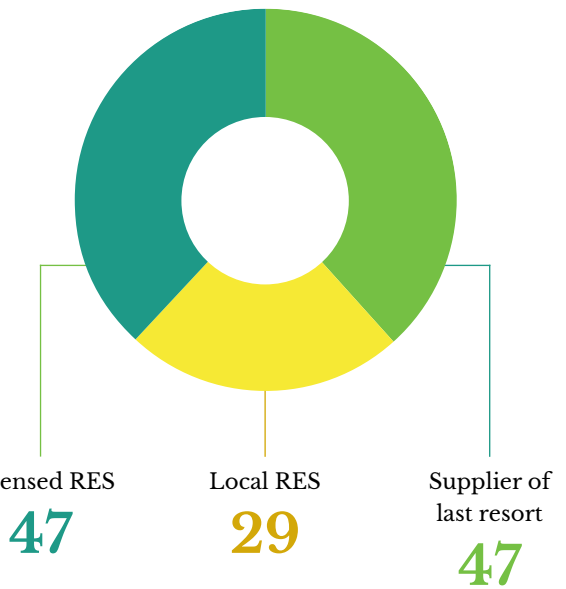
TOTAL GROSS ELECTRICITY GENERATION
IN THE PHILIPPINES
(January to December 2023)



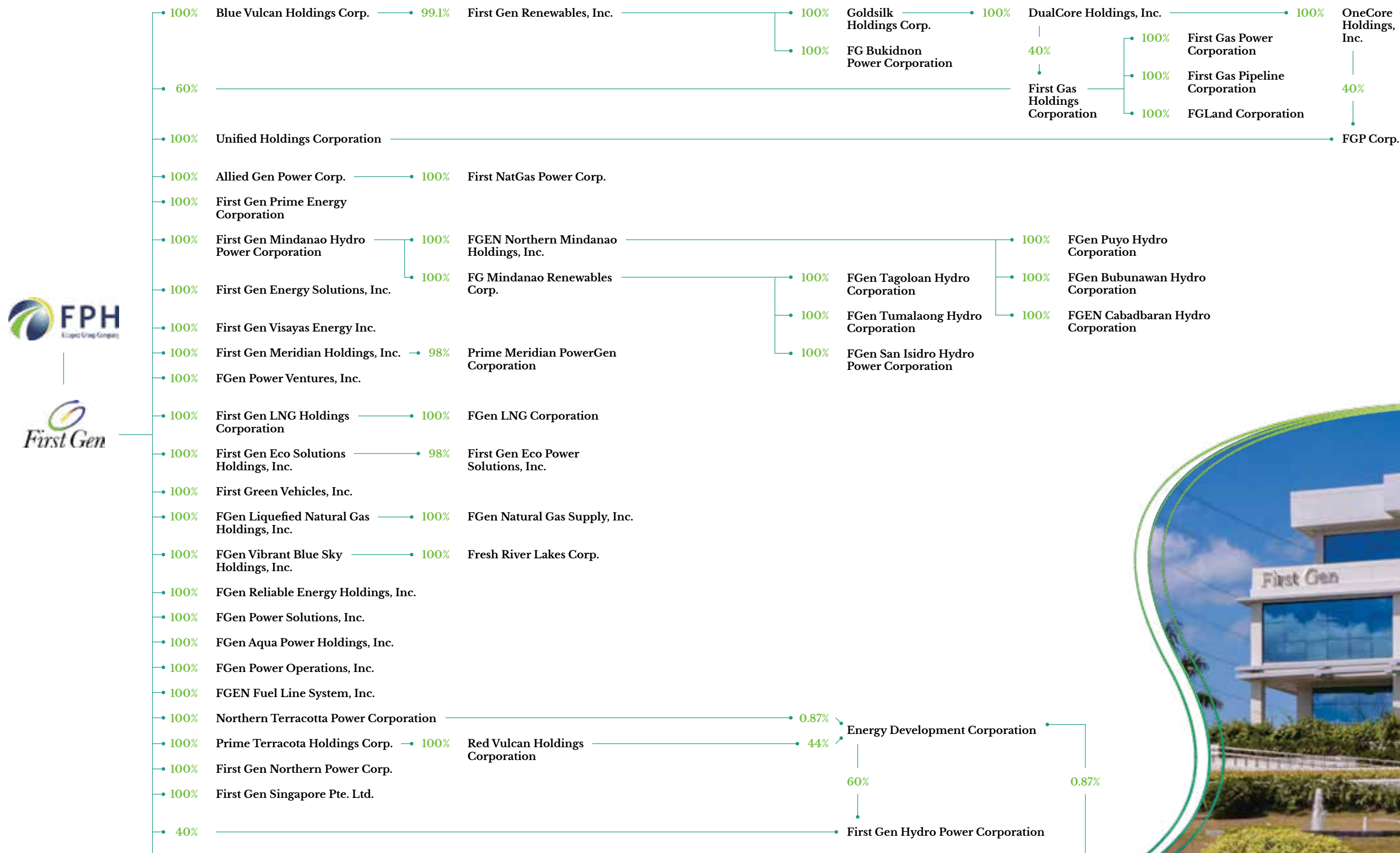
NO. OF CONTESTABLE CUSTOMERS BY PHASE
(as of July 31, 2023)



NO. OF RETAIL ELECTRICITY SUPPLIERS
BY SEGMENT
(as of July 31, 2023)



Organizational Structure



Chairman's Message



2023 was a harsh year for our planet. It was the hottest year on historical record by a substantial margin of +0.15°C over the previous high set in 2016; and it's most likely the hottest year in the last 100,000 years. It's no exaggeration that every person from every corner of the world has experienced this past year the "unprecedented fury" unleashed by all the extreme weather events that have been increasing and occurring more frequently, "supercharged" by climate change.

- Scorching and prolonged heatwaves were felt across the continents, setting new temperature records in Southern Europe, North Africa and the Middle East and in countries like the US and China.
- Raging wildfires such as in Maui Island, Canada, and Greece were considered the worst and the largest experienced in these areas, burning down forests, properties, and even claiming lives.
- Powerful hurricanes, cyclones and typhoons swept across the various regions, causing devastating floods like *Cyclone Freddy*, which was one of the longest lasting cyclones that lasted for 34 days. Another storm, *Daniel* brought record rainfall in Libya that overwhelmed dams and caused deadly flooding as more than 4,000 people died and over 10,000 more went missing. Tropical cyclone *Mocha* hit Myanmar and affected some 800,000 people in the region. Typhoon *Mawar* lashed out in Guam and was the strongest storm to affect the island since 2002. It also affected the Philippines as *Super Typhoon Betty* with a peak intensity of 215kph.
- There were intense rainfall and extreme precipitation too, that caused flash floods in New York, Hong Kong and parts of Northern Europe.

The extremely high temperature also contributed to record breaking levels for ocean heat and acidification, sea level rise, Antarctic sea ice loss and glacier retreat. What scientists have been fearing and warning us on the devastating effects of climate change continue to unfold every single day now, highlighting our own vulnerabilities to the powerful wrath of nature. We are in the midst of a climate crisis that we ourselves have caused and the cost of further inaction can only be catastrophic.

What's more, the 2023 Global Stocktake (GST) revealed that the world is not on track on limiting global warming to 1.5°C. The GST is a core component of the 2015 Paris Agreement that assesses each country's progress on climate action and encourages them to augment their climate goals. The slow mitigation could have been compensated by adaptation to shield us from the worsening climate change impacts, but the UN Environmental Programme (UNEP) Adaptation Gap Report of 2023 noted the world is also underfinanced and underprepared from the climate hazards.

Amidst all these, how then can we secure the future of humanity?

What scientists have been fearing and warning us on the devastating effects of climate change continue to unfold every single day now, highlighting our own vulnerabilities to the powerful wrath of nature.

Many scientists have expressed the urgency for more ambitious climate action. In the words of UN secretary general Antonio Guterres: *"Leaders can't kick the can any further. We're out of road."*

At the conclusion of COP28 in December 2023, negotiators from all over the world worked overtime to deliver a new plan to address the mounting crisis posed by human-induced climate change. Key was the agreement to "transition away from fossil

fuels in energy systems" as well as to support vulnerable nations most impacted by climate change through pledges to a loss and damage fund. There was also progress on the \$100.0 Billion pledged by developed nations to finance climate mitigating and adaptation initiatives in developing countries. The Global Goal on Adaptation was also included to encourage "accelerating the use of ecosystem-based adaptation and nature-based solutions."





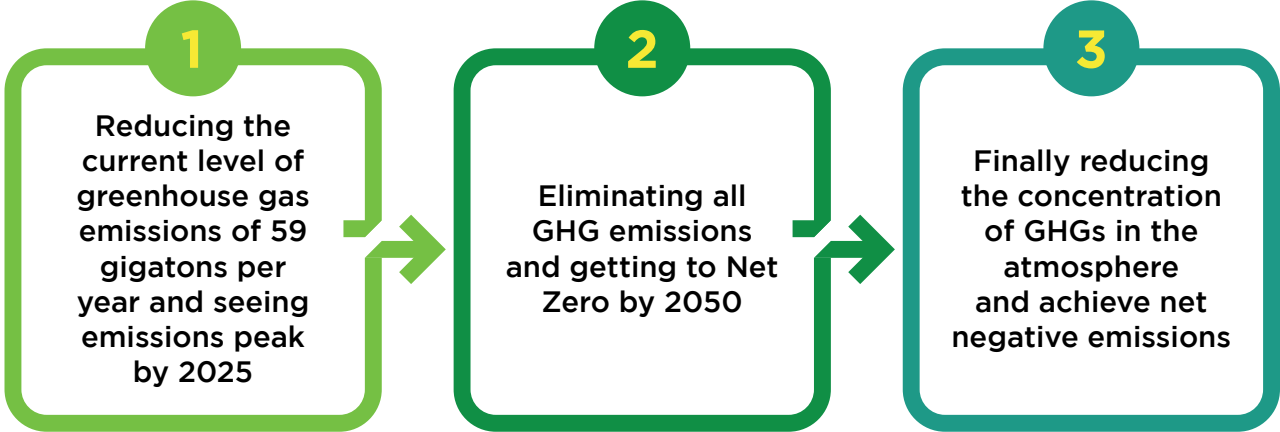
“*We must bear in mind that the ultimate goal is to solve the climate crisis that, by all accounts, is undeniably real and in urgent need of action.*”

For the Philippines, we saw the systematic approach undertaken by our government from updating our National Greenhouse Gas (GHG) Inventory, to the crafting of the Philippine Climate Change Assessment Report 2018-2023

with the help of the Oscar M. Lopez Center, and the completion of the National Adaptation Plan focused on food security, water sufficiency, ecosystem and environmental stability and human security which are all

for release in 2024. We await finalization of the implementation plan of our Nationally Determined Contribution (NDC) to complete the foundation to rally all sectors to climate action. Complementing the government blueprint are planned regulations to align the private sector to this course, borne out of recognition that businesses contribute largely to the national GHG footprint. We also anticipate the adoption by the Securities and Exchange Commission of the international sustainability and climate standards for disclosure based on the prescriptions of the International Financial Reporting Standards Board in June 2023.

At the FPH Group, we’ve been actively speaking about the global Journey to Net Zero through its three phases namely:



We must bear in mind that the ultimate goal is to solve the climate crisis that, by all accounts, is undeniably real and in urgent need of action. We have a narrowing time frame of the next 26 years to make our every action

count and avoid irreversible damage to our planet. Foremost is the need to decarbonize and scale up the greening of our electricity grid. This entails not only changing

the electricity system but building a new global energy system with components we have never built before and at a massive scale. We believe this to be the greatest energy transition in the history of mankind.

“ *Our diverse portfolio of clean and renewable energy sources allows us the best opportunity to shepherd our country’s energy transition to Net Zero.* ”

Our diverse portfolio of clean and renewable energy sources allows us the best opportunity to shepherd our country’s energy transition to Net Zero. Aligned with the Philippine Energy Plan, we’ve set our target to grow our low carbon energy portfolio to 13,000MW by 2030, of which 9,000MW will be from renewable energy. We’ve lined up our expansion and growth projects utilizing our various fuels of geothermal and hydro and we are eyeing to expand our solar and wind power facilities through several service contracts in various sites all over the country that will be explored in the next few years.

Still, we recognize the importance to keep the lights on during this

energy transition, more so with the imminent depletion of our Malampaya natural gas reserves. In 2023, we completed our LNG terminal facility situated at the First Gen Clean Energy Complex and ushered our floating storage and regasification vessel, the BW Batangas into the Batangas Bay. We’ve begun importing LNG for testing and commissioning, and the LNG facility is ready to make up for any shortfall in Malampaya production and to continue to power our natural gas plants. This early though, we are looking at new technologies and alternative fuels to repower our natural gas plants, consistent with our own commitment to Net Zero by 2050. At Energy Development

Corporation, we’ve embarked on a massive multi-year well-drilling operation to expand output for our various geothermal power plants to ensure a more steady and reliable supply from one of the few renewable energy sources capable of delivering power on a 24/7 basis. In May 2023, we won the bid for the 165-MW Casecnan hydro facility that, in combination with our Pantabangan-Masiway plants and our planned Project Aya pumped storage facility, gives us control over such a unique hydro asset complex. With the turnover of Casecnan in February 2024, we are now working to realize synergies in our hydro operations to supply the country’s growing demand for clean energy.

“ *We recognize though that it takes more than energy security and energy transition to stabilize the distressing state of the climate.* ”

As we clean up our energy grid, we are also working to scale up energy efficiency as the “first fuel” and encourage its use everywhere. Today these efforts are still sparse and fragmented but have great potential to reduce carbon emissions and bring real cost savings and enhance the bottom lines of our customers. We’ve been developing our own arsenal of solutions such as rooftop solar, remote energy monitoring systems that allows consumers real-time monitoring of energy consumption, energy efficiency audits and solutions for commercial and industrial establishments, and distributed microgrids and resilient power solutions that can deliver reliable electricity all with the view to address the many pain points experienced by consumers.

We recognize though that it takes more than energy security and energy transition to stabilize the distressing state of the climate. While addressing the climate crisis feels such a daunting task, we remain optimistic and hopeful. Our FPH Mission “to forge collaborative pathways to a decarbonized and regenerative future” continues to guide our path and we reaffirm our commitment to collaborate with our stakeholders, the government and the global community in the continuing fight to secure our future. Thank you for your continued and unwavering trust and support.


FEDERICO R. LOPEZ
 Chairman and Chief Executive Officer
 First Gen Corporation

President's Message



Dear Stakeholders,

The year 2023 depicts a picture of irony. While the climate crisis rages on, we at First Gen made significant headway on our decarbonized and regenerative mission. We continued to execute our strategic and operational initiatives and delivered solid financial results. It's a disorienting, uncomfortable reality where we have achievements worth being proud of, yet are set against the backdrop of persistent environmental, social, and economic threats.

Every year, new horrors are brought to life: wildfires raging in the West; super typhoons battering those like us in archipelagic countries; and record-breaking temperatures scorching the globe. Sadly, the most vulnerable populations are unfairly hit the hardest.

This growing climate threat has catapulted humanity into “the era of global boiling”— borrowing the words of UN Secretary-General António Guterres. May 2023 presented the highest heat index on record for the year, with several days classified as “dangerous” by PAGASA (Philippine Atmospheric, Geophysical and Astronomical Services Administration). Several locales experienced scorching heat indexes in the 42 to 51 degrees Celsius range. Shortly after, the country was hit by Super Typhoon Egay (international name Doksuri) in July, battering the agricultural sector in the northern Philippines with gusty winds of up to 240 kilometers per hour.

In the face of multiple crises, carrying our mission feels like Sisyphus' tiresome task of pushing a boulder uphill only for it to drop back down and then having to start over. UN Secretary-General Guterres' message reminds us that while there is progress, current practices are not enough to address the climate crisis. Scientists have long been warning us of the irreversible progression and what actions must be taken to prevent further catastrophe. We actually know what needs to get done.

“

First Gen's response to energy security requires a method of mindfulness.

”

ADDRESSING ENERGY SECURITY WITH CLEAN AND RENEWABLE SOLUTIONS

Climate solutions must be tailored to a country's individual context. Our unique scenario makes us ask: how do we decarbonize in a just manner while addressing the need for energy security?

Countries like the Philippines are constrained with limited fossil fuel reserves (Malampaya natural gas supply has been in decline and most of our country's coal needs are imported from Indonesia). This is an ironic blessing given the Government's policy to decarbonize the country's energy systems. Indigenous, renewable sources of energy—be it geothermal, solar, wind, or hydro—can be readily tapped given the right policies and incentives. Intermittent solar and wind in combination with battery storage is one of many logical solutions as their costs to build drop making them even more affordable.

First Gen's response to energy security requires a method of mindfulness. As reported in last year's annual report, the Department of Energy released an updated Philippine Energy Plan 2020 to 2040 in 2023 (PEP) that outlines the national goal of 35 percent renewable energy power generation by 2030 and 50 percent by 2040. For First Gen to make a difference and be relevant, it will need to grow its portfolio by almost four times from the current 3.5GW to as much as 13GW by 2030. Given the Government's coal moratorium, the PEP indicates supply growth to come primarily from renewable energy combined with additional gas-fired plants. This is very much consistent with First Gen's current portfolio and capabilities. And even if the Government's timeline seems optimistic or unrealistic, First Gen nonetheless needs to possess the capability to pursue numerous projects simultaneously in an agile manner. In other words, we will need to be ready to go when the opportunity presents itself.



FIRST GEN'S 2023 NOTEWORTHY ACTIVITIES:



Some of First Gen's 2023 noteworthy activities and achievements were as follows:

- First Gen's gas-fired portfolio continued its steady supply of electricity to its customers but needed to address its long-term fuel supply risk. This risk was addressed by securing for itself a continuing supply of natural gas from Malampaya despite its decline. Gas supply will be supplemented with imported LNG upon the completion of the LNG regasification terminal. With the eventual expiry of its power sales agreements, First Gen is now more solidly positioned to recontract the output of the plants to sustain the value of the gas portfolio.
- First Gen's geothermal subsidiary, EDC, is scaling up its well drilling campaign that will require it to undertake an extensive 40-well drilling program over the next three years. This will supplement the steam requirements for its expanding power generation fleet to deliver the increasing demand for 24-hour baseload renewables to its customers.
- First Gen competed for and won the bidding for the 165-MW Casecnan hydroelectric plant as part of the Government's privatization plan to deliver more renewable electricity to its growing customer base.

SECURING GAS SUPPLY THROUGH LNG AND SUSTAINING VALUE OF THE GAS PORTFOLIO

We are pleased to report that after more than ten years of careful planning and intensive development effort, First Gen completed the construction and commissioning of its landmark LNG regasification terminal in the First Gen Clean Energy Complex in Batangas City. At an estimated cost of USD370 million, this strategically important infrastructure, comprising a totally reconfigured multipurpose offshore jetty and the BW Batangas floating storage regasification vessel (FSRU from BW Resources of Norway), assures the Philippines of its needed natural gas supply for First Gen's existing plants and potentially additional gas-fired power facilities as needed in the future.

First Gen successfully received its first LNG cargo delivery at Subic in August 2023 and completed subsequent deliveries of LNG cargoes in its Batangas complex in December 2023 and February 2024. First Gen has established a track record of buying spot LNG cargo in the international market and is currently in discussions with key players for succeeding LNG cargoes to supplement Malampaya in the medium to long term.

First Gen's current gas-fired power plants comprising Santa Rita, San Lorenzo, San Gabriel, and

Avion have been tested to run simultaneously on Malampaya and regasified LNG with varying specifications to ensure continuity of energy production for its customers. The Santa Rita and San Lorenzo plants comprising six 250+ MW units have the added unique technical benefit of being triple-fuel capable (with Malampaya, LNG, or liquid fuel, if necessary). LNG will also pave the way for the potential expansion of the two by 600-MW Santa Maria project to address the country's future power needs.

In addition, First Gen continues to collaborate with the Department of Energy and the new Malampaya SC38 operators to shepherd the remaining production of domestic natural gas as it steadily declines. As part of its fuel supply strategy, First Gen signed a 15-year terminal lease agreement with Gas Aggregator Philippines Inc. of Prime Infra for gas aggregation services and terminal tolling arrangement subject to mutually satisfactory commercial terms and conditions.



STEPPING UP OUR
GAME WITH 24-HOUR
RENEWABLE GEOTHERMAL

We are also reinforcing our ability to supply more 24-hour baseload geothermal energy through First Gen subsidiary, EDC. Significant effort is being undertaken by EDC to increase its geothermal capacity through a major 40-well drilling campaign over the next three years till 2026. This commitment will require EDC to mobilize six drilling rigs (from the usual two) to be operating simultaneously. We will see four drilling rigs operating in our largest concession in Leyte. EDC is also building 83MWs of new geothermal power plants in Leyte, Bacman, and Negros as well as 40 MWh of Battery Energy Storage System (BESS) in the same locations to be commissioned in 2024.

WINNING BID FOR
CASECNAN HYDRO

In addition, First Gen increased its ability to supply renewable energy to its growing customer base when it won the competitive bid for the 165-MW Casecnan hydro power plant in May. In November, it closed a PHP20 billion term loan with BDO and BPI to partially finance the USD526 million acquisition cost. The project was successfully turned over by PSALM to First Gen in February 2024. The Casecnan plant and First Gen's 135-MW Pantabangan-Masiway hydroelectric plant perform synergistically by making use of the large water storage capacity of the Pantabangan reservoir. A plan to construct the 100-MW Aya pumped storage hydroelectric plant in the same area will create a unique and flexible 400-MW total combined hydroelectric facility. In time, we hope to transform the entire site into a RE hub that also integrates other types of renewable sources to benefit First Gen's growing renewable energy portfolio.

First Gen increased its ability to supply renewable energy to its growing customer base when it won the competitive bid for the 165-MW Casecnan hydro power plant in May [2023].

FINANCIAL HIGHLIGHTS

2023 was a financially impressive year for First Gen, reporting a 22% increase in consolidated net income of USD449 million from USD370 million in the previous year. Attributable recurring net income for 2023 of USD277 million (PHP15.4 billion) increased by 4% in comparison to USD265 million (PHP14.3 billion) in 2022. EDC's geothermal portfolio delivered record earnings from its high operating income owing to an improvement in electricity prices. The Parent likewise contributed to the higher 2023 income as it benefited from higher interest income due to high yields from its internally generated cash.

The Company reported USD2,475 million (PHP137.7 billion) in revenues for 2023, a 7% decrease of USD192 million (Php 6.4 billion) from USD2,667 million (PHP144.1 billion) from 2022. The slightly lower revenues are a result of a decrease in revenues across all the platforms. The decline is mostly attributable to lower fuel revenues, which is passed-thru in the form of lower electricity prices for consumers. There was a drop in natural gas and liquid fuel prices globally. There was also lower electricity output sold by the natural gas platform. EDC and First Gen Hydro Power Corporation also had lower sales volumes though partly offset by higher average selling prices. The natural gas portfolio accounted for 65% of First Gen's total consolidated revenues while 32% came from EDC's geothermal, wind, and solar plants. The remaining balance comes from the Company's hydro plants and the Parent.

The natural gas platform reported a 5% decrease in recurring earnings for 2023 to USD184 million (PHP10.25 billion) from USD190 million (PHP10.28 billion) in 2022. The 420-MW San Gabriel Power Plant (San Gabriel), as well as the 97-MW Avion Power Plant (Avion), enjoyed higher recurring earnings

due to the full availability of both plants for the period and lower fuel costs. Both the 1,000-MW Santa Rita and 500-MW San Lorenzo Power Plants earned lower net income mostly due to the incurrence of elevated interest expenses.

FGEN LNG, the Company's incorporated special purpose vehicle for the operations of the Interim Offshore Terminal (IOT) started to generate commissioning revenues from its pre-commercial operations activities. (It likewise booked a receipt of USD25 million in non-recurring other income from construction delay claims.) FGEN LNG generated revenues of USD8 million and a recurring net loss of USD20 million in 2023.

EDC's recurring earnings at USD119 million (PHP6.6 billion) for 2023 was 24% higher than its recurring income of USD96 million (PHP5.2 billion) in 2022. The geothermal power plants under EDC enjoyed higher sales and operating income as they benefited from an increase in electricity prices. Furthermore, EDC had fewer purchases of replacement power due to lower contracted volumes from the expiry of the Unified Leyte PPA in 2022. The 150-MW Burgos Wind Project likewise continued to benefit from an improved wind regime in 2023.

The hydro platform's contribution to First Gen's recurring earnings was at USD4 million (PHP212 million) for 2023, a 23% decline from its 2022 recurring income of USD5 million (PHP267 million). The Pantabangan-Masiway power plants had a reduction in the volume of electricity sold due to the transfer of its power supply contract to EDC last August 2022, as well as low water reservoir levels. The decrease in electricity sold was mostly offset by an increase in WESM volumes sold and lower purchases of replacement power. The decline was likewise buffered by savings in administrative expenses and higher interest income.

“While we are committed to increasing our renewable portfolio, we are also aware of the various challenges that remain to expand renewables on a stand-alone basis.”

THE VALUE OF A CLEAN AND GREEN PORTFOLIO TOWARDS NET ZERO

Over a third of First Gen's portfolio is currently composed of geothermal sources. Dating back to 2007, we foresaw the country's need for clean power. Our capability to grow our clean energy portfolio requires integrating different technologies across varying energy sources to enhance the overall value of a portfolio. Geothermal energy, together with solar, wind, and hydroelectric energy sources, must be harnessed in a way that protects the environment at the same time.

Based on available data from previous years, First Gen is a leading producer of renewable energy in terms of electricity generated. In 2023, our renewable energy portfolio alone generated 7,680.4GWh of RE, which mostly came from our geothermal capacity as the only renewable

energy source that can run 24/7. We own and operate the largest integrated geothermal operations in the country, which, combined with the rest of our portfolio, enables us to lead the industry in terms of the energy generated by our RE portfolio.

While we are committed to increasing our renewable portfolio, we are also aware of the various challenges that remain to expand renewables on a stand-alone basis. It was so important for First Gen to invest in the LNG regasification terminal to secure the fuel needs of our gas portfolio to deliver low carbon electricity to our customers whenever they need it. This unique combination of geothermal with gas technology as part of our portfolio will provide a clear pathway for First Gen to invest in intermittent solar and wind projects as part of a growing renewable-focused portfolio. This is a unique value proposition that we offer our customers.

MOVING FORWARD

Despite the many accomplishments, there are still so many things that need to get done strategically and operationally.

Key strategic themes are as follows:

- We need to secure the value of First Gen's portfolio by engaging with key stakeholders, including customers, suppliers, policy makers, and regulators. Our goal is to not only protect but enhance the uniqueness of First Gen's clean and renewable portfolio combined with value added services.
- We need to optimize First Gen's contracting approach by securing customers of our value proposition at cost competitive prices.
- We need to create additional opportunities for First Gen to grow its clean and renewable portfolio to be ready to proceed with projects that are lined up as the demand of electricity grows with the growing economy.
- We need to accelerate the ability for customers to choose where they purchase their electricity needs from as open access competition progresses.

Key operational priorities are as follows:

- We need to begin optimizing the value of the newly-acquired Casecnan hydro plant.
- We need to focus on the steady execution of EDC's extensive well-drilling program.
- We need to complete the ongoing construction of geothermal and battery storage projects in Leyte, Bacman, and Negros.
- We need to stabilize the operational and commercial arrangement of the gas supply and LNG operations to address the requirements of the First Gen-owned gas-fired power plants.
- We need to prepare the San Gabriel plant's commercial options (which includes short-and/or long-term contracting, ancillary service provider and WESM trading) for its next phase after the expiry of the power supply contract with Meralco in February 2024 and after it completes its 45-day scheduled major maintenance program in time for the hot summer months.
- We need to move ahead with the feasibility and development of First Gen's other wind, solar, hydro, and geothermal service contracts as part of its growth initiative to build towards our 13-GW aspiration.

As the urgency of the climate crisis intensifies, a growing number of customers are specifically sourcing affordable, renewable energy to address their operational and decarbonization ambitions. First Gen's ability to serve this growing customer base will solidify its role as a trusted advisor and partner in their pathway to zero.

At the heart of First Gen lies our customers—our first and foremost priority. Meeting energy demand while keeping to our Mission—“To forge collaborative pathways for a decarbonized and regenerative future”—is critical to our success. We are committed to our role in shepherding the growth of the country's energy sector in a sustainable direction while continuing to provide our customers with reliable and clean energy solutions.

I firmly believe that the Philippines' journey towards a decarbonized and regenerative future is just starting, and I hope that First Gen's actions will steer the country towards that future.

Thank you once again for your continuing support.

Francis Giles B. Puno
FRANCIS GILES B. PUNO
 President and Chief Operating Officer
 First Gen Corporation



Value Creation Approach

First Gen's Integrated Management Framework

In this section, we discuss the core elements of value creation as prescribed in the IFRS-ISSB guidelines.

These elements are also the foundations for First Gen's integration of key corporate functions to ensure that ESG matters are fully embedded in the Company's operations.

The External Environment

This section discusses significant factors affecting the external environment, including aspects of the legal, commercial, social, environmental, and political context that affect the organization's ability to create value in the short, medium, or long term. They can affect the organization directly or indirectly (e.g., by influencing the availability, quality, and affordability of capital that the organization uses or affects).

Transition to Renewable Energy and Threats to Energy Security

As greenhouse gas emissions produced by the energy industry continue to increase, the push towards decarbonized energy has become a more urgent concern for energy providers and stakeholders. The Philippines' transition to mostly renewable energy (RE) as highlighted in the Philippine Energy Plan (PEP) 2020-2040 is being encouraged by the government through various initiatives, which present opportunities for RE developers such as First Gen¹. Through these programs, the country aims to grow its supply of gas and renewable energy sources, which are critical to enabling our clean energy transition in a more secure manner.

Aside from this, the volatility of macroeconomic and geopolitical conditions that we have experience recently also highlights the need to ensure energy security as reported in various sources². Furthermore, the increase in power demand fueled by economic growth emphasizes the need to build reliable power supply, especially considering the intermittent nature of RE sources. As such, the country constantly needs to continue diversifying its power sources, as well as balance the increasing RE dependence with energy security. The introduction of LNG into the Philippines in 2023 was a critical milestone that helped ensure more consistent natural gas supply in the wake of the declining Malampaya Gas Field³, allowing us to continue supporting our growing renewable energy ambitions.

Implications for First Gen:

First Gen's growth strategy, focused on gas and renewables, underlines the Company's continued commitment to balance meeting growing energy demands with our responsibility to move towards eco-friendly energy solutions. This ambition is in line with the Philippine Energy Plan's outlook of a significant increase in gas and renewables between now and 2030⁴. In line with this, our growth will be driven by an increasing proportion of RE, complemented by natural gas, which is currently the best possible option for a transitory energy source to support increasing RE generation. As such, First Gen's now-operational Batangas LNG terminal supports the Malampaya pipeline with stable supply, enabling the country's secure transition to a cleaner energy future.

Source:

¹Department of Energy, Philippine Energy Plan 2020-2040 (updated 2023)

²World Bank, Commodity Markets Outlook, April 2022

³ABS-CBN News, Malampaya gas deposit pressure going down: Prime exec, August 2023

⁴Department of Energy, Philippine Energy Plan 2020-2040 (updated 2023)

⁵World Bank, Atlas of Sustainable Development Goals 2023

Social Environment

Corporate social responsibility (CSR), sustainability initiatives, and ESG, have all become prominent concerns for businesses and their stakeholders, with many companies addressing these concerns through accountability systems like integrated reports. Reporting standards are also changing, with the SEC integrating the International Financial Reporting Standards (IFRS) into its Sustainability Reporting (SR) Guidelines. All these support a more prominent focus on sustainability and good business practices.

Moreover, customers are also showing an increased preference for more responsible goods and services, including clean energy solutions as reported by International Energy Agency (IEA) and other sources⁵. Buoyed by an increased awareness of the climate change risks associated with coal-derived sources, the power sector is at the forefront of this transition in awareness. Energy providers must now be transparent about

the full impact of their operations on the environment and assure their stakeholders that the generated supply does not tax the surrounding natural resources.

Outside climate change, there is an increased awareness on the impact of businesses and industry to the environment, society, and other various stakeholders - creating urgency for companies to become more responsible corporate citizens.

As a country at risk of being drastically affected by the worsening effects of the climate emergency, the Philippines must grow in a direction where it can still meet the demands of its citizens while also moving towards an eco-friendly future.

Implications for First Gen:

First Gen reinforces our purpose of creating symbiotic, mutually beneficial relationships with nature and society that benefit

more than just our shareholders. We believe that businesses today must urgently become a regenerative force that elevates everything that they touch—customers, employees, suppliers, contractors, the environment, communities, and investors.

We are aware that, as we grow and evolve as a company, our impact on the climate, environment, and communities will also grow. Guided by the Pentad framework, which serves to harmonize needs of different stakeholders and the environment, First Gen continues to focus on developing total stakeholder value, particularly on improving our impact on the environments and people we work with.

First Gen will continue to build strong partnerships with local communities, our stakeholders, and shareholders in pursuit of a harmonious relationship with nature while still meeting the demands of our customers.





Environmental and Planetary Context

The United Nations Climate Change Conference (COP 28) upholds that the rapid decarbonization of energy systems is key to lowering emissions and that clean energy sources are the best way of achieving this goal. However, this transition towards clean energy should also keep the energy security of customers in mind.

The Philippines currently has an INFORM Risk Index rank of 29 out of 194, marking it as highly vulnerable to the effects of climate change despite not ranking highly in overall emissions. This translates to high risks to the country’s different commercial and industrial sectors, necessitating a reliable energy supply as a cornerstone of climate change mitigation and response.

Implications for First Gen:

As an energy provider, First Gen is keenly aware of our responsibilities to meet customer demand while still adhering to the push towards RE sources. Understanding that the Philippines and, by extension, First Gen’s material assets and facilities are uniquely vulnerable to the effects of climate change is key to crafting the ideal response to meet these responsibilities.

First Gen is committed to our chosen path, in which we will lead the transition to a decarbonized energy system in line with the UN IPCC target of limiting global warming to 1.5°C. Our efforts focus on building our platform of renewable and low-carbon energy assets and complementing them with flexible generation and storage technologies. This commitment to clean energy (among our other efforts to also mitigate our emissions and overall environmental impact) will remain paramount as we aim to grow and expand our operations.

First Gen also supports our own internal response to these climate risks by improving our disaster resilience and preparedness programs and providing our employees with the needed knowledge and training on how to respond to climate threats.



Political and Regulatory Environment

The political landscape of the Philippines has increasingly shifted its attention to a push for RE solutions, with a clear emphasis on giving customers the capability to choose more environmentally conscious energy providers⁷. A good example of this is the PEP, which outlines the national goal of 35% RE power generation by 2030 and 40% by 2040⁶. There are several ongoing programs to support this goal, including:

- Green Energy Auction Program (GEAP): currently finished Round 2 in 2023 and set installation targets for 2024–2026 with a total of 11,600 MW
- Green Energy Option Program (GEOP)
- Ongoing update for the PEP 2050

Regulatory driving forces also push the industry toward a more retail-centric market. Part of this is the Retail Competition and Open Access (RCOA), which is now in Phase 3 and has increased the number of end-users by 3,227 as of July 2023. This will create more choices for consumers, evolving the Philippine energy market into a more customer-centric and fragmented customer base.

The current administration continues to express support for the clean energy transition, including support for additional gas development (e.g., via Malampaya exploration) and renewable progress.

Source:
⁶Department of Energy, Philippine Energy Plan 2020-2040 (updated 2023)
⁷Philippine News Agency, Marcos administration prioritizes cheap, renewable energy, January 2023

Implications for First Gen:

First Gen’s plan for growth is in line with this landscape, as our growth corresponds with the PEP’s ambition of a cleaner energy mix. Moreover, the Company keenly

participates in the markets that are available, as we aim to deliver value to the evolving Philippine energy consumer base.

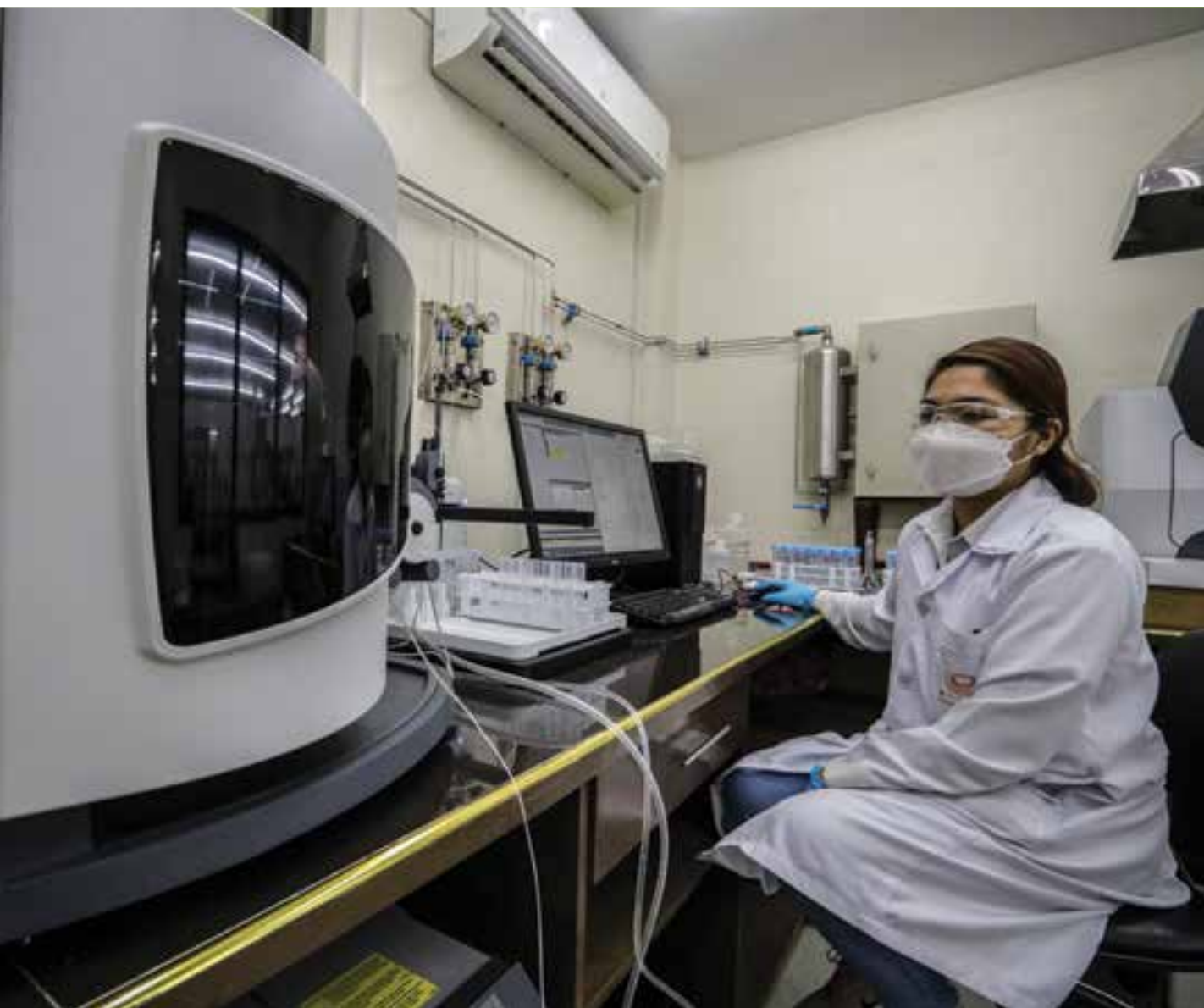


Technological Advancements

2023 saw the resurgence of investments in climate technology and clean energy, including hydrogen and Carbon Capture, Utilization, and Storage (CCUS) solutions⁸. The rapid development and adoption of these technologies are key to achieving a net-zero future. These advancements represent a global shift towards more environmentally-friendly technologies to meet the aforementioned customer demand and address growing concerns about climate change.

Implications for First Gen:

First Gen is constantly monitoring the progress of these technologies and the possibility of adopting them to help achieve our growth and decarbonization goals as well as reduce the carbon footprint of our assets.



COVID-19 Pandemic Recovery and Hybrid Work Set-ups

As the Philippines continues to move towards a new normal beyond the COVID-19 pandemic, businesses are increasingly implementing Return-To-Office (RTO) and hybrid work setups. This translated to elevated Wholesale Electricity Spot Market (WESM) prices in 2023 and even outage incidents earlier in the year due to the supply's inability to keep up with the surge in demand as reported in local media throughout the year⁹.

Implications for First Gen:

Despite these changes and surges in demand, First Gen was able to maintain reliable operations while also continuing with our own health and safety protocols. Our internal operations also implemented a flexible work-from-home (WFH) setup to help our employees better manage their time and workloads, in addition to supporting their mental health. Moving forward, our additional investment in RE solutions can help sustain the growing energy demands of our customers as their work schedules normalize.

As an energy provider, First Gen remains committed to helping the Philippines move towards sustainable and regenerative energy via its investments in RE solutions. With the joint operation of our zero-carbon plants and our newest natural gas facilities, we recognize and uphold the role the Company plays in steering the country's energy sector toward a future that can support the energy needs of the nation.

Source:

⁸PWC, State of Climate Tech 2023

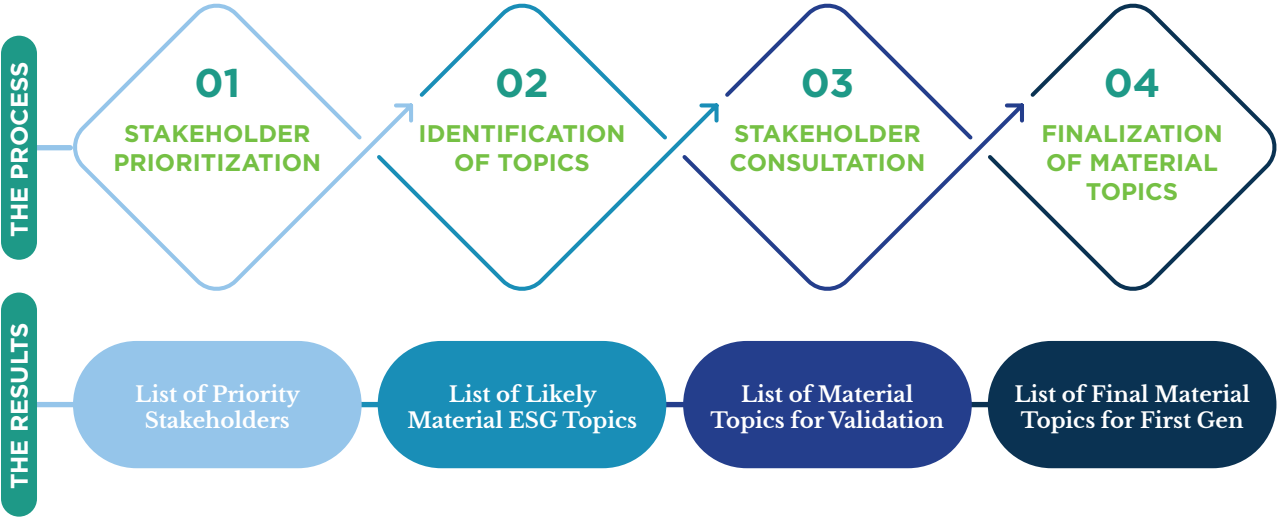
⁹Inquirer, Red alert raised in Luzon grid – NGCP, May 2023





First Gen's 2023 Materiality Determination Process

First Gen commissioned the University of Asia and the Pacific - Center for Social Responsibility (UA&P-CSR) to identify key ESG issues that impact our ability to create value for our stakeholders and for the Company itself using the Double Materiality Assessment. The last materiality assessment was conducted in 2020, during the height of the pandemic and has now been updated for 2023.



Stakeholder Prioritization

The stakeholders involved in the 2023 materiality assessment represent the individuals or interested groups that are affected or could be affected by the organization's activities. This perspective helps the Company better determine how to successfully implement our strategies and achieve our goals.

With the support of the departments responsible for stakeholder relations, we identified the list of actual stakeholders. Stakeholders were listed and grouped based on the following criteria: 1) interest, 2) benefit, and 3) contribution to the value created by the Company over time. Each stakeholder group was rated based on 1) how each stakeholder group affected the Company's capacity to generate value over time, and 2) how the Company affected each stakeholder's capacity to generate value over time.

The prioritization process determined the inclusion of these stakeholders, listed as follows:

FINANCIAL STAKEHOLDERS	SOCIO-ECONOMIC AND ENVIRONMENT STAKEHOLDERS
Investors	Employees
Customers	Government/Regulators
	Communities/Non-Government Organizations
	Vendors/Consultants/Auditors/Training Partners/Insurance Groups/Media

Identification of topics

The topics subject to the 2023 assessment cover the entire sustainable business model and are classified into three categories: environment, social, and governance topics.

In defining the ESG topics, multiple sources were considered by UA&P-CSR.

The instruments used include the following:

- the topics of greatest interest to sustainability rating agencies;
- industry benchmarking studies of local and international peers;
- Integrated/Sustainability Reporting standards and frameworks such as GRI, SASB, TCFD, and <IR>.

Stakeholder Consultation

The priorities assigned to the topics were identified through the administration of a survey questionnaire designed by UA&P-CSR. A total of nine consultations covering the internal and external stakeholders from the head office and all plant sites were completed. Overall, there were 232 survey respondents who participated.

The survey questionnaire has each topic identified and rated based on the following:

- impact on Company's ability to generate financial value
- impact on Company's key stakeholders

Finalization of material topics by Senior Management

The Sustainability Technical Working Group facilitated the discussion and finalization of ESG material topics with senior management.

After finalizing the list of topics, there were a total of 32 ESG topics (8 Environmental, 13 Social and 11 Governance topics) that the Company considered material and are as found on the table below. Compared to the 2022 Integrated Report, there was only one topic that was not included which was the management of the COVID-19 pandemic.

MATERIAL TOPICS	KEY INDICATORS
ENVIRONMENT	
Materials	Materials used by weight or volume whether from renewable and non-renewable sources
Energy	Energy consumption within the organization
	Reduction of energy consumption
	Average generation efficiency for natural gas plants
Water and Effluents	Total water withdrawal
	Total water discharged
	Total water consumption
	Compliance with water-related regulatory requirements
Emissions	Gross direct greenhouse gas (GHG) emissions (Scope 1)
	Gross indirect GHG emissions (Scope 2)
	Gross other indirect GHG emissions (Scope 3)
	GHG emissions intensity ratio
	Amount of GHG emissions reductions achieved
	Programs that reduce, eliminate, or prevent pollution at its source
	Amount of nitrogen oxides (NOx), sulfur oxides (SOx), and particulate matter (PM), carbon monoxide (CO) and other significant air emissions such as lead (Pb) and mercury (Hg)
Waste	NOx , SOx, CO, PM, Pb and Hg emission intensity
	Total waste generated
	Total waste diverted from disposal
	Total waste directed to disposal
Climate Action	Description of the impact associated with the climate-related risk or opportunity and method of management
	Long-and short-term strategy or plan to manage Scope 1 emissions
	Strategies or plans to address air emissions-related risks, opportunities, and impacts
Environmental Compliance	Number of incidents of non-compliance with environmental permits, standards, and regulations
Biodiversity	Size of restored and protected areas
	List of environmental programs
	Number of kilometers of foot and drone patrols
	Number of seedlings generated
	List of information, education and communication (IEC) advocacies to promote species conservation

* For timeline of impact: Short Term (1-5 years), Medium Term (5-10 years), Long Term (10 or more years)

Disclosure related to this topic is under Occupational Health and Safety while an additional four (4) topics were no longer material as a result of the exercise. There are four new topics that made it for the first time on the 2023 final list of materials namely tax, sustainable finance, market presence and indirect economic impacts.

CURRENT IMPACT ON VALUE CREATION	TIMEFRAME OF IMPACT*	LINK TO STRATEGY	LINK TO OUTLOOK
Decrease in use of materials needed for the power generation process	Short to Medium Term	Grow our portfolio to 13GW	Expanding and upgrading our clean energy asset profile
Increase in the use of renewable materials			
Decrease in energy consumption that comes from fuel	Short to Medium Term	Create Total Stakeholder Value	Using technical, commercial, and technological improvements to enhance our portfolio's carbon intensity
Electricity is a crucial component of our operations.			
Decrease in water consumption of our operations particularly in our natural gas and hydro plants.	Short to Long Term	Create Total Stakeholder Value	Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement
Decrease in Scope 1 emissions which is the primary byproduct of the power generation process	Short to Medium Term	Grow our portfolio to 13GW	Expanding and upgrading our clean energy asset profile
Increase in Scope 3 emissions especially on our fuel-related activities as we started to account for this emission		Create Total Stakeholder Value	Using technical, commercial, and technological improvements to enhance our portfolio's carbon intensity
Increase in carbon emission intensity			
Decrease in total waste generated from our operations and activities	Short to Long Term	Create Total Stakeholder Value	Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement
Increase in the waste diverted from disposal by composting and recycling of wastes			
More resilient infrastructure and reliable operations due to implemented measures to mitigate climate-related risks	Short to Long Term	Grow our portfolio to 13GW	Expanding and upgrading our clean energy asset profile
		Create Total Stakeholder Value	Using technical, commercial, and technological improvements to improve our portfolio's carbon intensity
Maintain zero environmental non-compliance in our operations and responding promptly to regulatory changes	Short to Medium Term	Create Total Stakeholder Value	Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement
Sustainment of biodiversity programs that is paramount for the long-term sustainability of ecosystems surrounding your operating assets	Short to Long Term	Create Total Stakeholder Value	Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement

MATERIAL TOPICS	KEY INDICATORS
SOCIAL	
Employment	New employee hires and employee turnover
	Benefits provided to full-time employees that are not provided to temporary or part-time employees
Labor / Management Relations	Minimum notice periods regarding operational changes
Occupational Safety and Health (OSH)	The number and rate of fatalities, high-consequence work-related injuries, recordable work-related injuries, and hours worked and trend
	Number of fatalities and cases of recordable work-related ill health
	Near Miss Frequency Rate
	OSH audits conducted
	List of OSH training conducted for employees and contractors
	Amount invested for implementation of OSH Programs
	List of CESHM Activities and outcomes
	List of occupational health services
Local Communities	Operations with local community engagement, impact assessments, and development programs
	Operations with significant actual and potential negative impacts on local communities
	Amount invested to community per category
Supplier Social Assessment	Number of suppliers that were screened using social criteria
	Percentage of suppliers identified as having significant actual and potential adverse social impacts
Customer Health and Safety	Assessment of the health and safety impacts of product and service categories
Customer Privacy	Substantiated complaints concerning breaches of customer privacy and losses of customer data
Customer Relationships	Number of customers per category
Stakeholder Engagement	Frequency of engagement by type and by stakeholder group
	List of stakeholder group
	List of stakeholders' concerns
	List of engagement channels
Power Supply Availability	Plant Availability
	Plant Reliability
	No. of hours of forced outage
	No. of hours of planned outage
Human Rights	Employee training and number of hours of training on human rights policies
	List of initiatives and outcomes
	Number and percentage of operations subjected to human rights review or impact assessment
Training and Education	Average hours of training per year per employee
	Programs for upgrading employee skills and transition assistance programs
	Percentage of employees per category, by gender and age group
Diversity and Equal Opportunity	Total number of incidents of discrimination and corrective actions taken
	Percentage of women in leadership positions
	Employee male to female ratio by rank and age group

* For timeline of impact: Short Term (1-5 years), Medium Term (5-10 years), Long Term (10 or more years)

CURRENT IMPACT ON VALUE CREATION	TIMEFRAME OF IMPACT*	LINK TO STRATEGY	LINK TO OUTLOOK
Improved quality of service to internal customers, our employees;	Short to Medium Term	Enable the organization	Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement Pushing forward with human capital management development and training
Increased level of employee engagement and experience on "moments that matter" Agreeable working relationships that lead to better productivity and reliability	Short to Medium Term	Enable the organization	Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement
Decrease in the number of injuries and illnesses among employees and contractors Prevention of work-related injuries and illnesses due to reporting of near-miss incidents and the implementation of OSH Management System	Short to Long Term	Enable the organization Create total stakeholder value	Ensuring ESG remains a key priority when it comes to strategy and operation
Support to the community by implementing health, education, livelihood, environment, emergency response and relief, and socio-cultural programs. Agreeable partnership between the Company and host communities	Short to Medium Term	Create total stakeholder value	Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement
Influencing our suppliers and contractors to ensure fair and just treatment to their workers through our vendor accreditation process	Short to Medium Term	Decarbonize through securing regenerative partners	Ensuring ESG remains a key priority when it comes to strategy and operation
Maintain zero non-compliance by ensuring that all of our operating plants were designed and operated per Industry health and safety standard.	Short to Medium Term	Enable the organization	Ensuring ESG remains a key priority when it comes to strategy and operation
Maintain zero breaches of customer privacy through the implementation of our cybersecurity practices.	Short to Medium Term	Enable the organization	Ensuring ESG remains a key priority when it comes to strategy and operation
Customers' appreciation on value added services and increased comprehension on the balance of clean and RE solutions High level of customer satisfaction due to our services and efforts to address their concerns	Short to Medium Term	Decarbonize through securing regenerative partners	Consistent re-evaluation and adjustment of our planning calculations and strategies in response to market dynamics and demand
Increased understanding of stakeholder concerns by utilizing various engagement channels to communicate their subjects of interest or concern	Short to Medium Term	Decarbonize through securing regenerative partners	Consistent re-evaluation and adjustment of our strategies and solutions in response to market dynamics and demand Ensuring ESG remains a key priority when it comes to strategy and operation
Despite the technical challenges faced by the Company's various plants and facilities, some segments have managed to reach or even exceed their goal in delivering reliable electricity	Short to Medium Term	Grow our portfolio to 13GW	By growing to 13GW with a bias for RE, we continue to support the country's growth requirements, with a portfolio driven by clean and renewable energy
Respect of human rights lead to productivity and conducive work environment	Short to Medium Term	Enable the organization Create total stakeholder value	Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement
Improved competency of employees and workers result in increased productivity and efficiency at work, enhanced quality and customer service, and cost effectiveness	Short to Medium Term	Enable the organization	Pursuing a customer-centric mindset through training and development Pushing forward with human capital management development and training
Increased employee engagement and employer branding by through the various programs and initiatives on equity and inclusion	Short to Long Term	Enable the organization	Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement

MATERIAL TOPICS	KEY INDICATORS
GOVERNANCE	
Economic Performance	Revenues per platform
	Consolidated net income
	Net income attributable to equity holders of the parent
	Recurring net income attributable to equity holders of the parent
	Economic Value Generated
	Economic Value Invested
Market Presence	Economic Value Retained
	Ratios of standard entry level wage by gender compared to local minimum wage
Indirect Economic Impacts	Infrastructure investments and services supported
	Significant indirect economic impacts
Tax	Approach to tax
	Tax governance, control, and risk management
Innovation	Initiatives developed and implemented, including business units that benefited and their corresponding outcomes
Sustainable Finance	Employment of capital towards the most cost-efficient and high-return projects aligned with our mission
Business Ethics and Governance	Established governance policies and mechanism
	Whistleblower protection
	Oversight for ethics issues and processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people;
	Policy commitments for responsible business conduct and respect to human rights
	Processes to remediate negative impacts
Corporate Governance	List of Corporate Policies
	Governance structure, including committees of the highest governance body
	Nomination and selection processes for the highest governance body and its committees
	Role of the highest governance body in sustainability reporting
	Expertise of governance body including ESG
Risk Management	Remuneration policies for members of the highest governance body and senior executives,
	Description of key impacts, risks, and opportunities
	Mitigating actions on risks
Data Privacy	Description of risk assessment process
	Number of violations of the Data Privacy Act
Anti-Corruption	Programs on Data Protection
	Percentage of operations assessed for risks related to corruption

* For timeline of impact: Short Term (1-5 years), Medium Term (5-10 years), Long Term (10 or more years)

CURRENT IMPACT ON VALUE CREATION	TIMEFRAME OF IMPACT*	LINK TO STRATEGY	LINK TO OUTLOOK
92% of First Gen's total generated economic value was invested into the economy in the form of operating costs, employee wages and benefits, payments to providers of capital, and payments to the Government	Short to Long Term	Grow our portfolio to 13GW	By growing to 13GW with a bias for RE, we continue to support the country's growth requirements, with a portfolio driven by clean and renewable energy
Maintain high proportion of senior management from local community by prioritizing local hiring with due consideration to local regulations and hiring standards	Short to Medium Term	Enable the organization Create total stakeholder value	Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement
Economic and social progress in the regions in which our Company operates, through financial investments intended to uplift the lives of people	Short to Medium Term	Create total stakeholder value	Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement
Compliance with tax laws through the payment of correct and equitable taxes to the tax authorities, which is essential to nation building and economic growth	Short to Medium Term	Create total stakeholder value	Ensuring ESG remains a key priority when it comes to strategy and operation
Effective carry-out of our operations and utilization of other capitals through digitalization and reliable systems Building a culture of innovation and continuous improvement	Short to Long Term	Grow our portfolio to 13GW Enable the organization	Developing systems and processes to facilitate experimentation and innovation
Optimizing value of the investment to achieve growth and income aspirations	Short to Long Term	Grow our portfolio to 13GW	By growing to 13GW with a bias for RE, we continue to support the country's growth requirements, with a portfolio driven by clean and renewable energy
By implementing its policies, the Company is able to establish mechanisms whereby integrity and ethical business standards are ensured. Likewise, the policies are the Company's instruments to support the maintenance and development of its capitals and monitor the organization's culture	Short to Long Term	Enable the organization	Ensuring ESG remains a key priority when it comes to strategy and operation
Strict compliance with corporate governance regulations and continuous improvement on corporate processes to be at par with global best practices	Short to Long Term	Enable the organization	Ensuring ESG remains a key priority when it comes to strategy and operation
Sustained implementation of mitigating actions for risks that could result in damage or reduced efficiency of power generation facilities causing capacity to be downgraded, operations temporarily stopped or shut down completely	Short to Long Term	Enable the organization	Ensuring ESG remains a key priority when it comes to strategy and operation
Maintain adherence to the Data Privacy Act through protection of our Company's data security and stakeholders' personal privacy	Short to Medium Term	Enable the organization	Ensuring ESG remains a key priority when it comes to strategy and operation
Enforcing our policy commits to ensuring that all business activities are conducted in an ethical manner	Short to Long Term	Enable the organization	Ensuring ESG remains a key priority when it comes to strategy and operation

Corporate Governance

The Management Approach on Governance

First Gen understands the importance of good corporate governance in fostering the Company's long-term success and securing sustained competitiveness in the energy industry. The Company remains steadfast in its commitment to finding resilient and regenerative solutions to mitigate the worsening effects of climate change. First Gen ensures that it strictly complies with corporate governance regulations and continuously improves its corporate governance structures to comply with and even perform beyond global best practices. The Company's governance structure is detailed in its Manual on Corporate Governance, which is available on the Company's website. Details of the Company's governance practices are found in its Integrated Annual Corporate Governance Report, which is likewise posted on the Company's website.

First Gen's approach to corporate governance is guided by the

Lopez Values, adherence to the SEC's issuances on governance, respect for human rights, and our commitment to ESG safeguard principles. Our structure, policies, programs, and protocols ensure the following:

- Full compliance with local regulations and international conventions signed by the country and relevant to our operations;
- Balanced emphasis on financial and non-financial aspects of the Company's business strategy, operations and performance to achieve short- and long-term goals
- Creation of an environment that will protect the rights and allow equal treatment of all stakeholders;
- Sufficient controls that ensure effective management oversight within a culture of honesty and accountability throughout the organization; and
- Robust stakeholder engagement with timely disclosure of relevant information and the installation of necessary feedback mechanisms.

Creating Value Through Governance

Through the Company's governance framework, the Company is able to ensure the proper implementation of its value creation aspirations. The illustration in the following page shows how the Company's strategic objectives are aligned with and support our mission of forging a collaborative pathway for a decarbonized and regenerative future. The Board of Directors and Senior Management constantly engage in critical discussions that guide the formulation and monitoring of strategic goals, priorities, and outcomes of key strategic relevance. These are done through various board meetings wherein key risks, opportunities, and processes of the Company are discussed. A more detailed discussion of the foregoing strategic objectives is provided in the Our Value Creation Approach section on page 96.

MISSION	STRATEGIC OBJECTIVES
Decarbonize	• Expansion of RE-sourced power projects and continuous upgrading and maintaining of existing assets to ensure efficiency and low emissions • Management of risks and opportunities • Compliance with environmental parameters set by relevant regulatory bodies • Increased number of customers availing themselves of clean energy • Promoting our clean, complementary, and rightly-priced portfolio to customers complement by a clean energy portfolio with value-added services and solutions towards becoming a trusted decarbonized solutions provider
Regenerate	• Promoting ESG efforts within and outside the organization including biodiversity programs: BINHI and Center of the Center (COC) • Sustainable programs and campaigns promoting our mission of a decarbonized and regenerative future • Instilling the mission and purpose of the Company in employees through various Company programs

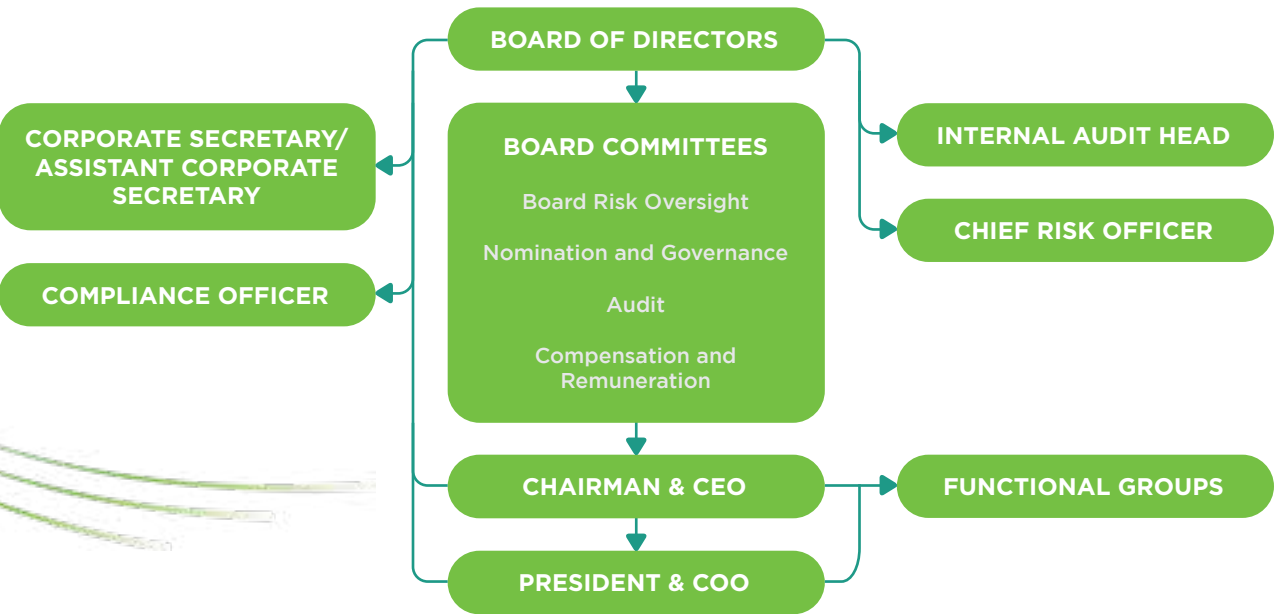
Governance Structure

The Company's governance system plays an important role in identifying the Company's strategic direction. Guided by the Company's Mission, Purpose and Chosen Path, the Company's Board of Directors and Senior Management annually hold planning sessions to assess and identify the overall strategies, capabilities, goals, and direction of the Company. Among the topics discussed during said planning sessions are sustainability,

regeneration and decarbonization. The Company's strategic objectives, such as those discussed in the Our Value Creation Approach section on page 37, are identified through these sessions. Outcomes of the Company's initiatives relative to its objectives are likewise discussed in said section.

The Company relies on decision-making groups that are tasked to provide guidance in identifying and addressing material issues, which

may have a significant impact on the Company. To ensure that these groups are properly equipped to provide solutions and make decisions in the organization's best interests, the Company has in place a collaborative process for effective information exchange and productive consultation. At the initial stage, operating groups are responsible for determining material issues that have to be raised to these decision-making bodies.



Corporate Policies

The Company upholds the principles of honesty, integrity, and transparency in conducting its business. By implementing its policies, the Company is able to establish mechanisms whereby integrity and ethical business standards are ensured. Likewise, the policies are the Company's instruments to support the maintenance and development of its capitals and monitor the organization's culture.

LEGEND:



Financial
Capital



Manufactured
Capital



Human
Capital



Social and
Relationship
Capital



Intellectual
Capital



Natural
Capital

Anti-Bribery and Corruption Policy



The Company's Anti-Bribery and Corruption Policy was established to ensure that Company employees and personnel meet the standards and controls against graft and corruption as prescribed by relevant laws and regulations. Under said Policy, acts or attempts of corruption and bribery should be reported to the Company's Human Resources Department, Internal Audit Group, or the employee's immediate supervisor. The investigation and

punishment (if merited) of any such act shall be guided by the Company's Manual on Corporate Governance, Code on Employee Discipline, and the Revised Penal Code of the Philippines. The Company's Anti-Bribery and Corruption Policy is available on the Company's website.

**For 2023, no incidents involving violations of the Anti-Bribery and Corruption Policy were reported.*

Policy on Insider Trading



The Company's Policy on Insider Trading was established to safeguard the fairness and integrity of the securities market in the Philippines and to protect and maintain the confidence and trust of the Company's investors and shareholders. Under said Policy, the Company's directors, officers, employees, and their respective representatives are prohibited from buying or selling Company securities while in possession of material information not yet generally available to the public. Any act,

attempt or allegation of prohibited insider trading shall be dealt with appropriately and swiftly. The investigation and punishment (if merited) of any act, attempt or allegation of prohibited insider trading shall be guided by the Company's Manual on Corporate Governance, Code on Employee Discipline, the Securities Regulation Code of the Philippines, as well as other laws and regulations pertaining to the said subject. The Company's Policy on Insider Trading is available on the Company's website.

Policy on Conflict of Interest



The Company's Policy on Conflict of Interest was crafted to recognize the duty of loyalty expected from the directors, officers, and employees toward the Company and its shareholders. Under said Policy, directors, officers, and employees shall ensure that they do not have any business interest or activity that will interfere with the proper performance of their duties and functions. Any potential conflict of interest shall

immediately be disclosed. An actual or potential material conflict of interest should be reported to the immediate superiors, Senior Management, or the BOD. The procedure for reporting and the protection afforded by the Company's Whistleblower Policy shall apply in each reported instance of violation. The Company's Policy on Conflict of Interest is available on the Company's website.

Whistleblower Policy



The Company's Whistleblower Policy was established to promote a culture that encourages internal accountability and communication without fear of retaliation. Under the Policy, the identity of the Whistleblower and the information disclosed shall be kept confidential. Moreover, no retaliatory action against the Whistleblower shall be entertained nor tolerated by the Company. Furthermore, the Company shall take disciplinary action against any member who violates the confidentiality of any disclosure including the identity of the Whistleblower, or is found to have committed, initiated, or was otherwise involved in the commission of any retaliatory action against the Whistleblower. The Company shall also take disciplinary action, which may include employment termination, against any person found to

have maliciously made a false or misleading disclosure. A Whistleblower may make a disclosure on any act that:

- is contrary to law and Company rules, regulations, policies, or values;
- adversely affects Company image and reputation;
- is unreasonable, unjust, unfair, or discriminatory;
- has an undue or improper exercise of powers and prerogatives; or
- has similar actions which are against Company interest or contrary to Company values.

The Policy provides a mechanism to address reports on said acts and grievances of any whistleblower. The Company's Whistleblower Policy is available on the Company's website.

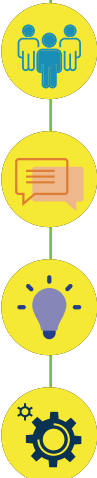
Material Related Party Transactions Policy



The Company's Material Related Party Transactions (Material RPTs) Policy was issued to promote good corporate governance and ensure the protection of the Company's shareholders, especially the minority investors. It covers all entities within the First Gen conglomerate. The Policy states that the Company and its shareholders shall only enter into Material RPTs (as defined in the Policy) when terms and conditions are fair, at arm's length and beneficial to both parties. Under the Policy, the Company's directors have the overall responsibility of ensuring that Material RPTs are handled with integrity and in a sound and prudent manner. The Material RPTs shall also comply with applicable laws and regulations to protect the

interests of the Company's shareholders and other stakeholders. In the case of an abusive Material RPT, a Material RPT found to have been entered into not on an arm's length basis or one which unduly favors a related party, Senior Management shall provide directions on how to cut losses and allow recovery of losses or opportunity costs incurred by the Company. Directors, officers, and employees found to have been remiss in their duties in handling Material RPTs shall be penalized according to the Company's Manual on Corporate Governance, Corporate Code of Conduct and Ethics, and Code of Discipline, as well as other applicable rules, regulations, and policies. The Company's Material RPTs Policy is available on the Company's website.

Responsible Asset Protection Policy



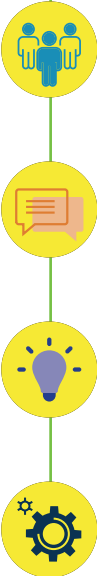
First Gen established its Responsible Asset Protection Policy to protect and promote human rights and safeguard, at the highest standards, the Company’s assets—its personnel, equipment, inventory, information, facilities, and partner communities. In protecting its assets, the Company adheres to the Lopez Values and the Voluntary Principles on Security and Human Rights, which include the following principles: capacity and competency of security personnel; security risk assessment and management; human rights training; and communication, organization awareness, and support. The Company

likewise adheres to applicable national laws and local ordinances in protecting its personnel, assets, and information. A grievance mechanism is offered to ensure:

- a. the complainant’s confidentiality;
- b. a thorough assessment of the credibility and severity of the allegation or incident; and
- c. implementation of appropriate corrective actions, if needed.

The Responsible Asset Protection Policy is available on the Company’s website.

Quality Policy



First Gen developed its Quality Policy to guide the Company in its pursuit of quality performance. The Policy details the establishment and maintenance of a Quality Management System (QMS) that covers asset monitoring and control, development of energy-related businesses, and provision of resource management and support services to all its subsidiaries. Specifically, the Company commits to the following:

- a. providing quality service that ensures customer satisfaction;
- b. enhancing competitiveness by meeting the requirements of international standards and going beyond compliance with legal requirements;

- c. participating in shaping energy industry policies;
- d. adopting the best technology in the power generation industry;
- e. managing the business risks and capitalizing on opportunities; and
- f. implementing consistent best management practices.

In doing its business, the Company commits to protecting and preserving the environment and supporting the communities it serves. As stated in the Policy, First Gen executes the necessary measures to ensure the Quality Policy is understood, observed, and integrated into the employees’ way of life. The First Gen Quality Policy is available on the Company’s website.

Environmental, Safety, and Health Policy



The Environmental, Safety, and Health (ESH) Policy was developed to manifest First Gen’s commitment to protecting and preserving the environment and providing its employees with a safe and healthy workplace. This Policy commits to developing and implementing an environment, safety, and health management system covering all its projects by:

- a. complying with all applicable laws and regulations in the country and setting internal ESH standards;
- b. providing and equipping its personnel with required resources, knowledge, and skill to effectively carry out their functions in a safe manner;

- c. assessing and managing environmental impacts and occupational safety and health risks using appropriate technologies; and
- d. carrying out its ESH programs to ensure the safety and well-being of its employees in the workplace, with efficient resources use.

The ESH Policy is adopted in the operations and activities of the Company’s operating assets. Management ensures that the ESH Policy is communicated to and understood by its employees, contractors, and other stakeholders through orientations, formal discussions, and robust implementation prior to, during, and post-activity engagements. The ESH Policy is available on the Company’s website.

CSR Policy



The Corporate Social Responsibility (CSR) Policy guides the Company’s CSR department and Community Relations (ComRel) teams in developing CSR programs. The Company upholds the CSR principles of the Lopez Group by providing relevant, responsive, and sustainable programs that aim to improve our stakeholders’ quality of life. Specifically, it details the allocation of funds for CSR programs and the monitoring and evaluation of the environmental and social impacts of the Company. The CSR programs are led by the Office of the President, implemented by the CSR and ComRel teams per subsidiary, and complemented by the employees.

The four procedures that are followed when enforcing the Policy are:

- a. stakeholder management, a process that manages the relationship and participation of stakeholders throughout the life of the project;
- b. CSR and ComRel programs, which detail the process of developing, implementing, monitoring, and evaluating the impacts of the CSR programs;

- c. donations and sponsorships, which cover the criteria for the donations and sponsorship requests to pass; and
- d. employee volunteerism, which supports the volunteer activity planning process, the actual volunteer work, and the documentation of contributions and pertinent data by the CSR department.

The Policy includes a stakeholder feedback and grievance mechanism. Through the said mechanism, the Company can document concerns of stakeholders and monitor the actions taken by the Company to address such concerns. The Policy was cascaded across the subsidiaries, new employees, and external stakeholders.

First Gen’s CSR department and the ComRel teams of relevant subsidiaries have a stakeholder map, issue and risk map, stakeholder engagement plan, CSR Plan, and Impact and Risk Monitoring. The CSR Policy is available on the Company’s website.



Cultural Heritage and Indigenous Peoples (IP) Policy



In support of social justice as one of the Lopez Values, First Gen created its Cultural Heritage and Indigenous Peoples (IP) Policy. The Company believes that IP are valuable partners in its areas of operation, with rights to cultural integration and self-determination, and entitled to have their territories upheld and protected. The Policy was issued in support of the Company’s commitment to human rights, equality and diversity, national development, and compliance with relevant national laws and international conventions entered into by the country. The Company also recognizes that the IP’s diverse skills and knowledge can contribute to the Company’s informed planning, management, and implementation of its projects.

In adherence to the Policy, the Company ensures that its projects undergo consultations with IP-recognized leaders and national institutions and agencies responsible for the promotion and protection of IP, as necessary. Consent from IP must be obtained before consultation as stipulated in Republic Act No. 8371 or the Indigenous Peoples’ Rights Act. In case of conflicts or disputes concerning IP, resolutions shall be reached through discourse founded on traditional laws, cultures, and practices, as far as practicable. The Cultural Heritage and Indigenous Peoples Policy is available on the Company’s website.



Gender Equality and Diversity Policy



In becoming a regenerative business that elevates its stakeholders, the Company initiated its Policy on Gender Equality and Diversity, with guidelines focusing on empowering people regardless of their gender orientation. The Company is committed to integrating gender equality and diversity in its operations, programs, and strategies. The Company believes that in doing so, it contributes to the Company’s economic performance and long-term success as well as the realization of the full potential of its employees and stakeholders, which leads to a more inclusive society.

The Policy complies with international guidelines on business and human rights, which uphold the fundamental rights of directors, officers, employees, and stakeholders independent of gender, race, culture, religion, ethnic background, and other affiliations.

Beyond the fundamental responsibilities, the Company recognizes that gender equality and diversity improve employee engagement and performance, and create a more robust learning environment. In turn, the Policy also enhances the Company’s ability to attract and retain employees, as well as increase its economic performance, competitive edge, and overall sustainability. The Company has zero-tolerance for all forms of workplace discrimination, including verbal and physical abuse. The Company facilitates access to a grievance redress mechanism for any complaint and the determination of any corrective and remedial action. The Gender Equality and Diversity Policy is available on the Company’s website.



Human Rights Policy



The Company crafted its Human Rights Policy, which outlines the Company’s commitment to recognize and respect human rights based on the principles and values laid out in the Philippine Constitution and related local issuances; UN Declaration of Human Rights; International Covenant on Civil and Political Rights; International Covenant on Economic, Social, and Cultural Rights; and International Labor Organization Declaration on Fundamental Principles and Rights at Work. These principles and values are embedded in the Company policies and the Code of Conduct that every employee must follow. The Company likewise expects its suppliers and business partners to share these values.

Aside from upholding human rights in and of itself, the known benefits derived from adhering to human rights principles include:

- a. prevention of regulatory risks;
- b. sustenance of business operations;
- c. improvement of stakeholder relations;
- d. strengthened employee engagement;
- e. enhanced corporate image; and
- f. access to a new market for products and services.

The Company shall avoid causing adverse human rights impacts in its operations and, should these occur, it shall facilitate access to a grievance redress mechanism. In addition, the Company shall, to every extent possible, prevent or mitigate adverse human rights impacts in the provision of its products or services. The Human Rights Policy is available on the Company’s website.



Anti-Sexual Harassment Policy

Sexual harassment is an unjust, malicious, and unlawful act that violates a person’s dignity, threatens their sense of security, and poisons the work environment. In establishing the Anti-Sexual Harassment (ASH) Policy, the Company aims to eliminate sexual harassment and build a culture that instills and expects integrity, respects human rights, rejects intimidation, and culls offensive behavior. The ASH Policy’s goal is to create a shared responsibility for the Company’s members

to contribute toward a work environment that is inclusive, productive, promotes employee wellbeing and security, and fosters concern for the Company workforce. The ASH Policy identifies procedures to be followed in investigating and resolving complaints alleging specifically prohibited conduct and emphasizes the education and training of employees as mechanisms for the prevention of sexual harassment. The Anti-Sexual Harassment Policy is available on the Company’s website.



Code of Business Conduct and Ethics

The Company’s Code of Business Conduct and Ethics was established to set the principles and guidelines in the conduct of the Company’s businesses and dealings with its stakeholders. The Code acknowledges the importance of good corporate governance in promoting the interests of its shareholders, customers, partners, employees, and the government. The Code likewise provides that the following values and principles will guide the Company:

- A pioneering entrepreneurial spirit
 - Business excellence
 - Unity
 - Nationalism
- Social justice
 - Integrity
 - Employee welfare and wellness

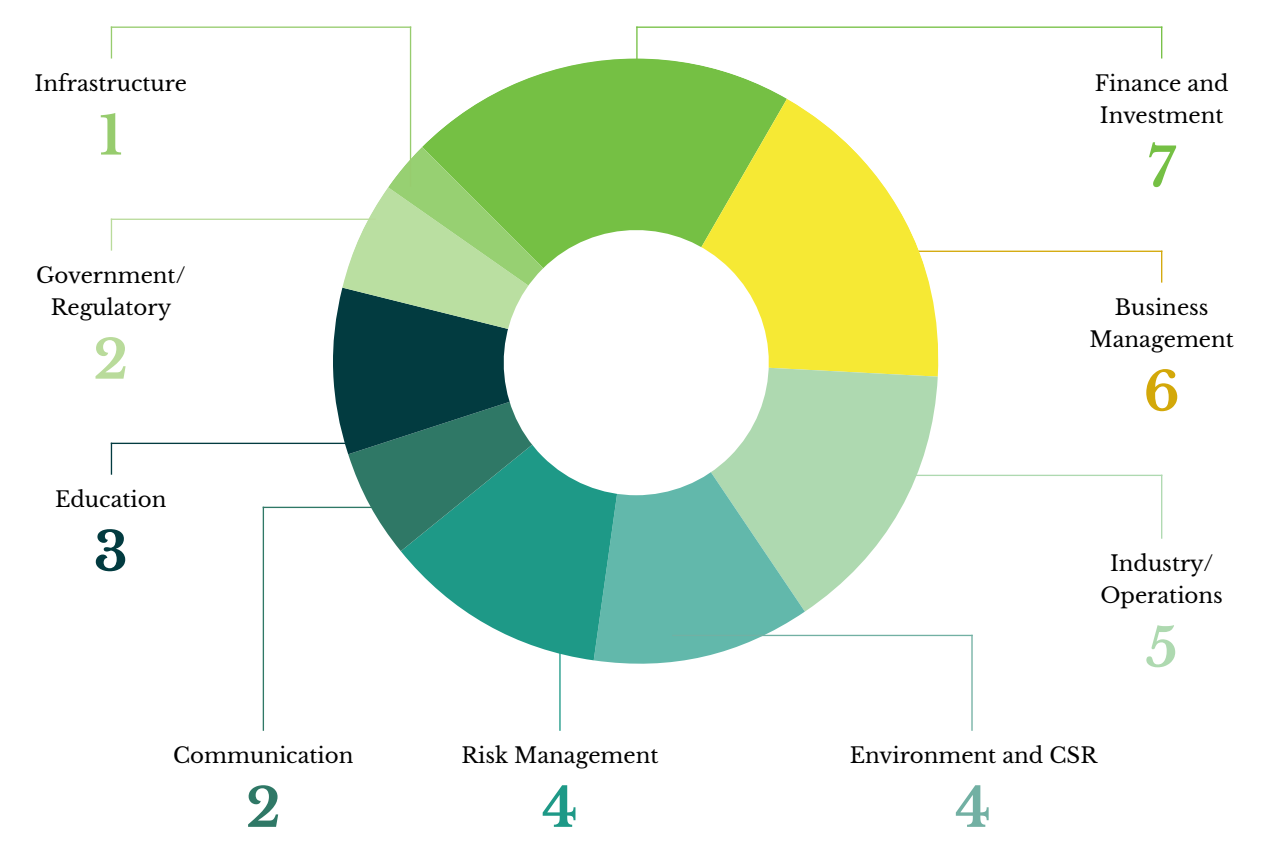


Board of Directors

Board Composition



Board Expertise



Board Committees



In compliance with the Company’s Manual on Corporate Governance, certain members of the BOD have been selected as members of the following standing committees: Nomination and Governance Committee, Compensation and Remuneration Committee, Audit Committee, and Board Risk Oversight Committee.

The **Nomination and Governance Committee** exercises the principal function of selecting and evaluating directors. Qualifications for selection are consistent with the By-laws and Manual on Corporate Governance. The committee ensures that the Board election will result in a mix of proficient directors, each of whom will add value and bring prudent judgment to the BOD. The committee is also tasked with reviewing the structure, size, and composition of the Board and making appropriate recommendations thereto. Furthermore, the committee is tasked with reviewing the recommendations of the Compliance Officer in relation to the Manual on Corporate Governance, as well as other corporate governance rules and regulations, and endorsing the same to the Board for approval.

The **Compensation and Remuneration Committee** has the principal function of studying and recommending the appropriate compensation and/or reward system for corporate officers other than the Chairman. The Chairman’s compensation and remuneration shall be determined by the President and two directors, one of whom shall be an Independent Director. The committee shall establish a policy on the remuneration of directors and officers to ensure that their compensation is consistent with the Company’s culture, strategy, and the business environment in which it operates. Furthermore, it is tasked with reviewing the Company’s human resources development or personnel handbook to strengthen provisions on conflict of interest, policies on salaries and benefits, and directives on promotion and career advancement.

The **Audit Committee’s** primary function is to assist the BOD in fulfilling its oversight responsibilities for financial reporting, internal control systems, internal audit activities, compliance with key regulatory requirements, and enforcement of the Corporate Code of Conduct.

The **Board Risk Oversight Committee** assists the BOD in overseeing management’s activities, including the risk management of the Company’s physical, financial, operational, labor, legal, security, environmental, and other aspects. The committee plays a vital oversight role and serves as an important liaison to the BOD. Under its charter, the committee is responsible for guiding the management through establishing the Company’s risk management philosophy and risk appetite. The committee likewise approves the Company’s risk management policy and processes and any revisions thereto. It also communicates to key stakeholders the status of strategic and critical risks. The committee additionally provides the necessary support and resources to help management address these risks. Periodic reports are required from management to confirm that the Company’s risk management system is operating correctly and consistently with its objectives.

Board Committee Charters may be viewed on the Company’s website.

Board Attendance

	Feb 17	Mar 24	May 17	May 26	Jul 14	Sept 27	Nov 17	Dec 14
Federico R. Lopez								
Francis Giles B. Puno								
Richard Raymond B. Tantoco								
Manuel L. Lopez Jr.								
Elvira L. Lopez								
Manolo Michael T. De Guzman								
Rafael L. Lopez*			N/A	N/A	N/A	N/A	N/A	N/A
Maria Presentacion L. Abello**	N/A	N/A						
Cielito F. Habito								
Alicia Rita L. Morales								
Edgar O. Chua								

* Served as Director until May 17, 2023 ** Elected Director on May 17, 2023

Principal Activities of the Board

As a publicly-listed company in the Philippines, First Gen ensures that its BOD is composed of individuals responsible for managing and driving the corporate governance structures of First Gen. The BOD is responsible for guiding the Company toward fulfilling its economic targets and governance aspirations.

Among the pertinent topics discussed by the BOD during their meetings are: asset performance, status and operations; regulatory

and finance updates; project development; market situation; health and safety programs due to the pandemic; and other issues and concerns as may be raised by the directors and management.

The present BOD of First Gen consists of ten members, including three Independent Directors. All of the directors were elected by the Company’s qualified stockholders during the annual general meeting held on May 17, 2023, except

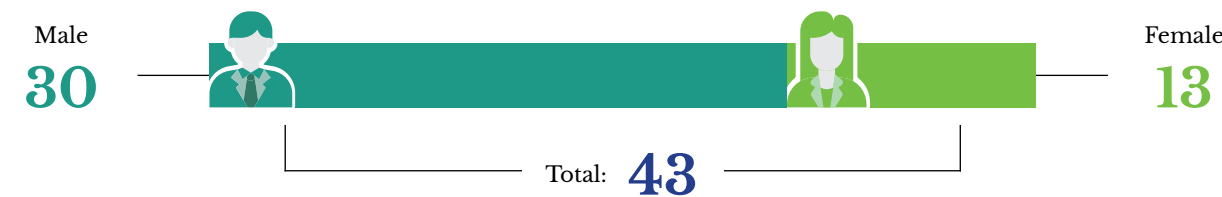
for Director Maria Presentacion L. Abello who was elected by the Board of Directors, still constituting a quorum, following the resignation of Director Rafael L. Lopez. Independent Directors Cielito F. Habito, Alicia Rita L. Morales and Edgar O. Chua have neither interest nor relationship with First Gen that may hinder their independence from the Company or its management or interfere with their exercise of independent judgment in carrying out their responsibilities.

Senior Management

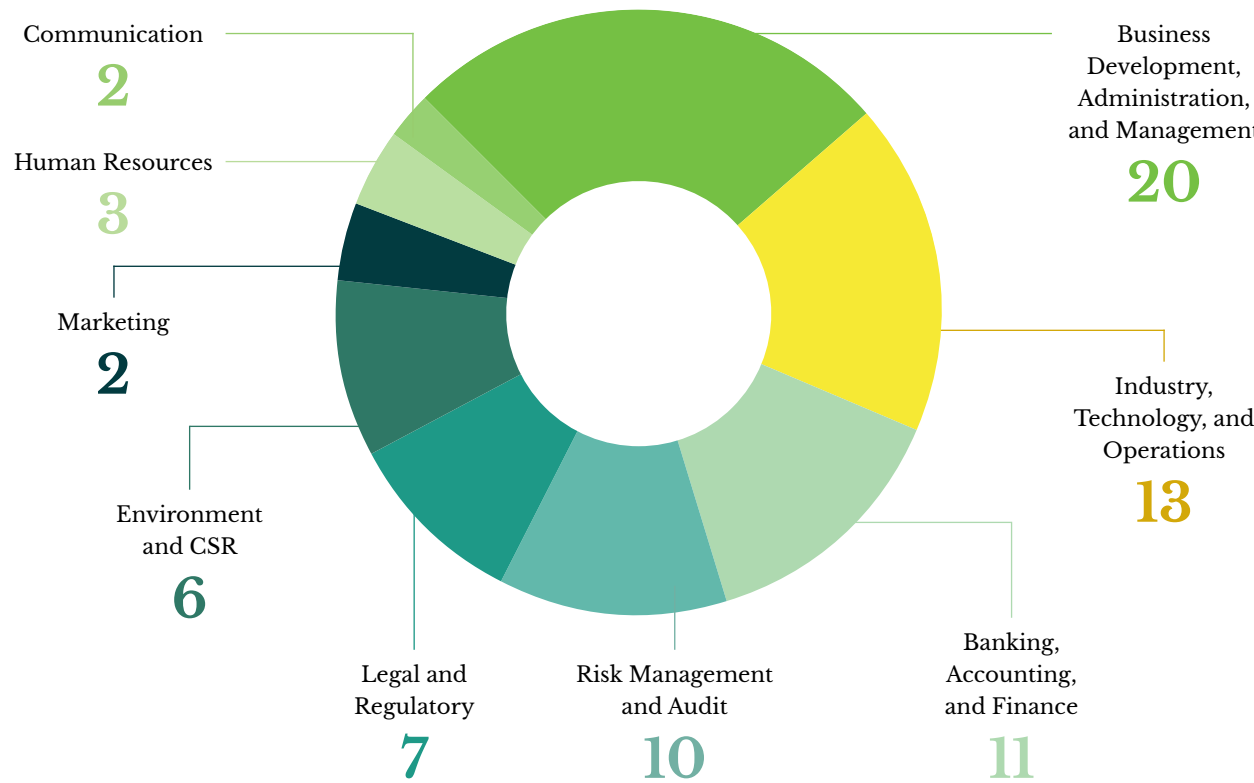
Assisting the Board of Directors in steering the Company toward its governance aspirations are the members of its management. The Board of Directors and Senior Management continuously seek to further improve the Company's corporate governance

structures. With the guidance of the Board of Directors, the Company's Senior Management ensures the promotion and practice of innovation, as well as the management, maintenance and improvement of the Company's capitals.¹

Management Composition



Management Expertise



¹ Information on the performance and activities of the Company is provided in the discussion on Company's capitals in the "Delivering On Our Strategy" section.

Road Maps to Realize Our Mission

First Gen's strategy stems directly from our Decarbonized and Regenerative Mission, as we strive to create enduring value for all our shareholders. As such, our Strategic Positioning is developed in line with our Decarbonization Journey and our Regenerative Road Map.

Decarbonization Road Map

First Gen aims to lead the country's energy transition by continuing the growth of its portfolio with decarbonization in mind. In line with this, we establish our growth ambitions in line with our Decarbonization Road Map, which has three main phases towards 2030:





First Gen Decarbonization Journey



2024

EFFICIENTLY OPERATE LOW-CARBON PORTFOLIO

- Promote energy efficiency and reduction of household consumption
- Electrify operations - i.e., utilize EV for transport
- Expand emissions monitoring and management technologies

2026

DECREASE PORTFOLIO CARBON INTENSITY

- Grow gas portfolio with higher efficiency gas plants
- Grow current renewable energy portfolio
- Explore nature-based solutions

2030 ONWARDS

EXPAND SHARE OF RENEWABLE PORTFOLIO

- Expand RE investments such as solar, wind, and battery storage
- Explore decarbonization technologies (e.g. hydrogen, CCUS) as they reach feasibility

Regenerative Road Map

In addition to our ambitions in decarbonization, we are also aiming to improve our impact to our surrounding environment, communities, and our internal stakeholder. Therefore, our Regenerative Road Map focuses on our ability to elevate all three of our ESG pillars—environment, social, and governance—with the ultimate goal of uplifting all our stakeholders as guided by the pentad framework:

ENVIRONMENT PILLAR

We aim to identify and further improve our performance on key metrics regarding emissions, resource management (including, but not limited to) waste, and water) and biodiversity. Through these, we aim to minimize the impact of our operations, as we pursue energy security.

Furthermore, we find ways to further integrate clean energy solutions and regenerative business models, such as energy efficiency services and businesses with circular economy concepts, into our long-term product and service offerings.

SOCIAL PILLAR

We aim to further our progress on human rights and corporate social responsibility to amplify our impact on all our stakeholders.

In particular, we aim to support our host communities, especially with helping improve their climate awareness and resilience.

As we develop projects and expand our footprint, we also aim to enhance the value we are able to provide to nearby communities.

GOVERNANCE PILLAR

We aim to ensure that our mission is fully ingrained in all organizational levels.

Given this, First Gen aims to be an enabling organization that empowers our employees to fully contribute to our Mission and Purpose.

Across these pillars, First Gen’s Regenerative Road Map aims to contribute to certain Key Focus Areas of our ESG Strategy:

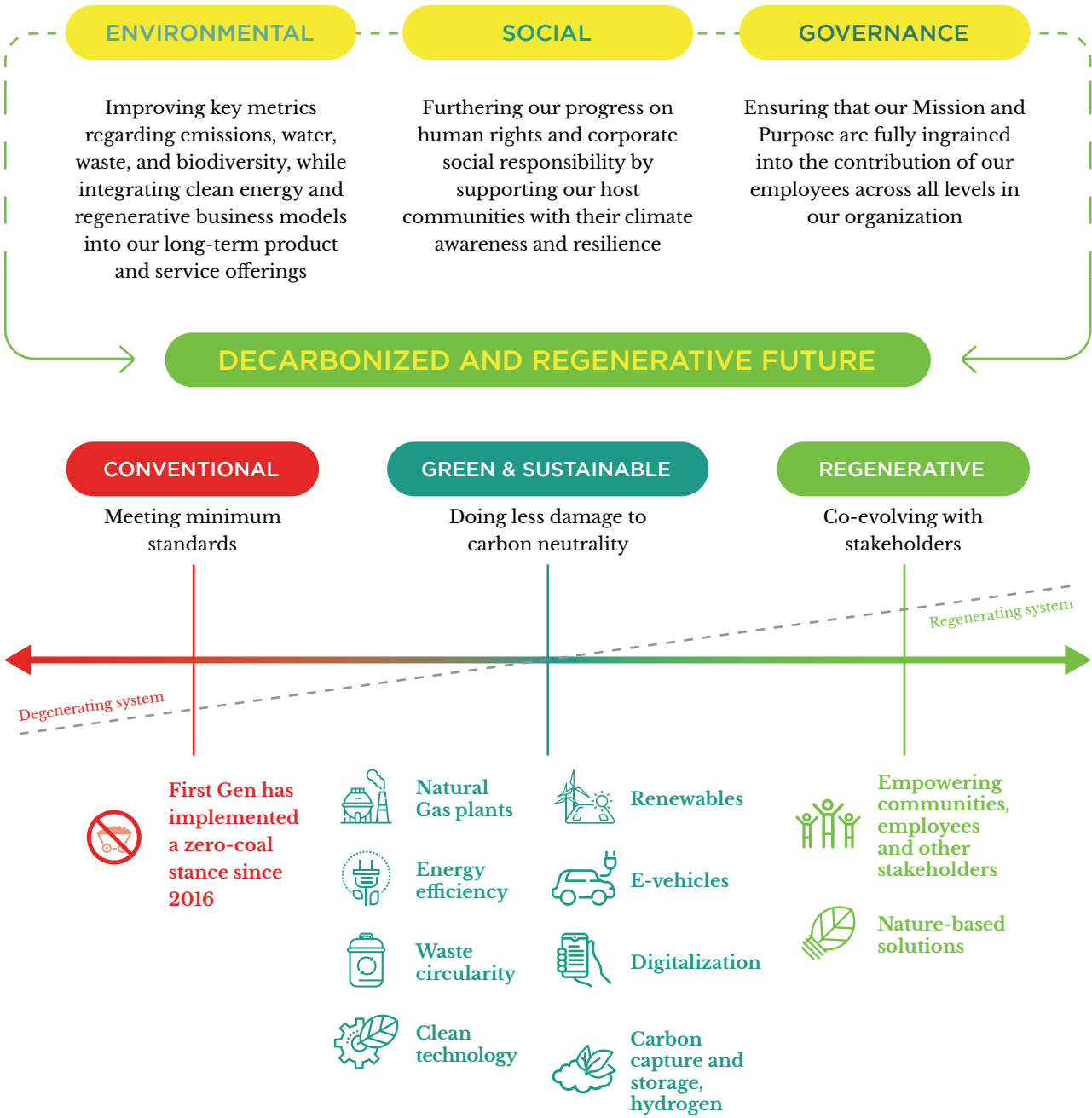
1. **Energy Security and Resource Management** - Delivering low-carbon energy, while minimizing our impact on resources with water and waste management
2. **Preserving Ecosystems and Biodiversity** - Safeguarding our nearby environments and protecting the biodiversity of the various species in nearby environments
3. **Developing Decarbonized and Regenerative Businesses** - Integrating business models that create business value from sustainable and regenerative frameworks
4. **Supporting Climate-Resilient Host Communities** - Empowering our nearby host communities as our partners, ensuring sufficient awareness and resilience to the various impacts of climate change
5. **Enabling Employees** - Becoming an organization that empowers and enables our employees to abide by and contribute to our mission and purpose

Our regenerative journey is a transition from a (i) Conventional System, which meets minimum standards, to our current (ii) Green and Sustainable System, which improves carbon footprints, and ultimately to a (iii) Regenerative System, which co-evolves with stakeholders.

We already consider First Gen as “Green and Sustainable” due to our low-carbon portfolio and ongoing efforts in energy efficiency, waste management, digitalization, and clean technology exploration. Our ultimate goal is to advance towards a regenerative system by empowering stakeholders and building on our current activities and metrics.

First Gen Regenerative Journey

We are in the process of defining what regenerative means for our operations as guided by the FPH ESG Pillars.



Adopted from B. Reed (2007). Shifting from sustainability to regeneration. Retrieved from <https://www.tandfonline.com/doi/full/10.1080/09613210701475753>



Strategic Positioning

First Gen's strategic objectives guide our long-term strategies and draw from our Mission of:

To forge collaborative pathways towards a decarbonized and regenerative future.

Furthermore, our strategic position aims to integrate Decarbonization and Regenerative Road Maps into how we deliver value to all our stakeholders.

We continuously refine our objectives through various systems and methods, including our Strategy and Synergies Planning activities, Risk Management, and other related strategic planning processes. These exercises transform our objectives into strategies that guide our day-to-day operations. Through these, the Company evaluates a holistic view of our external environment (e.g., market trends, opportunities, risks, and community impacts) and internal context (e.g., organization needs, budget, and capabilities), towards refining our strategic position. These planning processes are also aligned with the Company's budgeting procedures to ensure consistency between strategy and resources, as well as our risk management process that assesses various scenarios that we must mitigate and adapt to. Finally, all these processes involve key stakeholders, including senior management, and consider the inputs of various groups and departments who, in turn, interact with various other stakeholders outside the Company.



Our Strategic Objectives and Long-term Vision

Our long-term vision is to become a holistic decarbonized energy provider that country's energy transition towards by delivering value to our customers and stakeholders. In line with this ambition, we look forward to the evolution of First Gen into a customer-centric leader in decarbonized energy solutions. With this in mind, our strategic objectives are meant to enable the Company to focus on Growth, Decarbonization, Enabling the Organization, and Total Stakeholder Value.

1. Grow our portfolio to 13GW

According to the Department of Energy's Philippine Energy Plan (PEP), national demand is projected to increase in the following decades, to power economic growth. To meet this demand, the PEP also provides projections for nationwide power requirements, highlighting the need to significantly increase the country's gas and renewable energy supply. Our goal of growing to 13GW is generally in line with these projections, as we aim to support the country's

energy needs and lead the clean energy transition. As we grow to 13GW, we also aim to increase the share of renewables in our portfolio—with the ambition of making renewables the majority of our total capacity.

Our 13GW growth ambition will allow us to increase the Terrawatt hours (TWh) generated by our gas and renewable portfolio by a similar proportion to the 2.5 times growth in Philippine gas and RE TWh projected by the PEP by 2030.

Driven by our mission, First Gen aims to provide customers with a complementary, diverse, and resilient clean energy portfolio. To achieve this, the Company would need to expand both our kilowatthour (kWh) and beyond-kWh offerings while maintaining reliable operations.

As such, our growth objective is both a strategic imperative for the business, and our Company's way of fulfilling the country's need for additional clean energy supply.



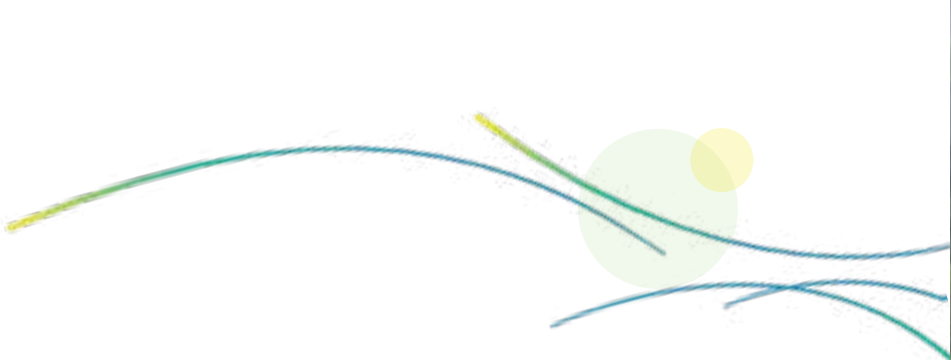
2. Decarbonize through securing regenerative partners

The Regenerative Partner Goal is meant to create and capture markets for our current and future portfolio, in line with our goals. As explained in Our External Environment section, the industry’s transition into becoming more retail- and customer-centric means that the markets will change drastically. While traditionally being centered on a few customers, the power market is now built of thousands of customers—a number that will expand as regulations evolve, as well.

Moreover, the changing market means that customers will have more power to choose and influence on where power is sourced, which, in turn, gives them more opportunities to support and spur the development of decarbonized power and regenerative energy solutions.

As such, this strategic objective guides our ambition to not only serve thousands of customers, but also be able to create lasting relationships that turn our customers into partners in our regenerative journey. This goal is critical to our mission of pursuing a decarbonized and regenerative future.

This ambition increases the significance of our commitment to decarbonization, as we continue our efforts to improve our ability to provide our partners with decarbonized energy solutions. The shift to retail also opens up opportunities to provide customers with reliable service by boosting our retail abilities and developing value beyond the kWh. Through these, we also aim to be a trusted advisor that enables our customers’ decarbonization goals.



3. Enable the organization

As we pursue unprecedented growth and evolve our models to cater to thousands of regenerative partners, enhancing our organization becomes more paramount. Strengthening organizational resilience and our commitment to our Mission and Purpose are key to making First Gen ready to face the challenges and shifts that will happen to the energy industry. By enabling the organization to better achieve our goals, First Gen is able to create more value while simultaneously fulfilling our sustainability goals for all of our capitals.

Careful examination and updating of our strategies and plans help First Gen anticipate the aforementioned challenges while also helping our stakeholders have more confidence that we can deliver on our commitments. An enabled organization allows First Gen to develop more contingencies and energy security solutions for our customers, better react to market shifts, and set up our capability to capitalize on future opportunities.

4. Create total stakeholder value

Our Mission and Purpose place a responsibility on the Company to keep pursuing all avenues that lead to a decarbonized and regenerative future. However, First Gen is also keenly aware that it is concrete action and partnerships with our stakeholders that make that journey possible. After all, we are aware that as the organization grows and evolves, we will also have an increasing impact on our stakeholders.

With actions like the proper investment of our assets, the improvement of our facilities, and the continuation of our ESG efforts, the Company continues to move towards our goal of becoming a clean energy

provider. Working closely with our stakeholders provides us with the opportunity to advance our Mission and Purpose, while also helping them achieve sustainability targets of their own. This goal directs our ambition to pursue our Decarbonization and Regenerative Journeys, as we deliver on our four ESG Key Focus Areas.

By positioning the Company in this manner, First Gen can confidently move towards our clean energy goals with the full support of our stakeholders. The Company commits to providing value to our stakeholders without compromising our own values and our ability to deliver on our customers’ expectations.



LEGENDS:
CAPITALS:

Financial Capital

Manufactured Capital

Human Capital

Social and Relationship Capital

Intellectual Capital

Natural Capital

To summarize the preceding discussions, the following table details our strategic objectives and their corresponding timelines, target stakeholders, capitals, resource allocation, strategic initiatives, outcomes, and impacts:

STRATEGIC OBJECTIVE	TARGET HORIZON	TARGET STAKEHOLDERS	AFFECTED CAPITALS
GROW OUR PORTFOLIO TO 13GW		The continuation of our growth not only needs additional financial support but also protects the returns on their investments. There is a need to efficiently and effectively collaborate with partners to ensure the timely completion of projects. The assets that are being developed are going to contribute to our efforts to expand and maintain our clean energy portfolio in support of the country's energy transition. The additional supply will help cover the high energy demand in the country. As we expand, we also consider our impacts on the surrounding communities and aim to foster good community relations.	Added technical expertise for project development More funding for new facilities Better tools, equipment, and technology Preservation of resources and the environment of our facilities Good relations and support from the surrounding communities
DECARBONIZE THROUGH SECURING REGENERATIVE PARTNERS		More customers subscribing to our portfolio will support our clean energy growth and reduce their own carbon footprints. Our portfolio can help customers with energy reliability and will contribute to advancing their own decarbonization goals.	Additional manpower for market research, sales, and customer support More funding for initiatives and manpower Networking and exposure to customers and partners

TARGET HORIZON:

Short term (1-5 years)

Medium term (5-10 years)

Long term (10 or more years)

STAKEHOLDERS:

Customers

Partners

Community

Planet

Investors

TARGET OUTCOMES:

Short term

Medium term (2025-2030)

Long term (2030 Onwards)

RESOURCE ALLOCATION PLANS	INITIATIVES	TARGET OUTCOMES	IMPACT ON STRATEGIC GOAL
- Financial investments to fund the growth towards 13GW - More manpower for project development - Acquisition of additional suppliers and partners to keep growth consistent	- Focusing on the clean and renewable energy sources required by the grid - Utilizing multiple sources of funds to pursue projects - Deploying systems and processes to allow rapid and high-quality product development - Securing resources in preparation for growth - Expanding the portfolio through project development and other growth strategies	Provide the country with much needed clean energy supply by pursuing growth rapidly and with high quality Continued development and operation of the Batangas LNG Terminal to sustain current and potential gas supply, completing projects under development, pre-development works for long-term projects, executing critical work flows to maintain existing plants (e.g. well drilling programs, plant upgrades, etc.) and RE projects Growth through higher efficiency gas turbines and expansion of our current RE portfolio Grow with an increased share of renewable energy	These milestones are the basis for how we are mapping our projects for the next few years and beyond, and how we might grow our portfolio to our goal of 13GW. First Gen makes sure that all of our investments in growth continue to support our ambition of leading the transition to a decarbonized and regenerative future.
- Growing our retail capability and increasing the manpower dedicated to it - More resources allocated to market research, studies, and other related expenditures - Expanding our processes and systems to be able to cater to more customers and partners	- Deepening our customer understanding and highlighting the value of our portfolio to secure customers based on our value proposition - Promoting our clean, complementary, and rightly-priced portfolio to customers - Complementing a clean energy portfolio with value-added services and solutions towards becoming a trusted decarbonized solutions provider - Using market insights to understand customer needs better - Securing off-take for existing assets	Deliver value to thousands of potential partners and make them partners for decarbonization Secure off-take for assets available to the market Secure thousands of regenerative partners; expand the portfolio of energy solutions being offered to customers Cater to a more retail-oriented market, increasing customers supplied with clean energy solutions	These ambitious milestones provide a clearer picture of how we can equip the organization with the needed resources to cater to an evolving market that will be more customer-centric and diverse. With this understanding of the market, this outcome will hopefully expand our reach in the retail market and increase the number of our regenerative partners. First Gen's pursuit of additional partnerships also helps it create a better foundation to become a more influential figure in steering the industry towards clean energy solutions.

STRATEGIC OBJECTIVE	TARGET HORIZON	TARGET STAKEHOLDERS	AFFECTED CAPITALS
ENABLE THE ORGANIZATION		Enabling the organization to use our strategy will empower us to deliver on our goals more effectively. The organization will be able to direct our efforts toward our purpose of operating our resources with a regenerative mindset. This will strengthen and enrich communities and encourage biodiversity in the ecosystems in which we are all embedded. First Gen will be able to grow while keeping in mind our decarbonization goals and regenerative purpose.	More strategic guidance and support for our initiatives Added funding for strategic initiatives
CREATE TOTAL STAKEHOLDER VALUE		Creating stakeholder value will also protect asset value, which will protect their investment by extending the useful life of assets and reducing the risk posed by the environment. Moreover, it will increase business value due to increasing relevance of ESG to the market. Collaboration across the entire supply chain and with our partners is key to maintaining our decarbonization trajectory. Customers will benefit from the continued reliability of our assets. Moreover, having assets that create total stakeholder value will increase the value of the products offered to customers as well—supporting, for instance, their own Scope 2 or 3 emission targets. The reliability of our assets will help support the further development of RE. Our contribution to lowering our carbon, environmental, and social footprint will also benefit the planet. Our focus on total stakeholder value includes our impact on our host communities. Through this goal, we aim to support their improved climate resilience, education, and livelihood.	Additional technical expertise for all our stakeholders and shareholders More funding for upgrades and maintenance of facilities and equipment Acquisition and development of tools, equipment, and technology

RESOURCE ALLOCATION PLANS	INITIATIVES	TARGET OUTCOMES	IMPACT ON STRATEGIC GOAL
• More manpower and guidance to steer the Company towards our mission, purpose, and strategy • More investments for additional initiatives resulting from the strategy integration	• Fully internalizing mission, purpose, and capability driven strategy throughout the organization • Embedding the capabilities in the intricacies of First Gen's operations • Instilling the Mission and Purpose of the Company in employees through various programs	Efficiently scaled organization with enhanced employee engagement Executing and embedding our capability system within the Company, scaling our retail organization Expanding programs and culture to support the mission, purpose, and capability driven strategy; scaling up organization to support our strategic goals for growth, decarbonization, and stakeholder value	These milestones will ensure that the organization moves as one in pursuit of our goals. This alignment will stabilize the Company's growth, allowing First Gen to be better-equipped to respond to the challenges facing the energy industry.
• Financial investments are for upgrades, repairs, and other technological improvements • Technical and commercial support deployed to maintain the value of the Company's assets	• Reducing environmental and climate-related risks to our assets • Ensuring efficiency and low emissions of gas assets • Further developing our RE portfolio • Upgrading and maintaining assets • Promoting ESG efforts, including BINHI, Project Transform, and other related initiatives • Integrating our ESG Key Focus Areas into Corporate Strategy	Ensure that Creating Stakeholder Value is integrated into our overall strategy Determine key metrics and work programs for Key Focus Areas Sustain low carbon footprint and reliability of power assets	These milestones will ensure that our overall strategy, business, and operating model are aligned with our Mission and Purpose. It also assures our stakeholders that First Gen continues to move towards our objectives and recognizes their support in helping make that journey possible.



Leading the Transition to a Decarbonized and Regenerative Future

As First Gen grows, we will continue developing a culture that puts the customer first in our journey to decarbonization, developing new services to best deliver on our customers’ needs and accelerate the clean energy transition, without sacrificing energy security.

To do this, we are continuously fostering our talents, further developing our capabilities, and improving our processes. We also aim to develop a culture of learning that empowers employees to explore regenerative businesses that we can potentially adopt, as we look to enhance our value offerings to the market.

Furthermore, we are aware that in pursuit of these goals, First Gen will need to be equipped with the skills and processes to execute efficiently and at scale. It is in

recognition of these requirements that First Gen has identified its capabilities, which we aim to enhance as we pursue our goals and ambitions.

1. SOLUTIONS-BASED CUSTOMER ENGAGEMENT:

We seek to create more intimate relationships with our customers as we provide them with various products and decarbonizing energy solutions. The products and services we develop will be grounded in a deep understanding of our partners’ needs as we increase our touchpoints with them to gain privileged customer insights.

2. CLEAN ENERGY ADVOCACY LEADERSHIP:

We aim to create an environment that catalyzes decarbonization. We will do this by collaborating with partners to advance regenerative principles and increase support for the clean energy transition.

3. DYNAMIC ADAPTATION OF REGENERATIVE BUSINESSES:

We will localize and scale emerging business models that support decarbonization. We leverage our ability to learn, experiment, and replicate successful net-zero business models to make more products available to the market.

4. AGILE MULTI-PROJECT DEVELOPMENT:

We seek to deliver numerous projects simultaneously to deliver on our growth objective. This capability is founded on cohesive work from planning to execution and a transparent and collaborative work environment. This will allow us to help ensure timely completion of work to supply a rapidly growing industry.

5. RESILIENT ASSET MANAGEMENT:

We will ensure that our portfolio thrives in a constantly changing business, regulatory, and climate landscape. We shall closely monitor and mitigate potential risks across technological, commercial, legal, and environmental aspects while capitalizing on opportunities that increase the value of our assets.

The Company’s capabilities are critical to achieving our strategic objectives and guiding the organization’s various investments, activities, and partnerships towards our Mission and Purpose. Furthermore, our strategic positioning allows us to further capitalize on the opportunities, mitigate risks, and capitalize on our outlook, in order to pursue our ultimate goal of a decarbonized and regenerative future.

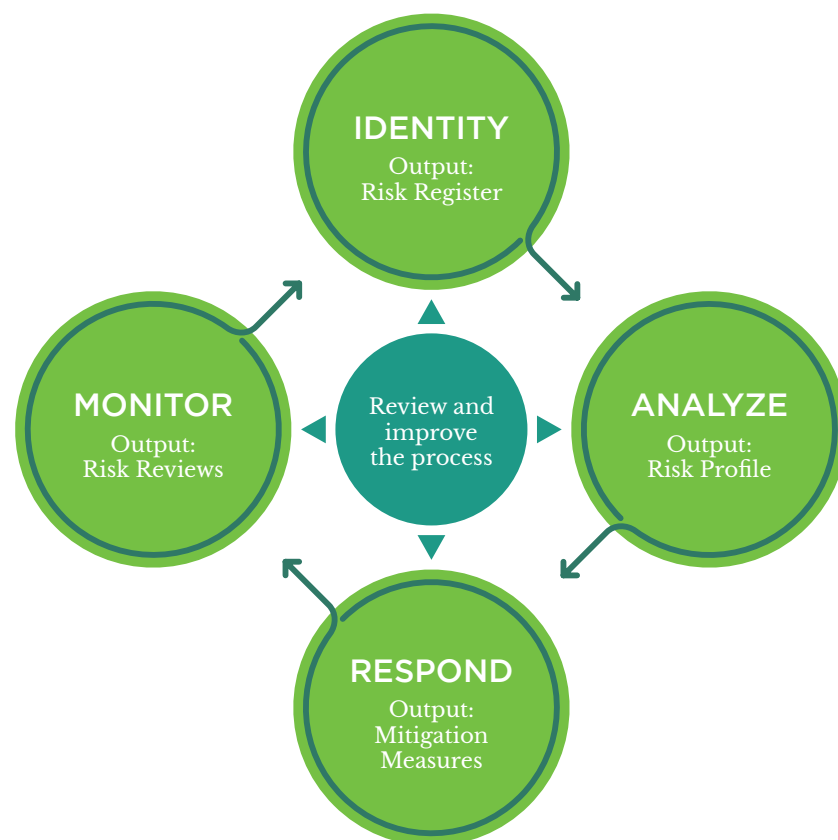
By enhancing our capabilities, pursuing our strategic objectives, and working closely with our shareholders, stakeholders, and employees, we bring the dream of a sustainable future for the local energy sector ever closer.

Managing Material Risks and Opportunities

Our Risk Management Process

To accomplish the Company's strategic goals, First Gen identifies and analyzes risks (and opportunities) in value creation and develops and implements action plans to address these risks. We involve important stakeholders from business units, project teams, and support groups to ensure that these risks are included in their risk registers. Along with the Enterprise Risk Management (ERM) group, these various groups conduct risk analyses based on the likelihood, impact, and determination of risk ownership,

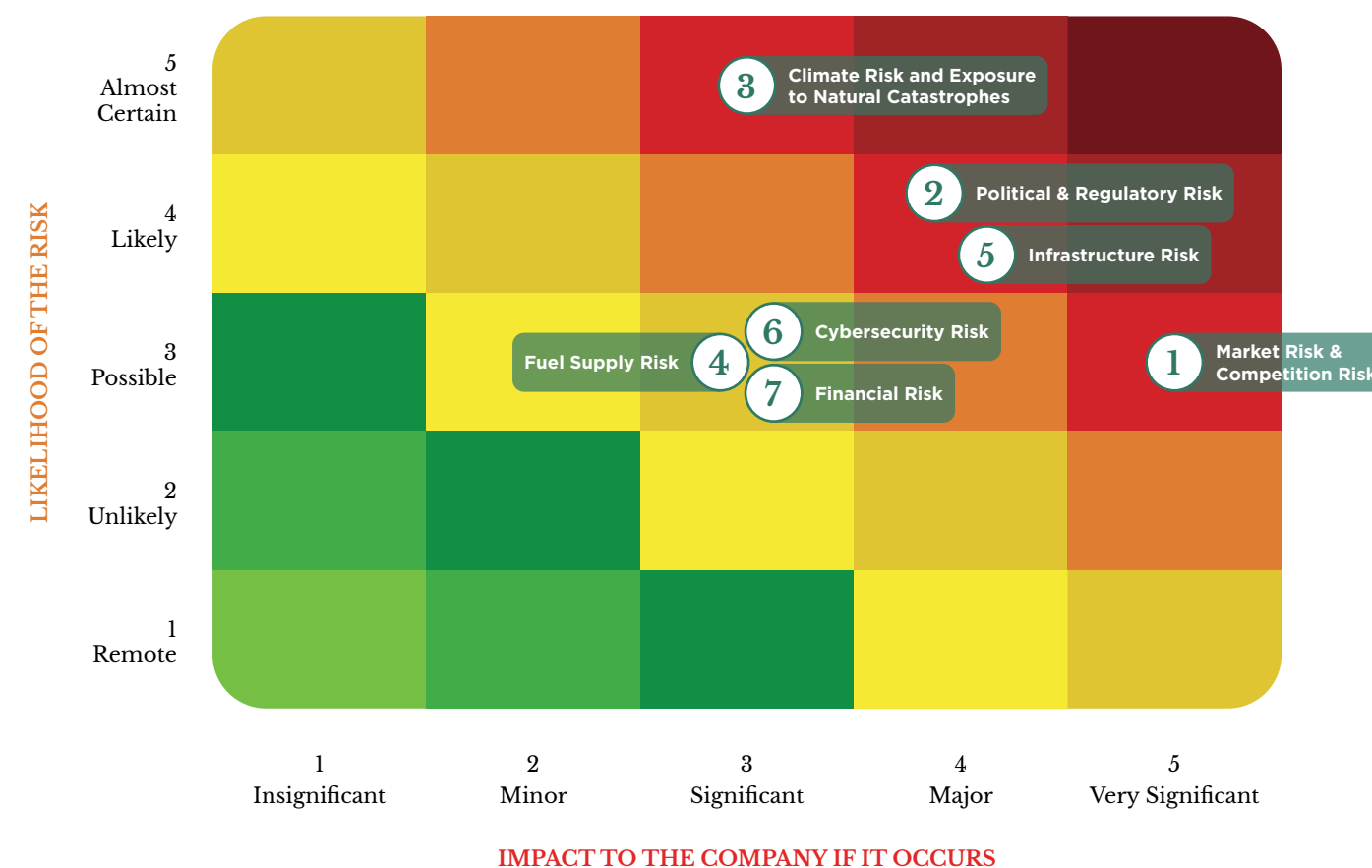
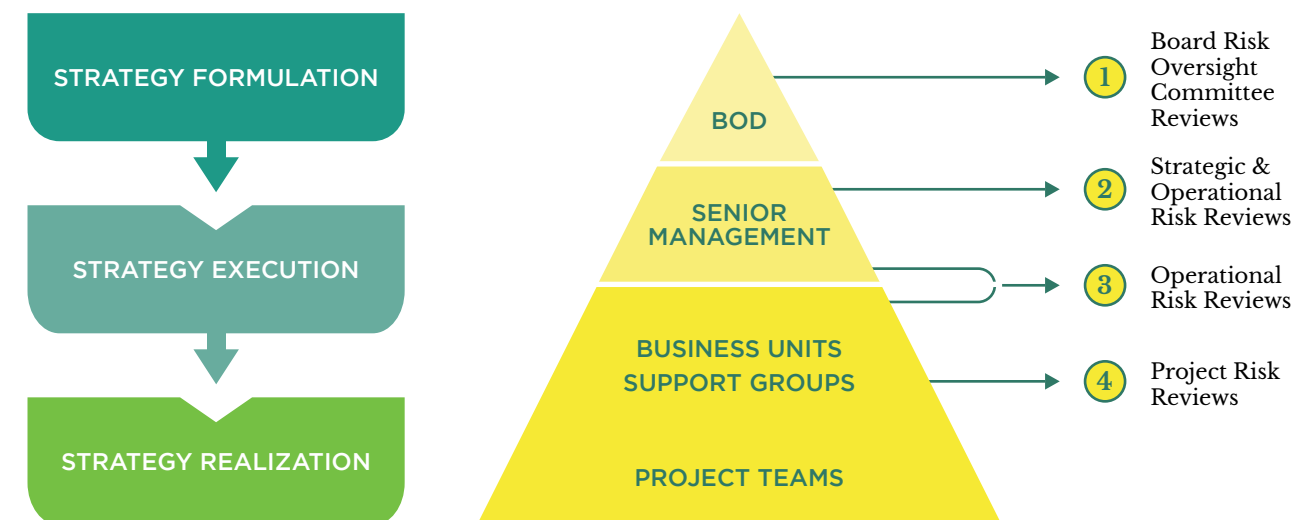
as risk owners are involved in creating mitigating measures. In addition, the Company monitors these risks through frequent updates, conversations with Senior Management, and presentations to the Board Risk Oversight Committee to ensure the effectiveness of the risk management process and attendant mitigating measures. The risks of our business units, projects, and support groups are reviewed and evaluated every three to six months, while our strategic risks are evaluated at least annually.



We manage risks in four levels

ERM is treated as part of strategy execution.

KEY RISKS ARE IDENTIFIED, ANALYZED, PRIORITIZED, AND MANAGED IN FOUR LEVELS



The ratings indicated correspond to the risks discussed in the next pages.

LEGENDS:
CAPITALS:

Financial Capital

Manufactured Capital

Human Capital

Social and Relationship Capital

Intellectual Capital

Natural Capital

RISK TIME HORIZON:

Short term (1-5 years)

Medium term (5-10 years)

Long term (10 or more years)

STAKEHOLDERS:

Employees

Competitors

Regulators

Planet

Customers

Contractors

Investors

Community

KEY RISKS SPECIFIC TO THE ORGANIZATION	MITIGATING MEASURES PLANNED AND IMPLEMENTED BY THE COMPANY
1. MARKET RISK AND COMPETITION RISK (External risk) The expiration of our key contracts in 2024, 2025, and 2027 may expose up to 2,000MW of our capacity to revenue volatility if they remain uncontracted.	The Company has: - Discussed with various customers about contracting these capacities; and - Developed strategies to contract some of these capacities to other market segments.
2. POLITICAL AND REGULATORY RISK (External risk) Various geopolitical events, including the invasion of Ukraine by Russia and China to exert its claims on Taiwan, may contribute to supply chain disruptions and price shocks on commodities, leading to higher cost of operations. The local regulatory landscape in the energy industry adds to the challenge due to the delays or changes of various regulatory issuances and amendments. These actions affect the timeliness and financial viability of our growth projects. Some issues that may affect the Company and other industry players are: <i>Rates:</i> Approved ERC rates have been potentially lower than the winning competitive selection process (CSP) bids, while Green Energy Auction Program (GEAP) rates, which have increased, remain low. <i>National Grid Franchise:</i> A potential revocation of National Grid’s franchise may disrupt grid developments in the short term. <i>Others:</i> Gas-fired plants may lack support for fuel passes because of cost.	The Company has: - Identified procurement options to minimize the impact of supply disruptions and high commodity prices; - Actively engaged various regulators and local government officials in the energy sector; - Participated in TWGs with various regulations in the development; - Closely coordinated with regulatory groups and institutions to aid the progress of key issues; and - Collaborated with like-minded organizations, customer groups, and individuals to collectively push for regulations that promote clean and renewable energy advocacy.

RISK TIME HORIZON	LIKELIHOOD OF THE RISK AND ITS IMPACT TO THE COMPANY IF IT HAPPENS	EFFECTS OF THE RISK TO STRATEGIC OBJECTIVES AND KEY TARGETS	CAPITALS AFFECTED BY THE RISK	STAKEHOLDERS DIRECTLY AFFECTED
	Possible, Very Significant Impact	Recontracting these expiring contracts is key to ensuring sustainable operations and the financial performance of the company. As the company takes on more financial obligations at the parent-level to finance its growth, a stable revenue stream is imperative. Otherwise, it may become challenging to secure funding for projects in the pipeline.	 	
	Likely, Major Impact	Supply chain disruptions may cause delays in executing our growth projects. The higher cost of commodities may lead to higher operating costs. Changes in the local regulatory landscape may lead to delays in our project construction and affect the financial viability of our assets.	 	

KEY RISKS SPECIFIC TO THE ORGANIZATION AND ITS DESCRIPTION	MITIGATING MEASURES PLANNED AND IMPLEMENTED BY THE COMPANY
3. CLIMATE RISK AND EXPOSURE TO NATURAL CATASTROPHES (External risk) The effects of climate change, including record high temperatures, may lead to extreme weather events such as drought, super typhoons, and flooding, which may disrupt our operations, affect our customer service, and cause property damage.	The Company has: • Conducted various natural calamity studies (e.g., typhoon, flood, tsunami, earthquake, etc.) and explored additional data providers to ensure that climate risk-related information is sufficient and updated; • Continuously modified plant design and implemented various weather-proofing and resilience initiatives to safeguard against the effects of natural disasters; • Regularly inspected earthquake risk-mitigating measures, such as installing seismic monitors at strategic locations on-site; • Continuously improved the emergency response and business continuity management plans and conducted drills; and • Obtained and maintained natural catastrophe insurance coverage for various sites.
4. FUEL SUPPLY RISK (External and Internal risk) The depletion of the Malampaya gas field and our steam supply challenges may affect our production and cash flow. Operations are highly dependent on: • The consistent availability of the plants’ required fuels, particularly natural gas; • The expertise of the natural gas field operator; • The existence of a valid Gas Supply Purchase Agreement (GSPA) before the depletion of resources; and • The availability of steam as a geothermal resource in commercial quantities.	Natural Gas Plants The Company has: • Received the delivery of its FSRU BW Batangas in Q4 2023, in anticipation of the expiry of the gas supply agreement with Malampaya Gas Field in three years. At the end of December, FGEN LNG signed a 15-year lease agreement with Gas Aggregator Philippines Inc. (subsidiary of Prime Infrastructure Capital Inc.) for said FSRU for the eventual supply of LNG to First Gen’s plants, which is expected to begin in 2024. • Used dual-fired plants (except for San Gabriel) in the absence of natural gas; • Ensured the availability and adequacy of liquid fuel; and • Identified procurement options to minimize the impact of supply disruptions and high fuel prices. Geothermal Plants The Company has: • Maximized modern technology to optimize steam extraction from the wells; • Undertaken continuous drilling and non-drilling workovers to ensure steam supply; • Addressed steam decline through lower impact distribution of reinjection, scaling prevention initiatives, and targeted infill injection for pressure support; and • Employed more comprehensive well development planning, improved well design and predictive modeling tools, intensive monitoring of production lines, debottlenecking activities, and fortifying vulnerable wells and surface facilities.

RISK TIME HORIZON	LIKELIHOOD OF THE RISK AND ITS IMPACT TO THE COMPANY IF IT HAPPENS	EFFECTS OF THE RISK TO STRATEGIC OBJECTIVES AND KEY TARGETS	CAPITALS AFFECTED BY THE RISK	STAKE-HOLDERS DIRECTLY AFFECTED
	Almost Certain, Significant Impact	These changes in climate patterns may affect our existing and planned generation capacities, as well as customer demand for electricity, especially during extreme weather events, leading to possible damage to existing assets, delayed pursuit of planned projects, and consequently lower revenues.	    	   
	Possible, Significant Impact	A disruption in our fuel supply caused by delays in the timely transition to LNG will have a significant impact on our ability to deliver our contractual obligations and our ability to recontract the affected assets.	    	  

KEY RISKS SPECIFIC TO THE ORGANIZATION AND ITS DESCRIPTION	MITIGATING MEASURES PLANNED AND IMPLEMENTED BY THE COMPANY
5. INFRASTRUCTURE RISK (External risk) There are issues with the capacity and dependability of the local transmission network, which may adversely affect current and projected energy demand from customers and the additional supply from new projects, particularly our RE projects in the pipeline.	The Company has: • Identified potential project sites that can handle our capacity; and • Continuously worked with the NGCP to identify the gaps in their transmission development plan.
6. CYBERSECURITY RISK (External and Internal risk) The modernization and interconnection of our assets and Information Technology (IT) infrastructure has increased our operational efficiency, but has also exposed us to cyber security risks.	The Company has: • Continuously conducted IT and Operational Technology (OT) vulnerability assessment studies and prioritized implementing recommended mitigation plans; • Designated a high-level committee to oversee information security activities for both IT and OT initiatives; • Acquired IT Security Governance and IT Security Operations services; • Launched information security, technology risk, and data privacy programs to manage and reduce information security risks and ensure compliance with the Data Privacy Law; and • Developed related frameworks and policies for cascading and implementation throughout the whole organization.
7. FINANCIAL RISK (External and Internal risk) Both the Bangko Sentral ng Pilipinas (BSP) and the US Federal Reserve System hiked interest rates, making the cost of borrowing more expensive. The average Philippine Peso exchange rate has depreciated by 12.87 percent since FY2021. Both factors have contributed to higher operating costs, more expensive projects, and more conservative spending by consumers and businesses.	The Company has: • A predictable cash flow due to the majority of its capacity being contracted; • Made only deliberate loan availments for important synergistic investments after previously pursuing a deleveraging program; • Explored and formed partnerships for new projects; • Interest Rate Risk - a mix of fixed and floating-rate loans; • Liquidity Risk - prepayment of loans; • Refinanced bulky maturities to smoothen or extend the repayment profile; • Foreign Exchange (FX) Risk - Maximizes natural hedge; The Finance and Treasury Group closely monitors FX rates to determine hedging opportunities. Senior Management is regularly informed/updated on FX risk exposure and mitigation plans.

RISK TIME HORIZON	LIKELIHOOD OF THE RISK AND ITS IMPACT TO THE COMPANY IF IT HAPPENS	EFFECTS OF THE RISK TO STRATEGIC OBJECTIVES AND KEY TARGETS	CAPITALS AFFECTED BY THE RISK	STAKE-HOLDERS DIRECTLY AFFECTED
	Likely, Major impact	Transmission line constraints have been putting our future RE projects at risk of getting delayed, affecting their commercial viability.	    	   
	Possible, Significant Impact	Breaches in our IT and/or OT infrastructure may lead to serious consequences such as: data leakage of sensitive information, remote manipulation of our assets, manipulation of our trading platform, and damage to our property and reputation.	    	    
	Possible, Significant impact	Increasing interest rates and foreign exchange volatility may lead to higher operating and project costs, which may adversely impact the Company's income generation and limit the growth projects it may pursue.	   	    

Our Opportunities

First Gen believes in advancing our organization to tackle both internal and external opportunities consistent with our mission, purpose, strategy, and capabilities. These opportunities will support First Gen’s growth alongside the market, becoming a trusted clean energy advisor and decarbonized energy solutions provider.

First Gen uses a number of procedures, such as various planning processes, Research Initiatives and Processes, and Capability Building Activities to identify key opportunities.

Through these processes, various levels of the organization are able to collaborate with company leadership to identify opportunities in the industry.

INTERNAL AND EXTERNAL OPPORTUNITIES	OPPORTUNITY CONTEXT	STRATEGY
Global and national preference and interest in clean energy solutions (External)	Driven by regulatory, political, economic, and climate factors, customers both locally and abroad are showing a greater preference towards RE solutions as seen in International Energy Agency (IEA) reports and more. The growing awareness about sustainable business practices has put the need for low-carbon practices at the forefront of commercial operations, presenting energy providers with opportunities to expand their services while transitioning to clean energy.	First Gen continues to pursue our initiatives to provide our customers with clean energy while adhering to the Company’s stated Mission and Purpose of promoting a decarbonized and regenerative future for our stakeholders, shareholders, and customers. Our diverse and clean energy portfolio is more than capable of meeting the energy needs of our customers, while our pursuit of RE projects ensures energy security and stability for our customers. First Gen also continues to improve on our existing processes and integrate local regulatory policies into our investments. This includes aligning our business and growth strategy with the DOE’s PEP, and the Philippines’ commitment of a 75% reduction in emissions in line with the United Nations Framework Convention on Climate Change (UNFCCC).
Increased energy demand, supported by government regulation and prioritization of clean energy (Internal and External)	The DOE’s PEP report indicates that the energy demand of the Philippines will only continue to grow, presenting energy providers with an opportunity to meet these needs while transitioning to clean and renewable energy. This comes at a time when regulatory bodies have introduced new guidance and regulations governing the movement of the energy sectors, incentivizing RE transitions and rewarding innovations that serve customers beyond simply increasing installed capacity. In addition, due to the continued advancement of Retail Competition and Open Access (RCOA) in the Industry, customers are gaining more power to choose their own electricity. Because of this, their own demands for low carbon sources and support for decarbonization goals are also gaining traction.	First Gen continues to pursue our target of 13GW of installed capacity, with a bias towards renewable energy solutions. Investments in additional energy sources, such as the Batangas LNG terminal, ensure energy security for our customers while allowing us to adhere to our goal of moving towards our capacity target. In response to the retail-centric energy market, the Company assures that our plants are operating at high reliability and dependability, ensuring that we meet the energy demands of our customers while simultaneously opening First Gen’s portfolio of clean energy sources to contestable customers. First Gen is also preparing for the broader range of customers brought about by the Retail Competition and Open Access (RCOA) program, ensuring that they will have the context and support needed to access the Company’s portfolio of RE solutions.

CONTRIBUTING CAPITALS	IMPACT TO STAKEHOLDERS	ORGANIZATIONAL BENEFITS
 Using our assets to better serve our customers and aligning their use and development towards RE solutions  Investing significant financial resources into projects aligned with the zero-carbon goal of the Company  Building collaborative partnerships with stakeholders	 Grows their financial capital invested into the Company and our projects  Reduces overall emissions and transitions to technologies with less environmental impact  Improves their awareness and accessibility to renewable energy solutions  Provides more support for decarbonized operations and goals	Long-term benefits include a steady demand for our clean energy projects while also meeting the requirements to move towards renewable energy. With significant investments in RE, First Gen is a position to become a preferred partner for RE solutions.
 Continued operations and improvement of our assets  Funding and investments into ensuring our plants and facilities can meet energy demands  Training and development of our employees and staff to better serve our customers  Establishing market reach with energy buyers and making connections with contestable customers	 Increases the diversity of their investments while also supporting the local RE transition  Provides them with options to access RE solutions	Short-term benefits include establishing partnerships and securing project contracts for RE facilities. Long-term benefits to the Company include a consistent customer base and incoming customers looking for reliable access to RE solutions.

INTERNAL AND EXTERNAL OPPORTUNITIES	OPPORTUNITY CONTEXT	STRATEGY
A stronger push towards technologies and solutions that help decarbonize operations (Internal and External)	Various Programs and policies are being established to spur decarbonization in the industry. For example, DOE's Demand-side Management (DSM) Program under the Energy Efficiency and Conservation (EE&C) Act in the EE&C 2023-2040 Road Map outlines expectations for the energy industry to innovate on their services and the applications of their generated energy. The continued research and development into hydrogen, carbon capture, nature-based solutions, and other technologies and business models supports decarbonization across various industries, aside from just the energy sector. While these are long-term prospects, their development can help actualize the opportunity of decarbonizing power portfolios towards net zero.	First Gen is always researching the latest innovations to help decarbonize our portfolio and capture business opportunities. The Company finds opportunity in providing customer needs, even beyond the kWh. By putting the needs of our customers first, we're able to connect them to the technologies and services that they need to integrate into their lives for a more sustainable and resilient future. Our investments to innovate in our operations and staying ahead of the latest developments in RE solutions give us a strong foundation to meet the energy demands of our customers while also integrating the latest efficiencies and technologies to better our own processes.
Global investor demand on ESG initiatives (Internal and External)	ESG initiatives have been an increasing concern for investors who wish to see their support count toward a more sustainable future. Investing and disclosing these sustainability focused business practices or initiatives reflect the organization's commitment towards ESG. Sharing these programs and initiatives helps First Gen position and secure the long-term confidence of our investors.	For our internal operations, the Company pursues capability training and development, employee engagement and communications, various health and safety policies, and other initiatives under the social pillar. First Gen is also consistently updating our ESG strategy towards key focus areas such as Environment, Biodiversity, Resource Management, and Climate Awareness. Moreover, we foster our relationship with local communities through initiatives that protect the ecosystems that surround our operations. We are also identifying nature-based solutions, water, and waste-management solutions.
Aligning our organization towards creating regenerative pathways for shared value (Internal)	To drive and sustain First Gen's continued growth and expansion, the Company needs to ensure collaborative and unified work for project development. The Company continues to invest in our Capitals to ensure that all our operations, investments, and services are aligned with our Mission and Purpose, especially with the previously discussed opportunities and how they may change the energy industry. We are positioned to mature our five Capitals to innovate and push our strengths as a mission-driven organization.	First Gen continuously embeds the core tenets of our Mission and Purpose with our priorities, strategies, and goals across our different capitals. We engage our members through training, developmental workshops, town hall meetings, and other personnel support to make sure that their personal initiatives align with the Company's overarching goals.

CONTRIBUTING CAPITALS	IMPACT TO STAKEHOLDERS	ORGANIZATIONAL BENEFITS
 Assets that we maintain, develop, or acquire towards decarbonized operations  Funding for the research, acquisition, and development of decarbonized technologies  Innovating on our existing processes and integrating new technologies and strategies to support decarbonization efforts	 Gives access to new technologies that allow them to better align their energy needs with a more sustainable model  Improves efficiency and energy security with access to better technologies	Long-term benefits to First Gen include optimized operations and better service for our customers through the integration of new technologies. The emerging market for RE solutions also puts the Company in an advantageous position to use these technologies to secure better business outcomes.
 Internal presence and recognition of sustainability and ESG efforts  Building relationships and partnerships with organizations with like-minded sustainability initiatives  Drawing attention, recognition, and support towards ESG initiatives	 Providing assurance and recognition that their investments are directed towards sustainable initiatives  Supporting their progress towards sustainability goals  Preserving the environment and promoting a regenerative future	Short-term benefits include First Gen's adherence to regulatory and reporting requirements, boosting both investor and customer confidence in the Company's operations. By aligning our operations with ESG initiatives for the long-term, we aim to become a leading figure in the local energy sector's push towards sustainable and renewable energy practices.
 Additional training, development, and support for all First Gen employees and staff  Providing our partners with the experience and support needed to align with our own goals	 Assurance that their support is aligned with the company's overall Mission and Purpose  Employees - Opening developmental opportunities through training, upskilling, and other means of personnel support	Short-term benefits include ensuring that First Gen's employees are well-equipped to grow and support the company's Mission and Purpose. By investing in our organizational alignments, the Company builds a stronger foundation that is more than capable of meeting the challenges posed by the energy market.



Making Our Operations Resilient

First Gen continues to be on the lookout for risks and opportunities related to climate change, as these may cause irreparable impacts on our environment and escalate the cost of our operations. The Company has gone beyond the maintenance of our assets by making significant investments in programs that can make these assets more resilient. This would also have a significant impact on the Company's operations, improving the sustainability of our business. First Gen strongly believes that resilience is beyond mere reinforcement and strengthening of our physical assets like infrastructure, but also investing in the readiness of our employees and partner communities to adapt to climate change.

First Gen continues to collaborate with FPH on how we address the TCFD to systematically analyze and address the climate risks and opportunities we determined. We conform to FPH Group's TCFD road map containing the elements: Governance, Strategy, Risk Management, and Metrics and Targets.



In 2018 to 2019, the FPH Sustainability Policy was formulated along with our updated mission of 'To forge collaborative pathways towards a decarbonized and regenerative future' to guide us in our TCFD journey.

Aside from our business risk assessments, First Gen—along with FPH and its other subsidiaries—also collaborated with the Oscar M. Lopez Center for Climate Change Adaptation and Disaster Risk Management Foundation, Inc. (OML Center) in 2020 and completed the scenario analysis for our various operating sites using the Representative Concentration Pathway (RCP 8.5 and RCP 4.5), or the projected cumulative concentration of GHG emissions that cause global warming. The assessment is decadal and there were minor changes in the projected climate risks except for a more heightened ambient temperature starting July 2023. That year stands as the highest in world records. Health measures for our workers have been updated but the rest of the measures are pursued and augmented.

These are the results of the OML Center's assessment of First Gen's physical risk scenarios analysis by 2050:

PHYSICAL RISKS	AFFECTED SITES	IMPACT TO THE BUSINESS
Increase in temperature	Leyte, Bukidnon, North Cotabato, Ilocos Norte, Nueva Ecija, Batangas, Albay and Sorsogon, Negros Occidental	High
Heavy rainfall	Metro Manila	Low
Sea level rise	Metro Manila, Nueva Ecija, Batangas	High
Tropical cyclones	Leyte, Bukidnon, North Cotabato, Ilocos Norte, Nueva Ecija, Batangas, Albay and Sorsogon, Negros Occidental	High

High: 30% of the total sites
 Medium: >5% and <30% of the total sites
 Low: 5% of the total sites

This study, together with the super typhoons experienced by our operating assets a decade ago, made us more proactive about exploring and adopting several measures to address the climate-related risks we face. Some of these measures include the refurbishment and maintenance of our infrastructures, adopting the latest and appropriate technology to analyze physical hazards, and enhancing our administrative processes.

FIRST GEN’S OPERATIONAL RESILIENCY MEASURES

INFRASTRUCTURE	CLIMATE-RELATED HAZARDS/RISKS ADDRESSED
Typhoon-proofing and reinforcement of power plant structures to withstand 300 kilometers per hour (kph) speed wind, as well as increased plant stability against earthquakes	• Heavy rainfall • Tropical cyclones • Earthquake
Upgrading of cooling towers to Fiber Reinforced Plastic (FRP)	• Heavy rainfall • Tropical cyclones • Earthquake • Fire
Flood control measures such as flood barriers, drainage declogging, and periodic inspections	• Heavy rainfall • Sea level rise
Construction of shoreline erosion mitigation	• Sea level rise • Heavy rainfall • Tropical cyclones
Landslide mitigation measures	• Heavy rainfall • Tropical cyclones
TECHNOLOGY	
Technology review for the structure’s wind defense mechanism, resulting in wind speed reduction of up to 66% before reaching the structure	• Heavy rainfall • Tropical cyclones
Updating the Geohazard Map using the latest finer resolution Light Detection and Ranging (LiDAR) data to determine areas most susceptible to landslides	• Heavy rainfall • Tropical cyclones
Water recycling technologies	• Increased temperature
ADMINISTRATIVE	
Strategic spares program for critical spares to ensure equipment damage is repaired and operations is restored/continued	• Tropical cyclones • Earthquakes • Other natural catastrophes
Water assessment and management study	• Increased temperature/drought
Regular inspection and maintenance of plant equipment and patrolling of areas to ensure readiness from climate hazards	• Typhoons
Exercise/drills following the established Emergency Response Plans Increasing forest fire lines to remove litter and other natural fuel	• Forest fires caused by increased temperature • Typhoons

We will carry on the utilization of our resources and execute the measures to mitigate the climate-related risks. We will also evaluate the effectiveness of these measures to further enhance the resilience of our assets and operations, thus fulfilling our obligations to deliver reliable, clean and renewable energy, and creating value to our stakeholders. For 2024, we aim to set appropriate targets from our previous data and metrics as baseline.

Impact on First Gen and our various stakeholders:

The resilient measures we employed enable us to withstand the various super typhoons experienced in our various operating sites, including super typhoon Yolanda in 2013. These efforts to make our operations stable provide power and uninterrupted service to our customers while ensuring the safety and security of our employees and the communities we live in.

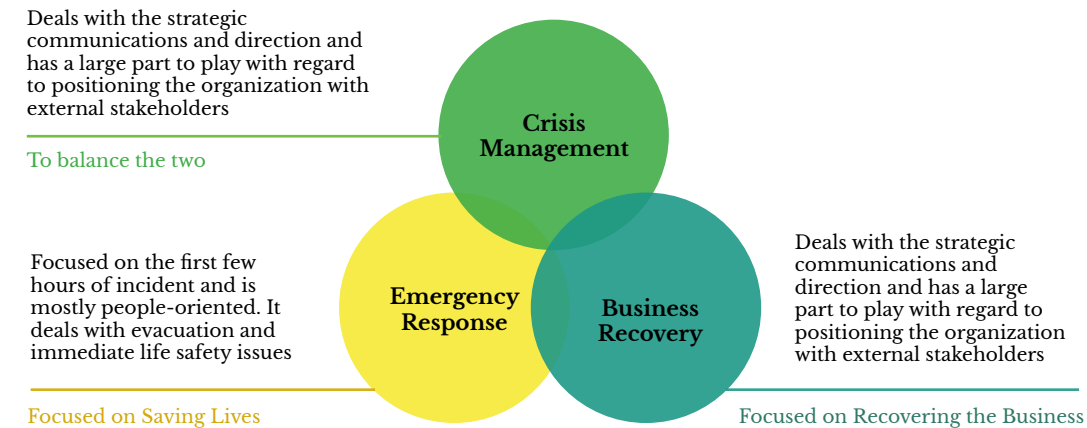
Ensuring the Continuity of Our Business

Aside from strengthening our structures, adopting new technologies, and employing administrative measures to withstand climate-related risks, we also ensure that the business continues to operate amid crisis and emergency situations through our Business Continuity Management System (BCMS).

First Gen’s BCMS sets a strategic and operational framework to increase corporate resilience during emergencies. BCMS aims to: a) protect lives by empowering the workforce with the skills and knowledge on disaster preparedness in order to recover and make their families resilient during any disaster; and b) protect the business by setting in place a Business Continuity Management Plan to provide structure to manage any crisis and sustain mission critical activities during any disaster. Our BCMS covers the management of personnel, infrastructure, cybersecurity, business, communications, and operations to ensure readiness in times of emergencies. Emergency scenario assessments and business impact analysis also cover potential site-specific scenarios resulting from climate-related catastrophic events.



THE BCM FRAMEWORK



First Gen's BCMS Strategy aligns with the core elements and the continual improvement of plans to prepare and respond at the onset of disaster scenarios. The plans cover items such as priority actions taken, organizational roles and responsibilities, communications and direction, infrastructure, equipment, training, and mission-critical activities, among others.



PHP374 thousand
investment on business continuity projects

10
skill enhancement workforce training on emergency response conducted

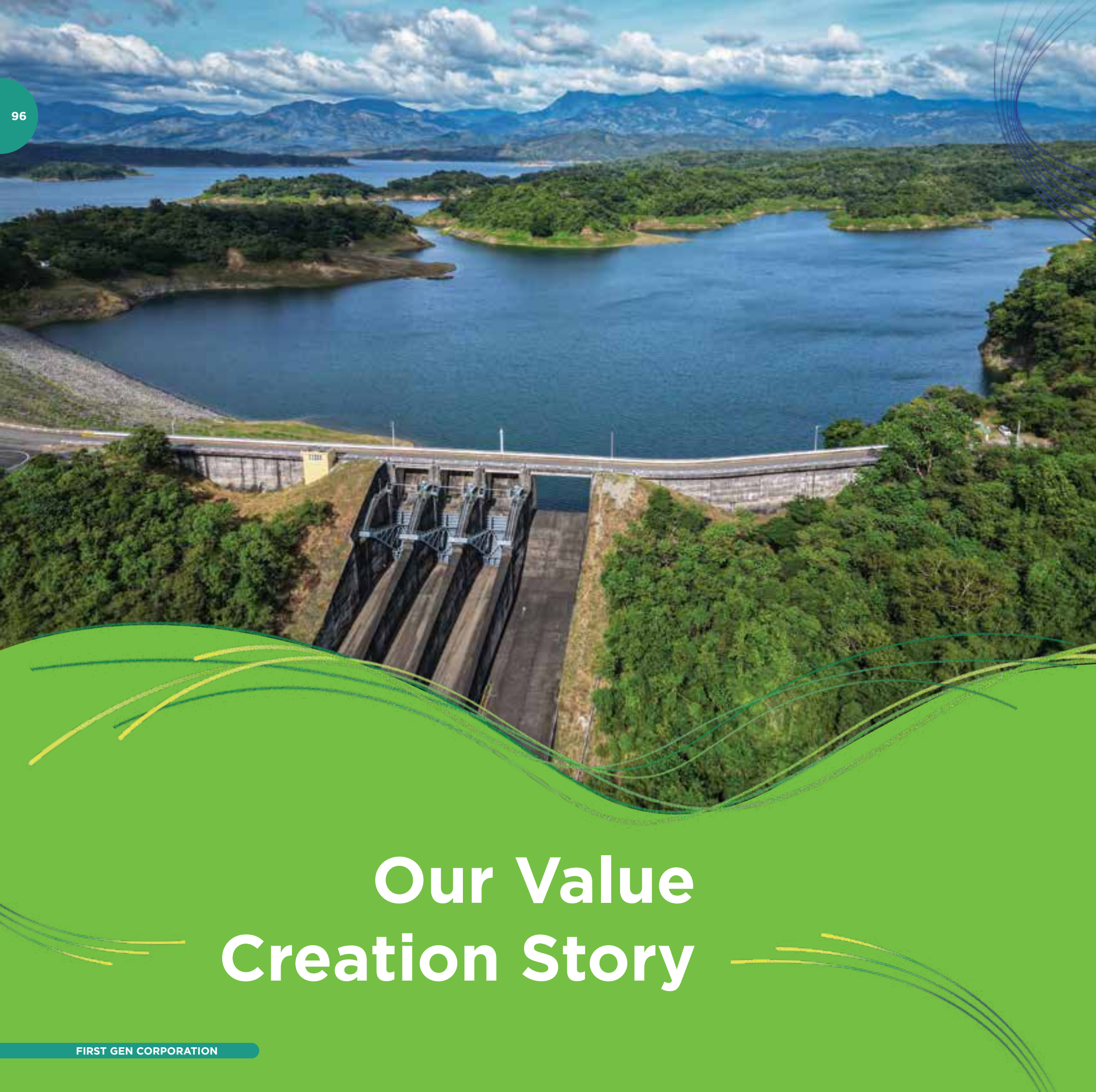
320
personnel participated in emergency response training

First Gen has invested PHP374 thousand on business continuity projects to set-up our Emergency Operations Center (EOC) and to develop, prepare, and utilize First Gen and FPH's various enterprise business resources for emergency response. The EOC enables collaboration among First Gen and FPH businesses in the areas of disaster response communication, information, planning, personnel, and response activities.

KEY DEVELOPMENTS INVOLVING BCM IN 2023:

- Established business unit status reporting on ongoing preparations or after incident status updates related to natural occurrences such as weather disturbances, earthquakes, and volcanic eruptions, among others
- Developed and released workforce family preparedness e-learning modules
- Administered regular radio communication tests of various radio station placements across the businesses
- Drafted coordinated emergency procedures related to the addition of LNG business operations
- Conducted simulation exercises and drills on EOC activations and evacuation plans related to a "Big One" earthquake scenario
- Promoted engagement of workforce in IEC releases related to emergency learning topics, advisories, and travel reminders
- Organized skill enhancement workforce training on emergency response topics such as first aid, medical emergencies, hazardous material release, and equipment use
- Managed placement of emergency stockpiles at identified storage sites

First Gen will continue to partner with FPH in building the capability of the Company and the whole FPH Group to support the BCM framework. Our efforts to make our business and operations resilient and ready for catastrophes manifest our commitment to our customers to produce and serve reliable power. They also instill confidence in our employees and communities that we operate in a safe manner.



Our Value Creation Story

First Gen Business Model

First Gen invests in our various forms of capital, develops conscious leadership, cultivates our capabilities, and innovates on our systems to support our power plant projects, operations, and customers. Aligned with the value creation process of FPH, these initiatives sustain our Mission of “to forge collaborative pathways to a decarbonized and regenerative future.”

By fostering collaboration and trust, we aim to influence our various stakeholders in our Mission through:

- a) generating low-carbon and renewable power;
- b) providing decarbonized and regenerative energy solutions to our customers; and
- c) enhancing the ecosystem of talent and partners in our value chain.

First Gen is in the power generation sector with a portfolio that is focused on clean and renewable energy. The Company markets its power to various customers, including Distribution Utilities, Cooperatives, and Retail or Contestable Customers. Throughout this process, the electricity generated by the Company traverses other sections of the power industry, including the transmission and distribution sectors, which ultimately deliver power to our end users.

Power Generation

First Gen produces low-carbon and renewable power for our customers using five different sources:

Natural Gas Power

First Gen's gas power plants use natural gas sourced from the Malampaya gas field, imported LNG and liquid fuel. The gas from Malampaya is delivered via an undersea pipeline to the First Gen Clean Energy Complex in Batangas. The imported LNG, on the other hand, is delivered via the LNG terminal. In our power plants, natural gas is combusted to spin turbines that generate electricity.

Using natural gas, which is much cleaner than other fossil fuels, our gas fleet is able to provide low-carbon, reliable, and competitive power to the grid. Moreover, power from natural gas helps provide energy security, supporting other power sources that may be intermittent depending on natural conditions.



Geothermal Power

The Company's geothermal power plants generate energy using the earth's natural heat. When water seeps three kilometers below the ground and is heated in the hot reservoir, it rises back up as steam to power the turbines to produce electricity. After the heat extraction process, the condensed water is reinjected into its source to replenish the geothermal reservoir. Geothermal power is both a renewable and predictably priced source of energy.



Hydroelectric Power

Hydroelectric power generation follows the hydrological cycle. Reservoirs store potential energy gathered during the rainy season. First Gen's hydro plants harness this stored energy through their intake towers and convert it to kinetic energy through the force of flowing water. This kinetic energy spins the plant's turbines, which generates electricity. After this process, the water flows back to its source. Hydro is a renewable energy source that provides various types of power services to the grid, including reserve and ancillary services.



Wind Power

The Company's large wind turbines are used to create renewable energy from wind. The natural wind would cause the wind turbine's blades to spin, which are connected to a generator to harness energy. The mechanical and kinetic energy are therefore transformed into stored electricity. Wind is a renewable energy source with zero emissions associated with its power generation.

Solar Power

Solar energy is produced when photovoltaic cells in solar panels absorb sunlight particles called photons. Photons energize the electrons in the silicon, which go through copper wirings in the solar panels. The solar panels then generate direct current (DC) power which passes through an inverter to convert electricity into usable alternating current (AC) power. Solar power is a renewable and zero-carbon energy source that can be deployed on large-scale installations as well as small-scale systems to power specific facilities.



A detailed description of our power plants can be accessed in the First Gen website's "Our business" section.

Transmission

The NGCP manages the electricity flow from generation companies to distribution utilities through the state-owned power grid. The NGCP also ensures the energy supply of the power grid always meets the energy demand and system frequency by managing the reserves.

First Gen supplies energy to the NGCP by entering into ASPA that permit energy provision to the NGCP's reserves. These reserves adjust the energy supply in the power grid and manage the system's frequency to match the energy demand and maintain grid health.

Distribution

Distribution utilities manage the physical energy flow from Transmission to the end consumers, including Contestable Customers (large end-users with at least 500kW monthly average electricity consumption at peak demand) and the Captive Market customers (customers with a monthly average electricity consumption below 500kW at peak demand, such as residential energy users).

First Gen enters provides power to both the Contestable and Captive Markets. Through First Gen Energy Solutions (FGES), First Gen is able to enter into agreements with Contestable Customers to manage the supply of power, although the physical flow of electricity will still pass through Transmission and Distribution. First Gen also supplies the Captive Market through Power Supply Agreements with Distribution Utilities and Electric Cooperatives, who then subsequently deliver the power supply to Captive Customers. As the power market progresses, the threshold for Contestable Customers will lower, making it a larger market.



Progress on Our Mission

First Gen is fully aligned with our parent company, FPH, in the mission “to forge collaborative pathways for a decarbonized and regenerative future”. Our goal is to reduce carbon intensity and promote sustainability through clean energy transition and by facilitating a low-carbon energy landscape.

To achieve a decarbonized future, we are dedicated to operating a low carbon portfolio, which will contribute to decreasing the overall carbon footprint of the country. Moreover, our commitment to regeneration goes beyond the reduction of

emissions. We aim to enhance all aspects of our surroundings, including communities, partners, and other stakeholders. We highlight this regenerative ambition by pursuing three main pillars: Environment, Social, and Governance. We are aware that as we grow and pursue evolution in our markets, we will also need to address the growing potential impact of our business. As such, we have moved forward with our mission, identifying ESG key focus areas in our ESG strategy that will help us bring our regenerative mission to life.

First Gen invested in the development of our infrastructure, personnel, and operating models in alignment with FPH’s overall value creation process. Through meaningful collaboration, transparency, and inclusivity, these investments and activities aim to improve the organization’s ability to create long-term value for meaningful relationships with our diverse stakeholders and ground the transition towards a more regenerative and decarbonized future.



FPH GROUP MISSION PILLARS	OUTPUTS OF FPH SUBSIDIARIES	OUTPUTS OF FIRST GEN
1.0 GOVERNANCE PILLAR		
1.1 Governance	Adoption of the unified FPH mission. Subsidiaries were given the flexibility to modify the mission to fit their operations.	We adopted the mission of “to forge collaborative pathways to a decarbonized and regenerative future,” and established our strategic objectives to produce and offer clean and sustainable energy solutions: • Grow by expanding our clean energy portfolio • Spur decarbonization by collaborating with regenerative partners • Go beyond shareholder value by creating stakeholder value—particularly by enabling our organization and creating value for our communities, environments, and other stakeholders The Company’s mission and goals are embedded in the organization’s planning processes, which help ensure that First Gen’s strategies are aligned with our mission, purpose, and chosen path.
2.0 ENVIRONMENTAL PILLAR		
2.1. Energy efficiency	Energy audits guided by Republic Act 11285 (Energy and Conservation Act of the Philippines)	In 2023, as part of our continuing compliance with DOE’s Department Circular 2019-11-0014, the Implementing Rules and Regulations of RA 11285 Energy Efficiency and Conservation Act, our First Gen subsidiaries, EDC and FGHPC completed their respective energy audits.
2.2. Waste management	Waste management plan	We established waste management processes by implementing guidelines on proper handling, waste storage, and disposal according to regulatory requirements. As a result, almost 50 percent (844.6 metric tons) of our waste were diverted from the landfill. We continue to partner with organizations such as ABS-CBN Lingkod Kapamilya Foundation-Bantay Kalikasan to recycle waste oil, lead, and plastic casings of batteries. We minimize waste generation through proper and timely maintenance of our equipment, spill prevention measures, the use of appropriately-sized materials, paper recycling, and paperless transactions. We will revisit a more robust waste management plan.
2.3 Water consumption	Water management plan	We have also established significant efforts to monitor and manage how we consume water in our areas. First Gen is already a responsible manager of our water consumption across all our facilities. Moving forward, we endeavor to go beyond and find ways to improve our impact on overall water consumption in our communities.

FPH GROUP MISSION PILLARS	OUTPUTS OF FPH SUBSIDIARIES	OUTPUTS OF FIRST GEN
2.4. Decarbonization	Climate risk and opportunity analyses across the value chain Preliminary decarbonization plan (to be continuously refined as new measures become available)	In early 2022, we determined the physical and transition climate risks and opportunities and existing mitigating measures. We continue to implement the measures on climate risks and opportunities and monitor their effectiveness. Our decarbonization plans include: • Growing our low-carbon portfolio through increased renewables and higher efficiency gas turbines, ultimately aiming to expand the proportion of renewables in our portfolio • Exploring the use of nature-based solutions and storage technology to complement our efforts to increase renewables • Closely monitoring emerging decarbonizing technologies such as carbon capture, utilization and storage, as well as hydrogen to supplement natural gas • Getting external assurance on our Scope 1 and Scope 2 Greenhouse Gas (GHG) emissions. For Scope 3 GHG emission, we are in the stage of improving our existing processes to enable accurate data collection and accounting.
2.5. Biodiversity	Biodiversity conservation and monitoring program for subsidiaries with major dependency on nature	We maintained our biodiversity programs, such as BINHI: A Greening Legacy, a broadscale reforestation and biodiversity initiative, and the Project Center of the Center (Project CoC), which involves marine conservation work in the Verde Island Passage with local communities. Furthermore, we continue to explore other program opportunities to further contribute to preserving biodiversity as well as addressing related societal issues.
3.0 SOCIAL PILLAR		
3.1. Human rights	Human rights due diligence across the value chain (potential human rights impact assessment, measures, and grievance redress mechanism), Vendor engagement (Supply chain sustainability)	We established Vendor Grievance Redress Mechanism Guidelines to ensure prompt, fair, and transparent resolution of vendor-related concerns and issues, thereby promoting a positive vendor relationship and enhancing overall operational efficiency. We also established a Community Resettlement Procedure to prevent community displacements and (if displacement is unavoidable) to provide guidance on minimizing the social and economic impacts of the loss or restriction of use of land and/or assets.

FPH GROUP MISSION PILLARS	OUTPUTS OF FPH SUBSIDIARIES	OUTPUTS OF FIRST GEN
3.2 Diversity, equity, and inclusion	Completed the Women's Empowerment Principles (WEP) Gender Gap Analysis Tool (GAT)	First Gen completed the WEPs GAT. We obtained a score of 54% (Achiever) in the initial assessment. This is higher than the global and regional (Asia) averages of 32 percent and 35 percent, respectively. * Based on the results of our WEPs, our area of strength is our application of a gender lens to community relations, CSR, philanthropy, advocacy, and partnerships. On the other hand, our areas for improvement have been identified and will be reviewed further for refinement. <i>*Reference: WEPs GAT Report 2022</i>
	Crafted policies responsive not just to DE&I, but also in alignment with our value of social justice. In addition to this, these policies are now being reviewed with a gender lens.	Policy against Forced Labor and Child Labor: All employees are required to complete the annual mandatory e-learning of this policy on Workday. Breastfeeding Policy: While the Company has been practicing all provisions and legal requirements stated in the law (RA 10028) prior to its enactment, we were duty-bound to formalize breastfeeding benefits and privileges into a company policy as required by this labor law. The policy promotes well-being and child-care for women.
	Continued partnerships with organizations who can guide us in our journey, such as USAID - Enhancing Equality in Energy for South East Asia (E4SEA) , Philippine Business Coalition for Women Empowerment (PBCWE), and UN Women's Empowerment (UN WEPS).	We trained employee-change agents in crafting the in-house training on Overcoming Unconscious Bias (OUB) in the workplace. Eighty-four (84) percent of people managers attended this awareness program towards creating and leading a diverse workforce and an inclusive workplace.
	Embedded DE&I in the employee life-cycle	We defined focus areas within the employee life cycle where we can embed DE&I. Now, our recruitment job advertisements are more gender neutral. We promote equal opportunity and ensure representation of diverse talents in company roadshows.



FPH GROUP MISSION PILLARS	OUTPUTS OF FPH SUBSIDIARIES	OUTPUTS OF FIRST GEN
3.8. Values for communities	CSR objectives, strategies and processes were aligned with First Gen Launched the Watts Next? Regenerative Solutions for Island Life across the FPH group and its subsidiaries. Watts Next? is an ideation program that aims to explore impactful, climate-responsive, and innovative community projects that will foster the regenerative growth of the islands of Caramoan and Garchitorena in Camarines Sur.	With the lifting of the COVID-19 restrictions, we have resumed our CSR initiatives in the areas of: 1) environment, 2) education, 3) community health and safety, 4) livelihood, 5) sociocultural, and 6) disaster response and relief across the First Gen subsidiaries. Across the First Gen subsidiaries, we continue to increase knowledge and awareness on climate change through the Create for the Climate teachers training as well as training toward the Local Climate Change Action Plan formulation for our partner local government units, such as the Climate and Disaster Risk Assessment and pre-Greenhouse Gas inventory workshops.

FPH GROUP MISSION PILLARS	OUTPUTS OF FPH SUBSIDIARIES	OUTPUTS OF FIRST GEN
4.0 EMBEDDING REGENERATIVE MINDSET		
4.1. Employees	Playbook for employee embedding	We embedded ESG principles in our culture through HR policies and programs, such as Internal Recruitment Policy, gender-inclusive recruitment strategy, and the use of Gender Equality and Diversity (GED) language and perspectives in our internal communications.
4.2. Supply chain	The following initiatives were piloted in 2022 and continued through 2023: • Vendors' code for responsible sourcing in the power segment, specifically in First Gen • Engagement of vendors on ESG in the non-power segment, specifically in First Balfour	We established the vendors' code for responsible sourcing in the power segment. We influenced our vendors through the inclusion of ESG criteria in our vendor accreditation process



FINANCIAL CAPITAL PERFORMANCE

First Gen’s financial capital is composed of internally generated funds from its operations and funds obtained from its capital raising. It is managed with the objective of maximizing stakeholder value through the attainment of optimal economic outcomes that should result in positive social outcomes.

Financial Capital Management

The Company leverages its financial capital to increase overall stakeholder value. Working with our stakeholders, shareholders, and affiliates, we work to ensure that we employ our capital towards the most cost-efficient and high-return projects.

First Gen monitors these investments to ensure that the Company is able to deliver optimal value as it achieves its growth and income aspirations. As a result, First Gen regularly pays dividends after allocating cash for debt payments and funding growth projects.

The Company heavily utilizes its financial models to project cash and income streams, evaluate the potential returns on our new investments and to optimally allocate financial capital. These models are likewise used by First Gen to aid its decisions in capital raising.

Investor Relations

Communications with investors play a critical part in the procurement and deployment of financial capital. These communications are overseen by our Investor Relations team, ensuring that all financial stakeholders understand, align with, and support the Company’s Mission and Purpose. At the same time, the Investor Relations team also ensures that our stakeholders have timely updates and are given opportunities to express their concerns about First Gen’s investments.

The Investor Relations team maintains active relations with our shareholders, ensuring that their feedback gets reported back to Senior Management for transparency and trust. First Gen is committed to ensuring that our relationships with our financial partners are built on a foundation of transparency, communication, and fiscal responsibility, while also aligning with our own ESG initiatives.

Financial Capital Usage and Highlights in 2023

FINANCIAL CAPITAL DISTRIBUTION

In 2023, 92 percent of First Gen’s total generated economic value was invested into the economy in the form of operating costs, employee wages and benefits, payments to providers of capital, and payments to the government. The Company also made investments in the community by implementing health, education, livelihood, environment, emergency response and relief, and socio-cultural programs.

The table on the right shows how our financial capital is distributed and transformed into the five other capitals.

DIRECT ECONOMIC VALUE GENERATED, DISTRIBUTED, AND RETAINED (IN USD MILLIONS)	2023	2022	2021
Economic Value Generated	2,517.8	2,677.7	2,205.1
Economic Value Invested	2,319.9	2,523.7	2,400.6
Economic Value Retained	197.9	154.0	(195.4)

CAPITAL (IN USD MILLIONS)	2023	2022	2021
Manufactured	491.4	357.3	316.1
Natural	1291.4	1616.1	842.4
Intellectual	236.2	8.2	10.3
Human	120.7	123.1	111.4
Social and Relationship	19.1	19.2	7.6

We directed investment efforts towards natural capital (which represents 59.8 percent of operational expenses and investments) to secure power supply in the grid. This was accomplished through land procurement and upkeep, obtaining permits, complying with environmental regulations, implementing CSR projects and initiatives, enhancing resource efficiency, and implementing water and waste management practices.

In addition, we invested 22.8 percent of operational costs and investments in manufactured capital. This was used for the construction of the LNG Interim Offshore Terminal (IOT) Project to address the depletion of the Malampaya gas

field; the construction of the Palayan Bayan, Bago, Tanawon, and Mahanagdong geothermal plants; procuring and installing new equipment; operating and maintaining power plants; and improving buildings towards resiliency. The above projects are slated for completion in 2024.

First Gen invested 10.9 percent of total operational costs and investments in intellectual capital, which includes lease rights to the Floating Storage and Regasification Unit (FSRU) and tugboats, IT software and tools, branding and marketing, cybersecurity measures, research and studies, and securing ISO certifications.

First Gen also prioritizes our employees, allocating 5.6 percent

of total operational costs and investments for their welfare. The Company provides occupational health and safety training, as well as medical and psychosocial programs. Additionally, the Company invests in the growth of our employees by providing skills development, training programs, and subscriptions to learning platforms like Udemy.

Lastly, the remaining 0.9 percent is allocated to social and relationship capital to strengthen First Gen’s relationships with local communities and other stakeholders. The Company adheres to community and LGU regulations, conducts CSR activities, donates to social causes, networks with associations, sponsors events, and pays membership fees.

Financial Outcomes for 2023

Here is a table highlighting the overall financial performance of the Company as a whole.

In 2023, First Gen reported a Recurring Net Income Attributable to Equity Holders of the Parent of USD277.0 million, which is USD11.6 million or 4.4 percent higher than the previous year. This was primarily driven by the geothermal platform’s higher average selling prices and lower replacement power purchases, supplemented by San Gabriel’s higher capacity fees from operating on full capacity. However, consolidated revenues decreased by 7.2 percent to USD 2.5 billion in 2023 due to lower fuel revenues from the gas platform from lower fuel prices and lower dispatch of Santa Rita and San Lorenzo.

Natural Gas

The natural gas platform reported an increase in net income of 3.1 percent, or USD5.6 million, from USD182.0 million in 2022 to USD187.6 million in 2023. This was due to San Gabriel’s higher income contribution from better net dependable capacity and fewer forced outages in 2023, resulting in higher capacity fees and lower replacement power purchases. However, the increase was partly offset by San Lorenzo’s and Santa Rita’s higher interest expenses from higher interest rates in 2023.

FINANCIAL CAPITAL HIGHLIGHTS (IN USD THOUSANDS)*	2023	2022	2021
*EXCEPT PER SHARE DATA			
Revenues	2,474,748	2,666,706	2,166,782
Consolidated Net Income	449,333	369,512	354,240
Net Income Attributable to Equity Holders of the Parent	312,204	261,390	258,253
Recurring Net Income Attributable to Equity Holders of the Parent	277,036	265,446	252,437
Total Assets	6,126,657	5,375,868	5,503,389
Total Liabilities	2,825,531	2,416,251	2,530,186
Equity Attributable to Equity Holders of the Parent	2,676,172	2,413,980	2,438,010
Non-Controlling Interests	624,954	545,637	535,193
Basic/Diluted Earnings Per Share for Net Income Attributable to Equity Holders of the Parent (in USD/share)	0.087	0.071	0.070

NATURAL GAS BU (IN USD THOUSANDS)	2023	2022	2021
Revenues	1,619.0	1,756.7	1,297.2
Operating Income (Loss)	265.8	259.2	258.7
Net Income (Loss)	187.6	182.0	199.3



Geothermal

In 2023, First Gen’s geothermal platform recorded a substantial increase in net income amounting to PHP16.6 billion, a growth of 57.7 percent from the previous year’s PHP10.6 billion. This growth can be attributed to higher average selling prices for both the WESM and its power supply contracts. The geothermal platform also saw higher generation from the Tongonan, Palinpinon, Bacman, and Mindanao plants in 2023.

Hydro

Pantabangan-Masiway’s revenues decreased by 47.5 percent, or PHP1.9 billion, to PHP2.1 billion in 2023, compared to PHP4.1 billion in 2022. This decline is attributed to reduced revenues from power supply agreements. In particular, FG Hydro transferred its contract with Meralco to EDC in August 2022 as part of a previous arrangement. The decreased revenues were also attributable to a decline in generation resulting from low reservoir elevation. This decline in revenues was partially offset by fewer purchases of replacement power from the WESM in 2023, due to lower volumes required by the contract with Meralco in 2022. This resulted in a lower net income of PHP325.6 million in 2023, a 14.7 percent decrease from the same period last year.

FG Bukidnon’s revenues increased by 6.3 percent to PHP45.3 million in 2023 from PHP42.6 million in 2022. This is due to higher average selling prices in 2023. Nevertheless, FG Bukidnon’s net loss continued to increase due to higher operating expenses.

GEOTHERMAL BU (IN PHP MILLIONS)	2023	2022	2021
Revenues	41,487.3	42,677.0	34,157.7
Operating Income (Loss)	19,375.9	15,002.8	9,777.0
Net Income (Loss)	16,646.3	10,554.2	7,521.3



	2023	2022	2021
PANTABANGAN-MASIWAY BU (IN PHP MILLIONS)			
Revenues	2,132.8	4,061.4	4,937.2
Operating Income (Loss)	239.4	356.1	296.8
Net Income (Loss)	325.6	381.7	281.5
AGUSAN BU (IN PHP MILLIONS)			
Revenues	45.3	42.6	50.9
Operating Income (Loss)	(10.3)	(7.4)	(0.2)
Net Income (Loss)	(11.1)	(7.1)	(1.2)
TOTAL			
Revenues	2,178.1	4,104.0	4,988.1
Operating Income (Loss)	229.1	348.6	296.6
Net Income (Loss)	314.6	374.6	280.3



Wind and Solar

Burgos Wind’s net income increased by 83.7 percent, or PHP0.5 billion, from PHP0.6 billion in 2022 to PHP1.1 billion in 2023, due to a stronger wind regime and higher FiT rates in 2023. Meanwhile, Burgos Solar’s net income decreased by 9.5 percent, or PHP4.2 million, from PHP4.0 million in 2022 to PHP39.8 million in 2023, due to lower generation sales in 2023.

EDC Siklab’s net income decreased by 40.5 percent, or PHP3.0 million, from PHP7.5 million in 2022 to PHP4.5 million in 2023. This decrease was attributable to the lower volume of generated power.

	2023	2022	2021
WIND BU (IN PHP MILLIONS)			
Revenues	3,471.8	2,917.2	3,941.8
Operating Income (Loss)	1,760.0	1,314.7	2,419.8
Net Income (Loss)	1,061.7	578.0	1,822.0
BURGOS SOLAR BU (IN PHP MILLIONS)			
Revenues	103.5	102.7	109.9
Operating Income (Loss)	52.3	56.8	63.0
Net Income (Loss)	39.8	44.0	50.9
SOLAR ROOFTOP (IN PHP MILLIONS)			
Revenues	27.9	32.2	31.4
Operating Income (Loss)	5.7	8.7	8.1
Net Income (Loss)	4.5	7.5	7.1



Tax Discussion:

First Gen adheres to and fully supports the tax programs and collection efforts of the government, as we strongly believe that taxes are of the utmost importance to the development and sustainability of the country’s economy. The Company ensures utmost compliance with tax laws and the payment of correct and equitable taxes to the tax authorities, which are essential to nation building and the economic growth of the Philippines.

Through our Tax team, the tax management system of First Gen is embedded within the Accounting group, with active collaboration and guidance from the Legal and Regulatory groups. The tax management functions are mainly, 1) tax compliance and statutory reporting; 2) tax planning and strategy; 3) tax audit management; and 4) tax advocacy. Senior management (through the Accounting group) ensures that these functions are aligned and consistent with First Gen’s business strategies and Purpose.

In 2023, First Gen contributed and paid government taxes worth PHP21.2 billion, comprising PHP18.9 billion in national taxes, PHP1.8 billion in local taxes, and PHP0.5 billion in government shares and ER 1-94. First Gas Power Corporation, one of First Gen’s major subsidiaries, has been among the ten top taxpayers in Pasig City for more than 10 years. No violations of taxation were reported in 2023.

Tax processes concerning statutory reporting, compliance, and payment of taxes are integrated in the Accounting processes, procedures, and systems. Tax deadlines are set by the national and local government units. These are consistently monitored by the Tax team with the help of innovative processes, systems automation, and technological advancements embedded in the revenue and disbursement cycles of the Company. Given the constantly evolving Philippine tax regulations, First Gen conducts regular tax forums and seminars to keep our accountants abreast of the latest tax updates and best practices, ensure tax compliance, and facilitate accurate tax payments.

SUMMARY OF OUR FINANCIAL PERFORMANCE, IMPACTS AND PLANS

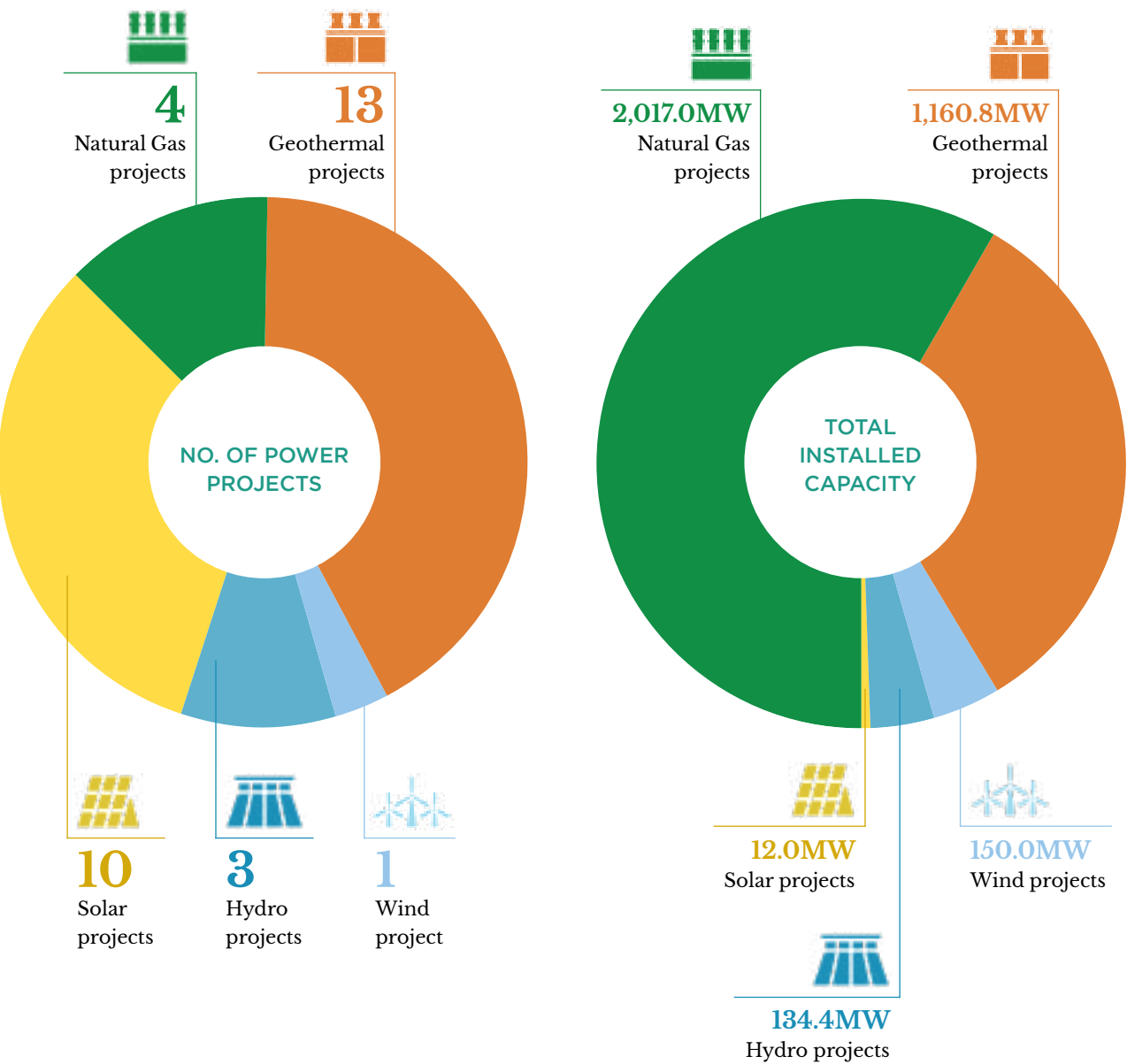
STRATEGY PURSUED	WHERE WE PROGRESSED IN 2023	IMPACT MATERIALITY	FINANCIAL MATERIALITY
Grow our portfolio to 13GW	First Gen, via its subsidiaries, secured various loans to fund new projects and acquisitions	Higher debt balances and interest expense	Close the acquisition of the 165-MW Casecnan Hydro Electric Power Plant in Feb 2024 EDC to commission 83MW of various geothermal power plants and 40MW of battery energy storage systems in 2024

To know more about how First Gen’s Financial Capital is contributing to the effort to forge collaborative pathways for a decarbonized and regenerative future, please see pages 72-75.

Allotment of Financial Capital that contributed to the creation and preservation of other capitals can be found on the ESG section on page 198.

MANUFACTURED CAPITAL PERFORMANCE

Using a combination of clean and low-carbon sources, First Gen delivers reliable power to our customers while minimizing the negative impact on the surrounding communities and environment. The Company’s manufactured capital comprises 31 power projects all over the Philippines that have a combined installed capacity of 3,474.2MW. In 2023, they generated a total of 21,604.5GWh and powered 19.3% of the Philippines.



OPERATIONAL HIGHLIGHTS

Natural Gas

The natural gas supply from Malampaya for 2023 was below the requirements of the First Gen Clean Energy Complex (FGCEC) plants due to the continuing depletion of the gas field. As a result, there were instances when the Santa Rita and San Lorenzo power plants operated on condensate fuel in place of natural gas.

The natural gas power plants overall produced less power in 2023 than 2022. This was due to unplanned outages from Santa Rita and San Lorenzo, wherein certain units or systems needed rectification; and where Avion’s output decreased despite its high availability and reliability mainly due to a shift from the energy market to ancillary services and partly because of lesser opportunities at the WESM as a result of high power reserves of the grid. In contrast, the output of San Gabriel increased compared to the previous year with less planned outages and high dispatch rates.

With the continuing depletion of gas supply from the Malampaya Gas Field, the available supply of natural gas was not enough to sustain First Gen’s gas plants. There had been instances in 2023 where the Santa Rita and San Lorenzo plants operated on liquid fuel in its place. Despite this, the power plants managed to maintain its operations based on dispatch. In response to the ongoing decline of Malampaya gas supply, First Gen’s gas plants commenced with being commissioned to run on LNG on Q4 2023. Two LNG deliveries were received within the year for their commissioning to use regasified LNG.

OPERATIONAL INDICATORS

	SANTA RITA			SAN LORENZO			SAN GABRIEL			AVION		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Actual Energy Generation (GWh)	7,056.6	7,812.4	6,500.2	3,738.9	3,875.6	3,687.0	2,786.8	2,632.1	1,793.9	341.9	372.0	327.5
Net Capacity Factor (%)	72.6	80.6	67.7	76.6	79.1	75.5	77.0	72.3	49.4	44.0	47.9	42.1
Availability (%)	92.0	93.0	86.1	91.5	87.4	94.5	95.0	89.6	84.9	96.6	88.8	84.8
Reliability (%)	97.5	96.2	95.1	95.5	96.8	97.5	96.4	94.3	82.8	99.6	90.5	86.7
Planned Outage (in hours)	613.4	734.2	2,765.9	418.0	1,625.1	92.8	148.6	384.1	50.5	519.8	235.8	237.7
Unplanned Outage (in hours)	2,045.9	1,024.4	1,839.7	1,041.1	482.2	874.5	289.6	251.5	1,270.6	76.7	1,703.5	2,410.2
Generation Efficiency (%)	53.1	53.5	52.6	54.1	54.4	53.7	56.7	56.8	56.1	31.0	32.5	31.3

Several 2021 and 2022 figures have been adjusted. Please refer to the Restatements section for the summary of changes.



Geothermal

First Gen’s Leyte and Mt. Apo plants saw an increase in generation versus the targets for 2023, primarily through technological advancements and improvements in operational efficiency. Meanwhile, the Negros and Bacman sites had lower

generation than the target due to technical problems detected in the facilities, particularly with a generator rotor in the Negros site and the initial turbine rolling in Bacman. These issues have been detected and addressed in a timely

manner, with both sites resolving them by the first half of 2024.

Work continues for the Palayan Binary Project, the Tanawon Geothermal Power Plant, the Mahanagdong Geothermal Brine

Optimization Plant, and the Battery Energy Storage Systems (BESS) projects in Tongonan, Southern Negros, and Bacman. First Gen ensures that these projects continue to comply with all local and national regulations during their construction

and prioritizes safe man hours and HSE-compliant working conditions.

First Gen, through EDC, was able to fulfill obligations to our contracts in 2021 to 2023 through generation from our plants.

During outages, the maintenance allowances on these contracts were invoked. For maintenance allowances that are fully utilized, or for contracts with no maintenance allowance, EDC purchases from the WESM to fulfill said contracts.

OPERATIONAL INDICATORS

	BACMAN			UNIFIED LEYTE			TONGONAN		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Actual Energy Generation (GWh)	1,099.4	1,050.3	970.4	2,718.6	2,921.8	2,949.3	925.3	885.8	918.1
Net Capacity Factor (%)	94.2	89.9	87.1	55.8	58.2	58.2	93.6	89.6	93.7
Availability (%)	95.9	94.1	94.3	89.6	88.9	88.2	96.5	92.8	95.8
Reliability (%)	98.4	96.8	96.4	93.8	90.9	90.8	98.1	97.5	99.1
Planned Outage (in hours)	490.8	584.2	432.0	5,057.6	2,600.7	2,578.8	403.1	1,241.6	904.2
Unplanned Outage (in hours)	475.3	561.0	806.1	7,646.4	15,409.6	19,500.7	217.9	647.7	224.3

PALINPINON			NASULO			MINDANAO		
2023	2022	2021	2023	2022	2021	2023	2022	2021
1,250.5	1,195.8	1,054.3	377.0	375.2	266.9	669.2	670.1	587.3
87.8	84.0	75.7	95.4	95.0	70.2	71.9	74.1	66.1
89.8	92.1	90.8	97.4	99.8	85.8	97.2	95.3	97.6
95.3	95.1	94.4	99.6	99.8	85.8	99.1	96.4	99.6
2,654.9	3,012.4	1,934.1	191.7	0.0	0.0	853.6	0.0	339.9
1,667.3	1,682.5	1,270.5	38.0	21.7	1,227.2	1,188.1	2,460.6	77.2

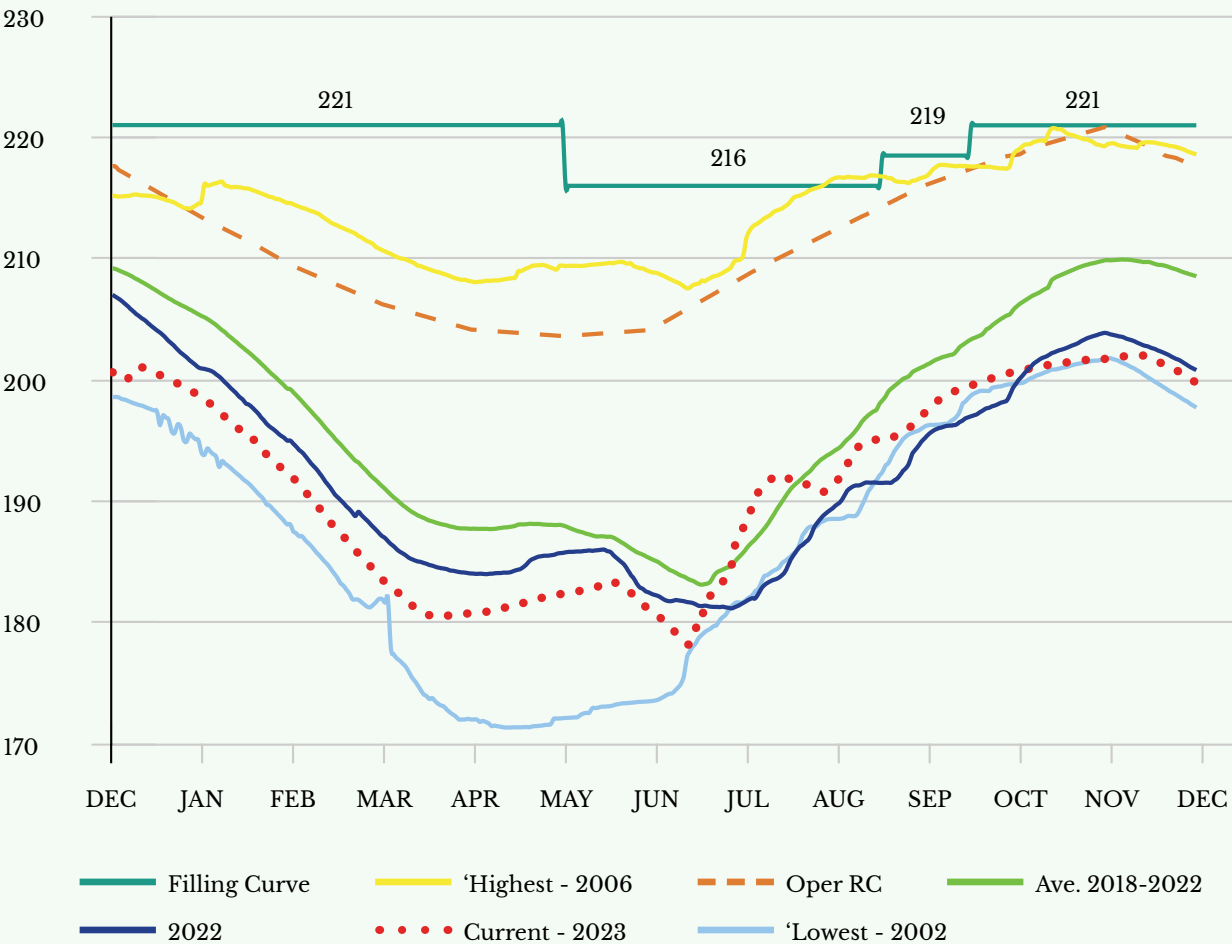
Several 2022 figures have been adjusted. Please refer to the Restatements section for the summary of changes.

Hydroelectric

FIRST GEN HYDRO POWER CORPORATION (FGHPC)

December's Year-To-Date (YTD) gross generation declined by 19.70 percent from 303.10gWhs in 2022 to 249.86gWhs in 2023 due to the comparatively lower Pantabangan reservoir water elevation for the first half and last quarter of 2023 compared to 2022. This greatly affected the dependable capacity or capability of the Pantabangan hydroelectric plant (HEP) to generate electricity.

PANTABANGAN DAM HISTORICAL ELEVATION 2002-2023



The Ancillary Services sales for 2023 also significantly declined compared to 2022 due to the expiration of FGHPC's ASPA contract with NGCP effective March 2023. Renewal of ASPA is through Competitive Selection Process (CSP) as required by the DOE and ERC. However, the Company did not apply for ASPA for Regulating, Contingency and Dispatchable Reserve services as the requirement is for generators offer to be "FIRM", or continual

offer throughout the contract period, of which the plant cannot provide, having a cyclical or seasonal generation only. First Gen is looking at offering A/S again when the Reserve Market commences commercial operation in the first quarter of 2024.

Overall, FGHPC was able to fulfill our contracted PSAs as well as our energy offers to the IEMOP for 2023. As of December 25, 2023,

our contracted capacity is at 41.77MWs. However, due to the challenges mentioned on the Pantabangan water level at the reservoir and in anticipation of the onset of El Niño, we are looking at further reducing our contracted capacity to around 28MWs or lower for 2024. This can be done by transferring some of our PSAs to EDC and/or non-renewal of our expiring short-term PSAs, particularly for contestable customers engaged by our RES.

FG BUKIDNON POWER CORPORATION (FGBPC)

FGBPC obtained approval from the IEMOP as WESM Direct Member and Trading Participant (Generation Company Category). The WESM membership is effective January 12, 2023. During the process, FGBPC coordinated with the system operator (NGCP) for the plant to fit with the technical requirement considering that the plant systems are manually operated.

Just like in prior years, the PSA between FGBPC and CEPALCO also reached full compliance. Minor comments/ feedback on communications which affect the hourly/ data reporting of plant data have also been addressed.

OPERATIONAL INDICATORS

	PANTABANGAN			MASIWAY			AGUSAN		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Actual Energy Generation (GWh)	210.9	259.3	264.4	40.1	41.4	44.7	10.2	10.2	12.1
Net Capacity Factor (%)	19.85	24.8	25.2	37.88	39.5	42.5	73.0	72.7	86.1
Availability (%)	98.42	92.5	85.6	95.63	95.4	90.1	94.8	92.6	94.6
Reliability (%)	98.94	100.0	100.0	100.00	100.0	99.9	99.7	95.6	99.7
Planned Outage (in hours)	1,073.2	1,295.4	2,423.2	379.52	393.9	848.1	426.6	276.9	445.7
Unplanned Outage (in hours)	79.4	2.3	94.7	0.0	2.1	14.2	26.9	375.8	25.2



Wind and Solar

In 2023, the Burgos site was affected by stronger winds from Low Pressure Areas (LPA) in January and November and Typhoons Mawar (Betty) in May and Egay (Doksuri) in July.

Typhoon Egay brought about strong winds that caused the outage of five Wind Turbine Generators (WTG). Our typhoon inspections discovered that the units suffered Arc Flash Damage. With only one spare transformer, the Company had to source replacement transformers from Denmark and the USA. The outage has an estimated loss of 12.56GWh. With careful planning, the spare parts were delivered before the year ended, and the Wind Turbines were restored to full operation by the second week of November. Damaged WTGs

were restored between August 28 to November 13, 2023.

The FiT rate for wind (applicable for the years 2016-2020) underwent escalation as per the Energy Regulatory Commission (ERC) Resolution No. 6, Series of 2020, titled “A Resolution Approving the Adjustment to the Feed-In Tariff (FiT),” which was officially published on November 17, 2020 and took effect on December 2, 2020. The resolution stipulates a five-year duration for the actual recovery of arrears.

Accordingly, entities with the January 2016 generation period were invoiced in December 2020 and received payment in January 2021. This payment cycle has continued in subsequent months, adhering to the five-year recovery

period outlined in the resolution. We have diligently collected these arrears on a monthly basis since the commencement of this process.

On February 19, 2021, the ERC issued a letter to Transco, indicating that, until the approval of the 2021 FiT-All rate and the adjustment of FiT rates, the initially approved FiT rates should be applied for the billing related to the 2021 generation. As of now, no approval has been granted for the FiT rates for the years 2021, 2022, and 2023.

As of the end of September 2023, the EDC Burgos Wind Power Corporation’s (EBWPC) receivables from Transco amounted to approximately PHP2.4 billion.

OPERATIONAL INDICATORS

	BURGOS WIND			BURGOS SOLAR			SOLAR ROOFTOP		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Actual Energy Generation (GWh)	364.6	311.9	416.3	10.1	10.2	10.6	4.5	5.2	5.2
Net Capacity Factor (%)	27.9	23.8	31.8	18.2	18.1	18.5	11.7	11.6	11.5
Availability(%)	99.3*	97.5*	96.8*	PR**=69	PR**=71.9	PR**=74.5	PR**=69	PR**=73.6	PR**=73.6
Reliability (%)	99.8	99.9	99.9	96.8	97.4	98.8	99.9	99.3	99.2
Planned Outage (in hours)	35.3	34.3	32.8	0.0	33.6	0.0	0.0	0.0	66.5
Unplanned Outage (in hours)	21.7	6.2	5.0	573.6	438.1	323.6	66.0	530.1	618.9

* Energy-based availability
**Performance ratio (PR). Ratio of measured output to expected output for a given period and based on the system name-plate rating.

Several 2021 and 2022 figures have been adjusted. Please refer to the Restatements section for the summary of changes.

Post COVID-19 Adjustments



Due to the proactive nature of our COVID-19 management since the onset of the pandemic in 2020, the operation and production of First Gen’s plants have continued or not been impeded. Many adjustments and efforts were made on the ground to protect the workers, including sheltering in place in 2020 and vaccination of more than 90% of employees and contractors, which led to uninterrupted service by the Company to our customers and communities.

As such, the only significant change to plant complex generation is the ability to remotely operate plants in a designated area outside of the control rooms to ensure continual plant operation, even when plant operators are not physically present at the plant.

Plants, including support personnel, have successfully transitioned to 100 percent face-to-face operations and have effectively adapted to the new normal. COVID-like symptoms in employees, if any, are managed with the use of basic personal protective equipment (PPE) and house isolation for a short duration of time, if necessary. Part of the new normal is also the availability of work-from-home arrangements, which are allowed on a case to case basis.

Enforcing minimum public health standards like masking, physical distancing, and hand hygiene is now ingrained as routine practice.

Robust campaigns for COVID vaccination as well as other respiratory conditions such as flu and pneumonia were also conducted to reduce the incidence of disease. In addition, improvements to ventilation through Carbon Dioxide Level Assessment were conducted at work sites.

Moving forward, the Company will emphasize vaccination, ventilation, and minimum public health standards. The focus is to make the company “pandemic-proof” through the enhancement of existing protocols and guidelines, applying the learnings from COVID-19. First Gen will continue to support a hybrid work setup for our operations, allowing our employees the greatest degree of flexibility to fulfill their roles while also ensuring the continual smooth operation of our facilities.



Future-Proofing Measures

The upgrade of FGHPC’s Computerized Maintenance Management System (CMMS) was also approved in late 2023. This initiative aims to implement a more reliable and permanent enterprise asset management (EAM) solution that will address plant operation requirements and the performance management of our physical assets. Further, this shall prevent the loss of maintenance history/records, as the CMMS software (Infor EAM Version 10.1) and its operating system (Windows Server 2008) are already obsolete. FGHPC also initiated the upgrading project of our control system for Public Health Emergency Preparedness (PHEP) in late 2023. This is a three-year project, culminating in 2025.

For office environments, carbon dioxide sensors were purchased to assess the ventilation in all meeting rooms. Carbon dioxide can be used as an indicator of adequate air exchange in a workspace. This initiative is in accordance with DOLE 224-21 entitled “Guidelines on Ventilation for the Workplaces and Public Transport to Prevent and Control the Spread of COVID-19”, which states that “...a level of 1,000 parts per million (ppm) of carbon dioxide, as detected by carbon dioxide sensors has been established as the maximum threshold for which a room can be considered safe, and well ventilated.” This initiative has enabled the Company to safely implement

curated face-to-face work opportunities in our hybrid setup while exercising optimal infection prevention control.

Kandao video conferencing equipment has also been made available. Employees can request the use of Kandao equipment in our meeting rooms to improve virtual interactions.

Lastly, the Company has also purchased an additional Dongfeng Rich 6 EV to complement our Nissan LEAF EV used by site employees in FGCEC for official business trips. Using the EVs reduces our carbon emissions by approximately two tons per year, compared to using vehicles powered by diesel or gasoline.



Resiliency Plans

The Resiliency Compliance Plans for FGPC, FGP, FNPC, PMPC were submitted to the DOE in 2018. The plans included emergency response measures under the categories of system, stockpiling, response and recovery, and strengthening infrastructure. The documents also discussed the establishment of an Emergency Response Team, Emergency Response Plan, Emergency Drills, and Maintenance of Fire and Protection Systems and Firefighting equipment. Programs on the monitoring of emergency supplies inventory, and spares and consumables inventory on a periodic and regular basis were also tackled.

An updated Resiliency Compliance Plan was submitted to the DOE in May 2023. The plan includes emergency response measures completed from 2018 to 2023. This includes the completion of Flood Tsunami Protection in 2021 (Storm Surge Protection) and the Shoreline Erosion Mitigation Project in 2023, among others, and helps to mitigate flooding in the complex during typhoons and heavy rains. All other reported projects and programs are still being implemented at the power plants. The Department of Energy raised no concerns regarding the submitted plans.

The Company has also continued the engineering controls, such as the Cooling Tower Replacements in Leyte and the Building Retrofitting Projects. As a result, First Gen does not have Landslide Mitigation (LMM) projects at our geothermal sites for the first time. Because of the continuous proactive mitigation we have done in the previous year, we have maintained the landslide risk level across sites at low to medium. In 2023, we completed another two cooling tower replacements in Leyte, completing the upgrade of all nine cooling towers in Leyte. First Gen also completed three building retrofitting projects in Leyte, Negros, and BacMan, with completed 12 LMMs in Leyte and Negros. EDC has reduced natural catastrophe (Nat Cat) risks to a medium level, and we will continue our risk mitigation effort to maintain the current risk level.

First Gen has also invested in studies that will help us refine our risk assessments and identify necessary risk reduction measures, such as the Building Integrity Assessments of other old power plant buildings. The first batch of buildings under the current retrofitting program were constructed in the 1980s and designed based on the old building code of 1976. We now want to look at the actual

conditions of buildings built in the 1990s and designed based on the old building code of 1992. In 2023, we conducted another batch of Building Integrity Assessments to check the actual conditions of buildings built in the 1990s.

The Company has also drafted the EDC’s Head Office Business Continuity Management Plan (HO BCM Plan) to cover “The Big One” Scenario. This is aligned with the Department of Energy’s National Energy Contingency Plan (NECP) for “The Big One.” In 2023, we established the high level strategy for EDC Head Office’s BCM Plan for “The Big One”, which is aligned with the Parent Company’s strategy. All corresponding initiatives to ensure that we have a working BCM plan will be continued in 2024.

First Gen has also implemented various emergency response management activities in our Burgos plants, our geothermal facilities, and our corporate head office. These include the conduct of relevant emergency response training, drills, stockpiling of emergency supplies, and updating of relevant emergency response guidelines.

The highlights of FGHPC’s Resiliency Plan for 2023 are the Refurbishment of Housing Compound Suppression System (amounting to PHP11.3 million) and the Gas Suppression System for the Pantabangan and Masiway HEP Control Rooms, including the the Fire Suppression System for Electrical Cabinets (amounting to PHP12.0 million).

For FGBPC, the plant’s Resiliency Plan in 2023 includes strengthening infrastructure activities/projects. These include, among others, the Riverbank Restoration project and the Main Diversion Weir Toe Repair and Improvement.

The Push for Decarbonization



First Gen remains committed to our Net-Zero goals. Our plants and facilities push initiatives related to the development of low-carbon energy solutions and contribute to our targets on the share of low-carbon sources in total power generation or capacity.

FGPC, FGP, FNPC, and PMPC have adopted the plantations in the Pantabangan-Carranglan Watershed Forest Reserve (PCWFR) for the establishment, maintenance, replanting, and enhancement planting activities in the 1,209-hectare plantation as a potential carbon offsetting option, which has an average carbon sequestration potential of 22,900 tons per year. We also continually monitor updates on emerging technologies that can decarbonize our gas plants, such as carbon capture technology and using alternative fuels such as hydrogen.

In December 2023, solar panels were installed on the rooftop of the Avion site's car park, comprising a total of 80 solar PV modules with a total actual power generating capacity of 44kW. Energy produced by the Avion Solar PV Panels is used to supply power consumption within the

Avion Power Plant compound and other equipment.

FGHPC successfully conducted our Level 1 Energy Audit as required by the DOE for PHEP, being a type 1 Designated Establishment (DE). Although MHEP is classified as "other" DE, we conducted an internal energy audit as well to determine compliance with the requirements of RA 11285 and its Implementing Rules and Regulations (IRR). For our compliance, two FGHPC employees underwent rigorous training and accreditation processes to become DOE-accredited energy auditors. As clarified by DOE, however, an independent investigation should be conducted. As such, we engaged a third party provider, WESTCO Electrical & Equipment Corp., that reviewed and certified the energy audit report of our energy auditors.

As a certified ISO 14001 company, FGHPC had environmental targets for 2023, one of which was the reduction of our residual waste by five percent. This translates to a target reduction of our residual waste disposed at the municipal waste facility from 75.50 tons to 67.95 tons or by 7.55 tons. However,

our actual reduction rate was 11.26 percent as we were able to reduce our residual waste to 8.5 tons.

FGBPC continued the implementation of its Water Consumption Management, which is set to be improved in 2024 (repiping of water systems and installation of additional monitoring meters), and the energy conservation program, including the gradual replacement of its lighting system with LED lighting fixtures. With the Enercon program in place, FGBPC was able to control and reduce its energy consumption by around 16MWh in 2023—150.69MWh compared with 166.67MWh in 2022.

Other First Gen decarbonization efforts are pursued together with EDC, such as the completion of our Greenhouse Gas Accounting Pre-Assurance. This project was completed in 2023 in order to identify improvement opportunities in the GHG emissions accounting and reporting processes of First Gen and EDC, in order to prepare the organization for an external limited assurance in the next few years.

The Company has also partnered with EDC to roll out the Zero Carbon Gateway online platform to our Net Zero Carbon Alliance (NZCA) partners, as a way for them to track their net zero journey based on the NZCA framework. NZCA closed 2023 with a total of 21 partners (from 12 in 2022) coming from various Philippine industry sectors.

Alongside EDC BINHI, First Gen continuously upholds its commitment to protecting the natural flora and fauna of the Philippines, as well as supporting the communities that function as their natural caretakers and safeguards. Alongside our commitment to net-zero operations and our continual development of low-carbon solutions, the Company hopes to keep our operations in line with our Mission, Purpose, and Chosen Path.

PROJECT UPDATES



Natural Gas

Interim Offshore LNG Receiving Terminal Project

For the first half of the year, the Project achieved Practical Completion pursuant to the Philippine Downstream Natural Gas Regulation (PDNGR), the delivery and acceptance of four tug boats, and the start of the provision of towage services.

The second half of the year saw the delivery and berthing of the Floating Storage and Regasification Unit (FSRU) BW Batangas at the Multi-Purpose Jetty (MPJ), and the completion of commissioning of the FSRU at the MPJ. This was marked by a successful send-out of regasified LNG to the First Gen gas power plants, with a confirmed receipt of two LNG cargoes by the FSRU.

Santa Maria Power Plant

First Gen Ecopower Solutions, Inc. has ongoing permitting activities and contractor selection processes related to the development of the 2 x 630MW Santa Maria Gas-Fired Combined Cycle Power Plant Project (SM CCPP). In addition, the site preparation works are being completed as part of the initial construction phase of the SM CCPP.

Geothermal

Palayan Binary Project (28.9MW)

The project achieved first grid synchronization January 12, 2024 and is now exporting and selling energy to the Luzon grid. It is now completing the testing and commissioning stage of the project.

Tanawon Geothermal Power Plant (20MW)

As of December 31, 2023, the Tanawon Geothermal Power Plant (TGPP) is half-way into construction. It has achieved 1,888,930 labor-hours without Lost Time Incidents. Critical equipment to complete the project is now at site.

Mahanagdong Geothermal Brine Optimization Plant (28MW)

Mahanagdong Binary has achieved a total of 831,491 safe man hours since the early site development phase of the project in the fourth quarter of 2022. All of the construction contracts were awarded and executed by 2023.

Site construction started in March 2023, with foundation piling works completed in November 2023.

Bago Binary Geothermal Power Plant (5.6MW)

Bago Binary has achieved around 791,000 safe man hours with no lost time incident since the start of the development of the project. The project is targeting to achieve the commissioning schedule of Q3 2024.

BESS Projects (status as of December 2023)

- Tongonan BESS: Excavation completed at BESS area and control building. Lean concreting completed and rebar installation is ongoing.
- Southern Negros BESS: Excavation completed at BESS area. Lean concreting completed and rebar installation is ongoing.
- Bacman BESS: Bored piling works completed at BESS area. Ongoing bored piling at switchyard area.



Energy Audit Improvements

In 2023, First Gen completed the PI energy audit across EDC and our subsidiaries. Based on the results, we are now considering the following recommendations.

First Gen will pursue the implementation of ISO 50001 or any similar framework. This will have a significant long-term effect as it involves implementing a systematic and proactive approach to energy efficiency driven by energy monitoring data.

The Company will also establish an energy efficiency committee as part of our energy management strategy. The committee can include representatives from various departments within the plant and should have clear roles and responsibilities to ensure that energy-saving measures are quantified and implemented effectively.

While the presence of the power meters is a positive step in energy management, the manual recording of data can be time-consuming and prone to errors. Therefore, it is recommended that the plant consider implementing an automated system for data collection and recording to improve the accuracy and efficiency of energy monitoring and reporting.

The energy auditors also recommend continuing the initiative of transitioning to inverter-type air conditioning units (ACUs). Studies show that inverter-type ACUs' start-up is reduced to 30 percent and the running compressor will draw only that much power required to maintain the set temperature. This thus consumes approximately 20-50 percent less energy compared to non-inverter units.

It is recommended that Palinpinon I continue its transition to energy-efficient LED lighting, which has already been implemented to a significant extent.

In addition, the use of photoelectric sensors can help reduce energy waste by automatically turning off lights when natural light is available or when an area is unoccupied. This technology can be easily integrated with the LED lighting system and can further reduce energy consumption in the plant.

Aside from the installation in different sump areas, it is recommended to continue the implementation of solar-powered lights along the facility's perimeter. In addition, they can operate autonomously, reducing operational costs as well as the need for maintenance.

First Gen also renewed our partnership with Plastic Flamingo (Plaf) in 2023. Through the program, Head Office employees can donate their plastic wastes (drop-off point at RBC basement parking) to Plaf. Plaf will then turn these donations into usable construction materials, such as boards to replace plywood.



Hydroelectric

Casecnan Hydro Electric Power Plant

The Company's most significant acquisition and milestone in 2023 was the Casecnan plant. In May 2023, First Gen, acting through its wholly-owned subsidiary Fresh River Lakes Corp. (FRLC), emerged as the successful highest bidder in the privatization of the 165-MW Casecnan Hydro Electric Power Plant in Pantabangan, Nueva Ecija. The Notice of Award was officially conferred upon FRLC on May 26, 2023.

The Pantabangan-Masiway reservoir sources 40 percent of its water from the Casecnan transbasin project, and as such, there is additional incentive for First Gen to preserve or improve the water flows into the Pantabangan reservoir. The water flow seasonality of Casecnan is also complementary to Pantabangan-Masiway; peak water flows of Casecnan usually occur in the wet months while Pantabangan-Masiway is most productive in the dry months,

allowing First Gen to contract on a portfolio basis and minimize replacement power costs from the market.

Aya Pumped-Storage Hydro Power Project

The 100- to 120-MW Aya Pumped-Storage Hydro Power Project is targeted for implementation by the second quarter of 2024. The detailed engineering design of the civil, hydromechanical, and electromechanical works is ongoing and most of the permits and endorsements have already been secured.

Other projects

In 2023, our projects, namely the 32-MW Bubunawan, 33-MW Tagoloan, 30-MW Puyo, and 49-MW San Isidro projects, continued to make progress in our pre-development activities. These hydro projects in Mindanao will capitalize on opportunities within the renewable energy sector.

Wind and Solar

First Gen continues to make improvements to our wind and solar facilities while setting the groundwork for future sites. These improvements include the supply and installation of UL/FM approved Orient227 (FM200) Fire Suppression System at the Basement Cable Spreading Room and an analysis of a potential 100-MW solar farm in Leyte and a 30-MW wind farm in Burgos.

The Company also completed the replacement of Pin Insulators of Solar Facility TL, which mitigates the outages caused by wear and tear of the installed material, and the installation of the Line Recloser to protect the system outside Burgos Solar Facility from outages caused internally.

Other completed projects include: the Burgos NatCat Camera installation to monitor the switchyard HV equipment during extreme weather conditions (accomplished on September 28, 2023); the stone masonry wall canal construction near the access road near WTG C07 and Kapurpurawan road near TL SP09 & SP10 as permanent mitigations to prevent the risk of soil erosion; and the stone masonry wall construction along the access road near WTG C07 (accomplished on January 25, 2023).

Additional Stone Masonry wall construction along Kapurpurawan access road near Transmission Lines Steel Poles SP09 and SP10 was also completed on February 23, 2023.



STREAMLINING STRATEGIES

First Gen continues to improve on our operational efficiencies in alignment with the Company's goals, capabilities, and ways to play.



Natural Gas

First Gen continuously looks into how we can optimize the flexibility of our gas plants to support variable renewable energy sources and offer customers a portfolio experience. We continue to explore new opportunities and discuss them with our contractor to potentially increase the efficiency of our power plants and reduce their carbon intensity.

We also look into decarbonizing other parts of our operations. Following this initiative, the Company purchased another EV, the Dongfeng Rich 6 EV, in 2023. We will gradually increase our EV fleet to further increase our avoided emissions.

The Company keeps abreast of emerging technologies that can decarbonize our gas plants, such as carbon capture technology and using alternative fuels such as hydrogen. This also extends to our operational processes, such as the continuous development of our team's capabilities in Agile and Waterfall Project Management. We have also pushed the adoption of Agile and Waterfall Project Management practices across various projects and initiatives.

First Gen has recently completed the negotiation of the lease agreement with Prime Infra for a 15-year lease of the FGEN LNG liquefied natural gas storage and regasification terminal in Batangas to ensure fuel supply for the gas plants. We are also discussing with our contractors and studying several proposals to extend the life of our Santa Rita and San Lorenzo power plants for at least 10 years more.

Geothermal

Established in September 2021, NZCA is EDC's response to its mission to forge collaborative pathways for a decarbonized and regenerative future.

As the country's first initiative spearheaded by the private sector to achieve net zero carbon emissions among businesses, NZCA seeks to inspire and assist Philippine businesses in taking immediate steps to achieve carbon neutrality by 2050 and contribute to the country's efforts to address the climate crisis.

NZCA provides its partners with a framework to achieve its goal by sharing best practices, scaling up carbon emission reduction and tracking, and providing better access to green financing, among many other capacity-building tools based on EDC's over 45-year experience in decarbonization.

First Gen also continues to improve our employees' skill sets and understanding of project management approaches by conducting training on Agile methodology. By conducting 24 sessions throughout the year for 543 participants, we successfully improved employees' understanding of Agile ways of working. As a result, they became adept at reporting concerns early, adapting to changes swiftly, and enhancing collaboration within teams. Meetings are now more productive, focusing on specific actions and desired outcomes. This has created a transparent and agile work culture.

The Company also organized three Agile Scrum certification training sessions for project leaders and agilists, involving a total of 63 participants. These sessions achieved a passing rate of at least 60 percent, representing a notable improvement compared to previous years.

First Gen also provided mentorship and training to three Agilists, empowering them to champion Agile ways of working initiatives for facilities and operations. This collaborative approach, coupled with solutions-driven discussions, resulted in the achievement of high-performing team outcomes for the year.

The Company also believes in taking the initiative to optimize operations beyond efficiency by identifying risks and mitigating any possible harm they may have on our plants and facilities. The Company's 2023 NatCat Resiliency Program was focused on two approaches. The first is the continuation of the engineering controls, such as the Cooling Tower Replacements in Leyte and the Building Retrofitting Projects. The second approach focuses on investment in studies that will help us refine our risk assessments and identify necessary risk reduction measures, like the Building Integrity Assessment of other old power plant buildings.





Hydroelectric

First Gen Energy Solution (FGES) directly engages FGHPC’s power customers, while our RES engage our contestable customers. Annual Customer Satisfaction surveys are conducted by FGHPC to augment the efforts of FGES and our RES.

The Company has also installed solar panels at our Biodiversity Center with two objectives: to reduce the prohibitive pricing of our local electricity provider (PAMES) and to power our facility through clean energy. We have also promoted mini renewable projects, such as the replacement of some perimeter lights with LED lighting that uses solar panels as its power source.

Similar to 2022, FGHPC’s business model has a net-zero carbon footprint. In fact, with the full implementation of the Renewable Portfolio Standards (RPS) rule and the operation of the Renewable Energy Market, FGHPC shall “sell” our excess Renewable Energy Certificate (RECs) to the market to support non-RE energy users to be compliant to the RPS rules.

First Gen also implements Agile methodologies in the development of our various hydro projects, with this methodology highlighted in the recent successful bid of the Casecnan HEP. With the BDG-Hydro team leading these projects, shared resources and expertise are deployed and being utilized evenly across the other sites — Aya, Bubunawan, San Isidro, Puyo, and Tagoloan. This ensures that our plant employees have access to the tools, knowledge, and support needed to develop multiple projects at the same time, without sacrificing quality or the timely delivery of their outputs.

As mentioned in our current hydro projects (Aya, Bubunawan, San Isidro, Puyo, and Tagoloan Projects) highlighted by the successful bid to the Casecnan HEP, we are simultaneously implementing various hydro projects that are currently in different stages of development. With the BDG-Hydro team leading these projects, shared resources and expertise are deployed and being utilized.

To ensure that FGHPC’s asset portfolios thrive in a constantly changing business, regulatory and climate change landscape, we subscribed to the requirements of ISO 55001:2014. By conforming to this international standard, we aim to optimize the use of these critical assets throughout and even beyond their useful lives. Conformity involves the establishment of the Strategic Asset Management Plan (SAMP) as well as the Asset Management Plans (AMP) of critical asset systems, ensuring effective management of physical assets through consideration of Asset Cost, Performance, and Risk.

The Company has also installed a fire alarm system (FAS) at the powerhouse’s control panel and replaced FAS at the Admin compound; conducted repair and improvement of the plant’s appurtenant structures (i.e. Weir, Canal, riverbank); complied with our usual regulatory standards; equipped personnel though emergency preparedness response (EPR) training; and installed satellite phones at the plant as a back-up communication system.

Wind and Solar

First Gen continues our goals of optimizing our operations to produce significantly less waste and emissions. We have pursued improvements in energy conservation and efficiency in our office designs by maximizing natural lighting and optimizing the number of air conditioning units.

The Company has also pursued an LED-centric lighting scheme whenever possible. The wattage of the LED lights should be appropriately sized based on the recommended working conditions found in the Occupational Safety and Health Standards of the Department of Labor and Employment. First Gen has also hired Occupational Health Specialists from the site of Head Office to consult so our sites stay compliant with this initiative.

First Gen has also implemented waste management and circularity

initiatives to control the plastic waste produced by the Burgos Wind facilities. “Trash to Cash” is a continuous improvement idea by the site CSR Lead, developed in partnership with the Environment group as the implementing team for this initiative. This program hopes to influence attitudes toward waste segregation and plastic use through cash incentives. Collected plastics are then ground into smaller pieces, which can be used to make eco-bricks for small-scale construction projects such as eco-bricking.

As a regenerative technology, eco-bricking can be part of a solution that enables people to not only clean up their rivers and coastlines, but also to use waste materials for building structures that directly benefit the local communities. To this end, EDC Burgos Wind Power Corporation



conducted a workshop on eco-bricking to educate pupils, teachers, and parents about eco-bricking’s possibilities.

SUMMARY OF OUR MANUFACTURED PERFORMANCE, IMPACTS AND PLANS

STRATEGY PURSUED	WHERE WE PROGRESSED IN 2023	IMPACT MATERIALITY	FINANCIAL MATERIALITY	OUR PLANS
• Create total stakeholder value • Grow our portfolio to 13GW	• Ensured delivery of reliable and clean energy despite several technical challenges across different plants • Stayed on track with the development of new facilities, integration of new technologies, and optimization of our existing processes • Kept our contractual obligations and compliance with regulatory requirements intact	• First Gen’s recovery from COVID-19 restrictions has progressed smoothly, with the company integrating the lessons learned from the pandemic to create a more flexible work environment. • Despite the technical challenges faced by the Company’s various plants and facilities, some segments have managed to reach or even exceed their goals.	• Through proper management and planning, we were able to deliver reliable electricity to our contracted customers and rely less on replacement power purchases.	• First Gen will keep our commitment to a Net-Zero goal in partnership with our various stakeholders, shareholders, and communities. • Aside from growing our overall clean energy portfolio and installed capacity, the Company will also keep moving forward with our progress on decarbonized and renewable energy sources.

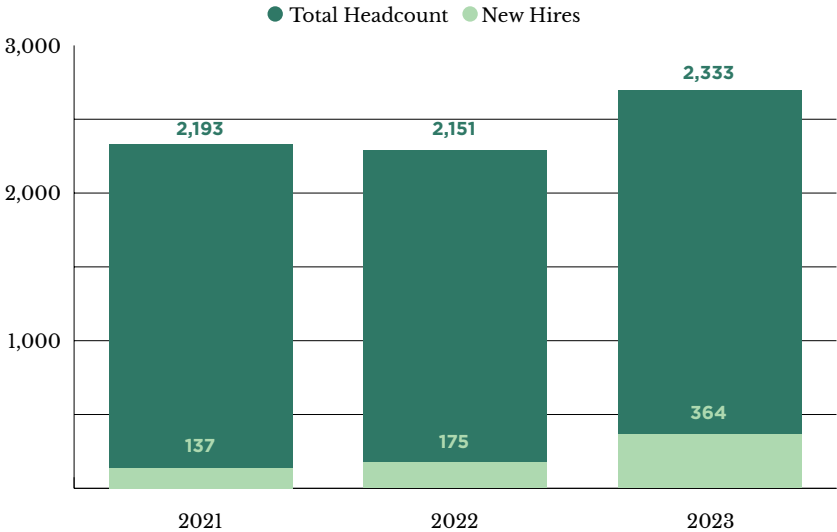
2023 marked a great opportunity for First Gen to implement new strategies and innovations to optimize our human capital performance. With the waning threat of COVID-19, face-to-face collaborations and events were more accessible and prevalent. This allowed us to delve deeper into nurturing our First Gen culture and elevate our value as an employer.

Talent Attraction

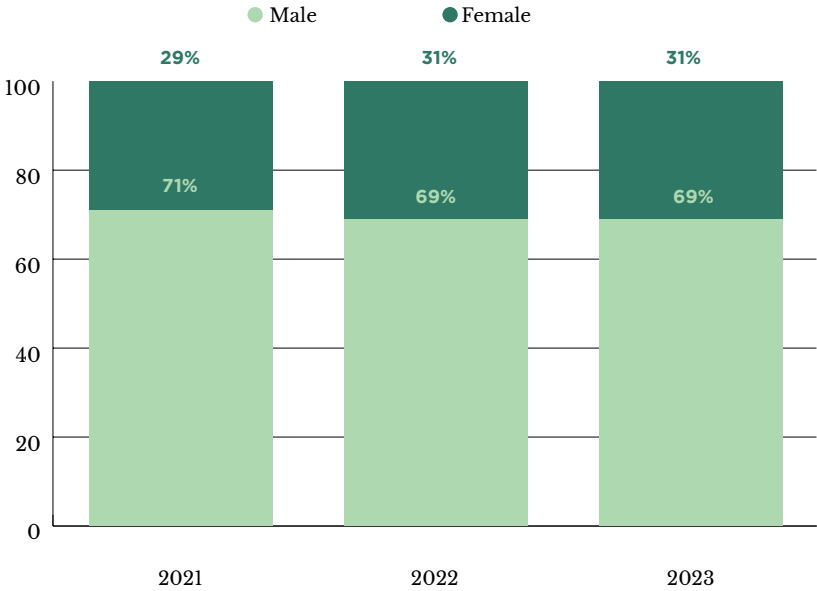
With the ever increasing demand for talent, combined with the Company’s aspirations for expansion, First Gen intensified our hiring of talents who would significantly contribute to our mission, vision, and purpose. We hired 364 new employees in 2023, totaling eight percent of our entire workforce. This has resulted in our headcount ending at 2,333 employees for 2023. As in previous years, most of our recruits came from the 20-40 age group, representing 75% of the new hires. The gender proportion of new hires consists of 65% males and 35% females. This ratio is an improvement compared to our overall average, reflecting efforts to increase diversity in our workforce.

In 2023, we established programs to support our talent acquisition efforts. These programs were intended to improve employer branding, strengthen existing university partnerships and establish new partnerships with untapped universities, and train and develop qualified interns who chose to join our workforce. Feedback gathered from interns after completing their internship program were insightful, allowing us to understand the career expectations of the younger generation.

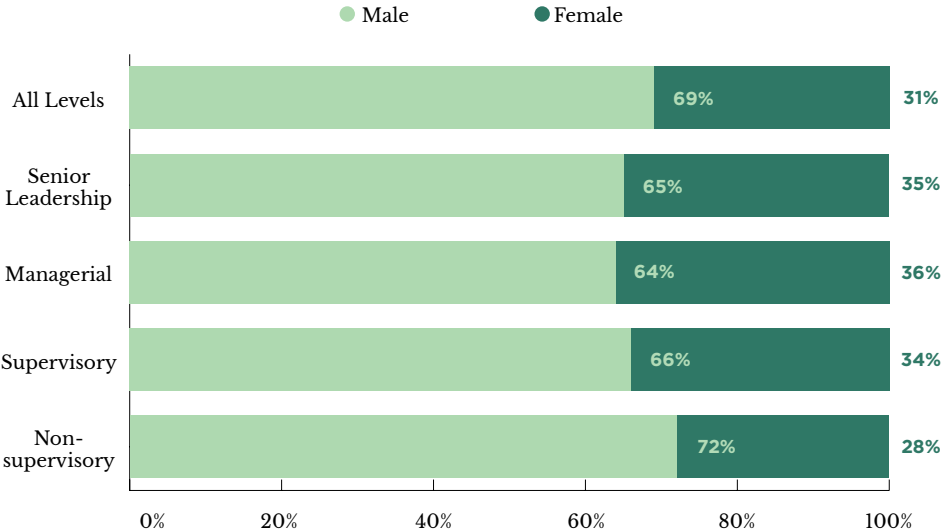
NEW HIRES VS TOTAL HEADCOUNT



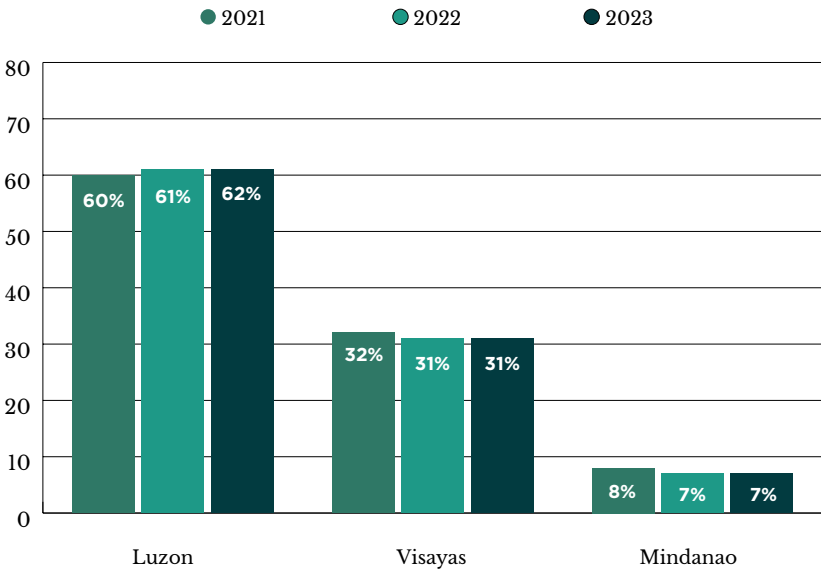
SHARE OF EMPLOYEES BY GENDER (%)



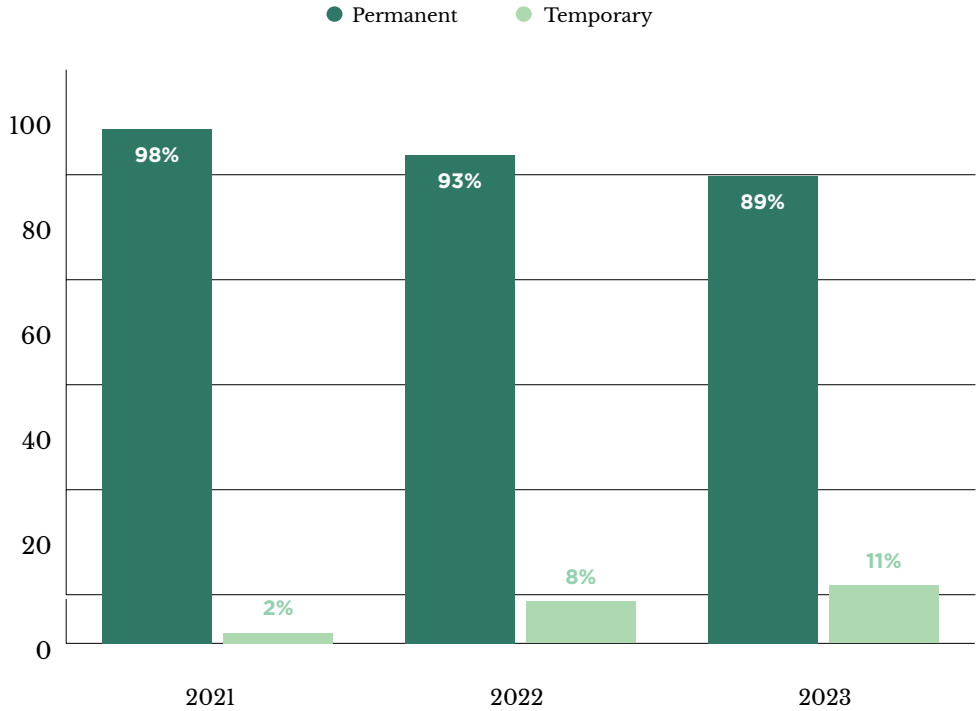
SHARE OF WOMEN BY MANAGEMENT LEVEL (%)



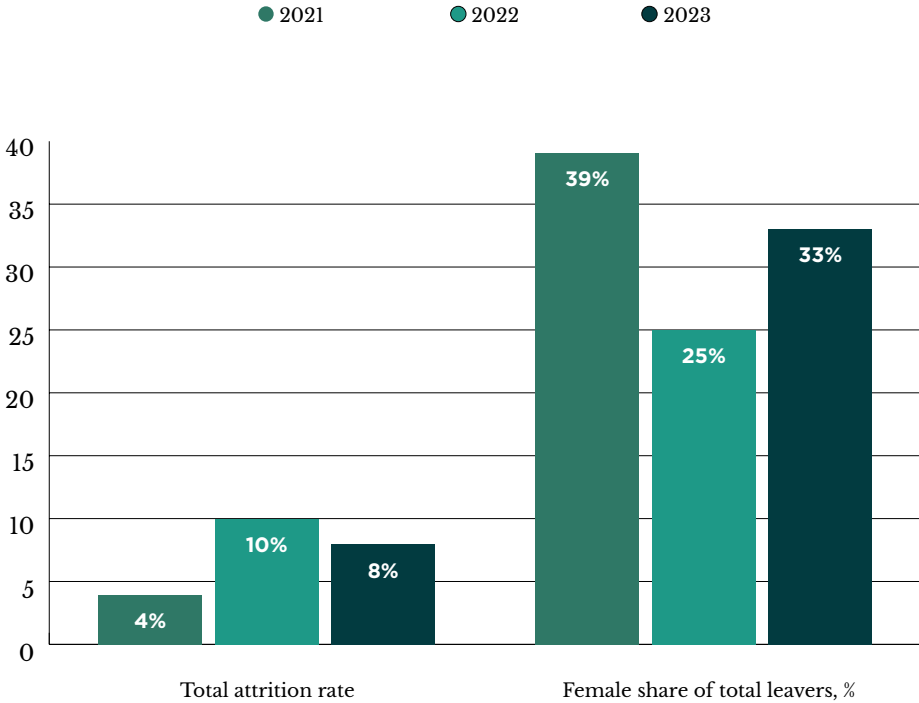
SHARE OF EMPLOYEES BY LOCATION (%)



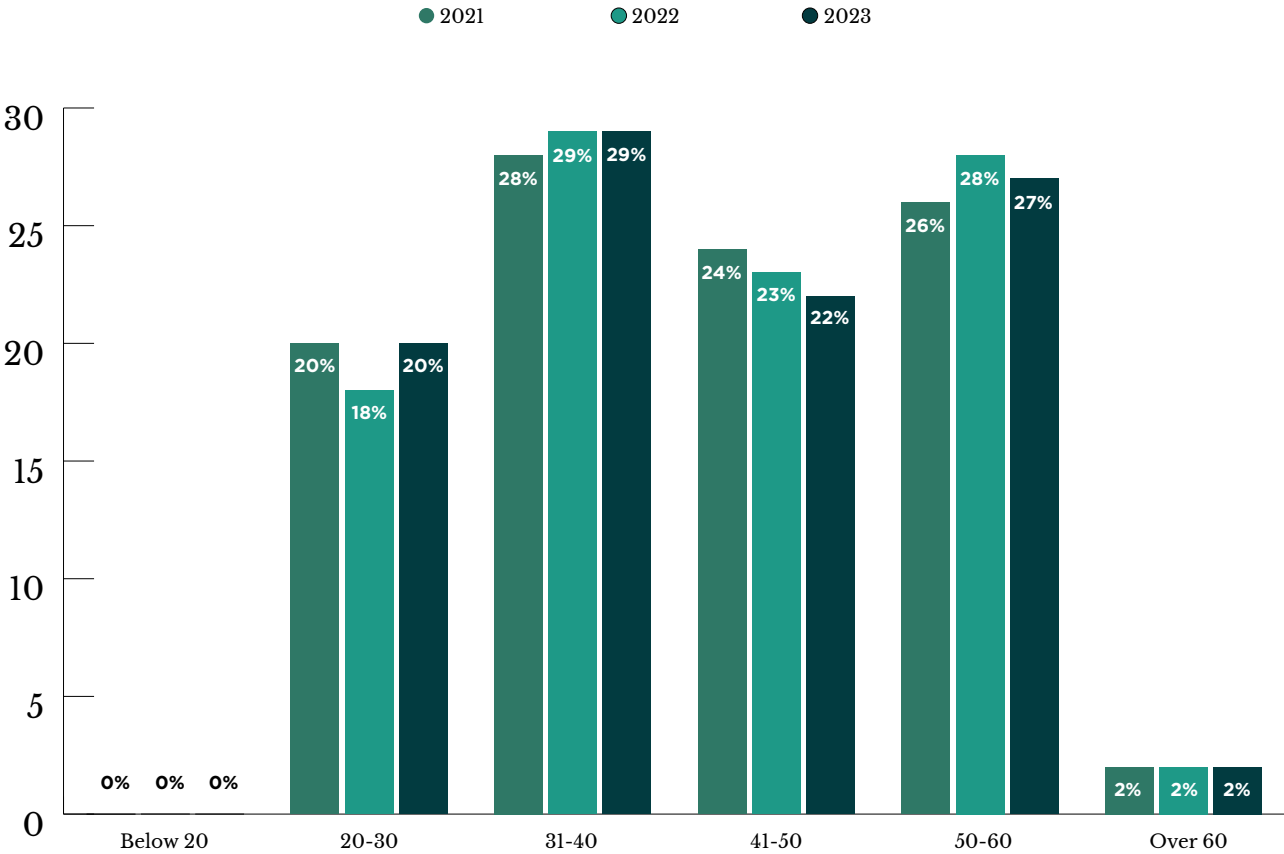
SHARE OF EMPLOYEES BY EMPLOYMENT CONTRACT (%)



TOTAL ATTRITION RATE (%)



SHARE OF EMPLOYEES BY AGE GROUP (%)



The Power Group Culture Journey

A major initiative for the year was to kick off the culture journey for all the power and energy companies under the FPH group. This initiative was deemed a priority as the companies adapt to the ongoing and emerging changes in the industry landscape, mobilize and execute on our decarbonization and regeneration goals, and engage more talents.

Culture assessments confirmed behavior strengths in clarity and primacy of mission, responsible corporate citizenship, care for employees and the workplace, and high standards for performance and execution. On the other hand, results highlighted the need for greater collaboration and synergy across boundaries to maximize the advantages of the group's unique energy portfolio in crafting solutions to customers' varied needs, especially in the energy transition.

These assessments will inform our key culture initiatives for 2024, starting with articulating and defining the critical few behaviors that will have the highest impact on our execution effectiveness. With leaders at the forefront, we envision the creation of shared spaces and leaders' toolboxes to create a shared understanding of and spotlight the "power group" ways of working. These initiatives will be carefully crafted to build a culture connection with all employees, and harmonized with our hybrid working arrangements.

Employee Training and Development

Our commitment to achieving our mission, purpose, and business aspirations starts and ends with our talent. First Gen is committed to nurturing and cultivating our talent by empowering them to drive their own development. Through this, we enable them to achieve and realize their career and performance goals, as well as fulfill their individual aspirations.

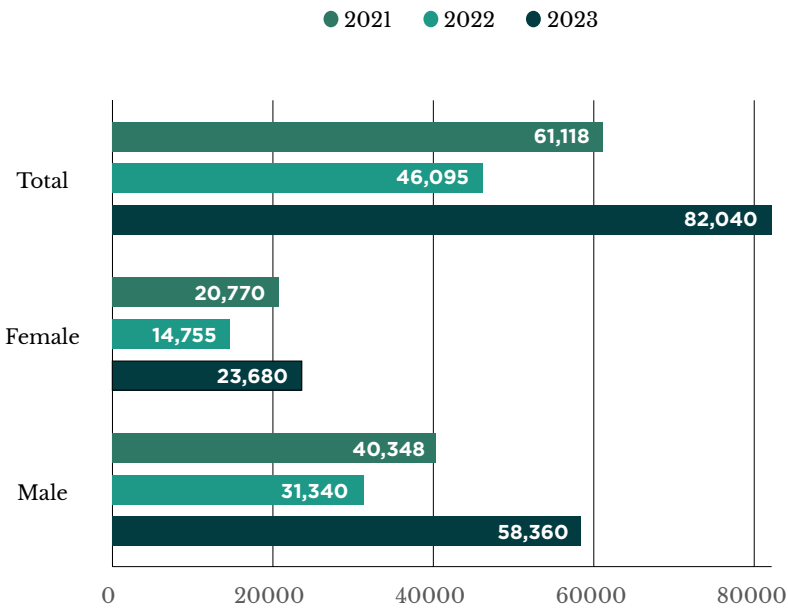
Emphasizing our commitment to developing and cultivating our talent pool, 2023 saw a noteworthy upswing in our training hours. Total training hours for 2023 were recorded at 82,040 hours, a 78% increase compared to 2022's 46,096 hours. As a result of our increased total training hours, our average training hours per employee also increased to 35 hours, a 67 percent increase compared to 2022's 21 hours per employee. The increase in training hours can be attributed to the following programs:

- FUNCTIONAL/ TECHNICAL TRAINING PROGRAMS:** These programs addressed the need to optimize our systems and technology installation to improve efficiency and generation across the fleet. Some of these programs are related to asset management, systems end-users training, and highly specialized training and certifications addressing reliability issues and predictive maintenance. Other training programs include the ongoing operators and maintenance training and certifications to assure the competency level of our line personnel in operating and maintaining the power facilities.

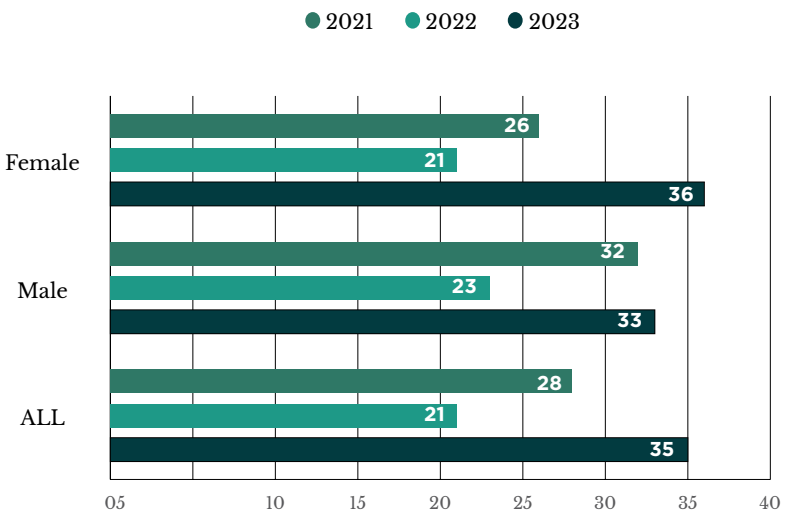
- HEALTH ENVIRONMENT, SAFETY, AND SECURITY PROGRAMS:** The majority of the programs address our need for safe execution of activities to prevent and minimize workplace incidents. We have focused on safe execution by enhancing and deliberately ensuring that our people are trained in accordance with our safe work permit requirements, which include training and certification of our personnel in our Safety Rules.
- MORE DIGITAL COURSES IN WORKDAY LEARNING AND IN UDEMY:** We offered new learning videos, some of which are mandatory to fulfill OSH requirements that employees can go back to and complete at their own pace. With these online platforms, tracking of compliance and learning hours have never been this easy.



TOTAL TRAINING HOURS



AVERAGE TRAINING HOURS PER EMPLOYEE



MENTORING PROGRAM

As part of our talent-building strategies and our continuing commitment to grow and develop our own talent, we launched a pilot of a formal mentoring program. This mentoring program allows employees to learn from someone of a particular skill expertise other than their immediate manager. The pilot run is based on skills development needs that were identified by employees in their Individual Development Plans.

COACHING PROGRAM

Now in its second year, a new batch of coaches completed the program which aims to upskill the people development aspect of people managers by identifying and building on the strengths of their team members. Testimonies from the graduates of the program indicate they are better equipped to manage their teams. Creating a culture of coaching in the organization is something that we must adopt.

FRIDAY DEAL

Friday DEAL, or Drop Everything and Learn, continues to gain traction among employees, achieving a total of 903 learning seat attendance, or an average of 155 attendees per session, with data analytics and agile principles as key focus in 2023. Friday DEAL is a regular program that allows learners to spur new ideas, learn new ways of seeing and doing things, and unfold new skills through bite-sized learning sessions with subject matter experts as resource speakers.



Wellness

All the success, growth, and expansion of First Gen can be attributed to the invaluable hard work and dedication of our personnel. As we continue to provide them with resources and opportunities to further their development, we also acknowledge that their growth will come with increased needs to manage the various aspects of their lives. To address the well-being and mental health of our personnel, we continued to provide wellness programs that aimed to promote a positive environment and lifestyle while teaching practical skills at the same time.

Now in its fourth year since its launch in July 2020, our Wellness Wednesdays in 2023 focused more on life lessons that ensure holistic and total wellness for our employees. The program also expanded its coverage, recognizing the need for individuals to grow more as a part of a bigger ecosystem through topics on social responsibility, sustainability, and climate change. In 2023, we conducted 19 Wellness Wednesday Programs, which included topics such as physical wellness, social wellness, and environmental wellness.

We continue to build a robust Career Development System (CDS) designed to facilitate employee development at every level. With the rollout of the Internal Recruitment Policy and the updating of the Company's Functional Job Ladders in 2022, we have followed through with the launch of the Employee Development Policy, which promotes a culture of adaptive and lifelong learning. This policy launch was complemented by the conduct of Effective Career Conversations training for people managers from November 2022 to February 2023.

The workshops have equipped our people leaders with the skills to conduct an engaging career conversation using a model. As a result, employees who had a career check-in with their managers were able to come up with an updated Individual Development Plan (IDP) based on their development goals and identified training priorities. To promote the ongoing professional growth and development of employees, a web-based Career Development Toolkit was made available for easy access by both people managers and employees.

Our continuous emphasis on our employees wellness has earned us recognition from the ATRAM Sustainable Investing Awards. First Gen received the Sustainability Champion award for 2023, recognizing the Company as a Wellness Champion.

Embedding Decarbonization

In 2023, First Gen continued our unwavering commitment to decarbonize our operations. Achieving this goal is more than just implementing decarbonization methods in our business functions; it should also involve taking transformative steps in developing our skills and development plans at a workforce level.

The Human Resources Group (HRG) implemented various learning initiatives aimed at enhancing our workforce's skills and capabilities that are aligned with the organization's commitment to decarbonizing their operations. This embedding of awareness and building a mindset towards decarbonization starts during the onboarding session for new hires. With an hour of the onboarding process

dedicated to discussing the Company's Mission, Purpose, and ESG advocacies, this initiative fosters an understanding of regenerative language and appreciation of decarbonization goals from the beginning of our employees' careers with First Gen.

To boost workforce skills, HRG curated the ESG & Sustainability - Regenerative Learning Path on Udemy Business, aligned with COP26 discussions on addressing talent gaps for decarbonization targets. Specialized courses were also offered to ESG champions to build their expertise on leading decarbonization initiatives. In May 2023, HRG collaborated with the CSR team to facilitate the "RegeneRace to Kapamilyarization," a plant tour and adventure race activity that further reinforced the integration of decarbonization principles.

First Gen also encourages our workforce to take advantage of our collective learning opportunities. In November 2023, the Lopez Learning Synergy Summit (LLSS) was held to provide a platform for employees and leaders to learn from industry experts about sustainable and regenerative best practices. Lastly, HRG has also made available learning on-

demand content through video recordings on Workday. This proactive approach enables our employees to be updated on ESG Company initiatives, fostering continuous learning.

These and other initiatives collectively empower the workforce with the knowledge and skills to actively contribute to First Gen's journey towards a decarbonized and regenerative future.

Our Hybrid Work Journey

First Gen remains firm in our commitment that a hybrid work model empowers employees to perform at their best and enhances productivity. While the COVID-19 pandemic made the hybrid work model a necessity, the Company has now fully embraced this working model to foster a greater sense of responsibility, accountability, and independence among the workforce.

In 2022, we conducted the Flex Your Ways of Working (WOW) workshops with the goal of helping our different teams establish a conducive and optimal hybrid work environment tailored to their team identities.

Throughout 2023, follow-up check-ins were conducted to gather valuable feedback from employees regarding their WOW and any adjustments made since the workshop. These check-ins have revealed that the majority of teams have adapted well to our hybrid work environment, making the most of the resources available to them and practicing both asynchronous and synchronous collaboration, time management, and effective communication. Face-to-face meetings are reserved for tasks or discussions that require in-depth focus, brainstorming, and critical decision making.

Sustaining the hybrid work model required a strategic enhancement and optimization of both our physical and digital resources. This offered our employees a rewarding experience, regardless of their chosen work method.

PHYSICAL - With the official reopening of our RBC office, employees gained access to newly renovated hot desks, meeting rooms, and collaboration areas that advocate productivity, creativity, flexibility, and inclusivity. The reopened office also offered our workforce an environment to enhance their physical and mental well-being through different amenities such as a fully-equipped

gym (accompanied by coaches and trainers), the game corner, a dedicated room for mental well-being, and online booking app for meeting rooms, parking, and visitor management, and service requests.

DIGITAL - Online tools, software, and technologies were also at the forefront of innovation. In 2023, the organization embarked on our first steps in the digital transformation of our workforce's 201 files, aiming to ultimately establish an efficient pull system capable of accommodating the hybrid work model. The Employee Portal was also launched as our employee's central hub for any essential information, helpdesks, and guidelines.

Given the diminishing threat of COVID-19 and the completion of our newly renovated office, we seized the opportunity to prioritize face-to-face employee engagement activities. The new hire Onboarding and Meet and Greet with the President are now conducted onsite, fostering a more immersive and informative engagement experience. In-person events such as town halls, learning summits, training, and departmental quarterly assemblies also made a welcome return in 2023.



Communications Checkpoint

First Gen conducted the annual Communications Checkpoint survey in 2023 to assess the effectiveness and quality of our various communication channels and the information received by employees. The insights from this survey will further help our internal communications and engagement team with their efforts to continuously improve First Gen’s communication environment, given the current flexible and hybrid work arrangement that has been going on since the COVID-19 pandemic.

The results of the 2023 survey yielded favorable results on all our communication channels and the quality of information communicated to our employees. Our employees noted that the consistency and quality of communication channels are crucial to their work experience, as they are their primary source of information about the evolving work environment. Based on the survey, our employees also stressed the significance of face-to-face interactions, as they view them as a means to foster a sense of community and belonging.

Diversity, Equity, and Inclusion (DE&I)

2023 was a landmark year for First Gen, as it made significant strides toward nurturing a more inclusive work environment. Taking into consideration our three Gender Equality and Diversity (GED) targets that were identified and committed to in 2022 (in the areas of Corporate Culture and Leadership, Attraction and Talent Outreach, and Recruitment), we undertook new initiatives and continued partnership with different organizations, such as USAID - Enhancing Equity in Energy for Southeast Asia (E4SEA), Philippines Business Coalition for Women Empowerment (PBCWE), and UN Women’s Empowerment (UN WEPS), to reach our end goal.

With our partnership with E4SEA, we selected change agents who trained as the primary resource for developing our in-house training on overcoming unconscious bias, an awareness program for people managers in creating and leading a diverse and inclusive workforce.

Our policies are now responsive, not just to GED and DE&I, but are also aligned with our values of social justice. In addition to this, these policies are now being reviewed with a comprehensive gender lens. Examples of these policies are the Employee Development Policy, the Internal Recruitment Policy, and the ongoing review of the Respectful Workplace Policy.

The UN WEPs Gender Gap Analysis Tool was completed by First Gen in 2023. A joint project of the UN Global Impact, UN Women, the Multilateral Investment Fund of the Inter-American Development Bank (IDB), and IDB Invest, the Gender Gap Analysis Tool is designed to help companies identify gaps and employ a holistic approach to gender equality and women’s empowerment. The results of our WEP underscore our strength in our application of a gender lens to community relations, corporate social responsibility, philanthropy, and partnerships, and at the same time provides insights on areas where we need to improve on.

First Gen actively participated in forums and discussions related to GED and DE&I initiatives. We participated in the PBCWE’s

Focus Group discussion for the policy paper “Census on Women in Executive Leadership Teams in Philippine Publicly Listed Companies.” Additionally, we participated in the Asian Development Bank’s (ADB) Gender Forum. A globally recognized forum featuring 400 participants from 70 countries, it served as a platform to discuss perspectives from all intersections of gender equality and climate action, specifically on these themes: Women in the Energy Transition, Gender-Responsive Climate Change Adaptation, Women in the Green Economy, and Gender-Responsive Private Sector-led Climate Action.

As a result of our various partnerships and combined with our goal of promoting a more inclusive work environment, we took proactive steps toward embedding our GED and DE&I initiatives in our day to day practices.

- Our recruitment ads are more gender neutral in order to promote equal opportunity and ensure representation of diverse talents.
- Our workshop on Overcoming Unconscious Bias in the Workplace (with the goal of increasing awareness of our mental shortcuts and reducing bias in our attitude and behavior at work) has been attended by 84 percent of people managers. This has paved the way for embedding awareness for a more inclusive work environment, employee selection, and hiring process.

84%
of people
managers trained
on Overcoming
Unconscious Bias in
the Workplace

Our
curated DE&I
course on Udemy,
“Diversity, Equity,
and Inclusion: A
Beginner’s Guide,”
was the top course
for Week 42
in 2023.

In our
weekly
newsletter, our
featured employee
forum question was
related to DE&I
in celebration of
Global Diversity
in October, “How
do you practice
diversity, equity,
and inclusion at
your workplace and
in your circles and
communities?”,
generating various
responses from
employees.



Promoting Wellbeing and Human Rights of our Employees and Suppliers

At First Gen, we have an unwavering commitment to the well-being and human rights of our employees. In 2023, we developed and implemented new policies aligned with this commitment:

- **POLICY ON SMOKING CESSATION** - We recognize the importance of smoking cessation as one of the pillars of our Occupational Health Programs and Services and thus shall promote health and safety benefits for all persons in the workplace. The new policy outlines the commitment to ensure a smoke-free environment through health and education advocacy that seeks to generate awareness of the negative health effects of smoking. It shall also provide the appropriate workplace health strategies for employees wishing to quit smoking, thereby helping them improve their overall health and well-being.

- **FAMILY PREPAREDNESS PROGRAM** - Our Family Preparedness Program (FPP) was created to increase awareness of disaster preparedness and enhance the survival skills of workers and their families through continuous learning and sharing of best practices. We also developed a Personal Disaster and Emergency Playbook that serves as an avenue to create personalized action plans according to employees' unique circumstances, improving their capabilities to respond to disasters and other natural events.
- **BREASTFEEDING POLICY** - While the Company has been practicing all provisions and legal requirements stated in the law (RA 10028) prior to its enactment, we were duty-bound to formalize breastfeeding benefits and privileges into a Company policy as required by this labor law. The policy promotes well-being and child-care for women.

- **POLICY AGAINST FORCED LABOR AND CHILD LABOR** - We are steadfastly committed to promoting and protecting human and children's rights and taking a strong stance against forced or child labor. The new policy outlines our commitment to ensuring that our operations, supply chain, and business relationships are free from forced and child labor. The policy also establishes compliance, implementation, and enforcement guidelines, emphasizing the importance of working with suppliers and partners who share our commitment. Our new policy will align our Company with the global movement against forced and child labor and reinforce our position as a socially responsible and ethical business. All employees were required to complete the annual mandatory e-learning on Workday.

- We established the **VENDOR GRIEVANCE REDRESS MECHANISM GUIDELINES** to ensure prompt, fair, and transparent resolution of vendor-related concerns and issues, thereby promoting a positive vendor relationship and enhancing overall operational efficiency.
- We offered **HUMAN RIGHTS-RELATED TRAINING** to employees, resulting in a total of 1,749 total training hours on human rights topics, and 564 employees trained. Examples of these are: Overcoming Unconscious Bias in the Workplace, Anti-Sexual Harassment Policy Re-orientation, How To Create a Safe Space At Work, and many more.
- **COLLECTIVE BARGAINING AGREEMENT** - In 2023, EDC, a First Gen subsidiary, concluded four Collective Bargaining Agreements (CBA) with four Unions across the fleet. This covered the Supervisory Unions in Bacman, Negros, and

Mt. Apo. Instead of giving out tokens, we continued to commemorate the conclusion of the CBAs by planting trees through the EDC BINHI CommuniTREE and donated a portion of the savings to the SIKAT scholarship program. To continuously support labor management relations specifically for the Rank and File and Professional-Technical employees, we regularly conducted Employee Council Meetings, a labor management council that discusses the collective concerns of all employees. Employee representatives were also tapped to participate in organizing various employee engagement activities.

- **ANNOUNCING THE NEW SET OF CODI MEMBERS FOR 2023 - 2024** - Established through election by our employees, the Committee on Decorum and Investigation (CoDI) was created to serve as a safe and equitable forum for addressing and resolving reports of sexual harassment.



Occupational Safety and Health

With the objective of First Gen to provide a safe and secured workplace to its employees and workers, it has established and maintained its Occupational Safety and Health Management System (OSHMS) based on Philippine OSH regulations and in reference with ISO 45001:2018. This OSHMS was also institutionalized by its various operating assets, ensuring that all employees and outsourced workers know how to determine occupational hazards and risks, carry out their responsibilities in a safe manner, and maintain a safe and healthy workplace and environment.

All employees and contractors are covered by our OSHMS that is internally audited on an annual basis. The OSHMS of the First Gen’s subsidiaries namely FGPC, FGP, FNPC, PMPC, EDC, FGHydro, and FGBukidnon covers both employees and contractors and are all certified to ISO 45001:2018. OSH risk assessments are periodically performed to ensure that all routine and non-routine tasks, workplace and equipment state and employee well-being are considered in the safe execution of work.

While we maintained our hybrid ways of work arrangement, we ensured that all areas and work practices in our premises are

assessed for hazards and risks. The process of hazard identification, risk assessment and control (HIRAC) is periodically performed to ensure that all routine and non-routine tasks, workplace and equipment state and employee well-being are considered in the safe execution of work. All employees are enjoined to have the basic knowledge of hazards identification which led to the 100% completion of the employees on the mandatory eight-hour OSH training in compliance with the DOLE DO# 198 Series of 2018 in reference to IRR of RA 11058.



OUR STRATEGIES	OUR PROCESSES		
	PLANNING	IMPLEMENTATION	CHECKING/ACTION
- Reinforced OSH leadership - Developing and implementing programs emanating from OSH risk assessment - Maintaining high level of OSH compliance obligations - Provision of appropriate training, skills enhancement, reliable tools and equipment and processes - Reinforced employee participation and consultation - Monitoring and measuring our OSH performance - Learning from our missteps to improve our processes and behavior	- Review of safety and health leading and lagging indicators - Periodic conduct of hazard identification and risk assessment control on all activities and tasks - Individual health risk assessment by our OH practitioners - Identification of applicable OSH requirements - Review of various OSH policies and procedures for suitability and adequacy - Management participation on ESH Committee meetings and onsite walkthroughs	- Execution of permit to work process for all medium to high risks works and activities - Encourage employee participation on safety inspections - Conduct of safety and health training - Safety orientations to both new and old employees - Project and site proponents made aware of the Contractor ESH Management (with details at Social and Relationship Performance) - Various information, education campaigns such as: Kapihan sa QESH, utilization of our safety and health webpages (ESH Hub and QESH Portal) - Behavioral-based safety/Good catch - Provision of appropriate personal protective equipment - Re-opening of gym and sports facilities for physical exercises and sports programs - Medical consultations through online or in the clinics - Reinforced road transport and motor vehicle safety - Extending emergency preparedness programs to family members of employees	- Safety and health internal and external audits - Encourage all employees to report incidents, participate in investigation process and corrective action - Compliance to OSH legal and statutory requirements - Reporting of OSH performance, compliance obligations and incidents and corresponding investigation to senior management - Sharing of best safety and health practices and lessons learned from incidents among First Gen subsidiaries and HO on various ESH meetings

IMPACT TO OUR STAKEHOLDERS



Safe and healthy workplace



Health and wellness consciousness



Improved productivity



Safety culture that can be imparted to their families and the community



Agreeable partnership with OSH regulating agencies

USD479
thousand
investment towards
occupational health
and safety

0.18 TRIR
in 2023 (for employees
& contractors) vs. 0.18
TRIR target

100%
compliance to OSH
regulations

To reinforce leading activities, we conducted 195 ESH inspections and audits, worked on our 100 percent compliance to OSH legal and statutory requirements, all sites have conducted at least one risk assessment through HIRAC in 2023, and around 800 ESH training sessions with targeted participants across its operating assets. Combination of virtual and face-to-face health and wellness activities also continued to support the needs of employees and workers. The OSH trainings conducted in 2023 participated by employees and contractors of First Gen are listed below.

LIST OF OSH TRAINING PARTICIPATED BY EMPLOYEES AND CONTRACTED WORKERS	PARTICIPANTS
7S Principles of Good Housekeeping	22
8-hrs Manlift Safety Training	11
Anti-distracted driving; road safety initiative / Safety Driving	25
Anti-rabies lecture	26
Awareness on Mental Health (Resilience Series)	24
Banksman Training	12
Basic Crane Set-Up	11
Basic Scaffolding Dismantling Awareness	17
Basic Water and Rope Rescue	22
Behavior-Based Safety (BBS) Training / Start Safe Card	1,038
Chemical Safety Training that includes: Housekeeping and Storage of Chemical Products, and HSUD of hazardous chemicals	103
Chemical Spill with Medical Evacuation Drill	24
Compressed Gas Cylinder Safety	28
Covid - 19 Phase 4, Fatigue Management and Health Awareness	925
Defensive Driving Training	159
Dengue Prevention	20
Diving Operations	7
DOLE 8 Hours Mandatory Training	686
DOLE Mandatory 8 hour safety and health seminar for workers	16
Driving Safety	28
Electrical Hazards	32
Ergonomic lecture	22



LIST OF OSH TRAINING PARTICIPATED BY EMPLOYEES AND CONTRACTED WORKERS

PARTICIPANTS

ESH-related Orientations	4,980
Excavation Safety Training	30
Family Planning/ reproductive health/ responsible parenthood; and Use of available health services and facilities	26
Fire Safety Training that includes: Basic and Avance firefight skill and response training, and Use of fire extinguishers	1,372
Fire Warden Training	21
Firewatch Training	43
First Aid Training	39
FLIR Training	5
Food Safety Training	23
Gas Testing and Confined Space Training	80
Globally Harmonized System (GHS)/ Poison Prevention- Safety Data sheet	22
Hand and Power Tools Training	1,009
Hazard Identification and Risk Assessment	21
Hazmat Technical Training for Chemical Spill Responders	7
Health and Wellness programs that includes: sleep deprivation, healthy eating, stress management	82
HIRADC	22
Hot Works and Associated Risks	39
Incident Command System Training	3
Incident Investigation Training	19
Incident Reporting	984
Interface Management	20
Lead Auditor's Training (ISO 45001:2018)	1
Lead Auditor's Training (ISO 9001:2015)	1
Learning Session about Pneumococcal Vaccine	22
Learning Session on Basic Nutrition	60
Lecture on Hepa B	25
Lecture on Pulmonary Tuberculosis	25
Lectures on HIV/ AIDS	94
Lessons Learned Management	9
Lifting and Rigging Awareness	22
LOTO Procedure Awareness	24
Machine Guarding	22

LIST OF OSH TRAINING PARTICIPATED BY EMPLOYEES AND CONTRACTED WORKERS	PARTICIPANTS
Manual Handling	16
Marine Safety Induction	386
NCII Certification Assessment with TESDA	10
Operating Mobile Plant Training	7
PAGASA/ Phivolcs Lecture	50
Permit to Work Trainings	2,128
PPE Compulsory Training	985
PPE Management	13
Prolonged Exposure to Extreme Heat	22
Proper Blood Pressure Taking	24
Radioactive Works	24
Refresher on scaffolding	19
Review on Bandaging	25
Risk Assessment Methodology	24
Safe Operation, Inspection and Maintenance Awareness	8
Safety Observation and Safety Inspection	10
Safety Signals Bypass and Inhibition Management	12
Safety System	9
Snake Bite and Bee Sting Orientation / Awareness	22
Substance Abuse Orientation	25
Emergency response and preparedness (ERP) various training that include: medical emergency response, oil spill, fire drill, accident at the workplace, bomb threat and attack by lawless elements	229
Waste Management	67
Working at Height and Full body Harness, Slips, Trips and Falls	530



To maintain good health and fitness to work of our employees, we continued the conduct of the following shared services facilitated by our FPH-First Gen OH Team (OH Team): annual physical examination (APE), clinical consultations, prescribing and dispensing of medicines in our clinics, medical referrals and immunization. OH also validates and approves reimbursements of medicines, laboratory tests, dental, optical services via the Workday platform in coordination with HRD.

The COVID-19 outbreak in the past three years has significantly affected the implementation of various occupational health programs as required by the Corporate Health Management System and Standards (HMSS) and those required for regulatory compliance. The primary focus then was addressing the risk of COVID-19 to our workers, their families, our host communities and to our operations. COVID-19 related restrictions and resource limitations further contributed to health program implementation. In 2023, evaluation and assessment was initiated by our OH Team using the HMSS Assessment Tool. There were two health risks identified across the FPH Group: a) Mental health, and b) Ergonomics concerns. The mental health concerns were addressed via existing health and wellness/emotional well-being programs, which consists of education and awareness training, access to mental health counseling services and evaluation of fitness to work for mental health concerns. Ergonomic concerns arising from work-from-home arrangements were similarly addressed through information, education and awareness on ergonomic solutions and the provision of health services for ergonomic related health needs. The OH Team continues to implement and promote other health programs considering the identified OH risks, current

health needs and post pandemic assessments. The pre-COVID OH programs are continued to be revived, effectively implemented and ready for verification. This include the following:

- Health risk assessment and management of health hazards in the workplace
- Occupational Health Reporting and Recording
- Health Services and Medical Emergency Response
- Substance Abuse Management Program (Alcohol and Drugs)
- Industrial Hygiene
- Health and Wellness programs including Emotional Well-being
- Ergonomics in the Workplace
- Blood Supply Programs
- OH programs for contractor operations
- Promotion of OH programs through various platforms: ESH Hub, emails, and Slack

To maintain data privacy and compliance with the Data Privacy Act of 2012, the OH Team ensures that all medical data and information of employees are maintained in a safe and secure manner through the FPH OH Data Management System applicable to all FPH subsidiaries. To mitigate the impact of Lagging incidents, the Company implements a robust Incident Reporting and Investigation Standard and fit-for-purpose hierarchy of controls in the implementation of corrective actions. Depending on the severity of the incident, a team composed of OSH specialists, subject matter experts, management and workers representatives jointly collaborate on incident response and incident investigation.



OSH PERFORMANCE (FOR EMPLOYEES)	2023	2022	2021
Actual Man-hours Worked	5,429,924	5,028,565	5,403,742
Work-related Fatality due to Injury (no. of cases)	2*	0	0
Fatality rate	0.37**	0	0
Work-related Fatality due to illness (no. of cases)	0	0	0
Lost Time Incidents	0	1	1
Lost Time Incident Rate	0	0.20	0.19
Disabling Injury > 6 mos. (no. of cases)	0	0	0
Disabling Injury < 6 mos. (no. of cases)	0	1	1
Restricted Work Case (no. of cases)	2	0	0
Medical Treatment Case (no. of cases)	4	4	1
Total Recordable Incident Rate	0.29	0.20	0.07
Near Miss Incidents (no. of cases)	13	1	9
Near Miss Rate	0.48***	0.04	0.33

*Fatality was due to the plane crash incident in Bicol region
**Number of fatalities*1 million/Manhours
***Number of near miss incidents*200,000/Manhours



Company Remuneration

EMPLOYEES
STRATEGY, COMPENSATION
PHILOSOPHY, AND
GOVERNANCE

Our primary considerations of the First Gen’s compensation philosophy are three-fold, namely:

- Alignment to long-term goals. Ensuring that compensation programs and policies support the delivery of the corporate strategy and create long-term sustainable shareholder value;
- Equity or pay for performance; and
- Competitiveness. Keeping our competitive market position in relation to total rewards (base pay, variable compensation, and benefits)

Our compensation philosophy seeks to attract people to join the organization, retain key talent, and reward high-performing individuals, and motivate employees to develop their skills and competencies based on the changing demands of their jobs and of the business. The policy applies to the Company’s senior management and to the overall workforce.

Our compensation and benefits programs contribute to our business success by balancing market competitiveness and affordability based on a total compensation approach. These are legally compliant, performance driven, flexible, are absent of any gender-discriminatory pay practices, and are designed to be more inclusive. The key elements of our compensation structures are annual base salary, fixed bonuses, variable compensation based on annual targets, and employee benefits.

We manage our remuneration through clearly defined processes and principles, ensuring that no individual is involved in the decision-making related to their own remuneration and that there is appropriate oversight and governance of compensation decisions.

PAY AND BENEFITS PRACTICES
We ensure regular reviews of pay equity within the organization and the external labor market through the benchmarking of practices. We design our salary structure and benefits package taking into consideration the needs and preferences of our target employee and candidate groups, and, at the minimum, legal requirements. We conduct regular touchpoints with employees to gather their views on the existing benefits program, how it can support the evolving needs of our multi-generational workforce, and the quality and effectiveness of our benefits service delivery. We ensure that third-party service providers are aligned with this direction.

DIRECTORS
Directors of the Company receive a standard per diem for attendance at each board meeting and bonuses. Under the Company’s By-laws, directors do not receive any stated salary for their services, but per diem in the amount determined by the board of directors may be allowed for attendance at each meeting. A resolution was likewise passed by the stockholders of the Company fixing the maximum annual compensation of the board of directors at a certain percentage of the Company’s net income before income tax for the preceding year.

BETTERING OUR PEOPLE
FOR A MORE EMPOWERED
WORKFORCE

First Gen made significant investments in our people in 2023, giving them the tools, equipment, and access to services needed to help them become productive at work. The Company strongly believes that our people are our most important investment and will continuously strive to invest our resources to help build a better workforce. Our launch of DE&I initiatives also ensures that First Gen’s working culture and environment are welcoming to all employees, regardless of their gender identity or preference. The Company believes that fostering this landscape will not only meet the various regulatory requirements expected of any company in 2023, but will also improve morale, align with our Purpose, and support our employees long-term. The Company’s optimizations of our own internal operations also further our commitment to creating a conducive working environment for all. By deploying, innovating, and acquiring new digital tools and software, we are able to improve efficiency in our workplaces. Our investments in these tools and processes are more than just quality of life improvements; they are crucial elements to providing our people the tools they need to succeed. These investments (both new, continued, and planned) reflect First Gen’s strong support for our employees. It is our hope that these initiatives will help our employees align their own personal values with the regenerative aspect of the Company’s Mission, and help First Gen move forward to a more productive 2024.

SUMMARY OF OUR HUMAN PERFORMANCE, IMPACTS AND PLANS

STRATEGY PURSUED	WHERE WE PROGRESSED IN 2023	IMPACT MATERIALITY	FINANCIAL MATERIALITY	OUR PLANS
Enable the organization	Establish Corporate HR Services (by FPH parent) to handle transactional and repetitive tasks and activities	Improved quality of service delivery to internal customers, our employees Increased level of employee engagement and experience on “moments that matter”	Improved process efficiencies and cost savings Offered opportunities for synergy, alignment, and management of organizational risks Increased financial investments in technology and in systems to drive efficiency	For 2023, we initially started with Workday as a shared service. For 2024 and beyond, the scope will cover new services, such as recruiting, training administration, timekeeping and payroll, benefits administration, onboarding, employee data management, and Workday helpdesk.
Enable the organization	Ensure compliance with the General Labor Standards and Occupational Safety and Health Standards through formulation of new policies and system to monitor compliance	Secured protection of health and safety, and upliftment of quality of work environment of our workforce	Reduced organizational, health, and safety risks	Conduct regular self-assessment and internal audits to ensure compliance Scale up company policies and practices beyond compliance
Create total stakeholder value	Intensify our Diversity, Equity and Inclusion agenda through the various programs and initiatives Establish baseline data using Gender Gap Analysis Tracker (GAT)	Increased employee engagement Improved employer branding	Increased budget requirement to finance programs and activities	Carry on with pursuing our mid- to long-term DE&I goals

STRATEGY PURSUED	WHERE WE PROGRESSED IN 2023	IMPACT MATERIALITY	FINANCIAL MATERIALITY	OUR PLANS
Enable the organization	Increase in training statistics as a result of continued support to upskill and improve competencies of our workforce Expanded modes of learning to add coaching and mentoring	Improved quality and quantity of work output Increased job satisfaction	Increased budget to finance learning and development programs Increased investments in technology and machine-learning solutions	Refine system and process for identifying training needs of individuals Identify current and future skills gaps to address organizational capability needs
Create total stakeholder value	Had an Employee Embedding Assessment (accomplished comprehensive survey)	Increased employee engagement and connectedness to company’s mission and vision	Improved economic performance of the company	Make use of Employee Embedding Assessment to strategize how to embed ESG into company culture/ thinking



SOCIAL AND RELATIONSHIP CAPITAL PERFORMANCE

First Gen commits to creating a symbiotic, mutually beneficial relationship with nature and society that provides benefits beyond the fence. It is also a commitment to become a regenerative force that elevates and transforms First Gen’s key relationships—our customers, employees, suppliers, contractors, communities, investors, and the environment.

Key to cultivating lasting relationships with these stakeholders is identifying and addressing their concerns. First Gen utilizes various engagement channels for stakeholders to communicate their subjects of interest or concern.



STAKEHOLDER GROUP	ROLE	CONCERNS/ CHALLENGES	ENGAGEMENT PLATFORMS	MEANS TO ADDRESS CONCERNS/ CHALLENGES
Employees	Our business is anchored in our employees and they are our most valued asset. Their passion and commitment propel us towards our goal of a decarbonized and regenerative future.	- Employee safety, health and well-being - Job security - Keeping abreast with Company updates and processes due to hybrid work arrangements	- Employee engagement surveys - Face-to-face and virtual assemblies - Grievance redress mechanisms	- Creation of policies and procedures to guide our employees in delivering their outputs - Continued flexible work arrangement - Invested in safety and health management systems and holistic well-being programs - Safeguarding of decent working conditions and fair employment
Customers	Sustain and support our business to further our growth and expansion	- Reliable power supply - Distribution utilities-related concerns - Billing information and process improvement	- Annual customer feedback mechanism - Customer support	- Timely response and resolution to customer concerns - Diverse and enhanced value-added services - Automated billing system
Suppliers and Contractors	Provide support in the form of materials and services that enhance and develop our business	- Professional business partnership - Execution of service level agreements - Health and safety of workers within First Gen’s premises	- Vendor accreditation and post-accreditation processes - Contractor meetings and assemblies - Company website	- Continual review of vendor accreditation process to align with regulatory changes and best practices - Established the Code of Conduct for Suppliers - Implementation of Contractor ESH Management
Regulatory Bodies	Issues us with the permits and licenses to operate; provide regulatory guidelines for us to perform our business	Compliance with regulations and reportorial requirements	- Submission of regulatory reports (monthly, quarterly, and annual) - Participation in organized online and face-to-face dialogues and consultations	- Compliance with our reportorial requirements - Regular monitoring and updates of regulatory requirements, including new laws and regulations for our compliance



STAKEHOLDER GROUP	ROLE	CONCERNS/ CHALLENGES	ENGAGEMENT PLATFORMS	MEANS TO ADDRESS CONCERNS/ CHALLENGES
Communities	Partners in ensuring that the Company sustains and mitigates the environmental and socio-economic impacts of our business	- Environmental and socio-economic impacts of our business to the community - Community relations and philanthropy - Health and safety of the communities within our areas of operation - Respect for human rights as well as the practices of indigenous peoples (IP)	- Partnerships and livelihood programs - Regular meetings and discussions with partner communities - Company website	- Investments in community development and livelihood programs - Sponsorship of programs, trainings and information campaigns about environmental protection
Investors	Contributes in the provision of financial capital required to develop and expand our portfolio	- Business and financial performance - Return on investment, ESG performance and impacts	- Annual stockholder meetings - Company website - ESG disclosures and integrated reports - ESG raters and investors’ surveys	- Reliable business operations - Disclosures of updated and worthwhile information and disclosures about the Company

First Gen maintains regular communications with our various stakeholders based on our annual stakeholder engagement plan. This also provides an avenue for information sharing and updates on both business operations and CSR initiatives.

All First Gen personnel engaged in communicating with our stakeholders uphold transparency in providing factual and accurate information, fostering informed decision-making and sound recommendations.

Envisioning a Regenerative Future with Customers

First Gen continues to supply renewable energy to retail customers under the Retail Competition Open Access (RCOA) and Green Energy Option Program (GEOP). Through Pi Energy Inc., the Company also offers innovative energy solutions to its customers to reduce energy consumption, carbon emissions, and power costs. These solutions include:

- Remote Energy Monitoring System: Monitors the energy parameters of a facility, such as fluctuations, consumption, and power quality
- Energy Audits: Assesses and identifies energy efficiency measures
- Solar Rooftop PV System: Generates power for the customers while lowering their electric bill



Besides the retail segment, the Company also started offering the distribution utilities and electric cooperative ground mount solar panels, giving customers more access to additional renewable energy sources.

In 2023, the following activities were conducted to share our mission to our consumers:

- 2 PowerEd Learning Sessions which focused on topics such as understanding investment on solar panels and introduction to energy efficiency
- 8 Plant Tours - to further increase their understanding and appreciation of clean and renewable energy
- Participation in 27 tradeshows and roadshows - avenues for potential customers to understand our portfolio, products and solutions to their energy needs

CUSTOMER DISTRIBUTION FROM 2021 TO 2023	2023	2022	2021
Institutional	1	1	1
Contestable Customers	182	215	128
Distribution Utilities	23	28	22
Directly Connected Consumers	1	0	2
RES/GENCO	4	5	4
GEOP End Users	87	48	0

To obtain feedback on the Company’s services, a customer satisfaction survey is conducted annually. In 2023, First Gen received a rating of “Very Satisfactory” as a Retail Electricity Supplier, which serves as a testament to the quality of service we provide to our customers. The rating scale used ranged from “Not Satisfied at All (1)” to “Very Satisfied (4).” Some comments we received from consumers include appreciation for the timeliness of the monthly billings as well as commendation for the ease of coordination with the marketing officers.

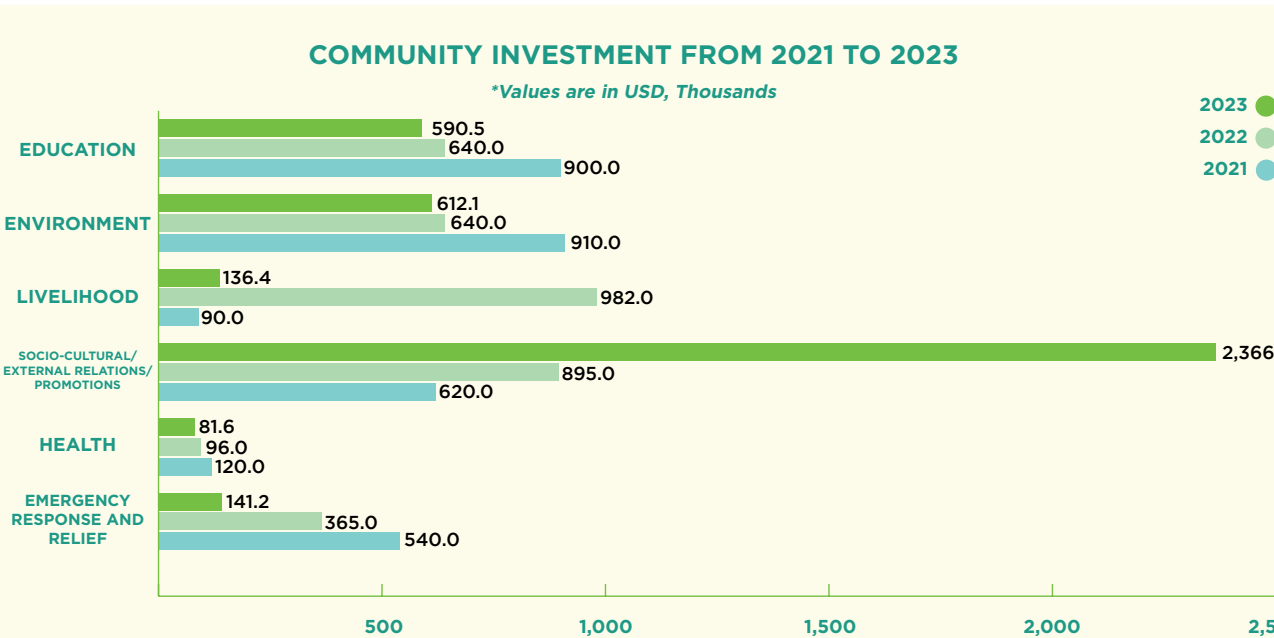
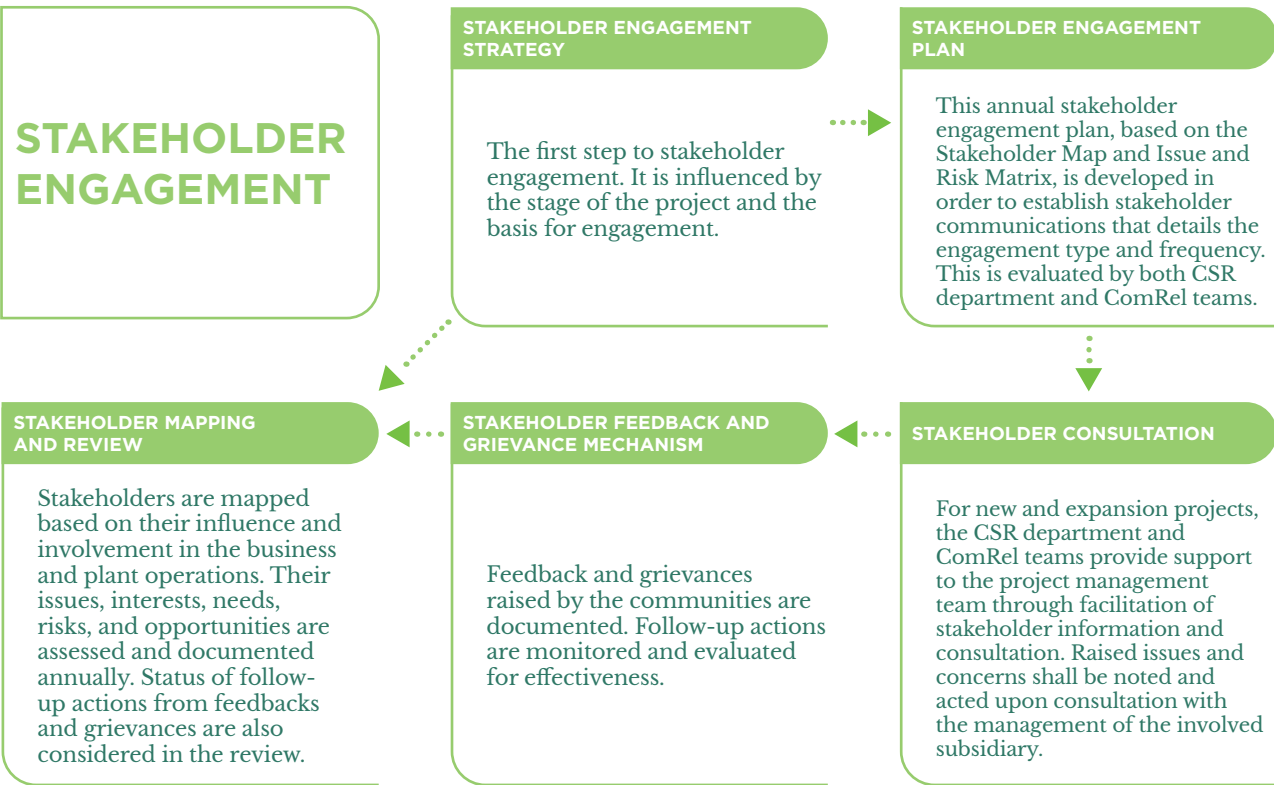
There was a reduction in the number of contestable customers and distribution utilities/electric

cooperatives in 2023 compared to the previous year. Nonetheless, the Company was able to increase its contract rates in 2023 which resulted in some customers opting out of renewing their contracts with the Company. In addition, there were several Emergency Power Supply Agreements which usually have contract periods of one year, that expired in 2023. The resulting freed-up capacity from the non-renewing customers was reallocated to other current contestable customers who expanded their contracted demand, as well as for expanding our presence in the GEOP market, hence the observed increase in GEOP end users.

Strengthening Collaboration with Partner Communities

In support of the Company’s mission, First Gen’s CSR activities aim to be relevant, responsive, and regenerative towards the local communities in our host towns and municipalities. First Gen’s CSR programs go beyond preserving the environment. The Company recognizes that we also

have a role to play in empowering our partner communities to be stewards of the environment while also building their resilience. We also recognize that collaboration with different stakeholders is key to the shared prosperity and well-being of our partner communities and stakeholders.



Strengthening Community Resilience

First Gen aims to fulfill the Company’s mission for a decarbonized future by educating our stakeholders about environmental conservation and climate awareness.

LOCAL CLIMATE CHANGE ACTION PLAN (LCCAP) WORKSHOPS FOR LGUS IN PARTNERSHIP WITH THE CLIMATE CHANGE COMMISSION - CLIMATE AND DISASTER RISK ASSESSMENT (CDRA) AND PRE-GHG WORKSHOP

The Climate Change Commission (CCC) and First Gen Corporation have agreed to work together to help communities and local government units (LGUs) prepare climate change adaptation and mitigation plans and strategies. This was achieved through conduct of various workshops and seminars. A list of the seminars conducted in 2023 is presented in the succeeding table.

SEMINAR TITLE	DATE	DESCRIPTION	ATTENDEES
CDRA Workshop	March 2-3, 2023	Topics include developing the exposure database, risk analysis to different hazards and translating the outputs to maps using Geographic Information System (GIS)	Representatives of the local government of Jabonga, Agusan del Norte
	September 14-15, 2023		Representatives of the municipality of Lobo in the province of Batangas
Greenhouse Gas Inventory Process Pre-Workshop	May 30, 2023	Focus on introducing the GHG inventory process and the data needs per sector in calculating the emissions for their municipalities	Representatives of host LGUs of First Gen Hydro Power Corporation specifically Pantabangan and Carranglan in Nueva Ecija, Alfonso Castaneda in Nueva Vizcaya and Maria Aurora in Aurora
	August 7, 2023		Representatives of host LGUs of FG Bukidnon Power Corp. (FGBPC) and First Gen Mindanao Hydro Power Corporation (FGMHPC), specifically Manolo Fortich, Libona, Baungon and Talakag in Bukidnon

MAKING SENSE OF OUR CARBON FOOTPRINT

One notable event organized by First Gen, in collaboration with the Oscar M. Lopez Center (OML Center) and the First Philippine Holdings Human Resources Group (FPH-HR), was an eagerly anticipated online webinar held on June 14, 2023. Titled “CarbonSense,” the webinar focused on climate change and wellness. It introduced participants to the elements of a low-carbon event and provided a walkthrough of the carbon calculator developed by the OML Center in collaboration with various companies and organizations within the Lopez Group.

The webinar featured informative discussions on carbon footprint

measurements, the current state of affairs, and practical examples derived from typical Lopez Group events, showcasing the functionality of the carbon calculator. The session concluded with a fruitful discussion aimed at gathering valuable insights for further refinement before the formal launch in the upcoming months.

ADVENTURE RACE FOR CLIMATE ACTION

In celebration of Philippine Environment Month, FPH and First Gen, through its CSR and Human Resources Groups, held the “RegeneRace to Kapamilyarization” on June 15-16, 2023 in Batangas. The

event provided employees with a tour of the Company’s natural gas power plant at the FGCEC in Batangas City to familiarize themselves with the business of power generation and how the Company produces clean energy.

After the tour, employees participated in a live adventure race to deepen their knowledge of climate change and the reasons why First Gen actively invests in and encourages climate action. The two-day program culminated with a mangrove planting activity in Lobo, Batangas, as a symbol of the participants’ commitment to promote and sustain the Company’s efforts towards creating and shaping a regenerative future.



Enabling Communities through Education Opportunities

SIKAT PROGRAM AND FIRST GEN SCHOLARSHIPS

SIKAT Program is EDC’s education arm to provide holistic support to marginalized but deserving youth from EDC’s host communities nationwide. In 2023, EDC invested PHP30 million in its SIKAT program, covering the provision of scholarship grants, mentoring support, scholars’ engagement initiatives, career placement assistance after graduation, and support for Mt. Apo Foundation Inc. (MAFI) and Keitech Foundation. The SIKAT Program gives importance to people’s interests, innate abilities, and capacities and supports scholarships regardless of track, whether academic, technical-vocational, or talent and skill-based.

For the academic year 2023-2024, EDC provided financial assistance and mentoring support to 132 scholars at the University of the Philippines and other local universities and colleges. In 2023, the program produced 39 graduates across all their geothermal sites, as well as 11 graduates from the Obo Manobo indigenous community in Mindanao. Among them, five graduated *magna cum laude*, while 13 graduated *cum laude*.

EDC also continues to support the 70 scholars of the BGI Tanawon Geothermal Project College Scholarship Program that was launched last 2022 in partnership with the City Government of Sorsogon. The project aims to provide semestral stipends to its scholars until college completion. All the 64 barangays of the city have a representative scholar in the said program. On top of these, EDC supports 349 beneficiaries for technical-vocational training in Negros Island, in partnership with LGU and Technical Education And Skills Development Authority (TESDA).

First Gen, on the other hand, has supported five college scholars for academic year 2022-2023 and 12 college scholars, 17 Grade 11 scholars, and 12 Grade 12 scholars for the academic year 2023-2024.

In summary, a total of 618 scholars were supported across the various host communities and project sites in 2023, making quality tertiary education accessible even to the most disadvantaged youth in the community.



TEACHER'S TRAINING - LEEP

First Gen, through its environmental flagship program Create for the Climate, continues to strive to promote environmental stewardship in schools. From July to August 2023, First Gen, in collaboration with Knowledge Channel Foundation, Inc. (KCFI), rolled out five batches of teacher training and provided 18 Knowledge Channel Portable Media Libraries (KCPML) to the schools surrounding its areas of operations: Batangas, Nueva Ecija, Bukidnon, Agusan del Norte, and Camarines Sur.

The teacher training—entitled

Learning Effectively through Enhanced and Evidence Based Pedagogies in Science (LEEP-Science)—was a three-day in-person activity that covered 21st-century pedagogies, concepts in environmental science, and how educators can integrate strategies in a classroom setting. A combined total of 170 teachers and school heads from First Gen's host schools attended the LEEP-Science program.

The KCPMLs contain over 1,500 localized and contextualized multimedia learning resources produced by KCFI and are aligned with the curriculum of the Department of Education. Teachers can use a variety of

fun and rich learning materials, such as video lessons, e-learning modules, session guides, games, and other similar tools for their students' learning and development.

After the implementation of trainings and the KCPML donation turnover, First Gen (with the assistance of the teachers) will conduct information, education, and communication campaigns in the schools to expand the knowledge of the students about climate change. All of these efforts are intended to promote environmental stewardship among the young people in the communities as we work toward a regenerative future for all.

Promoting Community Health and Safety

PRUBABIES

"First Gen Corporation and Pru Life UK join forces to combat climate-related health impacts."

First Gen and Pru Life UK proudly announced a groundbreaking collaboration aimed at addressing health impacts exacerbated by our changing climate. On September 12, 2023, Pru Life UK provided free insurance coverage to 130 babies from the four assisted barangays of First Gen in Batangas City, namely Barangay Bolbok, Sta. Rita Aplaya, Sta. Rita Karsada, and Sta. Clara.

The cornerstone of this collaboration is the distribution of PRUBabies, an insurance program that focuses on society's most vulnerable members. As the impacts of climate change intensify, health concerns such

as dengue, measles, malaria, and typhoid become even more prevalent. This insurance coverage will provide protection against these four common diseases, ensuring that the youngest members of our communities receive the care they need. Beyond the invaluable insurance coverage, community members participating in the program also received valuable education on financial literacy and a deeper understanding of the science behind climate change.

PROVISION OF WATER AND LIGHT

Key utilities such as water systems and community lighting were provided by First Gen to the communities of Garchitorena and Caramoan, Camarines Sur. The Company donated an electric water pump which

was more reliable than the existing diesel pump. For the community lighting, street lights were installed in the pathways towards the barangay. These were conducted in partnership with the local barangay.

Two barangays and 250 individuals benefited from the water system while three barangays, 150 households, and 220 individuals benefited from the installed lighting facilities.

STRENGTHENING OF LOCAL HEALTH CENTERS AND PROGRAMS

Through sponsorships of First Gen and its subsidiaries:

- 4,236 patients were provided with access to free medical services through 70 medical missions
- 2,241 individuals benefited from the 290 community clinics conducted
- 7 municipalities and 27 institutions were provided with health assistance and 14 barangays were provided with access to healthcare
- 14 communities were supported for Barangay Health Worker (BHW) training



Supporting Community Development

BANTAY DAGAT SUPPORT IN LOBO

The Center of Center Project began in 2004, along with the First Philippine Conservation, Inc. and Conservation International, which aimed to protect and conserve the Verde Island Passage (VIP) in partnership with local communities, local government units (LGUs), and other

stakeholders in the area. Part of the program is the provision of operational support to the bantay dagat in Lobo, Batangas. The program, including the operational support, concluded in 2023. The members of the Bantay Dagat expressed their thanks and appreciation to First Gen for the years of support in their operations.

29 Bantay Dagat members provided with operational support

361 Patrol Days under Bantay Dagat in 2023

430 Bantay Dagat members provided with IDs



WATTS NEXT?

“Empowering Lopez Group employees to regenerate island life”

In its ongoing commitment to corporate social responsibility, the FP Island Energy Corporation (FPIEC), together with First Gen and FPH, launched “Watts Next? Regenerative Solutions for Island Life” on October 24, 2023 to the employees of the Lopez Group. This ideation program seeks project proposals characterized by their climate responsiveness, impactfulness, and innovativeness, aimed at fostering regenerative growth in the island communities of Caramoan and Garchitorena in Camarines Sur.

The Watts Next program forged strategic alliances with key partners for progress, including the New Energy Nexus, DOST-PCAARRD, and esteemed experts from the Lopez Group, spanning FPH, First Gen, and EDC. These partners extended tailor-fitted consultations and learning sessions to nurture teams, uncover latent potentials, and solidify project proposals.

Screened proposals underwent a meticulous evaluation process and were then presented in a plenary session attended by esteemed leaders in strategy and business development, innovation, sustainability, and climate science. This distinguished panel deliberated to identify the winners of the program—individuals and teams not merely showcasing potential but demonstrating a profound commitment to advancing regenerative solutions for island life.

A total of six ideas made it through the finals of which three have been chosen to progress towards the next stage of development which include community visit and immersion, resource planning and prototyping.

SOCIAL ENTERPRISE DEVELOPMENT

EDC focuses on creating sustainable, long-term impacts, including addressing the root causes of social issues, promoting environmental stewardship, and fostering positive social change. It supports community organizations to develop and implement social enterprises and livelihood projects towards its long-term goal of fostering self-reliant communities. Many of these community organizations are farmers’ associations organized by EDC for the BINHI program and have since transitioned into people’s organizations and local cooperatives operating a myriad of livelihood initiatives. In 2023, EDC-supported community organizations generated around PHP11 million in net revenues from livelihood projects and community contracts. Presently, EDC is supporting three long-term social enterprise projects that collectively benefit an estimated 2,000 households across the project sites.

In Leyte, the EDC-assisted Tongonan Farmers Association inaugurated its Coffee and Cacao Processing Facility successfully, with the support of the Department of Science and Technology Region VIII, the Barangay of Tongonan, and the City Government of Ormoc.

Community organizations also benefited from business contracts awarded to them by EDC’s operations and projects. These contracts include BINHI contracts for forest restoration, forest protection, nursery management, and seedling production; revegetation of grass fire-prone areas; eco-bricks production; reinstatement maintenance; and grass-cutting contracts in EDC’s facilities.

Other social enterprises currently being supported include the Handicraft Scaling-Up Project with the Balili-Cambucad-Tubigon-Malabo Farmers Association (BALCAMTUMA) in Brgy. Malabo, Valencia, Negros Oriental; Cacao Production for Mt. Talinis Dark Chocolate implemented with Mt. Talinis Cacao Farmers Association, also in Negros Oriental; and Kamias Prunes Production with local community organizations in Burgos, Ilocos Norte.

IP UPLIFTMENT INITIATIVES

EDC endeavors to preserve the traditional culture and traditions of the indigenous peoples, which make up 80 percent of the local community within its area of operations. In October 2023, the second School of Indigenous Knowledge (established in partnership with EDC) was inaugurated in Barangay Kisante, Makilala, Cotabato together with the National Commission on Indigenous Peoples (NCIP), IP leaders from MADADMA, community members, and local barangay officials.

MAMAFASWAS WEAVERS

“From Planting to Weaving: MAMAFASWAS Weavers Explore Abaca Weaving”

Around 27 members of the First Gen-supported indigenous community group Maraiging Mamanwas Farmers Skilled Workers Association (MAMAFASWAS) recently underwent training. They attended the “Introduction to Abaca Weaving” module in preparation for the formal training that will take place in the latter part of the year.

The trainer, who has roots in Agusan del Norte and hails from the same tribe, happily

provided the training while instilling inspiration, diligence, and hard work in the group. The participants were guided through the process of creating a line of handicraft wearables: a backpack and a handbag. These were made of abaca, sourced from the FGen Puyo-supported abaca plantation, a security and community livelihood initiative that started in 2018.

BINHI

“First Gen Batangas adopts a thousand-hectare land for its greening legacy.”

In line with our mission and in support of 2023’s theme of the International Day for Biological Diversity (From Agreement to Action: Build Back Biodiversity) FGCEC and FG Hydro collaborated on the

implementation of “BINHI: A Greening Legacy Program” in Pantabangan, Nueva Ecija. A ceremonial signing of a memorandum of agreement took place on May 9, 2023 at Rockwell Business Center in Pasig City and at the Biodiversity Center in Pantabangan to mark the tripartite partnership with four farmers associations: the Villanueva Farmers’ Association (VIFA), the Maluyon Indigenous Christian Farmers Association (MICFA), the Cadaclan Farmers’ Association (CAFA), and the Liberty Fisherman and Farmers Association (LFFA).

FGPC, FGP Corp., FNPC, and PMPC will adopt a total of 1,209-hectares established in the Pantabangan-Carranglan Watershed Forest Reserve, as the four Batangas-based subsidiaries are advocates not only of environmental preservation and enhancement but also of

empowering communities through livelihood opportunities.

In March 2023, EDC BINHI, together with the local DENR office, organized Deputation Training for Wildlife Enforcement Officers to promote environmental conservation and celebrate World Wildlife Day. The initiative underscores the Company’s commitment to raising awareness and enhancing the capabilities of key stakeholders in protecting Philippine flora and fauna. The Kanlaon Green Brigade-Mailum from the Nangyan and Ligawon areas in Brgy. Mailum, Bago City participated in the said training. The deliberate forest patrols and heightened patrol visibility implemented within the geothermal reservations play a crucial role in averting forest fires, leading to a commendable outcome of zero reported incidents in 2023.

PHP15.5 million net revenues from livelihood projects and community contracts

252 farmers association members with income from BINHI contracts

2,698 kilometers of foot and drone patrols within designated conservation areas of focus



Disaster Response and Relief

DISASTER RESPONSE AND RESILIENCY BUILDING

EDC strengthens its commitment to support Ormoc City’s climate resilience program through the deployment of a robust and easy-to-operate water filtration system in the city in partnership with water solutions provider Power 4 All. Capable of producing up to 3,000 liters per hour of clean, potable water, the water filtration system addresses a critical need and serves as a proactive solution to address the recurring challenges posed by floods, landslides, and deforestation. It represents a significant step toward ensuring the well-being and survival of the community, especially during times of crisis.

In observance of the National Disaster Resilience Month in July, EDC Burgos and the Burgos Disaster Risk Reduction and Management Office collaborated in organizing the Rope Rescue and Flood Rescue Training for Burgos DRRMO on July 18-21, 2023, with EDC’s Safety and Emergency Management Department (SEMD) as trainers. The training will help build the knowledge and skills of the participants in rope rescue and apply rescue techniques in flood and swiftwater incidents.

EDC also provided support to those affected by various calamities in 2023:

June 2023 - Increase of Mayon Volcano status to Alert Level 3

EDC BacMan provided a total of 1,000 pieces of 20-liter water containers with refills and 1,000 food packs for distribution to internally displaced persons (IDPs) or evacuees.

July 2023 - Typhoon Egay

EDC Burgos provided assistance in rebuilding production of 24 salt-makers by providing three bags of cement and one metal drum each for the construction of their “pugon” (salt pan).

August 2023 - Typhoon Goring

EDC Negros turned over 40 foodpacks to affected households in Barangay Minoyan in Negros Occidental.

FOSTERING WORKPLACE SAFETY AND COLLABORATING WITH VENDORS AND CONTRACTORS

First Gen created value to the local economy primarily on the spent on goods and services from the local businesses. The PHP85.72 billion spent for the purchases from local suppliers and contractors in 2023 constituted 86.08 percent of the Company’s total expenses.

First Gen also places paramount emphasis on providing a safe and healthy working environment for all its personnel. With a steadfast commitment to ensuring the safety and health of all workers, including contractors and subcontractors, First Gen continuously implements Occupational Safety and Health (OSH) programs aimed at mitigating risks and preventing serious injuries, illnesses, and fatalities.

First Gen sustains the implementation of its Contractor Environment, Safety, Health Management (CESHM) System for the management of risks related to contractor activities. Prior to engagement, contractor due diligence on its regulatory compliance status is conducted. This also ensures alignment with First Gen’s Environment, Safety and Health (ESH) requirements during execution of the project.

CESHM ACTIVITIES

CESHM ORIENTATION TRAINING

CESHM Orientation trainings were conducted with the contractors to be engaged to provide awareness of the purpose, scope, and process of the CESHM System. This includes a discussion on the Pre-Qualification Evaluation, Work-In-Progress (WIP) Audits, and Post-Project Evaluation.

CESHM PRE-QUALIFICATION EVALUATION

A total of 16 identified contractors for pre-qualification were monitored and evaluated by ESH representatives.

All contractors engaged for medium to high risk work were assessed on the environmental and social criteria set in the CESHM pre-qualification checklist.

About 38 percent of the contractors were assessed to have potential social and environmental impacts due to insufficient compliance with the DOLE and DENR requirements. Non-compliant contractors were given a reasonable timeline to comply and provide regulatory requirements documentation prior to engagement.

WORK-IN-PROGRESS AUDITS

ESH personnel conducts WIP audits to verify and validate compliance and ensure implementation of First Gen ESH requirements on site during work execution.

In 2023, eight WIP audits were conducted for eight identified contractors of First Gen.

POST-PROJECT EVALUATION

Collaboration among Procurement, Corporate QES, site ESH focals, and project proponents to assess the contractor’s overall performance.

To further promote the safety culture, various training sessions were conducted to our Contractors which are listed below.

LIST OF OSH TRAININGS	NO. OF PARTICIPANTS
Anti-sexual Harrassment	20
Authorized Gas Tester Training	41
Basic Life Support Training	3
Behavior Based Safety	984
Commissioning Induction	782
Contractor's ESH Orientation	933
CP-NS Refresher Training	317
Defensive Driving Training and Driver's Forum	679
Emergency Preparedness and Response Training	74
Environmental Aspects and Impacts	8
Environmental Induction	952
Emergency Response Team (ERT) competency Training	27
Fire Prevention and Control Training	100
Forklift Training	3
Gender Sensitivity/ Equality and or Magna Carta of Women	25
Housekeeping and Storage of Chemical Products	20
Handling, Storage, Use, and Disposal of hazardous chemicals	18
Knowledge Enhancement Training	718
Lifting and Rigging Awareness Course and Training	28
Manual Handling	8
MCD Project HSE Induction	1,054
Occupational Safety and Health Orientation	712
Pre Start Meeting	935
PTW Orientation and Training	143
Safety Officers' Coaching Session	28
Safe Work Practices, Job Hazard Analysis, Pre-Task Safety Meeting and Job Order	25
Use of Fire Extinguisher	984
Violence Against Women	25
Working at Heights Safety	96
World AIDS Day - Lecture on HIV AIDS	70



CONTRACTOR OSH DATA	2023	2022	2021
Actual Man-hours Worked	24,209,987	21,433,340	18,937,450
Work Related Fatalities Due to Injury (no. of cases)	2	0	0
Fatality Rate	0.083	0	0
Work Related Fatalities Due to Illness (no. of cases)	0	0	0
Lost Time Incidents	2	1	6
Lost Time Incident Rate	0.016	0.01	0.06
Disabling Injury > 6 mos. (no. of cases)	0	0	5
Disabling Injury < 6 mos. (no. of cases)	0	1	1
Restricted Work Case (no. of cases)	3	2	3
Medical Treatment Case (no. of cases)	14	10	12
Total Recordable Incident Rate	0.165	0.12	0.22
Near Miss Incidents (no. of cases)	32	50	37
Near Miss Rate	0.26	0.47	0.39



*LNG Terminal Project
5 Million Safe Man-hours
without Lost Time Injury
achieved in July 2023*

*First Gen remains committed to
prioritizing the safety and well being of
our stakeholders along with the goal
of providing clean and renewable
energy to our customers.*

CUSTOMER DATA PRIVACY

First Gen recognizes that protecting customer data is vital. The Company goes beyond legal obligation and prioritizes this effort as a fundamental aspect of establishing trust and fostering long-term relationships with our customers. First Gen provides a Data Privacy Notice whenever we collect data from our customers and ensures that the collected data is only visible to key personnel who require access. The Company implements robust measures to ensure the data we collect is safeguarded. In 2023, the Company received no complaints in relation to customer data privacy and loss of customer data.

SUMMARY OF OUR SOCIAL AND RELATIONSHIP PERFORMANCE, IMPACTS AND PLANS

STRATEGY PURSUED	WHERE WE PROGRESSED IN 2023 (ACTIVITIES)	IMPACT MATERIALITY (OUTCOMES)	FINANCIAL MATERIALITY (OUTCOMES)	OUR PLANS (ACTIVITIES)
Create Total Stakeholder Value Decarbonize Through Securing Regenerative Partners	Aside from providing clean and RE, we offered energy solutions that help customers on their responsible and efficient use of electricity; and enhanced our value adding services Activities to increase the understanding and appreciation of customers on clean and RE as solutions to their energy needs Improved on our systems and added manpower complement to cater to our customers Resumption of CSR activities that were hampered during the pandemic Continued protection of contracted workers in our Company premises	The Social and Relationship capital was preserved and improved as manifested by the following: Customers' appreciation on value-added services and increased comprehension on the balance of clean and RE solutions High level of customer satisfaction due to our services and efforts to address their concerns Social acceptance of the community on our projects and greater collaboration on our CSR programs Community access to clean water and sanitized facilities Increased availment of quality education from our partner communities Sustained safe and healthy workplace for workers as they cooperate in the implementation of our ESH programs	Increase in revenue due to maintained and new customers While the investment in philanthropy and CSR programs is huge, this equates to social license to operate and the realization of social responsibility as one of the Lopez values	Enhancement of activities and value-added services to provide further value to our customers Further expand CSR activities for the benefit of our local communities Review and update the CESHM process to foster sustained protection of its contractors working within our premises



INTELLECTUAL CAPITAL PERFORMANCE

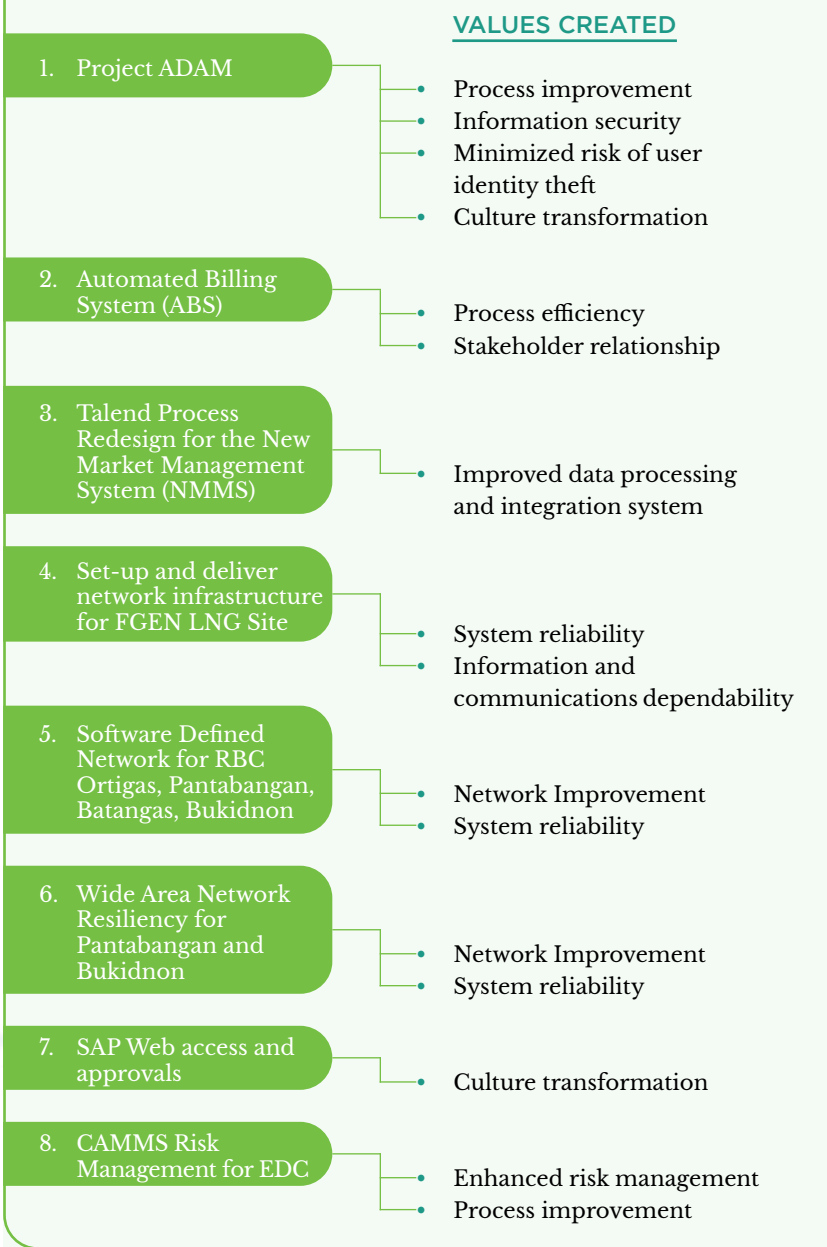
Intensifying Data and Information Security Through Digitalization

First Gen manages its information and technology infrastructure in a secure and effective manner, combined with industry comprehension, organizational systems, specialized skills, and expertise. Our processes and systems continue to shift towards digital interfaces and automation, which directly impacts security of data and information and the effective carry-out and monitoring of work deliverables with our hybrid ways of working.

Threats and vulnerabilities were determined through risk assessments done annually. Several solutions and programs that would address these threats and improve our business operations were implemented. Our Information Technology Governance Council (ITGC) is responsible for prioritizing and approving information technology investments and projects. The ITGC also ensures the effective delivery of IT value and the alignment of these benefits with Company priorities. The IT Group is responsible for the acquisition, development, dissemination, and implementation of IT solutions, projects, and policies. It is also responsible for employing solutions based on business needs, best-fit practices, and technological innovations.



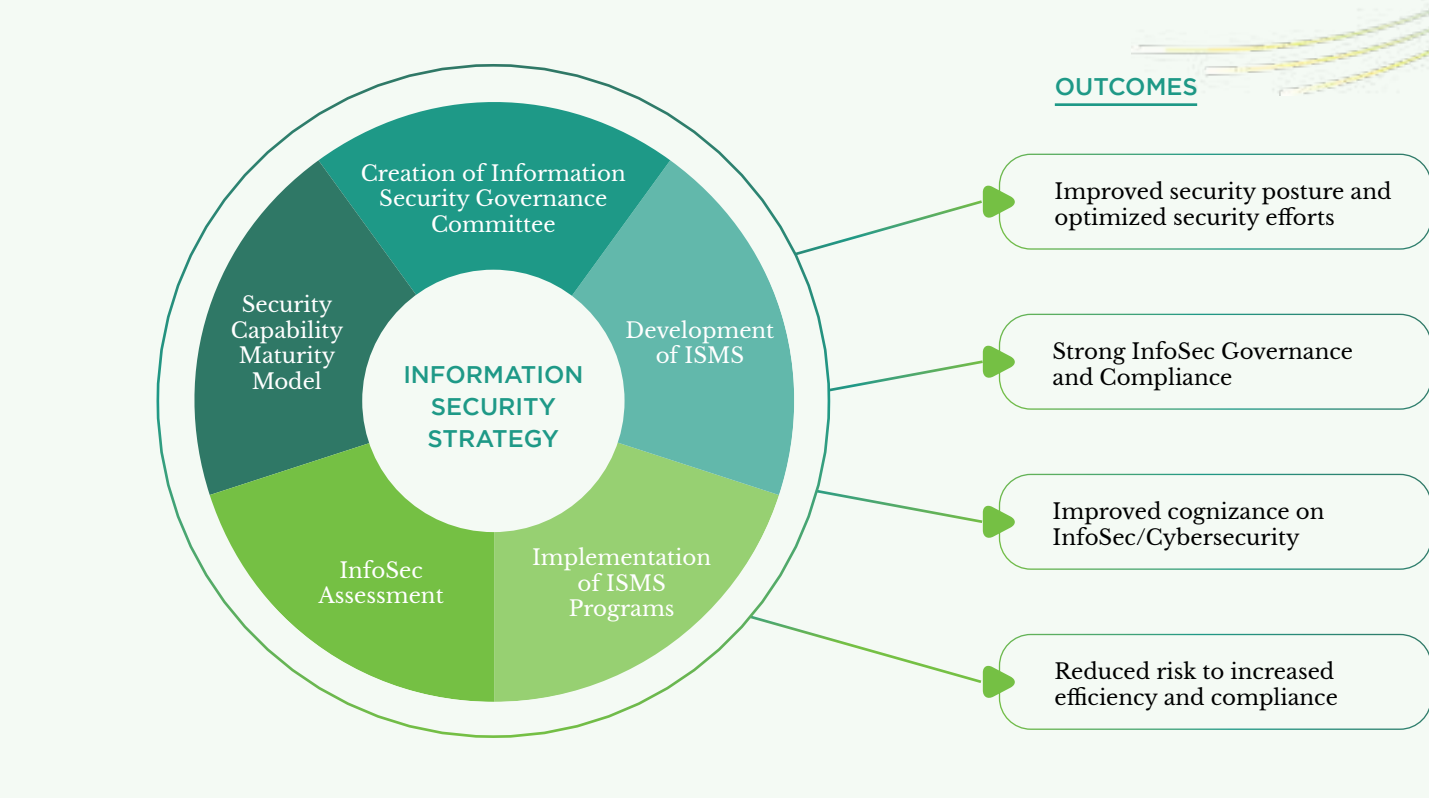
First Gen invested USD6.4 million for digitalization and automation, cyber, and information security, with the 15.6 percent increase from the USD5.4 million investment in 2022.



Our information security processes and programs are governed by our Information Security Governance Committee (ISGC) headed by our Chief Information Security Officer. The ISGC provides the senior management an assurance that information security direction and intent are reflected in the security posture of the organization by utilizing a structured approach to implementing an information security program. Anchoring from our Information Security

Policy approved in 2019, 24 new processes and procedures were initiated to intensify our information security: infosec awareness, phishing mindfulness, use of removable media, InfoSec incident management, infosec security management, network access control, firewall, password and IT security. With the influx of Internet of Thing (IoT) devices, our IT Group governs IoT devices to help ensure that these meet technology/security standards;

and implemented creation of inventory, patching/updating, and monitoring. To mitigate the incursion of artificial intelligence (AI) tools/applications, several awareness campaigns were conducted to employees, InfoSec and IT policies developed and maintained, and continued consultations with industry experts. Moreover, we established our Information Security Management System (ISMS) through the strategy below.



Programs implemented through our ISMS include InfoSec awareness program, online assessment, online training including our third party partners, phishing test campaign, awareness ecards and logs, advisories and Infosec month celebration. Infosec assessments include vulnerability assessment and penetration testing, the software and hardware we utilize, and our processes.

To further strengthen security and data privacy, we started the Phase 1 implementation

of the Records Management System. Information within First Gen is classified as either restricted, confidential, internal use, or public. All information outside of the public domain is considered sensitive information and covered by the Information Security Policy. As a primary means of sharing sensitive information with contractors and partners, contracts and other forms or agreements with our contractors and partners are covered by non-disclosure agreements. First Gen also values the confidentiality of

personal data. Thus, a Privacy Notice posted on our website details how the Company uses and protects personal data in accordance with the Data Privacy Act of 2012 (DPA), its IRR, other issuances of the National Privacy Commission (NPC), and other relevant laws of the Philippines. This Privacy Notice can be accessed through this link: <https://www.firstgen.com.ph/privacy>. There was no data breach or violation of informational privacy rights or any other violation of the DPA cited.

Improving Our Organizational Processes

First Gen maintains three management systems:

- 1. Quality Management System, which is certified to ISO 9001:2015,
- 2. Environmental Management System, in reference with ISO 14001:2015, and
- 3. Occupational Health and Safety Management, in reference with ISO 45001:2018.

Our processes to support the effective implementation of our business operations are based on

our Quality Policy. Meanwhile, our other processes and programs to support our objective of providing a safe workplace to employees and protection of the environment are based on our Environment, Safety, and Health (ESH) Policy.

All the subsidiaries of First Gen implement their own Integrated Management Systems certified to various ISO standards. To preserve and utilize our organizational knowledge and expertise in operating our plants, these processes are documented.

In 2023, the Records Management System was implemented to centralize the maintenance of our documents and records. To verify compliance with the standards and effectiveness of process implementation, internal audits by the respective companies were conducted and corporate audits were performed by the First Gen Head Office to ensure alignment of operating sites' processes with the corporate standards. Meanwhile, third party audits were executed by the certifying bodies to validate and verify conformance to the standards.

CERTIFICATION LEGENDS:

 ISO 9001:2015

 ISO 14001:2015

 ISO 45001:2018

 ISO 55001:2014

FIRST GEN SUBSIDIARIES	SCOPE OF IMS	
FGPC/FGPC/FNPC	Asset management of the Santa Rita, San Lorenzo and San Gabriel natural gas power plants	
PMPC	Operations and maintenance of Avion Power Plant	
EDC	Development and maintenance of geothermal resources and operations and maintenance of the FCRS, power plants, and switchyard of EDC's geothermal facilities, including all support processes of EDC Green Core Geothermal Incorporated (GCGI) and Bacman Geothermal Incorporated (BGI)	
FGHPC	Operation and maintenance of Pantabangan and Masiway Hydroelectric Plants	
FGBPC	Operation and maintenance of 1.6-MW Agusan Run-of-River Hydroelectric Plant	

Our processes are maintained and improved to support our mission to decarbonize and regenerate. Through our management systems, we mitigate the business risks as well as the environmental, safety, and health risks identified and ensure that we meet the legal

and regulatory requirements applicable to our industry and operations and the needs and expectations of our stakeholders. First Gen's management of our systems and alignment with sustainable processes and practices enable us to conduct

efficient and safe operations. These operations ensure reliable power for our customers, comply with regulatory requirements, preserve the environment, and allow us to maintain good relationships with the community.

Our Decarbonization Initiatives

We continue to implement programs and solutions to guarantee the minimal emissions of our plant operations through energy efficiency programs such as the use of electric-driven vehicles, the use of solar installed sources of household power at plant sites, and better management of fugitive emissions through the use of emission monitoring systems. Aligned with our ambition to reach Net Zero, we further our existing programs by expanding our RE portfolio and optimizing our operations. We also continue to scout new technologies to make way for decarbonization without compromising energy

stability. We explore the use of nature-based solutions and storage technology and delve into the possibility of hydrogen to supplement natural gas and carbon capture.

Internally, we do not only dwell on exploring new technologies for decarbonization but also on upskilling our people and enjoining society to be one with our aim. In 2023, First Gen joined the FPH-wide capability building Scope 3 GHG Emissions and relevant ESG standards such as SASB. These are all preparations geared towards the execution of our programs for achieving our Net-Zero Goal.



SUMMARY OF OUR INTELLECTUAL PERFORMANCE, IMPACTS AND PLANS

STRATEGY PURSUED	WHERE WE PROGRESSED IN 2023	IMPACT MATERIALITY	FINANCIAL MATERIALITY	OUR PLANS
1. Enable the organization 2. Creating stakeholder value	Entrenched digitalization to maintain a safe and reliable ISMS Capitalized in our processes, programs and promotions to uphold data and information security and privacy	The utilization of our intellectual capitals resulted to: a. Protection of our Company's data security and stakeholders' personal privacy b. Improved governance on our information management system c. Effective carry-out of our operations and utilization of other capitals through digitalization and reliable systems, and d. Building a culture of innovation and continuous improvement	The transformation of our culture to digitalization and tightening our security from cyberattacks affected the rise of cash flows but this investment has prevented us to greater cost that may arise from unreliable systems, and possible loss of data.	Aggressive awareness and campaigns on information and data security and system reliability Diligence in our research and monitoring on the development of technologies on hydrogen to replace natural gas and carbon capture that could potentially decarbonize power generation

NATURAL CAPITAL PERFORMANCE



First Gen, as an energy company, is committed to the preservation and regeneration of our natural resources. As we continue our journey in the implementation of our Mission “to forge collaborative pathways for a decarbonized and regenerative future,” we take the lead in transitioning to a decarbonized energy system and continuous integration of regeneration strategies in the conduct of our business operations to ensure the protection, preservation, and improvement of the environmental conditions in the areas and communities that we operate.

We are highly dependent on harnessing our planet’s natural resources to produce clean, renewable, and affordable electricity for the Filipino people and we are committed to its environmental stewardship and protection in order to contribute to the regeneration of our ailing planet. We firmly believe that to heal our Earth, First Gen will need to take firm action in addressing the challenges of climate change through a multi-year strategic plan to reduce our carbon footprint in alignment with

the Philippine government’s energy transition plan and ambition to significantly increase renewable energy, natural gas capacities and decrease our dependence on coal. The government program aims to increase the share of renewable energy to 35 percent by 2030 and 50 percent by 2040.

As we continue to develop, grow, and build on our platform of renewable and low-carbon energy assets, with the target of achieving an additional 13GW of clean energy by 2030 for a greener Philippine electric grid, our business strategy will continuously involve the responsible utilization and preservation of our natural resources for the welfare of our current and future generations. Our mission, our business strategy and our Environment, Safety and Health (ESH) Policy are the guiding directions as we continue to create value in our energy portfolio for both our manufactured and natural capital.

As stated in our ESH Policy, First Gen commits to the preservation and enhancement of the environment. We maintain

an Environmental Management System (EMS), covering our business development, project monitoring, and asset management activities to reduce environmental emissions, effluents, wastes and promote the efficient use of energy, water, and other resources. The EMS of our subsidiaries: FGPC, FGP, FNPC, PMPC, FGHPC, FGBPC and EDC likewise maintain individual certifications to the ISO 14001:2015. We annually review our environmental risks to ensure the effectiveness of our mitigation strategies for environmental protection and preservation. Consistent with the EMS protocols, all our subsidiaries undergo the annual audits conducted by the Corporate Quality, Environment, Safety and Health (QESH) team and their respective certifying body. The ESH Policy is posted on the Company’s website and can be accessed through this [link](#).

With the environmental programs in place, First Gen has no incidents of non-compliance with environmental standards and regulatory requirements of the country.

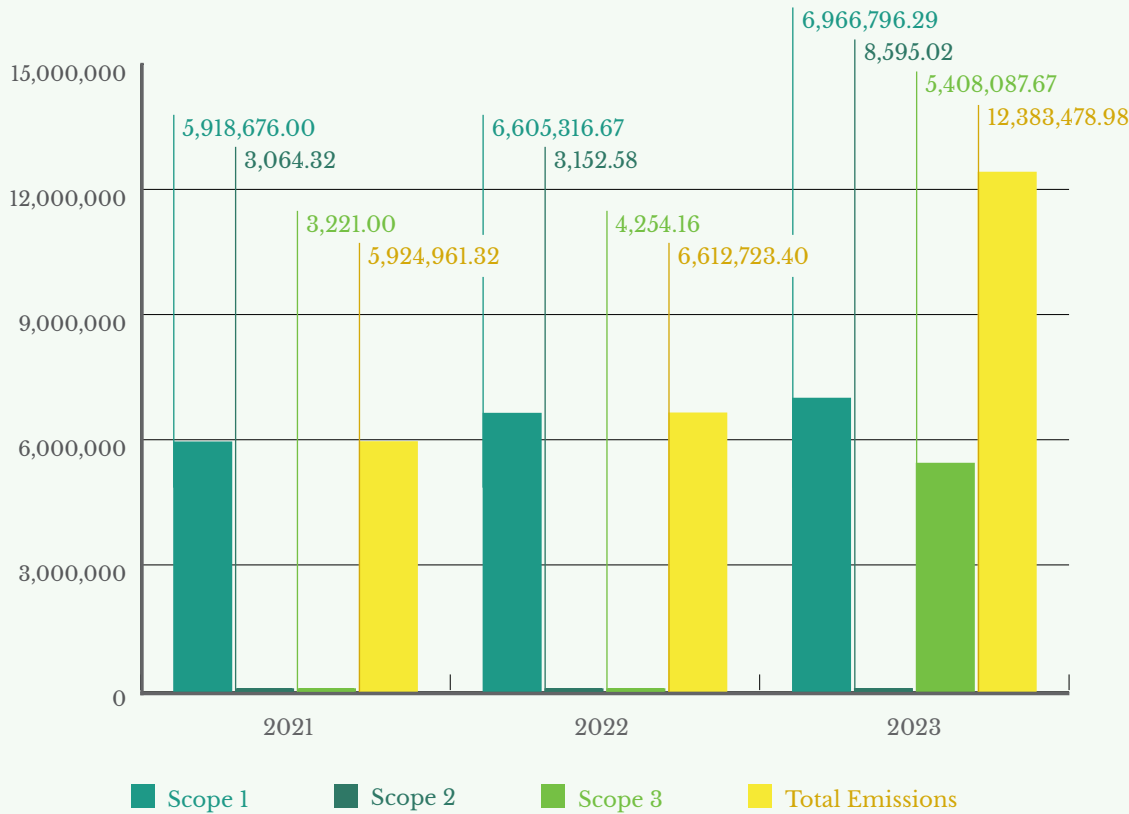
EMISSIONS

The Greenhouse Gas (GHG) emissions of First Gen were generated from using natural gas as the primary fuel for First Gen’s combined-cycle gas turbine (CCGT) power plants and other renewable energy technologies, such as hydropower, geothermal, solar, and wind. These emissions affect various sectors of the economy and energy supply security.

Context of GHG Emissions Inventory and Reporting Boundaries

ORGANIZATIONAL BOUNDARIES	OPERATIONAL BOUNDARIES
In accounting for our GHG emissions, First Gen adapted the operational control approach in establishing our organizational boundaries with the power plants included in our diverse portfolio of natural gas and renewable energy.	• Scope 1: Direct emissions from power generation operations • Scope 2: Indirect emissions from purchased electricity. • Scope 3: Indirect emissions from supply chain » 2021-2022 – coverage is only for Category 7: Employee Commuting » 2023: coverage includes: › Category 3: Fuel and Energy Related Activities › Category 5: Wastes Generated in Operations › Category 7: Employee Commuting

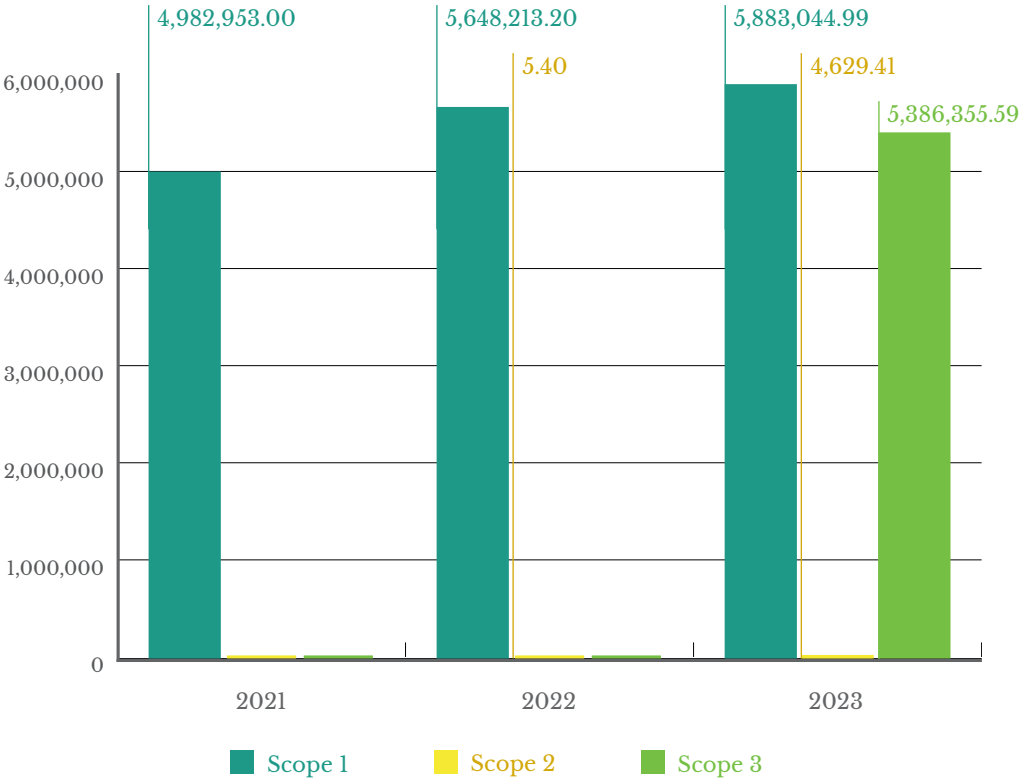
FIGURE 1: TOTAL CARBON EMISSIONS (IN TONNES CO2e)



*The 2021 and 2022 figures have been adjusted. Please refer to the Restatements section for the summary of changes

The observed increase in total emissions from 2022 to 2023 in Figure 1 is due to the increase in our Scope 1, 2, and 3 emissions. The majority of the increase in our total emissions is due to the inclusion of Scope 3 indirect emissions accounting for fuel and energy related activities and wastes generated in our operations. This is the result of the 2023 capacity building sessions on Scope 3 accounting that was implemented by the Corporate Sustainability Group (CSG) of our parent company, FPH.

FIGURE 2: NATURAL GAS CARBON EMISSIONS (IN TONNES CO2e)



The natural gas platform in FGCEC makes up 84 percent of First Gen’s Scope 1 emissions. In 2023, the natural gas supply from Malampaya Gas Field was below the requirement of the FGCEC Plants due to the continuing depletion of the gas field resource. As a result, our Scope 1 emissions for our natural gas plants increased due to the use of liquid fuel as an alternative fuel for our Santa Rita and San Lorenzo power plants in lieu of natural gas in order to continue its power generation activities. Condensate fuel and diesel were utilized during periods of low natural gas supply to ensure the uninterrupted operations of the Santa Rita, San Lorenzo, and Avion power plants. Furthermore, our Scope 2 emissions also increased as a result of purchased electricity from the grid to support the power requirements of our power generating facilities.

With the completion of the FGEN LNG Interim Offshore Terminal (IOT) in 2023, its commissioning

and commercial operations shall mitigate these emissions by ensuring a constant supply of natural gas thereby significantly decreasing the use of liquid fuel. The business and operational objectives of the IOT were realized during the commissioning of the power plants on liquified natural gas (LNG) in the fourth quarter of 2023 in response to the ongoing decline of gas supply from Malampaya. Two LNG deliveries were received by the IOT in 2023 for the commissioning of the power plants using regasified LNG.

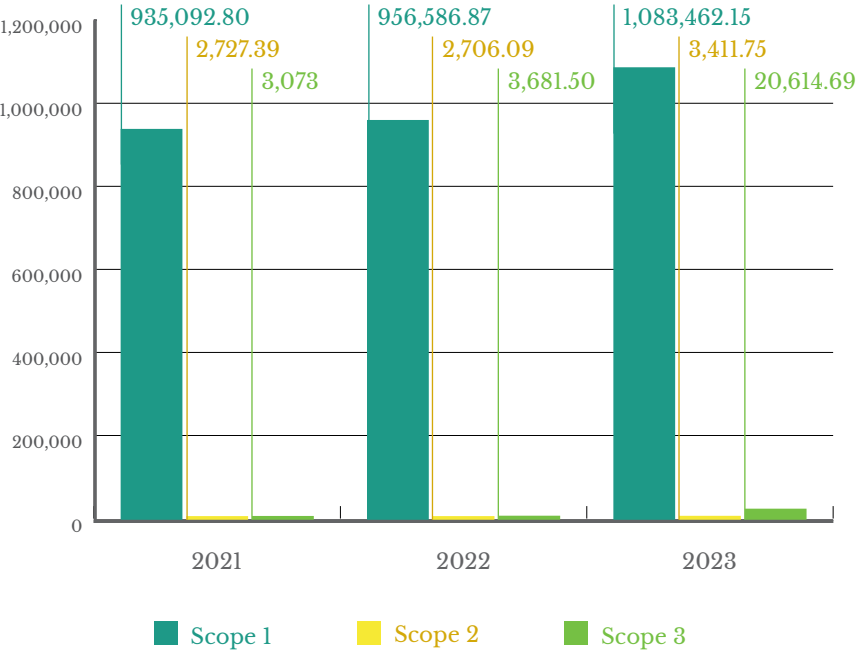
The IOT also has the potential of enabling other natural gas industries in boosting our national transition to decarbonization, as we are committed in our strategy in the development of our natural gas business as a necessary step in our journey towards decarbonization and regeneration, with natural gas as the transition fuel to continue supporting the DOE’s Philippine Energy Plan (PEP 2040).

FIGURE 3: HYDRO ELECTRIC CARBON EMISSIONS (IN TONNES CO2e)



For our hydroelectric power plant operations, our Scope 2 emissions increased because of the increased consumption of purchased electricity from the grid to support the power generation activities.

FIGURE 4: GEOTHERMAL/SOLAR/WIND CARBON EMISSIONS (IN TONNES CO2e)

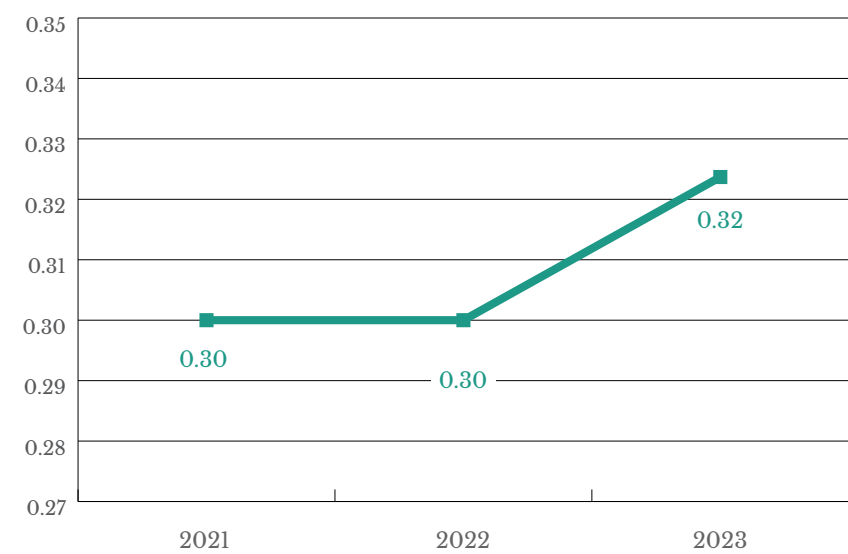


**The 2021 and 2022 figures have been adjusted. Please refer to the Restatements section for the summary of changes*

The Scope 1 emissions of EDC, our renewable energy subsidiary for geothermal, solar and wind power generation is 16 percent of the overall total of First Gen emissions. The increase in EDC’s 2023 Scope 1 emissions was mainly due to the increase in steam consumption resulting in higher power generation.



FIGURE 5: FIRST GEN OVERALL EMISSION INTENSITY



*The 2021 emission intensity has been adjusted. Please refer to the Restatements section for the summary of changes

First Gen's emission intensity in 2023 was 0.32 compared to the 2022 emission intensity of 0.30 as shown in Figure 5. This change was attributed to the increase in the GHG emission intensity of FGCEC in 2023 compared to 2022, primarily due to the increase in liquid fuel consumption. The increase in the steam consumption of EDC also contributed to the increase in Scope 1 emissions.

For our 2023 natural capital performance, the amount of carbon emissions generated from producing the same amount of energy of 21,604.5GWh is 61 percent lower than a coal-fired power plant. Moreover, producing power using our clean and renewable energy, prevented the release of 10,740,303.6 tonnes of greenhouse gas emissions (tCO₂e), equivalent to the removal

of approximately 2,556,212 gasoline-powered passenger vehicles in one year. We are constantly monitoring updates on emerging technologies that can further decarbonize our gas plants, such as carbon capture technology and using alternative fuels such as hydrogen, batteries, and other clean energy options.

Other Emissions Affecting Air Quality

Aside from GHG, we consistently monitor our other emissions to comply with regulatory standards. The measured concentrations of these pollutants were significantly lower than the emission limit values set under RA 8749 (Philippine Clean Air Act) due to the dry-low NO_x technology, embedded in the plants' combustion systems. The total emissions and the emission intensity are shown in the table below.

TABLE 1: OTHER SIGNIFICANT AIR EMISSIONS

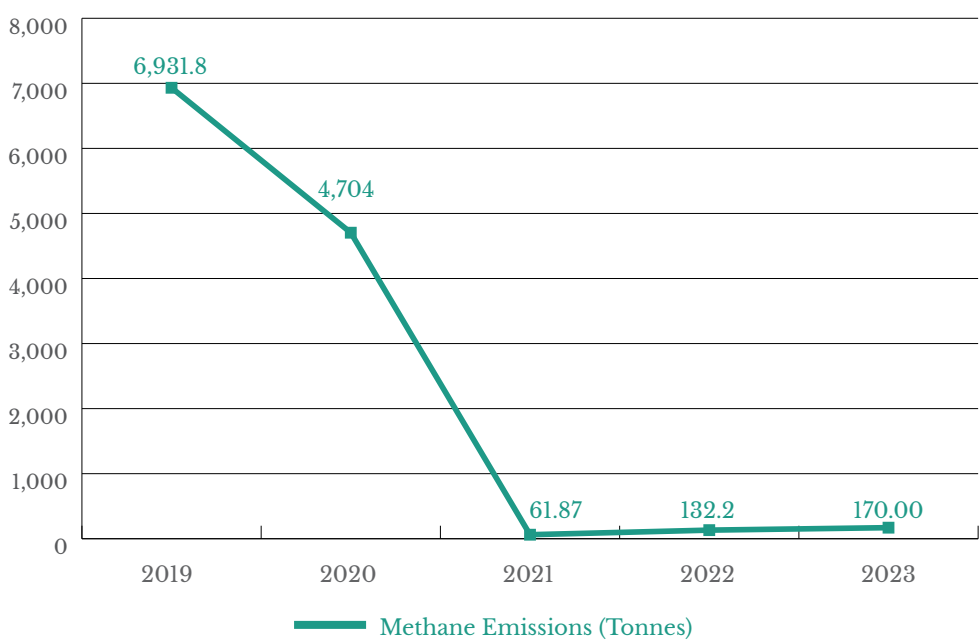
EMISSION	WEIGHT IN TONNES			EMISSION INTENSITY IN TONNES CO ₂ e PER GIGAWATT HOUR (TONNES/GWH)		
	2023	2022	2021	2023	2022	2021
Carbon Monoxide (CO)	684.82	615.8	849.1	0.05	0.04	0.07
Nitrogen Oxides (NO _x)	3,476.49	3642.3	2945.3	0.25	0.25	0.24
Sulfur Oxides (SO _x)	237.40	355.3	623.0	0.02	0.02	0.05
Particulate Matter (PM)	204.04	147.1	341.7	0.01	0.01	0.03

Decarbonization Initiatives Implemented

Methane Fugitive Emission Management Program

FGCEC continues to implement the Methane Fugitive Emission Management Program which started in July 2020. The program aims for the early detection of fugitive emissions using an optical gas imaging camera, resulting in the rectification of gas leaks and reduction of fugitive methane gas emissions from gas leakage. FGCEC's total fugitive methane emission in 2023 was equivalent to 170 tonnes of CO₂e which was 97.58 percent lower than the 2019 baseline. FGCEC conducts these natural gas leak surveys twice a year, which contributes to the periodic identification of leak sources and the performance of immediate corrective maintenance activities to address them. In 2023, there were no leaks detected from the two completed surveys.

FIGURE 6: FGCEC METHANE FUGITIVE EMISSIONS REDUCTION PERFORMANCE



*The 2019 value indicated in Figure 6 is the average of estimated fugitive methane emission from 2015-2019



FGCEC Electric Vehicle (EV) Initiative

In 2023, FGCEC purchased another electric vehicle (Dongfeng Rich 6 EV pick up vehicle) for the transportation needs of the employees in the complex. This complements the Nissan LEAF EV that was purchased in 2022 which is used by the employees in our site for official business trips. By using the EVs, we were able to avoid approximately 2 tonnes of carbon emissions per year compared to using vehicles powered by diesel or gasoline.

GHG Assurance Project - Readiness Assessment for External Limited Assurance of GHG data

As part of its decarbonization strategy, First Gen has identified that the accurate measurement and reporting of its emissions profile is essential to further enhance the organization’s capability in ensuring that the GHG monitoring and reporting systems in place are in accordance with global industry standards. This is in order for our organization to be assured of having an accurate and reliable GHG data reporting system that is being used in the different disclosures of the company to various external stakeholders and investors.

In 2023, First Gen engaged the services of ERM Certification

and Verification Services (CVS) to conduct an assurance readiness review of the 2022 Scope 1 and 2 emissions profile of our FGCEC natural gas plants and EDC geothermal plants in the Philippines as the sample data for the simulated assurance exercise which was undertaken in accordance with ISO 14063:3 for the GHG verification of greenhouse gases. As a result of the assurance readiness review, First Gen will be working on the development of the recommended improvements to prepare the organization for the external limited assurance of its Scope 1 and 2 Emissions.

Scope 3 Capacity Building Project

In the last quarter of 2023, the CSG engaged the services of Engie Impact Pte. Ltd. (Engie Impact) to facilitate virtual and onsite capacity building sessions related to the concept of Scope 3 GHG emissions inventory and accounting. During the 13 weeks of project implementation, Engie Impact conducted four capacity building workshops for FPH subsidiaries and provided assistance in the development of Scope 3 footprints at entity-level and group-level. For each entity in project scope, the deliverables include value chain mapping and materiality assessment, detailed insights on data quality and calculation, and Scope 3 footprint with hotspot analysis. Using the available data for 2022 as the subject of the exercise, the total computed 2022 Scope 3 values for First Gen was 1,085,813 tCO₂e where 94 percent of the values were primarily contributed by Scope 3 Category 3 – Fuel and Energy related activities.

2022 SCOPE 3 FIRST GEN EMISSIONS CALCULATED BY ENGIE IMPACT	TOTAL EMISSIONS (TCO ₂ e)	% PER CATEGORY VS TOTAL
Category 1 Purchased Goods & Services	57,188	5.27%
Category 2 Capital Goods	8,605	0.79%
Category 3 Fuel & Energy Related	1,015,470	93.52%
Category 4 Upstream Transportation & Distribution	3,127	0.29%
Category 5 Wastes Generated in Operations	333	0.03%
Category 6 Business Travel	858	0.08%
Category 7 Employee Commuting	232	0.02%
	1,085,813	100.00%

Furthermore, as a result of the Scope 3 Capacity Building Project, First Gen was able to identify the current gaps and improvement opportunities in its existing procurement and accounting processes. Addressing these gaps will enable a practical, sustainable and accurate Scope 3 data collection and processing as part of First Gen’s continual improvement for GHG emissions accounting and reporting requirements. Based on the assessment and recommendations of Engie Impact, First Gen will be working on addressing these gaps starting in 2024 to improve our Scope 3 emissions inventory and accounting for material categories.



Clean Energy Advocacy

The Net Zero Carbon Alliance (NZCA) is an initiative of First Gen-owned EDC, the country’s pioneer and largest pure renewable energy company. Established in September 2021, NZCA is EDC’s response to its mission “to forge collaborative pathways for a decarbonized and regenerative future.”

As the country’s first initiative spearheaded by the private sector to achieve net-zero carbon emissions among businesses, NZCA seeks to inspire and assist Philippine businesses in taking immediate steps to achieve carbon neutrality by 2050 and contribute to the country’s efforts to address its climate crisis.

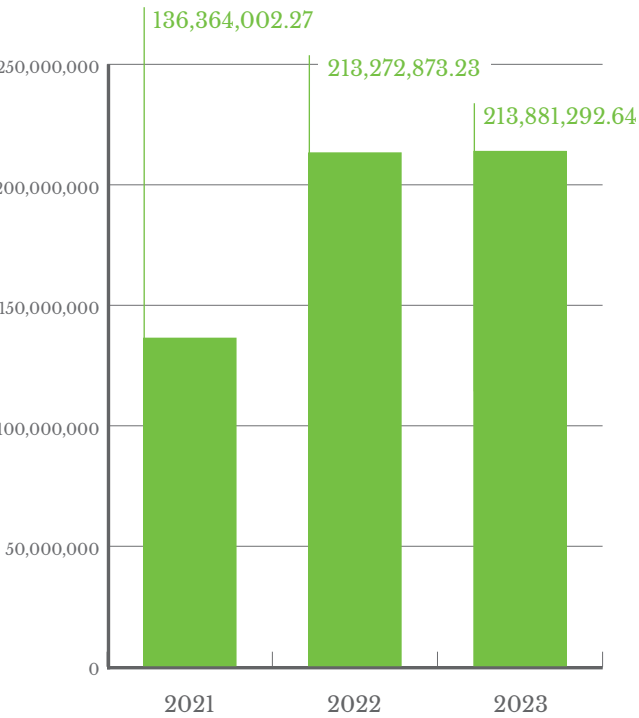
NZCA provides its partners with a framework to achieve its goal by sharing best practices, scaling up carbon emission reduction and tracking, and providing better access to green financing, among many other capacity-building tools.

In 2023 EDC rolled out the Zero Carbon Gateway online platform to its NZCA partners to track their net zero journey based on the NZCA framework. NZCA closed 2023 with a total of 21 partners (from 12 in 2022) coming from various Philippine industries.

ENERGY EFFICIENCY

First Gen’s energy consumption for power generation originates from raw sources and electricity purchased from the grid. As shown in Figure 7 below, the increase in energy consumption for 2023 is attributed to the increase of utilization of non-renewable energy sources compared to the previous year.

FIGURE 7: FIRST GEN OVERALL ENERGY CONSUMPTION (IN GJ)

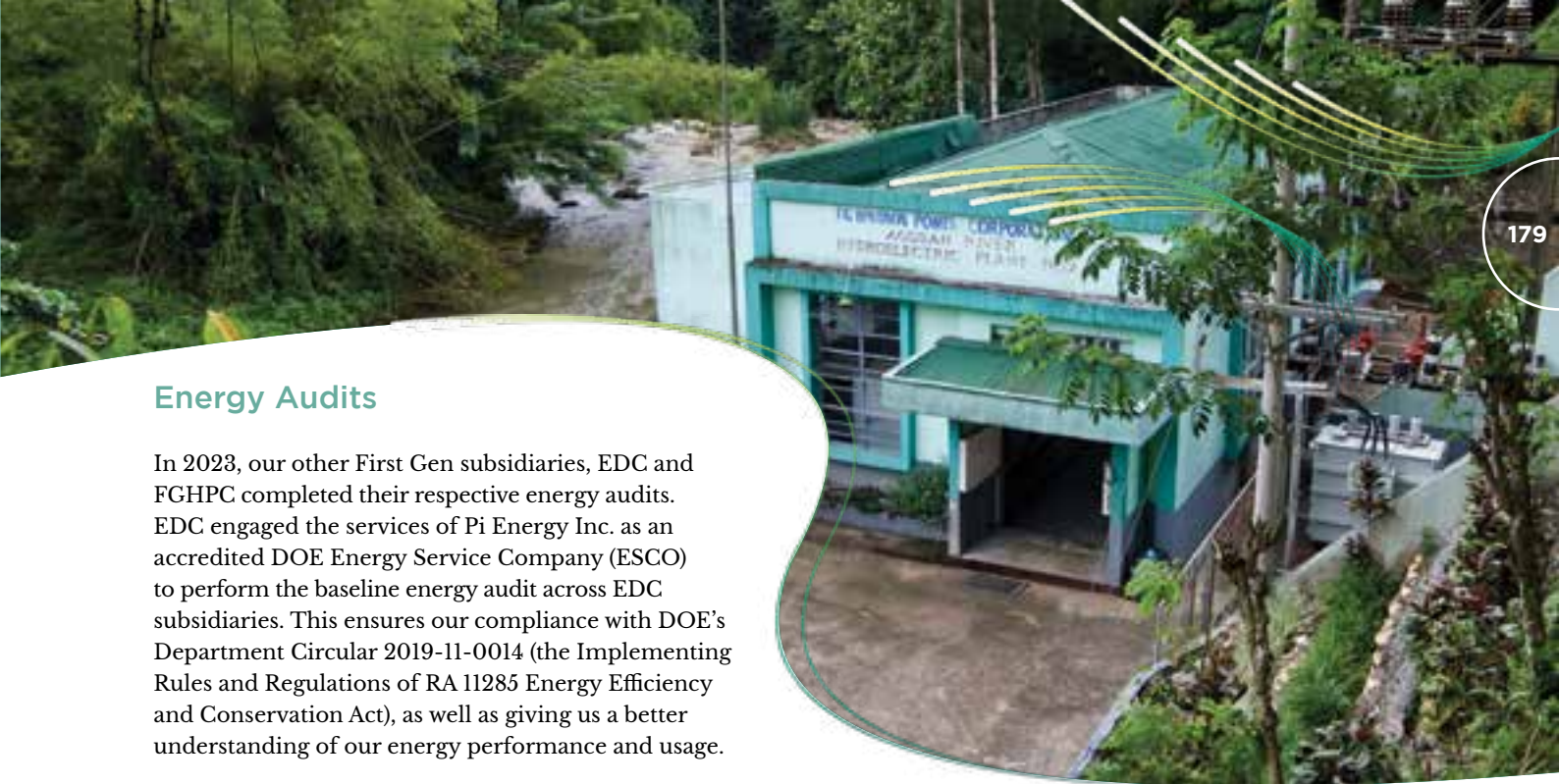


FGCEC Solar Panel Installation

FGCEC installed solar photovoltaic (PV) panels on its properties to significantly reduce the GHG emissions caused by house load power demand. The solar PV panels fall under the category of “change in fuel or power technology.” In addition to the solar PV panels installed at the FGCEC administration building and San Gabriel warehouse, the installation of solar panels at the Avion parking lot were completed in 2023.

In 2023, the solar PV panels at the administration building generated 47,848.58kWh. Meanwhile, the solar PV panels in the San Gabriel Warehouse generated 289,560kWh. The solar lamp posts in Avion which were also installed in 2022 have an estimated 87,066kWh or 313.44GJ of energy reduction in 2023.

The solar panel PV panels that were installed in the Avion parking lot back in December 2023 have a total actual power generating capacity of 44.0kW. The energy that will be produced by the Avion solar PV panels will be used to supply the power consumption within the Avion power plant compound and other equipment.



Energy Audits

In 2023, our other First Gen subsidiaries, EDC and FGHPC completed their respective energy audits. EDC engaged the services of Pi Energy Inc. as an accredited DOE Energy Service Company (ESCO) to perform the baseline energy audit across EDC subsidiaries. This ensures our compliance with DOE’s Department Circular 2019-11-0014 (the Implementing Rules and Regulations of RA 11285 Energy Efficiency and Conservation Act), as well as giving us a better understanding of our energy performance and usage.

FGHPC successfully conducted its Level 1 energy audit as required by the DOE for Pantabangan Hydroelectric Plant (PHEP), being a type 1 Designated Establishment (DE). While on the other hand, we also conducted an energy audit for our Masiway Hydroelectric Plant (MHEP) and First Gen Hydropower Plant Housing Compound even though it is not required by DOE since it is classified as other DE, to determine compliance to the requirements of RA 11285 and its IRR. The energy audit reports for PHEP and MHEP were certified by WestCo which is also a DOE accredited ESCO.

Other Energy Efficiency Initiatives Implemented

FG Bukidnon’s decarbonization strategy includes the energy conservation program which covers the gradual replacement of its lighting system with LED lighting fixture. Through the implementation of energy conservation program, FG Bukidnon was able to control and reduce its energy consumption by around 16MWh in 2023 compared with that of 2022.

WATER AND WASTEWATER MANAGEMENT

TABLE 2: VOLUME OF WATER EXTRACTION, DISCHARGE AND CONSUMPTION PER FIRST GEN FACILITY

FACILITY	EXTRACTION IN MEGALITERS (ML)		
	2021	2022	2023
Santa Rita	553,403.2	597,613.1	575,060.7
San Lorenzo	287,627.8	279,517.0	273,833.3
San Gabriel	204,985.8	242,677.5	245,067.1
Avion	342.9	331.5	317.8
RBC Head Office	0.5	0.7	7.7
Agusan	60,915.0	43,650.9	36,936.8
Pantabangan-Masiway	1,578,684.8	1,666,688.0	1,420,992.1
EDC	1,550.1	1,175.7	1,170.9
Total	2,687,510.1	2,831,654.3	2,553,386.5

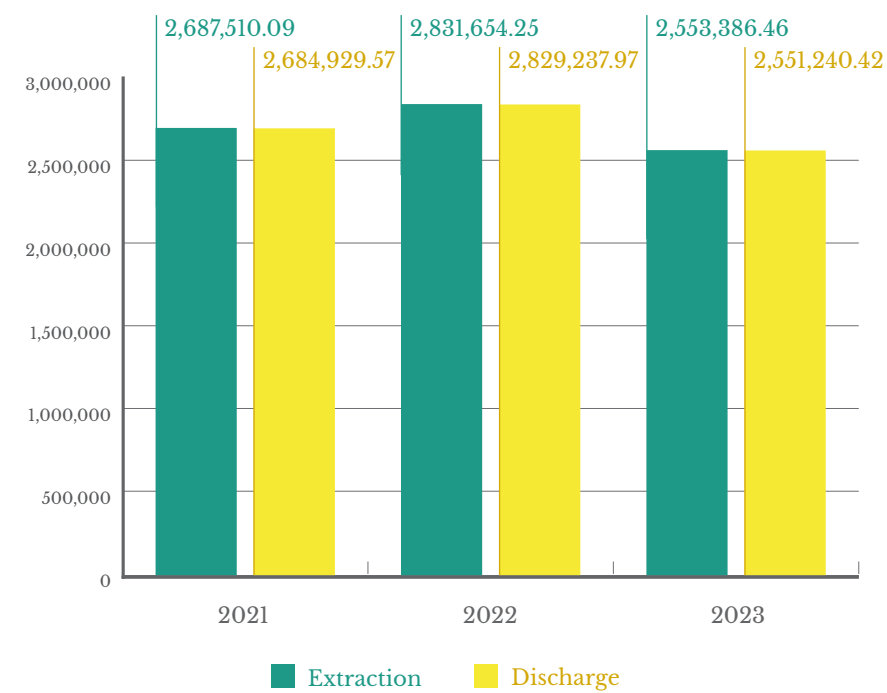
Water Use

Water is a vital resource for First Gen since its serves as a primary source of power generation in its hydroelectric plants, with secondary operational use as a coolant for our natural gas and geothermal plants. It also provides the domestic water needs for all our assets. All First Gen power plants regularly monitor water withdrawal to ensure compliance with the extraction rate limits set by the National Water Resources Board (NWRB) for groundwater and seawater.

DISCHARGE IN MEGALITERS (ML)			CONSUMPTION IN MEGALITERS (ML)		
2021	2022	2023	2021	2022	2023
553,023.1	597,144.9	574,821.0	380.1	468.2	239.8
287,111.3	278,870.5	273,163.3	516.5	646.5	670.0
204,959.5	242,607.7	245,019.3	26.3	69.8	47.8
40.8	130.9	169.4	302.1	200.6	148.4
0.0	0.0	0.0	0.5	0.7	7.7
60,915.0	43,650.1	36,935.6	0.0	0.7	1.2
1,578,684.7	1,666,685.4	1,420,984.4	3.7	2.6	7.7
195.1	148.5	147.4	1,354.9	1,027.2	1,023.4
2,684,929.6	2,829,238.0	2,551,240.4	2,584.1	2,416.3	2,146.0

*The 2022 and 2021 water figures were adjusted. Please refer to the Restatements section for the summary of changes

FIGURE 8: FIRST GEN OVERALL WATER EXTRACTION & DISCHARGE (IN MEGALITERS)



*The 2022 and 2021 water figures were adjusted. Please refer to the Restatements section for the summary of changes

FIGURE 9: FIRST GEN SOURCES OF WATER (IN MEGALITERS)

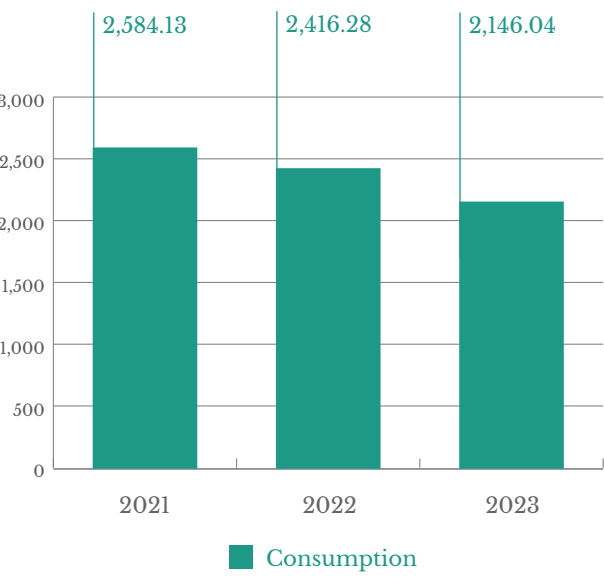


In 2023, as shown in Figure 9, 1,459,085.66 ML (57.14 percent) from the total water extraction came from surface water where 99.92 percent of this volume was utilized for our hydro power facilities. While on the other hand, the remaining 1,092,746.38 ML (42.80 percent) came from sea water which was utilized for our natural gas plants in FGCEC. The overall fresh ground water extraction of First Gen is only 1,542.86 ML which is only 0.06 percent of the 2023 overall extraction volume.

For our hydroelectric plant operations in Pantabangan and Masiway, the volume of water used in power generation is dependent on the volume of water required by the National Irrigation Authority (NIA) to be released from the reservoir for irrigation purposes. The volume of water extracted and discharged for our hydro plant operations in Table 2 is the surface water that passed through the First Gen facility turbines and was returned back to the receiving body of water.

While for our natural gas plants in FGCEC, 100 percent of the seawater extracted from Batangas Bay is used for once through cooling where it is eventually returned back to Batangas Bay.

FIGURE 10: FIRST GEN OVERALL WATER CONSUMPTION (IN MEGALITERS)

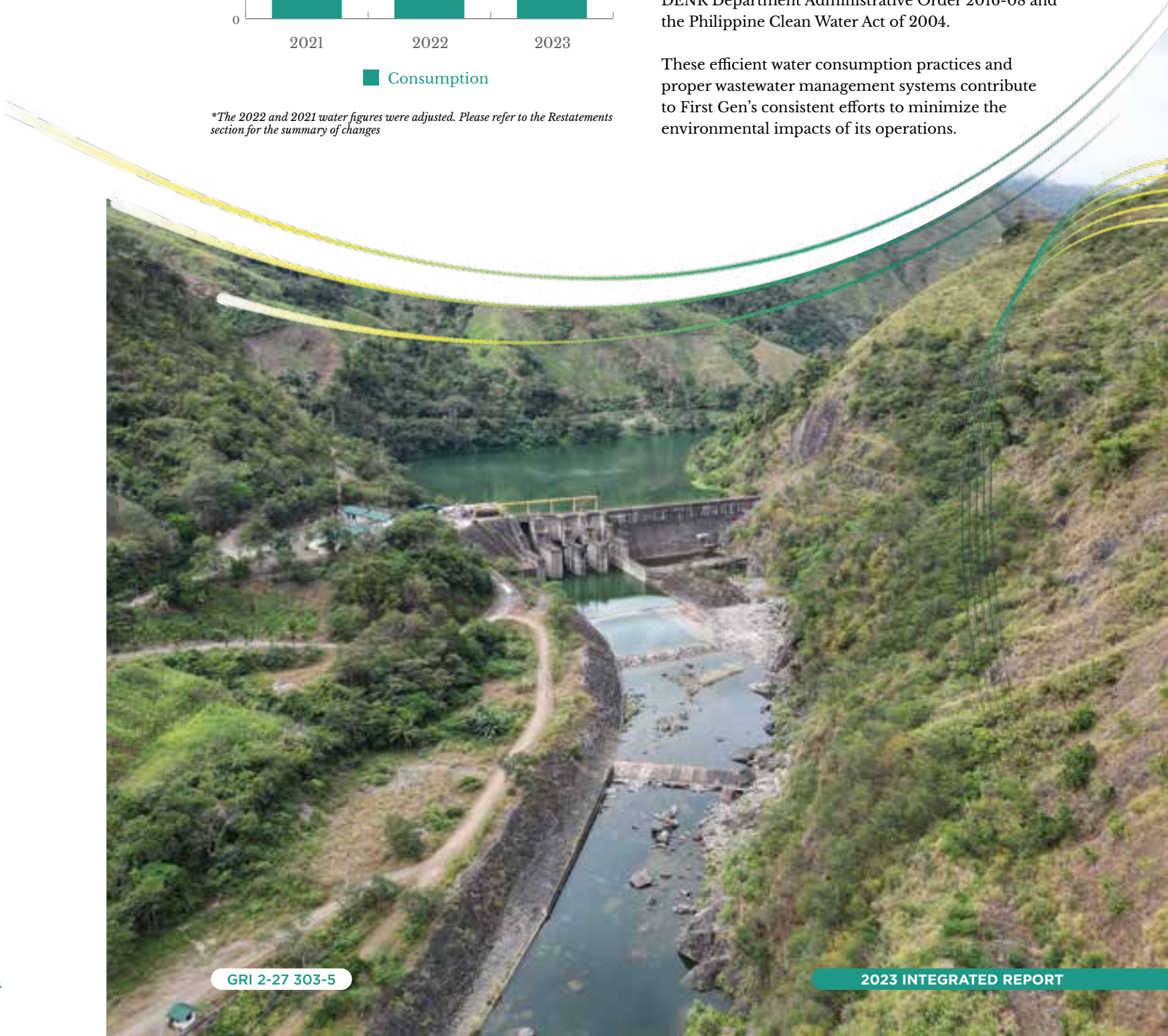


*The 2022 and 2021 water figures were adjusted. Please refer to the Restatements section for the summary of changes

Water consumption figures show a 11.18 percent decrease in 2023 compared to the previous year due to minimal well related activities (e.g., workover, quenching and drilling) for our geothermal plants in EDC and the combination of lower liquid fuel use of Santa Rita and Avion gas plants in FGCEC.

First Gen ensures that all wastewater generated by the assets are properly treated before discharged into the environment. Wastewater treatment facilities yield effluents compliant with quality standards before their release into receiving bodies of water. Moreover, effluent quality is regularly monitored for its compliance with DENR Department Administrative Order 2016-08 and the Philippine Clean Water Act of 2004.

These efficient water consumption practices and proper wastewater management systems contribute to First Gen’s consistent efforts to minimize the environmental impacts of its operations.



FACILITY	AREAS OF OPERATION AND VALUE CHAIN WHERE WATER IS USED AND HOW IT IS USED	WATER SOURCE	POINT OF DISCHARGE AND HOW EFFLUENTS ARE MANAGED
Santa Rita	Groundwater (deep well) is used as feed water for the heat recovery steam generator (HRSG) boilers, and domestic purposes. Seawater is used in a one-pass process as cooling water to condense steam from HRSG. The condensate (water) is returned to the boilers for steam generation.	Groundwater - two dedicated deep wells each for Santa Rita and San Lorenzo	Used water is treated in neutralization systems, oil-water separators, and sewage treatment plants before being discharged to Batangas Bay. The quality of effluents is monitored and analyzed in the in-house laboratory every other week by the O&M Contractor and quarterly by a third-party service provider recognized by the Department of Environment and Natural Resources-Environmental Management Bureau (DENR-EMB). No heavy metals are detected in Santa Rita, San Lorenzo, and San Gabriel effluents. A cooling water system is a once-through non-contact system, where seawater for cooling is returned to Batangas Bay upon passing through the condenser. Temperature change is monitored by getting the temperature difference between the daily temperature logs from the outfall and the intake. The physicochemical quality of seawater intake and discharge are being monitored every other week by the O&M Contractor and quarterly by a third-party service provider recognized by DENR-EMB. It is good to note that the cooling water discharges have no pollution load. No heavy metals are also detected from the cooling water discharge.
San Lorenzo		Seawater - from Batangas Bay for once through cooling	
San Gabriel		Groundwater - one dedicated deep well for San Gabriel	
Avion	Groundwater (deep well) is used in the cooling tower, for NOx control, and for domestic purposes.	Groundwater - two dedicated deep wells for Avion Power Plant	Used water is treated at the water treatment plant and discharged to the two retention basins for settling before final discharge. Oily wastewater is treated at the oil-water separators. The final effluents are discharged to the Cabubulag River and eventually to Batangas Bay. The quality of effluents is monitored and analyzed monthly by a third-party service provider recognized by DENR-EMB.
Agusan	The plant is a run-of-river consisting of two 800-kW turbine generators that use water from the Agusan River to generate electricity.	The Agusan mini-hydro plant is located in Damilag, Manolo Fortich, Bukidnon, 36 km southeast of Cagayan de Oro City in Northern Mindanao. Aside from power generation, the river also serves as a source for the irrigation system, especially in the upstream areas.	The diverted water that runs the plant of two 800-kW turbine generators is being returned back to the river.
Pantabangan-Masiway	Water is the main fuel for power generation. Water is sourced from the impounded water of the Pantabangan reservoir (NIA-owned). Water released from PHEP from its tail water is the main source of fuel for power generation of MHEP, the facilities being cascading plants.	Water is sourced from the Pantabangan reservoir. The tributaries of the reservoir are 56 percent from Upper Pampanga and Carranglan River, 36 percent water discharge from Casecnan Hydroelectric Power, and 8 percent from Canili-Diayo dams. Water is primarily sourced from the water discharged from the PHEP. Water is impounded via the Masiway reservoir and is capable of storing 6 million cubic meters of water.	Water discharged from the power plants through its tailrace goes directly to the Masiway reservoir. On the other hand, water discharge utilized for domestic use in the power plant passes through our Sewage Treatment Plant (STP) to ensure that our effluents are still within the prescribed environmental limits. Quarterly monitoring is being conducted upstream (Pantabangan reservoir) and downstream (Masiway reservoir) to ensure that the quality of our water being discharged is still within limits.
EDC Geothermal (BacMan, Leyte, Southern Negros, Mt. Apo)	For its operation, EDC uses geothermal condensate for cooling but makeup freshwater is drawn as needed. Freshwater is also used for domestic purposes.	EDC withdraws freshwater from river systems in the vicinity of the geothermal facilities, as well as from local water districts and water concessionaires.	EDC follows the zero discharge system for its geothermal fluid collection and reinjection system (FCRS) to maximize recharge to the geothermal system. Minimal treated domestic wastewater is discharged, leading to the river system.
EDC Burgos	Freshwater is used for domestic purposes	Freshwater is withdrawn from local water districts and water concessionaires	Domestic wastewater is subjected to sewage treatment facilities before being discharged
EDC Head Office			
RBC Head Office			



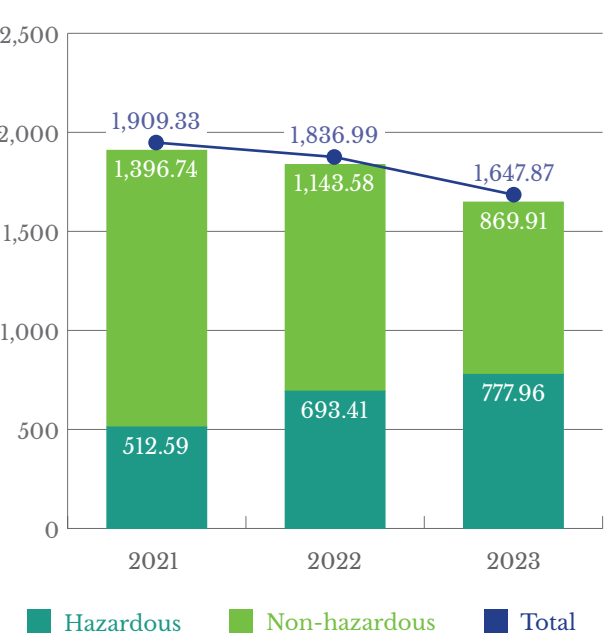
MANAGEMENT OF WATER-RELATED IMPACTS	
FACILITY	Minimum standards for quality of effluents discharged
Santa Rita	The effluent quality of wastewater discharges follows the DENR. Administrative Order (DAO) 2016-08 and DAO 2021-19 Standards for Class SC Water. Initial parameters were identified in the Environmental Impact Statement, and additional priority parameters were added based on the prescribed parameters per industry classification in DAO 2016-08.
San Lorenzo	
San Gabriel	
Avion	The effluent quality of wastewater discharges follows the DAO 2016-08 and DAO 2021-19 Standards for Class SC Water.
Agusan	FG Bukidnon follows the Effluent standards prescribed parameters per industry classification in DAO 2016-08 and DAO 2021-19. FG Bukidnon also conducts and applies the DENR Approved Method of Analysis (Method of Standards) in its regular water testing at the plant to verify and ensure that the water passes the set water quality (e.g., pH, color, TSS, Oil and Grease, and BOD). FG Bukidnon has also secured a discharge permit under Republic Act 9275 also or the Philippine Clean Water Act of 2004.
Pantabangan-Masiway	FGHPC follows the general effluent standards indicated in the DAO 2016-08 and DAO 2021-19
EDC Geothermal (BacMan, Leyte, Southern Negros, Mt. Apo) & EDC Burgos	EDC follows the general effluent standards indicated in the DAO 2016-08 and DAO 2021-19.



WASTE AND HAZARDOUS MATERIALS MANAGEMENT

First Gen manages its wastes so that cross-contamination of non-hazardous and hazardous wastes are prevented from the point of generation, storage, transport, treatment, and disposal. The Company ensures that its wastes are managed according to the waste management hierarchy: elimination, reduction, reuse or recycling, treatment, and disposal according to RA 9003 (Philippine Ecological Solid Waste Management Act) and RA 6969 (Toxic Substances and Hazardous and Nuclear Wastes Control Act). The Company established an integrated waste management program to ensure that hazardous and non-hazardous wastes are stored, transported, treated, and disposed of according to regulatory requirements and standards. Due diligence of third-party service providers is carried out in compliance with regulatory requirements.

FIGURE 11: TOTAL WEIGHT OF WASTE GENERATED - HAZARDOUS AND NON-HAZARDOUS (TONNES)



The total weight of waste generated in 2023 was 10.30 percent lower compared to the previous year which was primarily contributed by the reduction of non-hazardous wastes. However, there was noted 12.19 percent increase in the weight of hazardous wastes generated due to the continued increase of activities in the operation and maintenance of our power plants.

For our natural gas plants at FGCEC Batangas, the generation of non-hazardous waste decreased since there was no major outage activity in 2023 compared with 2022. On the other hand, the noted increase in the generated hazardous waste for 2023 is attributed to the tank cleaning and painting activities done for the liquid fuel tanks in the tank farm.

For EDC, the increase in hazardous waste was due to the increase in activities at our sites such as drilling, drilling preparations, construction of growth projects (binary plants and battery storage) and general maintenance of our facilities.

FIGURE 12: TOTAL WEIGHT OF WASTE DIVERTED AND WASTE DISPOSED (TONNES)

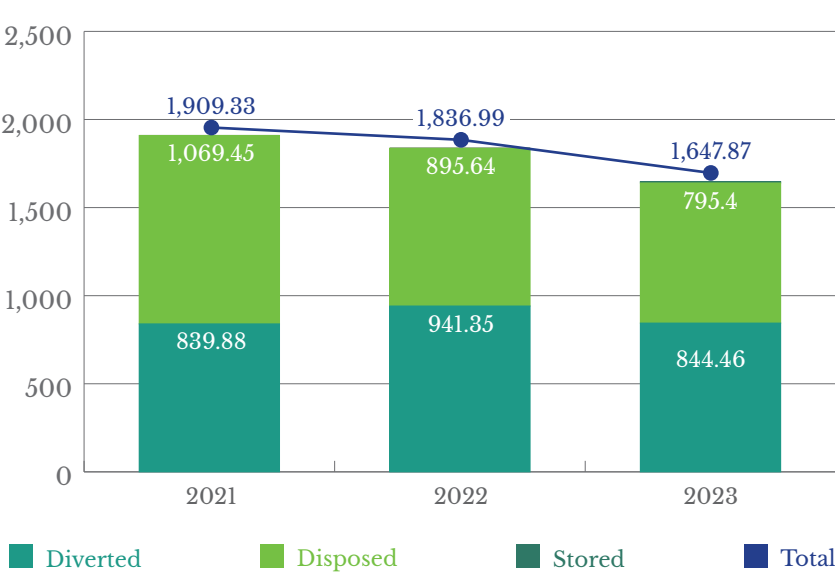
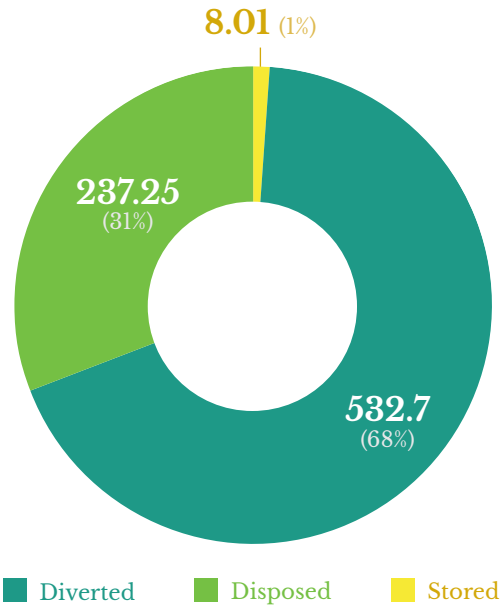
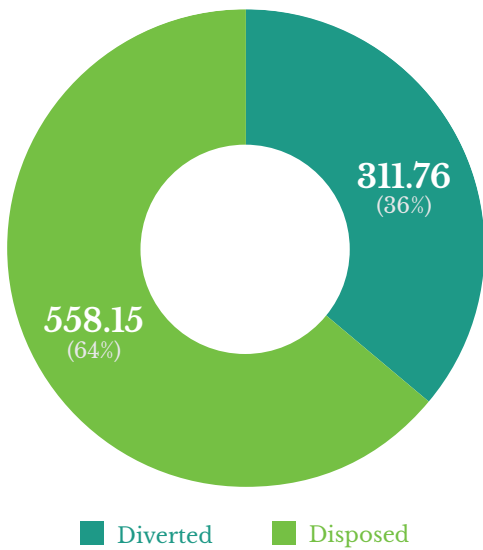


FIGURE 13: HAZARDOUS WASTE MANAGEMENT (WEIGHT IN TONNES): DIVERSION VS DISPOSAL (IN PERCENTAGES)



For 2023, 68 percent of the hazardous waste generated was diverted (composed of recyclable or recoverable materials) which was primarily contributed by the recycling of used oil, used batteries, and electronic wastes.

FIGURE 14: 2023 NON-HAZARDOUS WASTE MANAGEMENT (WEIGHT IN TONNES): DIVERSION VS DISPOSAL (IN PERCENTAGES)



For 2023, 36 percent of the non-hazardous waste generated was diverted through composting and recycling of materials

MANAGEMENT OF SIGNIFICANT WASTE-RELATED IMPACTS			
Activity/Process	Waste Management	Impact Management	Outcome
Hazardous and Nonhazardous Wastes generated from Company operations	Storage: Hazardous wastes are labeled, segregated, and stored in hazardous wastes storage building Transport and Disposal: Hazardous wastes are transported by the DENR accredited transporter and delivered to DENR accredited treatment storage and disposal (TSD) facility for proper treatment. Non-hazardous wastes are disposed of through the Local Government Unit Waste Minimization: To minimize waste generation, use of materials are optimized through proper maintenance, spill prevention measures, use of appropriate-sized materials, paper recycling, and paperless transactions	- Established guidelines on proper handling, storage, and disposal of wastes - Prevention of spills that may potentially contaminate storm drains and water bodies - Utilized the Company's in-house neutralization system - Complied to fire safety requirements - Monitored weekly the hazardous waste storage building - Conducted due diligence audit of transporter and TSD facilities - Partnered with ABS-CBN Lingkod Kapamilya Foundation - Bantay Kalikasan for recycling of waste oil, lead and plastic casing of batteries	- Complied with legal and regulatory requirements - No spill incidents resulting in release to environment

PARTICIPATION OF FIRST GEN EMPLOYEES IN ENVIRONMENTAL RELATED PROGRAMS AND INFORMATION EDUCATION CAMPAIGNS

First Gen maintains environmental programs and information education campaigns (IEC) that primarily raise climate change awareness and encourage climate action among its employees, customers, communities and partner stakeholders.

In 2023, the First Gen CSR team led the implementation of the following programs:



Climate in 2 Minutes

Climate in 2 Minutes is now on its third year, third season which promotes to uncover the stories, the science, and solutions to help protect our planet for future generations.

The season of Climate in 2 Minutes sheds light on the challenges we face and provides insights on how we can work together to build a better future for everyone. Employees can join the mission to understand the impacts of climate change on our planet and the people living in it.

From Waste to Wonder: An EmPOWER Plastic Collection Drive

In partnership with Junk Not, the First Gen EmPOWER Employee Volunteers organized a Plastic Collection Drive, in support of the Company's Mission for regeneration. The program involves the collection, sorting and donation of certain plastic wastes that can be recycled and reprocessed into useful home and work pieces.

Lobo Interactive Adventure - An Earth Day Special

Our CSR Group collaborated with the FPH Human Resources Group for the Lobo Interactive Adventure: An Earth Day Special last April 26, 2023. The virtual event aimed to debut and introduce the online adventure platform jointly developed by First Gen and MAD Travel, while inculcating the systems-thinking approach in dealing with community issues.

The platform features Lobo, Batangas, as part of the Verde Island Passage (VIP), known as the "center of center of marine biodiversity". During the event, sixty attendees from the various Lopez Group companies and foundations had the opportunity to explore the different location ins Lobo and learn more about the area's protection and conservation activities. The attendees were able to actively participate in navigating the platform by casting their choices through the Zoom poll, which included obtaining the three keys to sustainability in the latter part of the platform through a quiz.

CONSERVATION OF THE NATURAL WORLD

First Gen highly values our commitment to the protection and improvement of the environment and the ecosystems where we operate our business because the resources provided by nature are essential to achieve growth and ongoing value creation by providing clean and renewable energy to bolster our country's energy security.

First Gen Clean Energy Complex (FGCEC)



FGCEC
Mini-Mangrove
Forest Nursery

Mini-Mangrove Forest

FGCEC maintains a 10-hectare mangrove area within the complex that has the potential to sequester carbon at a rate of approximately 88.4 tons/Ha. Located within the host barangays of Sta. Clara and Sta. Rita Aplaya of Batangas City, this mangrove forest also functions as a seat of biodiversity by providing a suitable habitat to an array of both aquatic and terrestrial species. The mangrove forest stabilizes the shorelines, reduces erosion, and protects its vicinity from flooding and storm surges.

Based on the monitoring study conducted in May 2023, there was an observed increase of 3.3 percent in the diameter to breast height (DBH) ratio which is a growth indicator for the mangroves that are being maintained. In 2023, a total of 2,098 mangroves seedlings of various species are being nurtured in the FGCEC nursery, that can be used for future mangrove planting activities.

Use of Seashells as Raw Materials for Paving Blocks

FGCEC continues to implement its program that focuses on the use of seashells as raw materials in the production of pavers. Launched in 2021, the project aims to provide an alternative use for the seashells collected when cleaning the FGCEC pipeline system as opposed to sending them for disposal to landfills. In 2023, approximately 30,000 kg of seashells were used as aggregates in the production of 50,000 pieces of pavers, which will be donated to the Batangas City Ecopark for the construction of pathways in the area. This has resulted in three percent reduction in the total amount of non-hazardous residual wastes that was being dumped in sanitary landfills through its diversion as a useful aggregate in the production of a new product.



Cabubulag River, flowing through FGCEC, is part of First Gen's Adopt-a-Water Body Program

Adopt-a-River/ Water Body Program

First Gen also continues its long-term partnership with the DENR under the Adopt-a-River/ Water Body Program, which aims to protect and enhance the Cabubulag River in Brgy. Sta. Clara, Batangas City through regular water quality monitoring and cleanup activities. The Cabubulag River Clean-up was conducted from October 16 to November 23, 2023 for the entire stretch of the river that flows within the complex. The cleanup activities resulted in the removal of a total of 1,843 kilograms of wastes from the river and its banks.

EDC BINHI Program

In our continuing effort to be one of the country's leaders in environmental conservation, the BINHI Program is the nationwide greening program of EDC, our renewable energy subsidiary. BINHI collaborates with the country's top foresters, botanists, and wildlife biologists with the aim to reforest degraded watersheds; rescue, secure, and mainstream native Philippine tree species; safeguard forests and watershed; and conserve the diverse flora and fauna that thrives within EDC's geothermal reservations. In 2023, EDC has demonstrated its commitment to this cause by investing PhP 27 million in the various environmental initiatives and projects organized under the BINHI program.



Forest Protection

EDC, through the BINHI program, engages in the comprehensive management of the forests and watersheds surrounding its project sites and has committed to the role of a watershed manager in Bacon-Manito (Bacman), Negros Oriental, Leyte and Mt. Apo. EDC's forest protection initiatives range across 127,608 hectares of forest lands within the four geothermal reservations where it is active.

In 2023, EDC, in collaboration with its local partners, successfully concluded 2,698 kilometers of foot and drone patrols within designated conservation areas of focus. Forest patrols last year resulted in the confiscation of a total of 1,680 board feet of confiscated lumber, 63 poles of rattan, and the stopping of one case of conveyance. Involved individuals and confiscated items were turned over to the DENR.

The deliberate forest patrols and heightened patrol visibility implemented within the geothermal reservations also played a crucial role in averting forest fires, leading to zero reported incidents in 2023.

Forest Restoration

The BINHI program enables EDC to actively contribute to the restoration of open and denuded forests and watersheds. Since the conception of the BINHI program in 2008, EDC has partnered up with 88 forest communities to plant over 10,000 hectares nationwide, cementing its position as the largest private sector-led reforestation effort. In collaboration with DENR and local communities, EDC goes beyond conventional tree planting by placing emphasis on the cultivation of indigenous forest tree species.

EDC's vegetative material reproduction nurseries serve to cultivate seedlings of native Philippine trees for utilization as planting materials for diverse forest restoration projects. In 2023, EDC successfully cultivated 451,140 high-quality seedlings in both central and satellite nurseries strategically positioned across its project sites. These seedlings were in turn distributed to various partners for use in tree-planting activities while a seedling stock is currently under careful maintenance in nurseries for future initiatives.

In May 2023, also through the BINHI program, establishment, maintenance, replanting, and enhancement planting activities in the 1,209 hectare plantation at the Pantabangan-Carranglan Watershed Forest Reserve (PCWFR) were conducted. The PCWFR is located within the vicinity of First Gen's hydroelectric power plant in Pantabangan, Nueva Ecija.

In terms of moving forward plans, EDC, the Asian Forest Cooperation Organization (AFoCO), and the DENR - Forest Management Bureau (FMB) signed a Memorandum of Understanding in 2023 for the project titled: Forest Restoration Using Philippine Threatened and Endemic Tree Species (PTES) in



Bacon-Manito Geothermal Reservation in support to the Philippines' Forestry Sector's National Greening Program. The objective of the project is to increase area of forest cover in Bacman in the provinces of Sorsogon and Albay. In addition, the project will restore 100 hectares of disturbed forest with 20 different species of highly threatened and endemic trees in support of the Philippine forestry sector's National Greening Program.

BIODIVERSITY AND PROTECTED SPECIES

First Gen acknowledges that the preservation of biodiversity is paramount for the long-term sustainability of ecosystems surrounding its operating assets. As the operating business units and the project sites also serve as the habitats for wildlife species, the continued dedication to biodiversity preservation demonstrates First Gen's core belief that it is possible to build and maintain balanced and sustainable relationship between business activities and the natural environment.



Philippine Warty Pig (*Sus philippensis*) [Photo Credits: Neon Rosell II]

First Gen monitors and documents a wide variety of wildlife species using the International Union for Conservation of Nature (IUCN) Red List which include fish, reptiles, amphibians, and mammals. The monitoring of said wildlife is primarily done within the EDC sites and FGCEC. In 2023, First Gen documented a total of 549 species for EDC sites and 112 species for FGCEC.

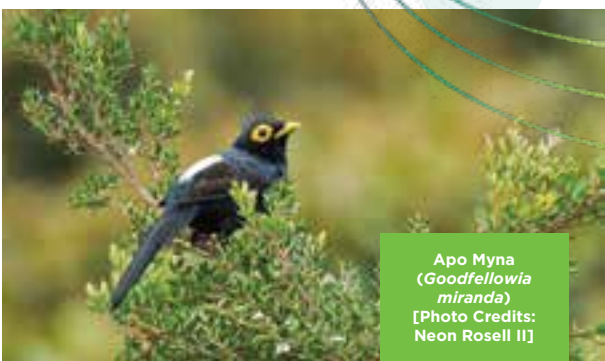


Golden-Crowned Flying Fox (*Acerodon jubatus*) [Photo Credits: Aloy Duya]

First Gen’s biodiversity conservation efforts are primarily focused on EDC’s Biodiversity Conservation and Monitoring Program (BCMP) since several EDC sites are operating in key biodiversity areas and/or natural parks. The BCMP is implemented by an in-house team comprising wildlife biologists and foresters and in collaboration with key institutions such as the University of the Philippines Institute of Biology (UP-IB), Silliman University in Negros Oriental, and the Philippines Biodiversity Conservation Foundation, Inc. (PBCFI) in Negros Occidental.



Philippine Forest Dragon (*Gonocephalus cf. interruptus*) [Photo Credits: Danah Purificacion]



Apo Myna (*Goodfellowia miranda*) [Photo Credits: Neon Rosell II]

In 2023, on top of the in-house conduct of regular biodiversity monitoring activities, EDC executed activities under the third phase (BCMP III) of its sustained environment program on BCMP together with UP-IB and HerpWatch Pilipinas. The biodiversity metrics component of BCMP III aims to develop an assessment and monitoring tool using faunal and floral communities as bioindicators in both freshwater and terrestrial forest ecosystems with the intended goal of being adopted as the standard for ecosystem health assessment and monitoring throughout the country.

First Gen also understands that communicating the data obtained from its conservation activities is crucial as it helps bridge the gap between scientific knowledge and the broader public, policymakers, and other stakeholders. In 2023, EDC co-hosted the 31st Annual Symposium of the Biodiversity Conservation Society of the Philippines. With over 250 participants from different academic and research institutions, government agencies, non-government organizations (NGOs), independent researchers, undergraduate and graduate students from different schools in the Philippines, the Biodiversity Conservation of the Philippines (BCSP) conducted their 31st annual Philippine Biodiversity Symposium with the theme “Priority Conservation Actions to Sustain Philippine Biodiversity” at Sorsogon State University (SSU) from August 22-25, 2023 with the goal of advancing and improving biodiversity research and conservation as well as increasing public awareness, appreciation, and understanding of Philippine biodiversity.



Mindanao Splash Frog (*Staurois natator*) [Photo Credits: Jay Sebastian Fidelino]

SUMMARY OF OUR NATURAL PERFORMANCE, IMPACTS AND PLANS

STRATEGY PURSUED	WHERE WE PROGRESSED IN 2023	IMPACT MATERIALITY	FINANCIAL MATERIALITY	OUR PLANS
Grow our portfolio to 13GW Efficiently operate on low-carbon portfolio	GHG Emissions Increased absolute value of Scope 1 Emissions Increased emission intensity	Planet Decrease in natural capital due to the use of natural gas (fossil fuel) as a transition fuel	Investors Increase in manufactured and financial capital due to the increase in generation	Continue feasibility studies in the pre-development of future renewable energy projects Continue monitoring updates on emerging technologies that can further decarbonize our gas plants
Enable the organization	GHG Emissions Implementation of capacity building on: • Scope 3 emissions accounting • IFRS S1 and S2 Identified and calculated the material Scope 3 emission categories	Employees/ Subsidiaries Increase in the knowledge and understanding of First Gen key personnel who are involved in the development and implementation of ESG programs and initiatives Increase in knowledge and understanding in the accounting and calculation of Scope 3 emissions	Investors Increase in manufactured capital due to improved compliance to TCFD and IFRS S2 on Scope 3 emissions reporting	Improve existing processes to account and consolidate material Scope 3 Categories Continue monitoring the development of compliance requirements for climate strategy on management of GHG emissions. Continue implementing employee capacity building programs for ESG best practices and compliance requirements
Create Total Stakeholder value	GHG Emissions Completed the GHG assurance project - Readiness Assessment for external limited assurance of GHG data	Investors Initiated steps to prepare and comply with TCFD and IFRS S2 requirements on external assurance of GHG data	Investors Increase in manufactured capital due to preparatory activities for improved compliance to TCFD and IFRS S2 on external assurance of GHG emissions	Prepare for an external limited assurance of our GHG accounting and monitoring processes
Create Total Stakeholder value	Energy Efficiency Use of solar panels for house load energy consumption Continue pilot testing and purchasing of additional electric vehicles	Planet Increase in natural capital due to the utilization of RE sources for house load and electronic vehicles Investors Increase in manufactured capital due to higher generation with optimized fuel and energy consumption	Investors Increase in financial capital due to reduction of costs of purchased electricity for house load Decrease in financial capital due to the associated investment costs for solar panel installation and purchase of electric vehicles	Continue identification of opportunities to improve house load and efficiency of plant equipment to generate more energy at lower fuel consumption Develop strategies at the plant level to address improvement opportunities identified from the energy audit

STRATEGY PURSUED	WHERE WE PROGRESSED IN 2023	IMPACT MATERIALITY	FINANCIAL MATERIALITY	OUR PLANS
Create Total Stakeholder value	Water Utilization Decrease in water consumption Wastewater Management Continuous compliance of water discharge quality to DENR effluent standards	Planet and Host Communities Increase in natural capital – availability of water Preservation of the quality of water bodies due to compliance of water discharge Government Sustainment of compliance with legal and regulatory requirements	Investors Increase in manufactured and financial capital due to the increase in generation for the use of water resource Preservation of financial capital – no fines and no remediation costs due to zero environmental-related incidents	Identify and establish the appropriate water management utilization targets Sustain compliance of our water discharge properties to DENR effluent standards
Create Total Stakeholder value	Waste Management Decrease in total volume of waste generated Increase in total volume of waste diverted Wastes generated are disposed in compliance to DENR standards and requirements	Planet Reduction of wastes disposed through land fill No spill incidents resulting in release to environment Government Sustainment of compliance with legal and regulatory requirements	Investors Preservation of financial capital – no fines and no remediation costs due to zero environmental-related incidents Reduction in the financial capital due to the associated costs needed for the transportation and disposal of hazardous wastes	Identify and establish the appropriate waste management and reduction targets Sustain compliance of our waste management processes to applicable DENR standards
Create Total Stakeholder value	Conservation of the Natural World Sustainment of FGCEC's Programs • Mini Mangrove Forest • Adopt-a-River Program Sustainment of EDC Programs • BINHI • Biodiversity Conservation and Monitoring Program	Planet and Host Communities Preservation of the natural capital resources Preservation of our social license to operate within our areas of operation Investors Increase in the social and relationship capital due to the sustainment of initiatives that are aligned with First Gen's mission Government Stronger relationship and partnership with the government due to the collaboration efforts in the protection of forest and water habitats	Investors Reduction in financial capital due to the associated costs to implement the various biodiversity programs for the protection of flora and fauna in both forest and water habitats Preservation of the manufactured capital due to attainment of social license to operate from the host communities and collaboration with the government in the protection of natural resources	Sustainment of biodiversity programs of First Gen



Our Value Creation Diagram

The Value Creation Diagram illustrates how First Gen generates value for the Company and our stakeholders with all of our resources and processes spread across six different capitals. The model outlines how our capital is transformed into ethical goods and services, aligned with the Company's Mission, Purpose, and Goals. Each component of First Gen's value formation story is reflected in the capital inputs, which translate into beneficial outcomes.

The Company supports and enables these outcomes through various processes, including its Strategy and Synergies Planning (SSP) activities, Risk Management, and various other related Strategic Planning Processes. These activities closely align with First Gen's value creation process to ensure our objectives stay consistent and our strategies align with our intended outcomes.

Alongside a comprehensive overview of the Company's External Environment, First Gen is able to identify opportunities, assess risks, and pursue innovation in areas crucial to our value creation. As a parent company using consolidated capital from all our businesses, we are able to produce consolidated results that make better use of the conglomerate's energy assets and holdings.

- The market is evolving with increasing customer choice
- Sustainability and ESG are becoming critical to all industries
- The country is calling for more clean and renewable energy sources to power its progress and ambitions
- Market shifts are prompting energy development and technologies

STAKEHOLDERS:

- 👤 Customers 👤 Employees/Suppliers/Partners 🙋 Host Communities

- Planet Investors Government Subsidiaries

STRATEGY:

STRATEGIC OBJECTIVES

1. Grow our portfolio to 13GW
2. Decarbonize through securing regenerative partners
3. Enable the organization
4. Create total stakeholder value

CAPABILITIES:

1. Solutions-based customer engagement
2. Clean energy advocacy leadership
3. Dynamic adaptation of regenerative businesses
4. Agile multi-project development
5. Resilient asset management

MISSION

To forge collaborative pathways
for a decarbonized and
regenerative future.

INPUTS

FINANCIAL CAPITAL

- USD2.3 billion in retained earnings
- USD686.2 million equity invested by common shareholders
- USD157.8 million equity invested by preferred shareholders
- USD1.6 billion debt provided by lenders

MANUFACTURED CAPITAL

- 4 Natural gas projects (2,017.0MW)
- 13 Geothermal projects (1,160.8MW)
- 1 Wind project (150.0MW)
- 3 Hydro projects (134.4MW)
- 10 Solar projects (12.0MW)

INTELLECTUAL CAPITAL

- USD6.4 million investment on cybersecurity and information security/technology enhancement
- Risk-based and stakeholder-focused processes through integrated management systems
- Reinforced unified records management system
- Enhanced digitalization in our processes

Availability, quality and affordability of capitals:

In order to meet our 13-GW total installed capacity target by 2030, the Company secured loans from several banks to fund its growth projects. Among the projects prioritized to receive funding are the 165-MW Casencan Hydroelectric Power Plant (CHEPP), EDC's 29-MW Palayan Bayan, 5.6-MW Bago, 20-MW Tanawon, and 28-MW Mahanagdong geothermal plants and its 20-MW Bacman, 10-MW Tongonan, and 10-MW Negros Battery Energy Storage System (BESS) projects.

Aside from meeting our own goals, First Gen ensures that shareholder value is equally prioritized. In 2023, the Company declared a total of PHP0.90 in dividends per common share, higher than what was declared during the previous year. In addition to the increase in dividends reported, the Company also saw a 2.72 percent increase in share price this year.

To ensure that we are able to provide energy security, and to fulfill the country's need for additional clean energy supply, the Company strategically focused on the development and operation of the LNG terminal in Batangas to sustain our natural gas portfolio and in investing on the expansion of its clean energy portfolio to 13GW by 2030.

The LNG Terminal Project plays a crucial role in ensuring that the Company's gas-fired power plants have enough fuel to meet energy demands of its consumers. It is also a part of the long-term strategy of First Gen to meet its decarbonization goals as it can support the entry of more renewable energy sources.

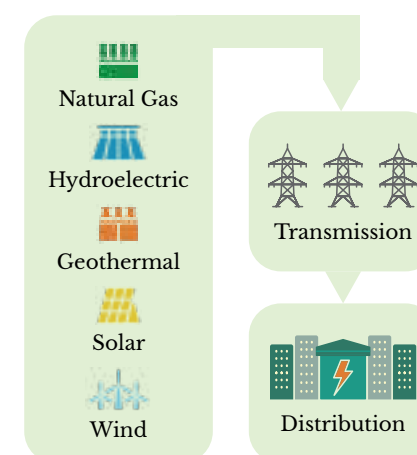
The Company also continues to make progress with the pre-development activities of its renewable energy projects to meet the changing market's demands of power from clean energy sources.

Our capable and trained personnel and workers carry out our planned power plant maintenance activities and other processes essential to the reliability of our operations and the availability of power delivered to our customers.

Digitalization, innovation and adoption of effective management systems had taken momentum in the energy sector. These drive our Company to invest and utilize appropriate information technology solutions to improve our operations, protect our organizational knowledge and address the needs and expectations of our customers and other stakeholders.

With the increasing energy demand and drive to decarbonization, we are in constant pursuit of technology that would fit in our portfolio that balances energy stability and use of renewable sources.

VALUE CHAIN



EXTERNAL ENVIRONMENT

- The Philippine energy industry: Continued progress towards becoming more decarbonized and liberalized
- 2023 in focus: Stabilizing, but still challenging, global economic conditions
- Our social environment: Increased awareness on sustainable business models, as well as impact of business on various stakeholders
- Our environmental and planetary context: Climate change acceleration, highlighting the need for renewables and low-emissions energy
- Political and regulatory environment: Continued push for a transition to cleaner energy sources
- Technology advancement: New developments in clean energy technology and other energy solutions creating options towards low carbon ambitions
- Change in work conditions as an effect of COVID-19 pandemic: Hybrid and flexible set-up across the Company

OUTCOMES

	Stakeholders affected:	Value creation timeline:
FINANCIAL CAPITAL		
- Attributable net income of USD812.2 million - Cash generated from operations of USD751.2 million - Declared PHP0.90 in dividends per common share 2.72% increase in share price	   	   
MANUFACTURED CAPITAL		
- Provided 12.3% of the Philippines' total installed capacity as of November 30, 2023 - Provided baseload, mid-merit, and peaking energy that promote grid stability - Climate-resilient infrastructure	  	  
INTELLECTUAL CAPITAL		
- Strengthened data and information security - Process improvement and efficiency - Culture transformation to digitalization	  	  

LEGENDS:

IMPACT

-  Preserved
  Created, Positive
  Eroded, Decreased

VALUE CREATION TIMEFRAMES

-   Short term 1-5 years
-   Medium term 5-10 years
-   Long term 10 or more years



HUMAN CAPITAL

- 364 new hires
- 2,333 employees, with a 2.21:1 male to female ratio
- 35% women in senior management positions
- 82,040 hours of employee skills training
- 1,749 hours training related to human rights
- 564 employees trained on human rights issues
- Frequent promotions of safety and health programs to employees



NATURAL CAPITAL

- 2,553,386.46 ML of water withdrawn
- 213,881,292.64 GJ of energy consumed
- Capability-building on decarbonization and environmental-related programs
- 1,518,851,667.00 metric tonnes (99.83%) of renewable materials
- 2,538,751.63 metric tonnes (0.17%) of non renewable materials



SOCIAL AND RELATIONSHIP CAPITAL

- USD3.928 million in community investments
- Partnership with 37 local government units and 14 host communities in areas of business operations
- 94% increase in Value-Adding Services (VAS) projects
- Health and safety management protocols extended to contractors
- Compliance check on general labor and OSH Standards with partner contractors
- Continuing management support to partner communities
- Increase knowledge and awareness on climate change to partner communities
- Compliance with government regulations

Acquisition, development, and retention of talent continue to pose challenges as the company works towards its economic growth and achieves its sustainable goals. The organization continues to navigate evolving work and Human Resources contexts where technology and social trends have greatly influenced the workplace - shift to work-life fit, multi-generational workforce, AI-empowered workforce, adapting to hybrid, mental well-being, pushing DEI-forward, and solutions-based HR.

- To address this, we focused on three key human capital development areas: Attract, develop, and engage talents through forging partnerships with universities, enhancing the First Gen brand, and building on more digital skills training;
- Provide the work environment that will allow our people to make their best unique contribution to the organization through employee engagement activities and wellness programs, health and safety programs to drive awareness and compliance, and embedding of DE&I in our policies, work processes, and activities; and
 - Facilitate the process of transformation through various change management initiatives.

Through our commitment to responsible environmental stewardship in our ESH policy, the preservation and protection of the environment and natural resources in our area of operations remains to be a focus area in our power generation operations, for which we are highly dependent on the availability of natural gas and renewable energy sources to sustain our base business operations.

The environmental programs of First Gen such as BINHI and Bantay Dagat ensure the preservation and availability of water resources in the areas that we operate. Our BINHI program promotes both the regeneration of biodiversity and availability of water resources in the various watersheds where we source water to support our power generation activities. Our water effluents are compliant with the DENR standards to ensure that we do not impact water quality of the bodies of water within our areas of operations.

On the other hand, the operation of our interim offshore terminal ensures the availability of LNG fuel for our natural gas plants to address the depletion of the natural gas supply from Malampaya Gas Field. The use of LNG as a transition fuel ensures the availability of energy supply for the Philippines as we work towards the development of renewable energy projects to support the greening of the Philippine electric grid by 2030.

The Company maintains its commitment to promote its mutually beneficial relationship with nature, society and its stakeholders. This is evident by the sustained investments and partnerships with its local government and host communities. In relation to its partners and contractors and in ensuring the safety and health of all their workers, the Company continuously implements its OSH programs aimed at mitigating risks and preventing serious injuries and illnesses.

In forging collaborative pathways towards the Company's goal of a regenerative and decarbonized future, the Company acknowledges the significance of its various stakeholders and continuously invests in programs and initiatives that are beneficial for all.

RISKS

- Infrastructure risk
- Political and regulatory risks
- Fuel supply risk
- Climate risk and exposure to natural catastrophes
- Market and competition risk
- Cybersecurity risk
- Financial risks

OPPORTUNITIES

- Growing awareness on sustainability and increasing need for businesses to support the clean energy transition
- Market growth and development with various retail or contestable customers
- New business models based on power and non-power technological developments
- Global investor demand on ESG initiatives
- Aligned strategic objectives across a unified organization

PERFORMANCE

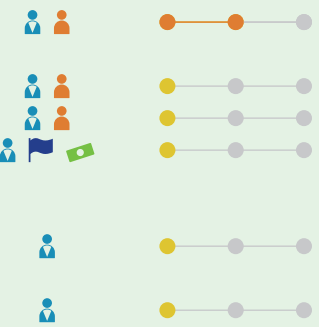
- USD2,517.8 billion Direct value generated
- 86% (2,993MW) contracted from the total installed capacity
- 0.003 emission intensity (tCO2e/unit revenue)
- 0.32 emission intensity (tCO2e/MWh)

OUTPUT

- 21,604.5GWh of clean and renewable energy
- 6,966,796.29 tCO2e of Scope 1 emissions
- 8,595.02 tCO2e of Scope 2 emissions
- 2,551,240.42ML of water discharged
- 558.15 tons of non-hazardous wastes disposed
- 237.25 tons of hazardous waste treated and disposed

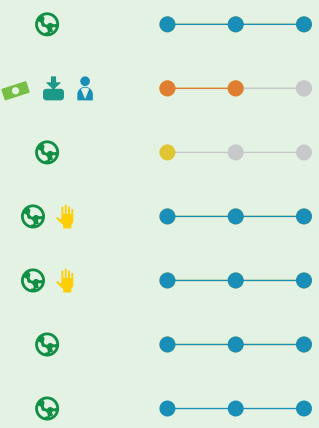
HUMAN CAPITAL

- ▲ 35 hours of training (average hours per employee)
- ▲ 16% rate of new hires
- ▼ 8% attrition rate
- Compliance with DOLE's General Labor and OSH standards
- 29,678,560 man-hours worked
- 0.184 total recordable incident rate



NATURAL CAPITAL

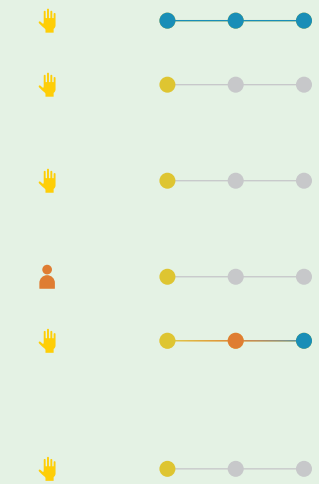
- ▲ Adaptation to climate change
- ▲ Resilience to future carbon regulation
- ▲ GHG avoided (tCO2e) vs. Coal: 10,740,303.6*
- Forest protected: 127,608 hectares
- Areas of forest restored: 10,140 hectares
- 549 species of fauna monitored in EDC
- 112 species of fauna and 33 species of mangrove monitored in FGCEC



*reduction of GHG emissions

SOCIAL & RELATIONSHIP

- ▲ 618 students supported through scholarships
- ▲ 30,438 students and teachers provided with educational assistance
- ▲ 10,710 individuals extended with medical services
- 19 social enterprise and livelihood projects supported to augment sources of income of host communities
- ▲ PHP15.5 million net revenues generated from livelihood projects and contracts for host communities





ESG Values Created and Preserved

In 2023, First Gen integrated various ESG strategies, programs, and initiatives into our operations so that we could continue to create value for the Company as well as our stakeholders. We also ensure that our use of the capitals supports our strategies to create positive value for both the short and long-term. The table below presents the values created by First Gen, as well as the key focus areas in our strategies.

STAKEHOLDER	VALUES FOR THE STAKEHOLDER	VALUES FOR FIRST GEN	KEY FOCUS AREAS IN OUR ESG STRATEGY
1. Customers	Use of reliable, clean and renewable energy solutions and utilization of value-adding services Deeper understanding and appreciation of impacts of use of clean and renewable energy solutions	Recurring revenues from loyal customers and increase in revenues from new customers and new energy solutions offered	Energy security and resource management
2. Co-creators - Employees, vendors, and partners	For employees: Secured sources of employment and livelihood Development of skills and nurture of well-being Flexible work arrangements leading to work life balance For employees, vendors, and partners: Safe and healthy working conditions Working environment that respects human rights and promotes fair and just dealings	From employees: Attraction and retention of employees/talents and like-minded partners Qualified and competent employees to deliver value to our customers and other stakeholders From vendors and partners: Reliable products and services from vendors to sustain our operations	Enabling employees

STAKEHOLDER	VALUES FOR THE STAKEHOLDER	VALUES FOR FIRST GEN	KEY FOCUS AREAS IN OUR ESG STRATEGY
3. Planet	Increase in the utilization of renewable sources that results in low GHG emissions Protection of our environment through reforestation and conservation programs	Continued supply of raw materials from natural resources that lead to continued operations and steady revenues	Energy security and resource management Preserving ecosystems and biodiversity
4. Host communities	Improved access to quality education, sustainable livelihoods, and resources that promote climate resilience Contribution to local economy upswing from our distributed income and expenses Climate-related and emergency response awareness and readiness	Granted a social license to operate Good community relations	Supporting climate-resilient host communities
5. Investors	Confidence in the stability of investment and long term value of investments ESG objectives and commitments of First Gen	Continued access to financial capital	Energy security and resource management Developing decarbonized and regenerative businesses
6. Government	Contribution of First Gen to the government's sustainable development agenda and to national economic recovery Response to the high energy demand in the country Support government's targets on RE and GHG emission reduction	Alignment with government's directives and programs on RE	Energy security and resource management

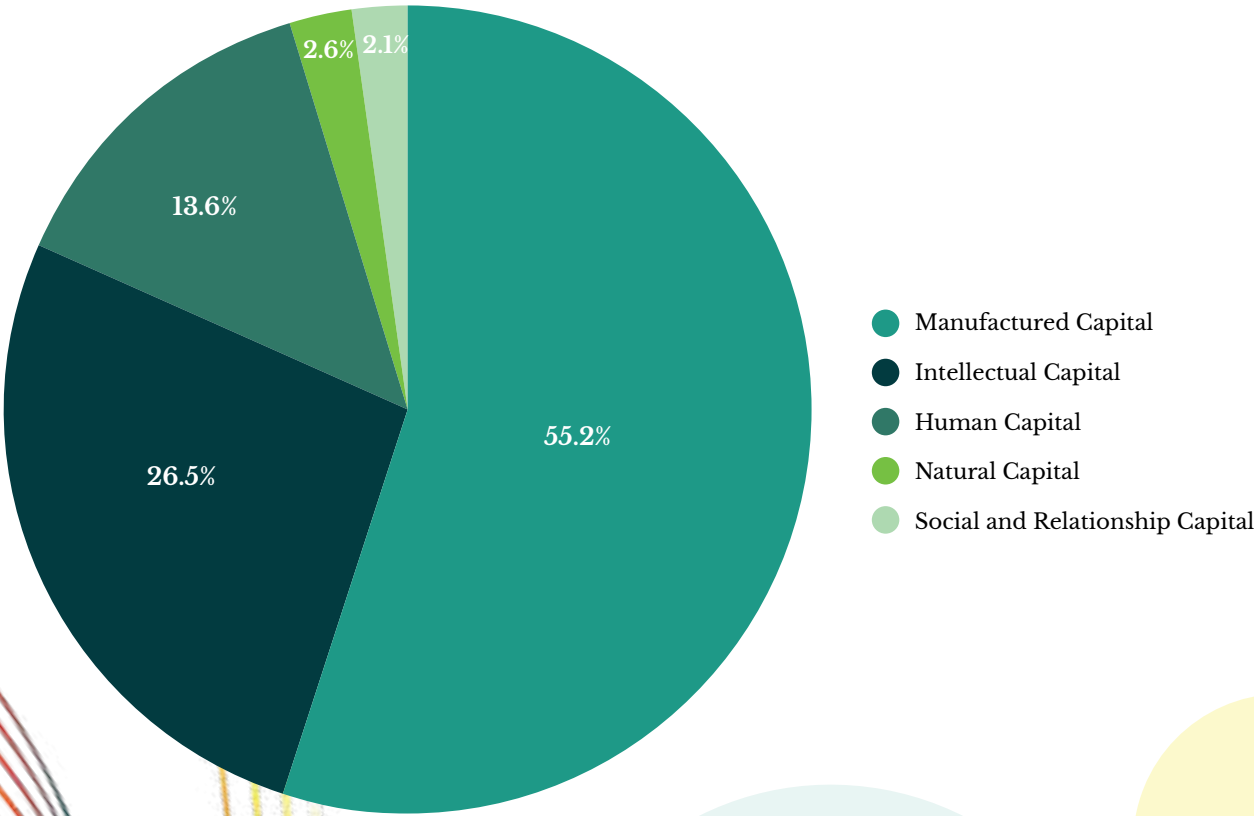
LONG TERM

SHORT TERM

We continue to monitor and quantify the operational costs and investments in our various capitals with the financial tool that was introduced in 2021. The table below gives an overview of the costs of our resources, activities, processes, programs, initiatives, and tools that protected our capitals and generated value for the Company and our stakeholders.

CAPITALS	2023		2022	
	AMOUNT (IN USD MILLIONS)	PERCENTAGE	AMOUNT (IN USD MILLIONS)	PERCENTAGE
Manufactured	491.4	55.2%	357.3	68.8%
Human	120.7	13.6%	123.1	23.7%
Social	19.1	2.1%	19.2	3.7%
Natural	23.3	2.6%	11.3	2.2%
Intellectual	236.2	26.5%	8.2	1.6%
Total	890.7	100%	519.1	100%

FIRST GEN'S ESG INVESTMENTS IN 2023



2023 marks First Gen's largest investment in our Manufactured capital at 55.2 percent. The investment covered the acquisition and construction of our infrastructure, the maintenance and upkeep of our facilities, and the various renovations and improvements made to our buildings and equipment. This also includes the costs associated with remodeling our facilities to accommodate flexible working arrangements and our other investments in building the resiliency of our assets.

Investment in our Intellectual capital has gone up significantly from 1.6 percent in 2022 to 26.5 percent in 2023. This is primarily due to the increase in costs of permits, licenses, and rights to use the infrastructure of the Floating Storage and Regasification Units (FSRU) and tugs for LNG, as well as the prices of the FGPC for its Foreshore Lease and Easement. Other investments under this capital include intellectual property, software and tools, IT systems, cybersecurity, ISO certifications and other accreditations, research

and studies, strategy planning, and branding and marketing.

First Gen's investments into our Human capital in 2023 decreased to 13.6 percent (compared to 23.7 percent overall share in 2022), primarily due to the winding down of our company-wide COVID-19 programs and initiatives. The rest of our investments in this capital are employee-centric and include: salaries and non-medical benefits for employees, skills development, capacity building, and employee engagement events. We have also continued with our vaccination program, occupational health and safety training, medical and mental health programs, and activities targeted at improving overall employee well-being.

Natural capital investments comprise 2.6 percent of our overall ESG investments this year. These investments include land acquisition and maintenance, material resources, environmental research, and projects for efficiency and conservation of energy and water. It also accounts for waste management projects,

GHG reduction initiatives, activities related to securing permits for the use of natural resources, biodiversity projects, and environment-related CSR projects.

The remaining 2.1 percent of our investments cover our Social and Relationship capital, consisting of CSR activities, community work, stakeholder engagement, membership fees, the acquisition of local permits, customer and investor-related costs, and other philanthropic works.

In order for First Gen's mission to thrive, the Company shall continue to embed the capitals in our businesses and operations. At the same time, we will be moving forward with the careful monitoring of these capitals and ensuring that they work together to achieve our goals. First Gen will press on to efficiently utilize these capitals to guarantee value creation and preservation not only for the Company, but also for our customers, co-creators, communities, investors, regulators, and the planet.



First Gen's Support in Attaining the Sustainable Development Goals

In our quest for a decarbonized and regenerative future, First Gen actively partakes in solutions that address the various challenges in our society and the planet. By aligning our operations with ESG considerations, we continue to create and preserve value for our stakeholders.

Beyond our Mission, we are also driven by the United Nations Sustainable Development Goals (SDGs) and the latest Philippine Development Plan (PDP) to support and promote a resilient, all-encompassing and progressive society while responsibly utilizing our natural resources and restoring the environment.

We account for our contributions through the five pillars that shape the SDG: People, Planet, Prosperity, Peace, and Partnership. Our operations contribute to the 17 SDGs that directly and indirectly impact 35 SDG targets.

PILLAR: PEOPLE	
SDG TARGET	FIRST GEN'S SUPPORT TO THE TARGET
 1.5 - By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.	- Support for Ormoc City's climate resilience program through the water filtration system capable of producing 3,000 liters per hour of clean potable water—a solution to water challenges posed by floods, landslides and deforestation - Collaboration with Burgos Disaster Risk Reduction and Management Office (BDRMO) for the Rope Rescue and Flood Rescue Training for Burgos DRRMO to build the knowledge and skills needed for rope rescue and other techniques in flood and swift water incidents - Distribution of 1,000 pieces of 20-liter water containers with refills and 1,000 food packs to internally displaced persons or evacuees due to Mayon Volcano's Level 3 event in Bicol, Albay - Contribution towards the repair and overall production of 24 salt-makers in EDC Burgos who experienced damage from Typhoon Egay through the donation of 3 bags of cement and 1 metal drum for the construction of their "pugon" (salt pan furnace) - Provision of 40 food packs to households affected by Typhoon Goring in Minoyan, Negros Occidental
 2.3 - By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.	- Raised PHP11 million in revenue from livelihood projects and community contracts that benefitted 2,000 households of the EDC-supported community organizations 252 farmer associations income augmented by BINHI contracts - Inauguration of the Tongonan Farmers Association Coffee and Cacao Processing Facility — another livelihood project assisted by EDC, DOST Region VIII, and the City Government of Ormoc
 3.4 - By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.	No reported cases of work-related illness due to the various OH programs instituted in our Company

 3.8 - Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.	- All employees are provided with medical benefits and access by the Company through: » annual physical examinations » individual health risk assessments » medical, optical, and dental reimbursements » online and clinical consultations with our OH practitioners » physical and mental health information campaigns » vaccination programs on influenza » wellness programs - Wellness Wednesdays information drive that focuses on life lessons to ensure holistic wellness of employees (In collaboration with Pru Life UK) 130 babies from FGCEC host barangays: Barangay Bolbok, Sta. Rita Aplaya, Sta. Rita Karsada, and Sta. Clara in Batangas received free medical insurance coverage to address health impacts exacerbated by climate change such as dengue, malaria, measles and typhoid 2,241 patients benefited from the 290 community clinics - seven municipalities and 27 institutions supported/provided with health assistance 14 barangays provided access to health care 4,236 patients with access to free medical services through 70 medical missions
 4.1 - By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.	16,185 students from 22 elementary schools, and 967 students from 2 high schools supported under the Brigada Eskwela and school improvement projects - Support provided to students from all levels in First Gen's host communities through distribution of school supplies: » 745 pupils from 16 daycare centers » 12,975 students from 53 elementary schools » 800 students from two high schools » 200 students from two Alternative Learning System (ALS) centers » 386 teachers from various schools 17 high school students from our host communities provided with scholarships
 4.3 - By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.	601 college students from various host communities and project sites supported with scholarship (In collaboration with Knowledge Channel Foundation) 170 teachers participated in the seminar for Learning Effectively through Enhanced and Evidence Based Pedagogies in Science (LEEP-Science) to fortify schools and nurture environmental stewards 186 scholars completed the community-based training provided by KEITECH – a technical vocational training institute that provides full scholarship and employment placement support for marginalized but deserving students in Mt. Apo and Leyte operating sites. 22 scholars maintained by Mt. Apo Foundation, Inc. (MAFI) - an EDC-supported foundation - of which ten are in senior high school students and 12 are college students
 4.5 - By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.	27 members of the First Gen supported IP community group Maraiging Mamanwa Farmers Skilled Workers Association (MAMAFASWAS) underwent training on "Introduction to Abaca Weaving" 3 women of the MAMAFASWAS enrolled under the ALS to be able to earn a certificate of completion for elementary education (1) and high school education (2) - The adoption of 1,209 hectares established in the Pantabangan-Carranglan Watershed Forest Reserve by the FGPC, FGP, FNPC and PMPC opened livelihood opportunities for the four farmer associations: the Villanueva Farmers' Association (VIFA), the Maluyon Indigenous Christian Farmers Association (MICFA), the Cadaclan Farmers' Association (CAFA), and the Liberty Fisherman and Farmers Association (LFFA)
 5.1 - End all forms of discrimination against all women and girls everywhere.	- Ensured protection of women employees in our workplace through the enforcement of the Human Rights, Gender Equality and Diversity, and Anti-Sexual Harassment policies - Growing awareness of our employees on a more inclusive work environment, selection and hiring process through the workshop "Overcoming Unconscious Bias in the Workplace", which was attended by 84% of our people managers

	5.5 - Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	36% of employees with managerial positions and 35% with senior leadership positions are women
	10.3 - Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.	Granting of equal opportunity on quality education to all which include the 11 students from the Obo Manobo indigenous community who graduated from college through EDC's support

PILLAR: PLANET



SDG TARGET	FIRST GEN'S SUPPORT TO THE TARGET
 6.2 - By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.	250 individuals from two barangays benefited from the water system provided to the communities of Garchitorena, Camarines Sur - a handwashing facility was also donated to the community in Garchitorena, Camarines Sur to provide access to hygiene facility
 6.3 - By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.	- Application of proper treatment to ensure that wastewater generated that the quality of wastewater is within the standards set in DENR DAO 2016-08 and DAO 2021-19 before releasing back to the environment. - Regular water quality monitoring and cleanup activities to protect the Cabubulag River in Batangas City through the Adopt-a-River/Water Body Program with DENR
 7.1 - By 2030, ensure universal access to affordable, reliable and modern energy services.	- First Gen's 3,474.1MW installed capacity comprises 12.3% of the Philippines' total installed capacity as of November 30, 2023 21,604.5GWh energy produced from natural gas and renewable energy sources distributed to the grid to help meet the power demand of our country - Aim to grow First Gen's clean energy portfolio to 13GW by 2030
 7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix.	- Increase the proportion of renewables in our portfolio by aiming 9GW out of the 13GW ambition to be powered by renewable sources in 2030 7,680.4GWh net electricity generated from RE sources, comprising 35.6% of total power from our portfolio 76.9MW is expected to augment our capacity in 2024 with the ongoing construction of three geothermal power plants (Palayan Binary Project, Tanawon Geothermal Power Plant and Mahanagdong Geothermal Brine Optimization Plant) - Acquisition of 165-MW Casecnan Hydroelectric Power Plant 220 individuals from 150 households benefited from the two lighting facilities installed in two barangays from Garchitorena and Caramoan in Camarines Sur

 12.5 - By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	- Minimize waste generation in 2023 by 10.3% of the total weight of waste generated in 2022 by optimizing use of materials, proper maintenance, spill prevention measures, recycling and paperless transactions 778.0 tonnes hazardous waste generated and treated and 529.0 tonnes diverted by recycling of used oil, batteries and electronic waste - Partnered with ABS-CBN Lingkod Kapamilya Foundation – Bantay Kalikasan for recycling of waste oil, lead and plastic casing of batteries
 12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.	- Adopted sustainable environmental, social and governance practices into our business operations to realize our Mission "to forge collaborative pathways for a decarbonized and regenerative future." Our ESG practices and value creation processes are disclosed in our integrated report and websites. - EDC spearheaded the NZCA to inspire and assist Philippine businesses to take initiatives in achieving carbon neutrality by 2050
 13.1 - Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	- Various resiliency measures, including: - Installation of Flood Tsunami Protection and Erosion Mitigation Project in FGCEC, Batangas - Cooling towers replacement and building retrofitting projects for geothermal power plants - Studies to refine our risk assessments and identify necessary risk reduction measures, such as the Building Integrity Assessments of other old power plant buildings - Refurbishment of Housing Compound Suppression System, Gas Suppression System and Fire Suppression System in Pantabangan Hydroelectric Plant - Conducted various natural calamity studies (e.g., typhoons, floods, tsunamis, earthquakes, etc.) and explored additional data providers to ensure that climate risk related information is sufficient and updated - Continuously modifying plant design and implementing various weather-proofing and resilience initiatives to safeguard against the effects of natural disasters - Continuous review and testing of the emergency response and business continuity management plans Note: Refer to page 90 for other resilience initiatives
 13.2 - Integrate climate change measures into national policies, strategies and planning.	Enabled our organization to build on our decarbonization plans. Our Decarbonization and Generative Road Maps can be found on page 65 (Road Map to Realize Our Mission)
 13.3 - Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	- Programs that raise climate change awareness and encourage climate action among our employees include: - Climate in 2 Minutes - showing the challenges of climate change and how we can contribute to build a better future for everyone - From Waste to Wonder: An EmPOWER Plastic Collection Drive - involves collection, sorting and donation of certain plastic wastes for recycling and reprocessing into useful materials - Lobo Interactive Adventure - featuring the Verde Island Passage (VIP) to explore the different locations in Lobo, Batangas and learning about the area's protection and conservation activities - Eight teams from First Gen and other FPH subsidiaries accepted the challenge to create regenerative solutions for the island communities in Caramoan and Garchitorena, Camarines Sur through the Ideathon 2021 (part of the Create for the Climate environmental flagship program of the Company's CSR department) - Conducted an educational talk to senior high school students of Centro Escolar Integrated School (CEIS) to speak about RE, climate change and regeneration
 14.5 - By 2020, conserve at least 10% of coastal and marine areas, consistent with national and international law and based on the best available scientific information.	First Gen supports the Bantay Dagat operations in Lobo, Batangas to protect and conserve the Verde Island Passage through the Center of Center Project, in partnership with partner local communities and local government agencies.

	15.1 - By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.	• Adoption of 1,209-hectare plantations in the Pantabangan-Carranglan Watershed Forest Reserve (PCWFR) for tree planting activities as part of the carbon offset initiative • 127,608 hectares of natural forests protected in Geothermal Reservations to maintain carbon sequestration capacity • At least 10,000 hectares of forest have been restored • Initiated project Forest Restoration Using Philippine Threatened and Endemic Tree Species (PTES) in Bacon-Manito, Albay to restore additional 100 hectares disturbed forests by planting 20 various species of highly threatened and endemic trees.
	15.3 - By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world.	• 2,698 kilometers of foot and drone patrols were executed within the designated conservation focus areas • Together with DENR, facilitated the confiscation of 1,680 board feet of confiscated lumber, 63 poles of rattan, and the stopping of one case of conveyance as a result of the forest and drone patrols within the conservation areas • Forest patrols and patrol visibility implemented within the geothermal reservations contributed in averting forest fires • Generation of 272,443 quality seedlings of Philippine native tree species for distribution to various tree planting partners
	15.5 - Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.	• Protected threatened to endangered species within our areas of operations: - 112 in FGCEC: 73 species of birds, 5 species of bats, and 34 species of fish - 549 in EDC: 348 species of birds, 39 species of bats, 27 small to medium sized mammals, 55 species of amphibians, and 80 species of reptiles

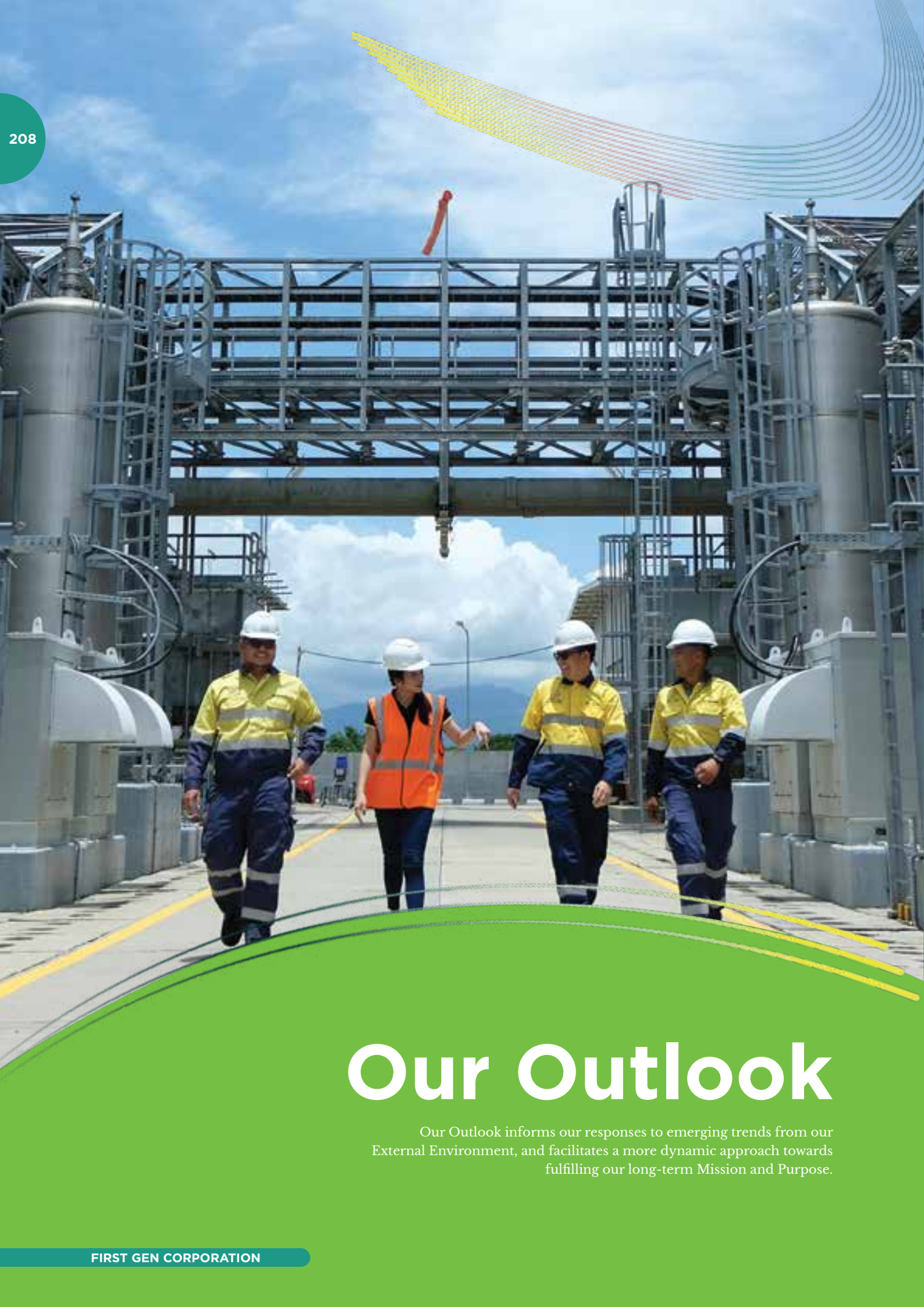
PILLAR: PROSPERITY					
SDG TARGET	FIRST GEN'S SUPPORT TO THE TARGET				
 8.4 - improve progressively through 2030 global resource efficiency in consumption and production, and endeavor to decouple economic growth from environmental degradation in accordance with the 10-year framework of programs on sustainable consumption and production with developed countries taking the lead	• Decrease of water consumption from 2,416.3ML in 2022 to 1,994.2ML in 2023				
 8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	• Provided decent work to 364 new employees (69% male and 31% female), with 75% of them in the age range of 20 to 40 years old				
 8.8 - Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	• Enforced the Occupational Health and Safety (OHS) policy and sustained OHS programs through the OSHMS that resulted to a TRIR of 0.18 with 29,678,560 man-hours • Enforcement of respect to human rights following the established policies and guidelines related to Human Rights, Gender Equality and Diversity, Cultural Heritage and Indigenous People, and the Business Code of Ethics and Standards				
 9.c - Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020.	• All employees were provided access to information from the internet through the Flexible Communication Allowance program				



	10.2 - By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.	• Enforcement of policies on social safeguards, which encompass human rights, gender equality, diversity, anti-sexual harassment, and grievance mechanisms for both our employees and stakeholders. • Partnership with various organization such as USAID - Enhancing Equity in Energy for Southeast Asia (E4SEA), Philippines Business Coalition for Women Empowerment (PBCWE), and UN Women's Empowerment (UN WEPS) as resource for our awareness program in creating and leading a diverse and inclusive workforce
	10.3 - Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.	
	11.4 - Strengthen efforts to protect and safeguard the world's cultural and natural heritage.	• Preservation of cultural heritage within our operation sites through the Cultural Heritage and Indigenous Peoples Policy

PILLAR: PEACE		
SDG TARGET	FIRST GEN'S SUPPORT TO THE TARGET	
 16.3 - Promote the rule of law at the national and international levels and ensure equal access to justice for all.	• Development of Policy Against Forced Labor and Child Labor to formalize and enforce our recruitment and human resource practices	
 16.5 - Substantially reduce corruption and bribery in all their forms.	• Enforcement of Anti-corruption Bribery policy resulting in zero cases of bribery and corruption reported	
 16.10 - Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.	• EDC concluded four collective bargaining agreements with the Unions across the sites	
 16.b - Promote and enforce non-discriminatory laws and policies for sustainable development	• Implementation of Workplace Issues Resolution Policy for fair, rational, and practical resolution of work-related issues • Established Vendor Grievance Redress Mechanism Guidelines for prompt, fair and transparent resolution of vendor-related concerns and issues • Hybrid and flexible work arrangement availed by all employees	

PILLAR: PARTNERSHIP		
SDG TARGET	FIRST GEN'S SUPPORT TO THE TARGET	
 17.6 - Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism.	• USD6.4 million Investment on cybersecurity and information security/technology enhancement • Continuous study of emerging technologies that can decarbonize our gas plants, such as carbon capture technology and using alternative fuels such as hydrogen • All employees granted with Flexible Communications Advances (FCA) benefit for continuous coordination and access to real-time access of information through the internet and telecommunications	



Our Outlook

Our Outlook informs our responses to emerging trends from our External Environment, and facilitates a more dynamic approach towards fulfilling our long-term Mission and Purpose.

LEGEND:

CAPITALS:

Financial Capital

Manufactured Capital

Human Capital

Social and Relationship Capital

Intellectual Capital

Natural Capital

TIME HORIZON:

Short term risk (1-5 years)

Medium term risk (5-10 years)

Long term risk (10 or more years)

KEY THEMES	IMPLICATIONS AND OPPORTUNITIES	OUR RESPONSE
Evolving Markets and Customer Choice	Continued democratization of the Philippine power industry • RCOA progress creates competitive market opportunities for energy providers who are able to meet customer’s energy demands • Increased awareness, support, and customer preference for clean and renewable energy resources • Increased demand requires more staff, skills, and training to meet a retail-centric market • First Gen’s Strategic Goal of securing regenerative partners emphasizes the need to understand and engage our customers	We are enhancing our ability to understand and prioritize our customers through increasing retail-readiness • Pursuing a customer-centric mindset through training and development • Expanding and upgrading our clean energy asset portfolio • Consistent re-evaluation and adjustment of our strategies and solutions in response to market dynamics and demand
Increased Need to Incorporate Sustainability and ESG	Enhanced commitment to ESG and sustainability initiatives • The Philippine Coal Moratorium encourages development into more eco-friendly energy sources such as gas and other renewables • Increased scrutiny on sustainability and ESG • Continued research, innovation, and investment into new technologies that enable decarbonized energy solutions First Gen has a commitment to Decarbonization with Net Zero and has also identified 4 Key Focus Areas for ESG, which are significantly aligned with this outlook	We are enhancing our organization’s ability to pursue more decarbonized and regenerative business models • Using technical, commercial, and technological improvements to improve our portfolio’s carbon intensity • Pursuing ESG-related focus areas such as resource management (water and waste), biodiversity, regenerative business models, host community development, and employee engagement • Enhance integration of ESG into our strategy and operations
Growing Philippine Energy Demand	Surge of interest and investments in clean energy solutions • Increased demand in clean energy power sources and other clean energy business opportunities • Increased need for processes, technologies, and solutions to support the clean energy transition • First Gen is expected to grow at pace with the country’s energy demands using renewable and reliable energy as a key player in the power industry	We will pursue our 13GW growth target with a bias for RE to continue supporting our country’s growth requirements through our portfolio of clean and renewable energy
Advancement of Clean Energy Solutions and Technologies	Widespread opportunities to respond to evolving market trends • New solutions provide business and market opportunities that complement power generation • New clean or efficient technologies can support the Company’s decarbonization efforts • Development of beyond kWh business models, driven by interest in Demand-Side Management, Energy Efficiency and Conversation, among others	We keep ourselves abreast of key trends, aiming to integrate these into our business and operations • Pushing forward with human capital management development and training • Developing systems and processes to facilitate experimentation and innovation



Key Theme:

Evolving Markets and Customer Choice

CONTEXT

As the Philippine economy continues to develop and evolve, regulations and markets have continued to evolve towards increased customer choice. After the privatization of the different sectors of the power industry, market competition has heightened as customer choice has become more prominent.

The Retail Competition and Open Access (RCOA) program empowers customers by providing them with increased flexibility in selecting their electricity provider. Moving forward, smaller energy users will also leverage this, leading to a more diverse and customer centric market. Moreover, we expect customers to continue demanding for more sustainable and cleaner sources of energy, given market and societal trends.

For First Gen, this trend showcases the continued advancement and liberalization of the Philippine market—which will ultimately lead to enhanced customer power and further developments in the market we operate in.

OPPORTUNITIES

RCOA enables contestable customers to choose their electricity supplier and directly contract with Retail Energy Suppliers. RCOA Phase 3 decreased the average monthly peak demand requirement of contestable customers to greater than or equal to 500MW—with thresholds set to continuously lower, allowing more customers to choose.

However, the increased demand and better flexibility given to customers require a shift in how energy providers can better serve these customers—both in improving their ability to meet that need while also maintaining their course towards decarbonized and regenerative energy generation.

OUR RESPONSE

As one of leading providers for clean energy in the country, First Gen will always be at the forefront to engage with and create value for customers. Further, First Gen has made securing regenerative partners one of its strategic goals, which is evidence of our expanded focus on delivering customer value and its impact on both our business and decarbonization objectives.

First Gen aims to provide customers with holistic customer experiences through our portfolio of clean energy solutions. As we prepare to serve more customers, we are constantly improving our own processes and capability to better monitor, anticipate, and deliver customer needs. Moreover, we are committed to develop solutions that best support our customers needs and decarbonization goals.

Our ambition is to become a trusted partner and decarbonization expert for our customers, helping them live a sustainable and regenerative lifestyle with convenient and reliable access to clean energy sources, as well as other decarbonized solutions. Alongside our Mission and Purpose of serving the planet and protecting the environment, we also strive to ensure energy security for our customers maintaining our competitiveness in the clean energy market.

Key Theme:

Increased Need to Incorporate Sustainability and ESG

CONTEXT

A growing awareness on the impact that businesses and other commercial activities have on climate change has fueled renewed commitments from the business sector to invest in their ESG and sustainability initiatives. This comes at a time when the energy demands of the Philippines are only expected to increase.

OPPORTUNITIES

Both global and local markets have aligned expectations to proceed with clean energy, with the Philippines committing to a 75 percent reduction of carbon emissions in the Nationally Determined Contributions (NDC) with the United Nations Framework Convention on Climate Change (UNFCCC).

Supporting this commitment, the Philippines issued a Coal Moratorium which intends to put a limit on the development of new coal-fired power plants. The DOE's PEP calls for a ~3x increase in GW capacity for gas and RE sources and a ~2.5x increase in KWh generation from gas and RE sources by 2030. The PEP and NREP also want a 35 percent RE share in 2030.

Energy providers are also incentivized to pursue RE development with multiple fiscal incentives under the Renewable Energy Act. The Bangko Sentral ng Pilipinas has also released the Sustainable Central Banking Strategy to welcome further

Businesses must increase their efforts to transition to clean energy sources, not only to comply with evolving environmental regulations, but also to keep the trust of their customers. The role that energy providers will play in steering this discussion and movement toward sustainable energy—and, by extension, sustainable business practices—will be of crucial significance for the Philippines.

investments. Alongside new innovations in decarbonization and access to better technology, these developments should encourage more gas and RE development moving forward.

Moreover, this trend creates opportunities beyond kW and kWhs, as it also enables other adjacent industries to pursue decarbonization. One of these opportunities is DOE's Demand-side Management (DSM) Program under the Energy Efficiency and Conservation (EE&C) Act in the EE&C 2023-2050 Road map. It expects technological innovations across the energy industry, encouraging development and innovation beyond simply providing more kWh to customers.

As such, there is a clear need and opportunity in the country for clean energy development, especially given the growing recognition of the climate crisis and the key role of the power sector in mitigating and adapting to its impact.



OUR RESPONSE

First Gen is aligned with stakeholder expectations to integrate decarbonization and other ESG concepts in our business model. We have shown this in the past, particularly with our decision to not build, develop, or invest in coal, as well as our pursuit of various decarbonization initiatives that lead to our long-term Net-Zero commitment.

As we remain committed to our Net-Zero Target, we are aware that our ambition will require us to further decarbonize our portfolio and pursue various new technologies, systems, processes, additional investments, or other operational adjustments, as we progress towards the clean energy ambition.

To support this response, First Gen regularly conducts strategic discussions, research, and analysis on various regenerative business models and other means of decarbonization. The Company also continuously monitors the advancements in technology and operational efficiencies, adapting the most advantageous practices for the benefit of First Gen and our customers. With these approaches, the Company hopes to serve as an example of how to integrate ESG and sustainability into business operations while helping our own customers do the same with their commercial ventures.



Key Theme:

Growing Philippine Energy Demand

CONTEXT

Earlier segments of this report have already discussed the DOE's PEP, which highlights how the energy demand in the Philippines will only continue to grow. Moreover, the same report highlights its outlook that sees most of this growth coming from Clean and Renewable Energy sources. For energy providers, this presents both a challenge and an opportunity: how to meet these rising energy demands while balancing the Energy Trilemma of affordability, sustainability, and security.

Clearly, the country is pursuing ways to fuel the demand of its growing economy. At the same time, several market mechanisms and regulatory considerations are still being developed in order to facilitate this critical transition.

OPPORTUNITIES

This outlook of the energy sector highlights significant opportunities for growth in the clean and renewable energy fields. This rapid energy growth is an opportunity for clean energy players, as there will be a need to supply the increased demand for clean energy.

OUR RESPONSE

As First Gen's clean energy portfolio continues to stand in support with the country's push for renewables, we are expected to sustain growth at pace with the country's energy demands to ensure reliability on the grid.

First Gen will continue to pursue growth and project opportunities in different Gas and RE capacities, while ensuring that the Company is still able to meet customer expectations about energy supply and security. This includes continuing to move towards a total of 13GW installed capacity with a bias towards RE sources by 2030. Our growth ambition is critical to supporting, not only our strategic aspirations, but also to helping enabling the country's need for additional clean and renewable energy sources.

Key Theme:

Advancement of Clean Energy Solutions and Technologies

CONTEXT

As seen in the IEA reports, globally, the energy market continues to be disrupted, amidst significant trends such as rising customer demand, the increased push towards renewable energy, and the changing shifts locally and abroad. In spite of all the volatility in geopolitical and economic conditions, advancements in renewable energy and other decarbonized technologies have continued to progress. Variable renewable energy prices continue to decrease, while research from IEA and other reports on critical technologies such as hydrogen, carbon capture, battery storage, and others continues to progress in spite of turbulent times.

Clearly, industries have continued to support clean energy development, in spite of an inflationary and volatile environment. While the pace of development may remain uncertain, the trajectory remains clear—towards lower cost and more viable clean energy solutions.

OPPORTUNITIES

The continued progress on clean energy technology is a critical opportunity for clean energy players such as First Gen. The increasing economic viability of these solutions will improve the value that our portfolio can offer over time. With the aforementioned shift towards a retail-centric and more sustainability-focused market, we see this advancement as a critical enabler in better serving the needs of our customers.

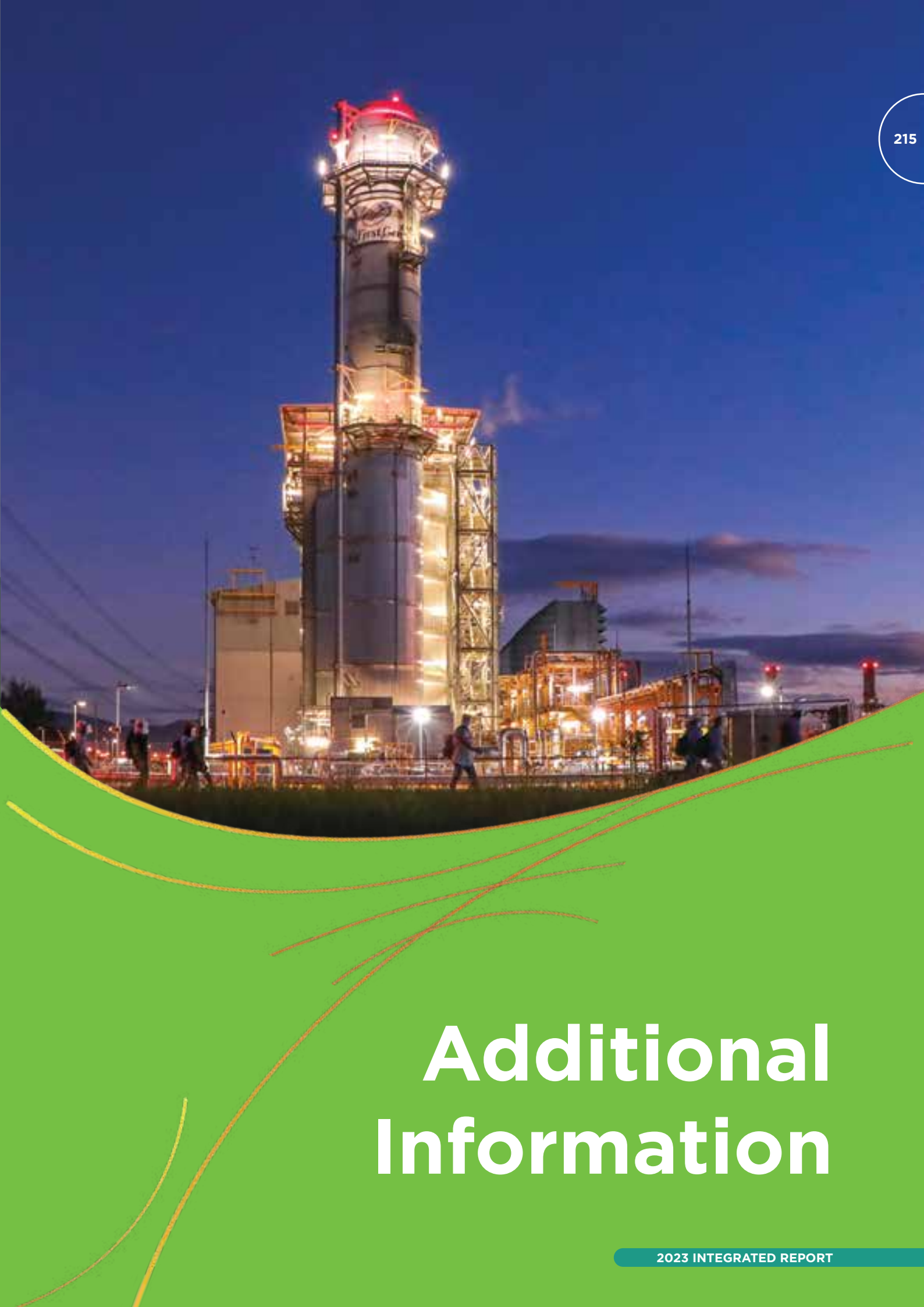
Furthermore, we anticipate that advancements in key decarbonization technologies such as hydrogen and CCUS will support our portfolio's ability to fully decarbonize, in light of both our long-term Net-Zero ambition and our duty to support the country's energy security.

OUR RESPONSE

First Gen has anticipated the changing shifts in the energy market, becoming one of the early adapters in clean and renewable energy in the Philippines. With this in mind, this Outlook further encourages our goal of expanding our portfolio and pursuing a portfolio that is more slanted towards renewables.

Furthermore, the company remains abreast of key developing technologies, solutions, and processes that can enhance the portfolio's ability to deliver low carbon energy solutions to our customers. We tightly follow key developments on clean energy technologies and market trends, and aim to quickly and dynamically adapt such regenerative solutions into our business processes and strategy.

This response is also embedded into our internal operations, as we provide our employees and staff with the training and support they need to respond to these changing market trends. We strongly believe that our investment in our human capital is key to increasing our employee engagement, buoyed by our adoption of the latest technology and growth strategies.



Additional Information

Board of Directors

First Gen ensures that its Board of Directors is composed of individuals responsible for managing and driving the corporate governance structures of First Gen. The BOD is responsible for guiding the Company toward fulfilling its economic targets and governance aspirations.



FEDERICO R. LOPEZ
Chairman & CEO

Tenure: On his twenty-sixth term
Committees: NG CR

Federico R. Lopez, born August 5, 1961, Filipino, has been a member of the Board since December 1998. He is Chairman and CEO of publicly-listed companies First Gen and FPH. He is also Chairman of Energy Development Corporation (EDC), which was officially delisted from the Philippine Stock Exchange, Inc. effective November 29, 2018. He is a Director of ABS-CBN Corporation, Vice Chairman of Rockwell Land Corporation (Rockwell), and Chairman and CEO of Lopez Holdings Corporation, which are also listed companies. Mr. Lopez is Chairman of the Oscar M. Lopez Center for Climate Change Adaptation and Disaster Risk Management Foundation (OML Center) and the Sikat Solar Challenge Foundation, and Chairman of Ang Misyon, Inc. He is a member of the Board of Trustees of the Philippine Disaster Resilience Foundation and Teach for the Philippines. Mr. Lopez is a member of the New York Philharmonic International Advisory Board, Asia Business Council, World Presidents' Organization, Chief Executives Organization, ASEAN Business Club, Management Association of the Philippines, Philippine Chamber of Commerce and Industry, European Chamber of Commerce of the Philippines, and Makati Business Club. Mr. Lopez is a graduate of the University of Pennsylvania and holds a Bachelor of Arts degree with a double major in Economics and International Relations (*cum laude*, 1983).



FRANCIS GILES B. PUNO
Director, President & COO

Tenure: On his nineteenth term
Committees: RO

Francis Giles B. Puno, born September 1, 1964, Filipino, was first elected to the Board in August 2005. He is President and COO of First Gen Corporation and First Philippine Holdings Corporation (FPH). He sits on the Boards of the publicly-listed companies FPH and Rockwell, and is President of First Philippine Industrial Park and First Philec Inc. He has been a member of the Board of Directors of EDC since 2017 and was appointed its Vice Chairman and Chief Executive Officer on July 1, 2023. Mr. Puno sits on the Board of Trustees of the Philippine Business for Social Progress, Oscar M. Lopez Center for Climate Change Adaptation and Disaster Risk Management Foundation, Inc., Lopez Group Foundation, Inc., Eugenio Lopez Foundation, Inc., Sikat Solar Challenge Foundation, Inc., and Knowledge Channel Foundation, Inc. He has a Bachelor of Science in Business Management degree from Ateneo de Manila University (1985) and a Master's degree in Business Administration (MBA) from the Kellogg Graduate School of Management at Northwestern University (1990).

LEGEND:

- NG Nomination & Governance Committee
- CR Compensation & Remuneration Committee

- RO Board Risk Oversight Committee
- AU Audit Committee



RICHARD RAYMOND B. TANTOCO
Director

**Served as Executive Vice President until June 30, 2023*

Tenure: On his nineteenth term
Committees: NG AU

Richard Raymond B. Tantoco, born October 2, 1966, Filipino, has been a Director of the Company since August 2005. He is likewise a Director of FPH, EDC and an Independent Director of Cebu Air, Inc. First Gen, FPH and Cebu Air Inc. are publicly-listed companies. Mr. Tantoco is President and Trustee of the Business for Sustainable Development Foundation, the Oscar M. Lopez Center for Climate Change Adaptation and Disaster Risk Management Foundation, Inc., and a member of the Board of Trustees of the Eugenio Lopez Foundation, Inc. He is also a member of the Young Presidents Organization. He has a Bachelor of Science degree in Business Management from Ateneo de Manila University, where he graduated with honors (1988). He also has an MBA in Finance from the Wharton School of Business at the University of Pennsylvania (1993).



MANUEL L. LOPEZ, JR.
Director

Tenure: On his fourth term
Committees: AU

Manuel L. Lopez Jr., born on August 14, 1967, Filipino, was elected to the Board of Directors on November 19, 2020. Mr. Lopez is a member of the Board of Advisors of Rockwell, a listed company. He is the President and a Director of The Rockwell Leisure Club, Inc., and a member of the Board of Directors of Lopez, Inc. He is the Chairman and CEO of Global Integrated Contact Facilities Inc. (GICF) and SLASHdotPH, a Director of Philippine Trade Foundation, Inc., and is a professional member of the International Association of Outsourcing Professionals (IAOP). Mr. Lopez holds a Bachelor of Science degree in Business Administration from De La Salle University (1991).

Board of Directors



ELVIRA L. BAUTISTA

Director

Tenure: On her third term

Committees: **RO**

Elvira Lopez Bautista, born July 15, 1960, Filipino, was elected regular director of the company in May 2021. She is the Co-founder, President, and Executive Director of the Knowledge Channel Foundation, Inc. (KCFI), a non-profit organization that operates the first and only TV, online, and offline media tandem with produced and acquired content focused on the Philippines' K-12 curriculum. Its teaching and learning ecosystem includes building the capabilities of teachers, child development center workers, parents, and other stakeholders in education, while also awarding schools and education leaders for innovative accomplishments. She sits on the Boards of Philippine Business for Education, Southeast Asian Foundation for Children and Television, and Lopez Group Foundation, Inc., and the Asia Philanthropy Circle. She is the Immediate Past President of the Rotary Club of Makati Premier District, and Co-founder and Lead Convener of the Building Bridges Leadership Journey. Together with her father Oscar M. Lopez, Ms. Bautista's work with the Knowledge Channel was recognized and personally cited by former US President Bill Clinton at the Clinton Global Initiative Asia 2008. She is the recipient of several awards, including: Ulirang Mandaleño by the Municipality of Mandaluyong in 2017; Lasallian Achievement Award for Distance Learning from De La Salle Alumni Association in 2008; Woman of Style and Substance by People Asia in 2008; Parangal Lingkod Sambayanan by the Ateneo de Manila University in 2006; Award for Advocacy in Child's Education by Rustan's Essences in 2006; Peace Builder International Hall of Fame Award by the Chicago Filipino-American Via Times in 2006; Manuel L. Quezon Award in Communications and Distance Learning by the Federation of Catholic Schools Alumni/ae Associations in 2006; Peace Award for Literacy Rotary International District 3780 in 2006; and CEO Excel Award of Excellence by IABC Philippines in 2005. Ms. Bautista holds a Bachelor of Arts degree in Psychology from De La Salle University (1981) and a Master of Arts degree in Learning Technologies from Pepperdine University (2016).



MANOLO MICHAEL T. DE GUZMAN

Director

Tenure: On his second term

Committees: **RO**

Manolo Michael T. De Guzman, born August 15, 1969, Filipino, was elected regular director of the company in May 2022. He is a Senior Advisor at KKR and President of Philippines Clean Energy Holding Inc. He is also a member of the Board of Directors of Metro Pacific Hospital Holdings, Inc., Pinnacle Towers Holdings Inc., and Frontier Tower Associates Philippines Inc. Mr. De Guzman joined KKR in 2019 as a member of the Asia Pacific Infrastructure team. He has over 20 years of experience in Asia Pacific infrastructure transactions, covering core and non-core infrastructure assets across various subsectors. He was previously head of Philippines for Credit Suisse. Prior to joining Credit Suisse, he spent 18 years with the Macquarie Group, holding senior positions in both the infrastructure funds division and the advisory division. He was involved in creating two significant infrastructure funds for Macquarie: the communications infrastructure fund and the PINAI Philippines infrastructure country fund. Over the last 10 years, he has focused on the Philippine infrastructure sector. Mr. De Guzman holds a Bachelor of Engineering degree from the University of Sydney (1991), where he received first class honors, and a master's degree in Business Administration from the University of Chicago (1998).



RAFAEL L. LOPEZ

Director

**Served as a Director until May 17, 2023*

Rafael L. Lopez, born April 19, 1952, Filipino, was elected regular director of the Company in May 2023. He assumed his position on July 12, 2022 upon SEC approval of First Gen's amended articles of incorporation, which increased the number of directors from 9 to 10. He is the Executive Advisor to the Chief Executive Officer of ABS-CBN Broadcasting Corp., the umbrella organization that wholly owns all international subsidiaries of ABS-CBN. Mr. Lopez was previously the COO of ABS-CBN Global, where he pioneered the US operation of ABS-CBN. In 1992, he initiated the broadcast of select programs on local free TV stations in the Bay Area and the video sales of then ABS-CBN programs, which evolved into the creation and distribution of The Filipino Channel and other television channels for news and movies. He holds a Bachelor of Arts degree in Music from San Francisco State University (1980). He also completed the Stanford Business Executive Program at Stanford University (2002).

Board of Directors



MARIA PRESENTACION L. ABELLO

Director
**Elected Director on May 17, 2023*
 Tenure: On her first term

Maria Presentacion L. Abello, born February 2, 1963, Filipino, was elected regular director of the Company in May 2023. She is currently the Treasurer of Croslo Holdings Corporation, and Corporate Secretary of First Agricultural Resource Management, Inc. She was a member of the board of directors of Lopez, Inc. from 2006-2010. Ms. Abello was a business owner and manager of Power Photo Corporation, Non-Skids for Kids, and Corporate Christmas Giveaways, and co-founder of Mykonos Clothes and Bags. She was also a money market associate for Security Bank from 1984-1985. Ms. Abello graduated with a Bachelor of Arts degree in Psychology from De La Salle University (1984).



CIELITO F. HABITO

Independent Director
 Tenure: On his eighth term
 Committees: **CR** **AU** **RO**

and Operation Compassion Philippines. He also writes the weekly column “No Free Lunch” in the Philippine Daily Inquirer. He is an Independent Director of Sun Life Financial and Manila Exposition Complex, Inc., and a member of the Board of Trustees of the Ramon Magsaysay Award Foundation, the Advisory Committee of the Japan International Cooperation Agency (JICA)- Philippines, and the CSO Advisory Group of the World Bank Philippines, among others. He is also Editor-in-Chief of the Asian Journal of Agriculture and Development. He served in the Cabinet of former President Fidel V. Ramos throughout his presidency in 1992-1998, as Secretary of Socioeconomic Planning and Director-General of the National Economic and Development Authority (NEDA). Dr. Habito is the recipient of numerous awards, including the Presidential Award (2019), Most Outstanding Alumnus Award (1993) from the University of the Philippines-Los Baños (UPLB) Alumni Association, Philippine Legion of Honor (1998), The Outstanding Young Men (TOYM) Award (for Economics) in 1991, and the Gawad Lagablab (Outstanding Alumnus Award) of the Philippine Science High School in 1991. He holds a Bachelor of Science degree in Agriculture (Major in Agricultural Economics), graduating *summa cum laude* (1975) from the University of the Philippines; a Masters degree in Economics from the University of New England (1978); and a Master of Arts (1981) and Ph.D. in Economics (1984) from Harvard University.

Cielito F. Habito, born April 20, 1953, Filipino, was elected Independent Director of the Company in May 2016. An accomplished economist, Dr. Habito is a Professor of Economics at the Ateneo de Manila University and is also Chairman of Brain Trust Inc.



ALICIA RITA L. MORALES

Independent Director
 Tenure: On her sixth term
 Committees: **NG** **AU**

Alicia Rita L. Morales, born June 25, 1962, Filipino, was elected Independent Director of the Company in May 2018. She is the Managing Director of John Clements Consultants, Inc., principally for its talent development and leadership institute division. She was instrumental in obtaining the partnership with Harvard Business Publishing, a wholly-owned subsidiary of Harvard Business School, from 2007 to 2019. Ms. Morales has created leadership development programs for over 10,000 high potentials and senior leaders from leading multinationals and regional conglomerates in Southeast Asia. She is an Independent Director of BPI Securities Corporation, Professorial Lecturer of Sustainability at the Virata School of Business, University of the Philippines, Trustee and Treasurer of Harvard Club of the Philippines Global (2020-2024). She was previously President of RCBC Securities, Inc., Director of the Securities Clearing Corporation of the Philippines and PCIB Securities, Inc., President of the Harvard Business School Club of the Philippines (2018-2020). Ms. Morales was the youngest Chairman of the PSE, a position she held for two terms. She garnered The Outstanding Women in Nation’s Service (TOWNS) award for the category ‘Business-Stock Exchange’ in 2004, and the Triple A Award from Maryknoll/ Miriam College in 2014. She is a member of the International Coach Federation, a certified coach of Zenger Folkman, and a certified discussion leader of the Harvard Business School. Ms. Morales is a certified public accountant with a Bachelor of Science degree in Business Administration and Accountancy from the University of the Philippines (1984) and an MBA from the J.L. Kellogg Graduate School of Management, Northwestern University, with a triple major in Finance, Marketing and Economics (1990). She is also a graduate of the Advanced Management Program AMP 186 from the Harvard Business School (2014).

Board of Directors



EDGAR O. CHUA
Independent Director

Tenure: On his third term
Committees: CR AU RO

Edgar O. Chua, born October 9, 1956, Filipino, was elected Independent Director of the company in May 2021. He is an Independent Director of Integrated MicroElectronics Inc., Metrobank, PhilCement, JG Summit Olefins Corp., and Phinma Corporation. He served as an Independent Director of EDC. He is on the advisory boards of Mitsubishi Motors Philippines Corporation and Coca Cola Bottlers Philippines

Inc., and sits on the boards of several schools and foundations. He is also the CEO of Amber Kinetics Inc.

As Country Chairman of the Shell Companies in the Philippines from 2003 to 2016, Mr. Chua was responsible for the exploration, manufacturing, and marketing sectors of the petroleum business and oversaw the chemicals businesses and shared services. He has more than 38 years of experience in the business fields of chemicals, auditing, supply planning and trading, marketing and sales, lubricants, corporate affairs, and general management. Outside the Philippines, he held senior positions as Transport Analyst in Group Planning in the UK and General Manager of the Shell Company of Cambodia. From July 1999 to August 2003, he served in various regional roles in Shell Oil Products East, including as GM for Consumer Lubricants for Asia Pacific, covering all countries east of the Suez Canal. He is a recipient of numerous local and international recognitions, such as CEO EXCEL for Excellence in Communication in Organisations (2005); Asia People of the Year (2013); MAP's Management Man of the Year (2013); CEO of the Year in the Asia Pacific SABRE (Superior Achievement in Branding Reputation and Engagement) Awards in China (2014); Lifetime Achievement Award by the Golden Wheel Awards Foundation (2015); and Global Filipino Executive of the Year by Asia CEO (2016). Mr. Chua earned his Bachelor of Science degree in Chemical Engineering from De La Salle University (1978) and attended various international seminars and courses, including the senior management course at INSEAD in Fontainebleau, France. He was also conferred a Doctor of Humanities *Honoris Causa* by De La Salle Araneta University in 2018.



MARIO LUZA BAUTISTA
Senior Board Adviser

Senior Management List

As of December 31, 2023

Assisting the Board of Directors with its duties of governance, strategy, and oversight are the members of senior management. The Board of Directors and Senior Management seek to continuously uphold First Gen's directives in accordance with our Mission and Purpose, while also overseeing and managing the Company's various capitals.



OSCAR M. LOPEZ*
Chairman Emeritus



FEDERICO R. LOPEZ
Director, Chairman, & Chief Executive Officer



FRANCIS GILES B. PUNO
Director, President, & Chief Operating Officer



RICHARD RAYMOND B. TANTOCO**
Director & Executive Vice President



JONATHAN C. RUSSELL
Executive Vice President & Chief Commercial Officer



VICTOR EMMANUEL B. SANTOS JR.
Executive Vice President



EMMANUEL ANTONIO P. SINGSON
Executive Vice President, Chief Financial Officer, & Treasurer



RENATO A. CASTILLO
Senior Vice President & Chief Risk Officer



ANTHONY JULICER A. ALVIS
Senior Vice President



ERWIN O. AVANTE
Senior Vice President



JEROME H. CAINGLET
Senior Vice President



TEODORICO R. DELFIN
Senior Vice President

* Chairman Emeritus Oscar M. Lopez passed away on April 22, 2023.
** Executive Vice President Richard Raymond B. Tantoco resigned effective July 1, 2023. He continues to be a member of the Board of Directors of the Company.

Senior Management List



DENNIS MICHAEL P. GONZALES
Senior Vice President



VINCENT MARTIN C. VILLEGAS
Senior Vice President



RAMON J. ARANETA
Vice President



KHAIRUDDIN HYATT V. BASMAN
Vice President



ANGELO D. MACABUHAY
Vice President & Head of Internal Audit



DENISE NATALIE F. MERCADO
Vice President



BERNADETTE ANN V. POLICARPIO
Vice President



PETER JASON D. SAMONTE
Vice President



MA. CECILIA R. BATALLA
Vice President



GERALD T. CAJUCUM
Vice President



RAMON A. CARANDANG
Vice President for Corporate Communications



MA. AURORA E. CENIZA
Vice President



JAY JOEL L. SORIANO
Vice President & Head of Strategy and Planning



RONALDO B. TABLANTE
Vice President



ANNALYN C. TAYAG
Vice President



GLENN L. TEE
Vice President



REMAN A. CHUA
Vice President



SHIRLEY H. CRUZ
Vice President



NURJEHAN MARIA D. DAYRIT
Vice President



VALERIE GLORIANA Y. DY SUN-LIM
Vice President, Head of Investor Relations, & Compliance Officer



MARIA CARMINA Z. UBAÑA
Vice President & Comptroller



DANIEL H. VALERIANO JR.
Vice President



CARLOS LORENZO L. VEGA
Vice President



CONRADO ERNESTO C. VIEJO
Vice President



ANNA KARINA P. GEROCHI
Vice President & Head of Human Resources



RACHEL R. HERNANDEZ
Vice President & Corporate Secretary



ERNIE G. IMPERIAL
Vice President & Chief Digital Officer



RASSEN M. LOPEZ
Vice President



MA. THERESA M. VILLANUEVA
Vice President



ARIEL S. VILLASEÑOR
Vice President



CARA MARTHA D. MATHAY
Assistant Corporate Secretary



Awards

First Gen has made significant efforts towards various ESG initiatives in 2023 as part of the ongoing fulfillment of our Mission and Purpose. Here is a list of awards that we have received in 2023 in recognition of these efforts:

Awards	Company	Award-Giving Body
ESG Reporting		
Sustainability Champions for 2023 for integrating the UN SDGs into our core operations	First Gen	ATR Asset Management
Gold Award: Best Sustainability Report (CEO Letter)	EDC	CSRWorks International
Silver Award: Best Integrated Report (Value Creation)	EDC	
Silver Award: Best Sustainability Report (Private Company)	EDC	
Bronze Award: Best Integrated Report (Value Creation)	First Gen	
Bronze Award: Best Integrated Report (Integrated Thinking)	First Gen	
Certificate of Achievement for the Corporate Sustainability Reporting Category at the Asia Responsible Enterprise Awards (AREA) 2023	EDC	Enterprise Asia
Governance		
3 Golden Arrows based on the 2022 Asian Corporate Governance Scorecard (ACGS) assessment results	First Gen	Institute of Corporate Directors
Corporate Social Responsibility		
Best Corporate Social Responsibility Project for Education 2023 for Keitech Education Program	EDC	League of Corporate Foundations
Silver award under the Inclusive Growth category for Baslay Coffee Program	EDC	School of Communication of the University of Asia and the Pacific
Occupational Safety and Health Performance		
Blood Services Platinum Award (606 blood units donated in 13 years of partnership)	First Gen	Philippine Red Cross

AWARDS	COMPANY	AWARD-GIVING BODY
Seven Million Two Hundred Thirteen Thousand Six Hundred Forty One (7,213,641) Safe Man-Hours without Lost Time Accident	FGPC	Safety Organization of the Philippines, Inc.
Three Million Forty Thousand Sixty Six (3,040,066) Safe Man-Hours Without Lost Time Accident	FGP	
Two Million One Hundred Twenty Five Thousand Six Hundred Eighty Six (2,125,686) Safe Man-Hours Without Lost Time Accident	FNPC	
One Million Two Hundred Sixty Three Thousand Six Hundred Seventy Five (1,263,675) Safe Man-Hours Without Lost Time Accident	PMPC	
ENVIRONMENTAL PERFORMANCE		
Wellness Champion for our sustained support for clean energy and improvements in water and energy utilization	First Gen	ATR Asset Management
Recognition Award - Adopt-an-Estero/Waterbody Program	FGPC	Department of Environment and Natural Resources (DENR) - Environmental Management Bureau (EMB)
Gold citation under the Care for the Environment category of the Sustainability & Corporate Purpose division for BINHI	EDC	School of Communication of the University of Asia and the Pacific
ASEAN Green Initiative recognition under the Large Scale Category of which planting 5,000 or more trees for BINHI	EDC	ASEAN Centre for Biodiversity
Top 25 companies in the Asia-Pacific region's Steward Leadership (SL25) initiative list for BINHI	EDC	Stewardship Asia
Grand Prix Winner: Greening a Regenerative Future of Energy at 2023 Tambuli Awards	EDC	School of Communication of the University of Asia and the Pacific

Restatements

Referencing on the IFRS-ISSB guidelines, we present the following oversights uncovered in past reports and restatements of certain information:

Reference: First Gen 2022 Integrated Report
Sections: What We Do and Manufactured Capital Performance

AMENDED INFORMATION	2022 IR VALUES	AMENDED VALUES	REMARKS
ACTUAL GENERATION (GWh)	First Gen 2022 First Gen Total Power Generation	22,352.4	22,429.4
	<i>Natural Gas</i> First Gen San Gabriel Avion	22,352.4 2,630.7 372.1	22,353.7 2,632.1 372.0
	<i>Geothermal</i> Bacman Unified Leyte Mindanao	1,014.1 2,927.2 625.2	1,050.3 2,921.8 670.1
	First Gen 2021 First Gen Total Power Generation	19,805.3	19,808.2
NET CAPACITY FACTOR (%)	<i>Natural Gas</i> San Gabriel Avion	1,484.6 333.2	1,793.9 327.5
	First Gen 2022 <i>Wind and Solar</i> Burgos Wind Burgos Solar	23.7 17.1	23.8 18.1
	First Gen 2021 <i>Natural Gas</i> San Gabriel Avion	48.9 42.9	49.4 42.1
	<i>Geothermal</i> Bacman Mindanao	88.4 68.5	89.9 74.1
AVAILABILITY (%)	<i>Wind and Solar</i> Burgos Wind Burgos Solar	31.7 17.8	31.8 18.5
	First Gen 2022 <i>Natural Gas</i> Santa Rita San Lorenzo Avion	93.1 87 86.8	93.0 87.4 88.8
	<i>Geothermal</i> Bacman Unified Leyte Tongonan Palinpinon Nasulo Mindanao	96.0 93.8 92.4 92.0 100.0 95.7	94.1 88.9 92.8 92.1 99.8 95.3
	First Gen 2021 <i>Natural Gas</i> Santa Rita San Gabriel Avion	86.3 81.9 84.9	86.1 84.9 84.8

Natural Gas:
1. Actual Generation / Efficiency / Net Capacity Factor - Adjustment to cover the full reporting cycle.

2. Reliability / Availability / Outage Hours - Adjustment based on re-confirmed actual outage classification

Geothermal:
Adjustment to cover the full reporting cycle.

Wind and Solar:
Adjustment to cover the full reporting cycle.

AMENDED INFORMATION	2022 IR VALUES	AMENDED VALUES	REMARKS
RELIABILITY (%)	First Gen 2022 <i>Natural Gas</i> Santa Rita San Lorenzo Avion	96.3 96.4 87.9	96.2 96.8 90.5
	<i>Geothermal</i> Bacman Unified Leyte Tongonan Palinpinon Nasulo Mindanao	98.6 94.0 96.7 95.0 100.0 97.0	96.8 90.9 97.5 95.1 99.8 96.4
	First Gen 2021 <i>Natural Gas</i> Santa Rita San Gabriel Avion	95.3 79.7 86.3	95.1 82.8 86.7
	First Gen 2022 <i>Natural Gas</i> Avion	218.4	235.8
UNPLANNED OUTAGE (IN HOURS)	First Gen 2022 <i>Natural Gas</i> Avion	2,083.5	1,703.5
	<i>Solar</i> Burgos Solar	459.5	438.1
	First Gen 2021 <i>Natural Gas</i> San Gabriel Avion	1,268.4 2,389.8	1,270.6 2,410.2
	<i>Solar</i> Burgos Solar	194.3	323.6
GENERATION EFFICIENCY (%)	First Gen 2022 <i>Natural Gas</i> Santa Rita	53.6	53.5
	First Gen 2021 <i>Natural Gas</i> Avion	31.9	31.3



UA&P Third Party Review Statement

Reference: First Gen 2022 Integrated Report
Section: Natural Capital Performance

AMENDED INFORMATION		2022 IR VALUES	AMENDED VALUES	REMARKS
EMISSIONS (TCO2e)	First Gen 2022 Total Emissions Scope 1 Emissions Scope 2 Emissions Scope 3 Emissions	6,703,281.4 6,696,641.80 3,007.90 3,631.70	6,612,723.40 6,605,316.67 3,152.58 4,254.16	The 2022 Scope 1,2 and 3 Emissions data for EDC were revised because of the noted items for improvement during the 2023 GHG assurance readiness assessment. The 2022 Scope 2 emissions were also revised to reflect the appropriate emission factor for the purchased electricity at the First Gen Head Office. The 2021 emissions data of EDC were revised to adapt the IPCC Assessment Report (AR) 5 global warming potential factors.
	First Gen 2021 Total Emissions Scope 1 Emissions Scope 2 Emissions Scope 3 Emissions	6,039,223.30 6,032,939.20 3,079.10 3,205.00	5,924,961.32 5,918,676.00 3,064.32 3,221.00	
	EDC 2022 Scope 1 Emissions Scope 2 Emissions Scope 3 Emissions	1,047,912.00 2,685.80 3,580.00	956,586.87 2,706.09 3,681.50	
	EDC 2021 Scope 1 Emissions Scope 2 Emissions Scope 3 Emissions	1,049,731.00 2,742.20 3,205.00	935,092.80 2,727.39 3,073.00	
EMISSION INTENSITY (TCO2e/MWh)	2021 Emission Intensity	0.31	0.30	The 2021 emission intensity was revised from 0.31 to 0.30 as a result of the revalidation of the 2021 generation data for the San Gabriel and Avion natural gas plants.
WATER USE (ML)	First Gen 2022 Total Water Extraction Total Water Discharge Total Water Consumption	2,831,657.93 2,829,089.47 2,568.46	2,831,654.25 2,829,237.97 2,416.28	The 2022 and 2021 water discharge values of EDC were revised as a result of the process improvements in the data collection that were identified in 2023. The 2022 and 2021 water extraction and water consumption data were adjusted accordingly as a result of the revalidation of the computations affected by the incorporated discharge values for 2022 and 2021.
	EDC 2022 Water Extraction Water Discharge Water Consumption	1,179.38 0.00 1,179.38	1,175.70 148.5 1027.2	
	First Gen 2021 Total Water Extraction Total Water Discharge Total Water Consumption	2,687,508.03 2,684,734.43 2,777.21	2,687,510.09 2,684,929.57 2,584.13	
	EDC 2021 Water Extraction Water Discharge Water Consumption	1,548.02 0.00 1,548.02	1,550.08 195.14 1,354.94	

FGEN 2023 Integrated Report *Internal Review*



UNIVERSITY OF ASIA AND THE PACIFIC
CENTER FOR SOCIAL RESPONSIBILITY

Third-Party Statement on the Internal Review of the First Gen Corporation 2023 Integrated Report

The University of Asia and the Pacific - Center for Social Responsibility (UA&P-CSR) conducted an internal review of First Gen Corporation's (FGEN) 2023 Integrated Report (IR). UA&P-CSR is a competent and independent practitioner of the International Integrated Reporting <IR> Framework. Through its expertise, it provides valuable technical assistance and content development on sustainability and integrated reporting for several publicly-listed companies in the Philippines. As a result, it has earned the trust and preference of various organizations, establishing itself as a partner-of-choice in the field.

Purpose of the Internal Review

UA&P-CSR's internal review of FGEN's 2023 IR aims to assess the quality and alignment of the report with the guidelines provided by the <IR> Framework. This ensures that both the reporting process and the Integrated Report (IR) itself undergo internal quality control processes and compliance checks. Additionally, we examined the report's alignment with other international reporting standards of institutions such as the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI).

Guided by the <IR> Framework to streamline corporate reporting, an IR serves as a strategic communication tool for organizations. It allows them to articulate their strategy, governance, performance, and outlook within their external environment, including existing and potential risks and opportunities, while highlighting how these elements contribute to value creation or preservation over time.

Methodology: UA&P <IR> Practitioners Scorecard

To evaluate FGEN's IR, we have developed the UA&P <IR> Practitioners Scorecard, which contains indicators assessing the report's alignment with the requirements of the <IR> Framework's Content Elements and Guiding Principles (see Figure 1). The scorecard also includes indicators used to evaluate how well the report disclosures align with the relevant and latest versions of the SASB Standards and the GRI Standards.

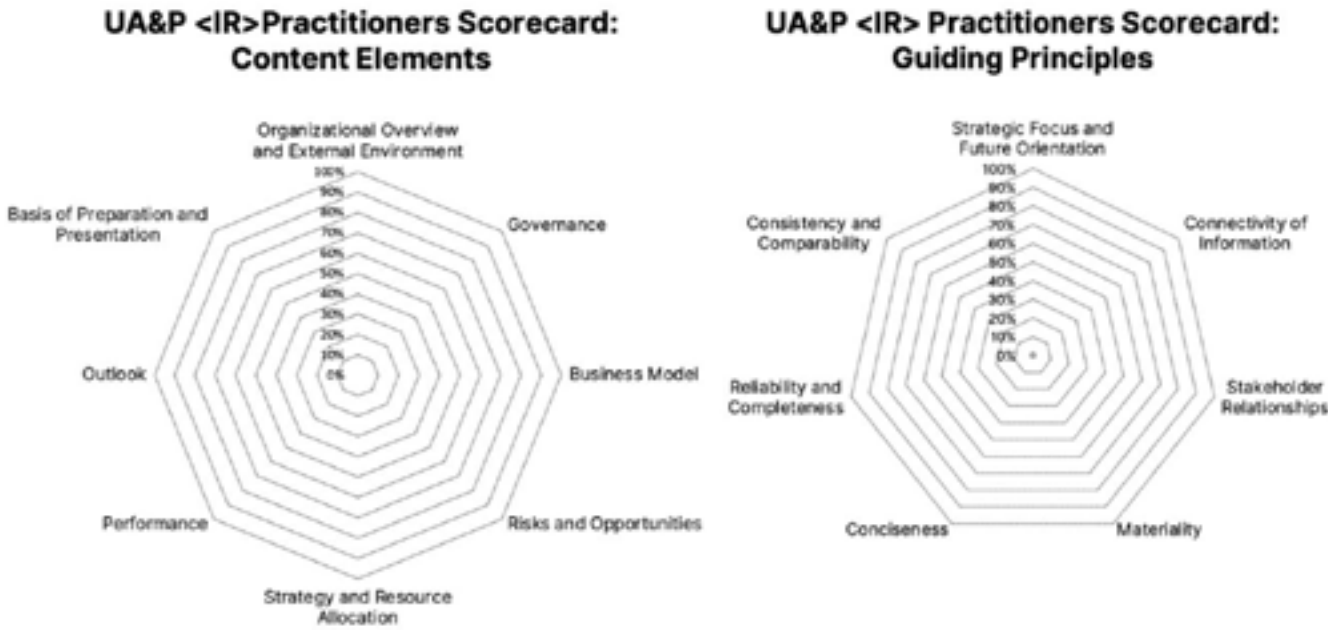


Figure 1. UA&P <IR> Practitioners Scorecard: Content Elements and Guiding Principles

Following the <IR> Framework, the UA&P <IR> Practitioners Scorecard primarily aims to provide FGEN with recommendations to further improve its discussion on the <IR> Content Elements and integrate the <IR> Guiding Principles throughout the IR. Specifically, UA&P-CSR reviewed the report both quantitatively, using percentage scores, and qualitatively, drawing on the leading practices of global companies’ IRs recognized by the International Integrated Reporting Council (IIRC), including some icon companies of FGEN.

In this regard, UA&P-CSR provided two feedback reports for FGEN’s two submitted drafts on February 8 and March 21, 2024, respectively. The feedback report contained scores, observations, and recommendations for each <IR> Content Element and <IR> Guiding Principle. However, it is pivotal to emphasize that the scorecard does not establish benchmarks for these elements, and the recommendations should not be considered as “investment grade” information.

Findings and Recommendations: *Evaluating the Alignment of FGEN’s 2023 IR with the <IR> Framework*

FGEN’s significant strides in its integrated reporting journey underscore how alignment with the <IR> Framework, particularly the <IR> Content Elements and Guiding Principles, has strengthened its disclosure practices, thereby fostering long-term value for the Company and its pentad stakeholders. In the latest 2023 IR draft submitted on March 21, 2024, FGEN demonstrates exemplary performance across various aspects of the report, showcasing a strong commitment to transparency while advancing its mission of regeneration and decarbonization.

The Company has made notable progress in discussing various <IR> Content Elements in the report. In this reporting cycle, FGEN introduced its Integrated Management Framework, which guides the structure of the IR to address the core elements of value creation. This framework ensures that corporate function and ESG matters are fully integrated into the Company’s operations.

Notably, within the organizational overview and external environment section, FGEN goes beyond a cursory glance at its operations. Instead, it crafts a narrative that delves deep into its organizational profile, operations, and market positioning. The comprehensive discussion of key external factors influencing its operations demonstrates a keen awareness of the broader business landscape, including the quality, availability, and affordability of capitals required by the Company. Moreover, FGEN’s governance practices exemplify a commitment to consistent regulatory compliance and ethical conduct. Through a detailed overview of its governance structure, the report highlights the active involvement of governance bodies in shaping the Company’s strategic direction and addressing material issues.

The report also emphasizes that FGEN’s value creation diagram is not static but dynamic, portraying its ongoing value creation process. By presenting a clear overview of inputs, activities, outputs, and outcomes, alongside an analysis of stakeholder impacts, FGEN provides insight into its business operations and the value it delivers to stakeholders. Furthermore, the discussion on risks and opportunities reveals a proactive approach to risk management, including climate-related risks, and outlines the Company’s approach to capitalizing on opportunities in a rapidly evolving business landscape.

In terms of strategy and resource allocation, FGEN demonstrates an effective implementation of its strategy to transform its capitals into valuable outcomes. Moreover, the report lays out a clear roadmap for decarbonization efforts, supported by strategic objectives and resource allocation plans spanning short, medium, and long terms. This strategic clarity is further reinforced by a discussion of the Company’s competitive advantages, indicating a deep understanding of its market positioning.

While the 2023 IR draft is commendable in many respects, there are areas where enhancements could further improve the quality and effectiveness of the report. One such area is the inclusion of quantitative targets in the Strategy and Resource Allocation and Performance sections. While the Company effectively describes its current performance across various capitals, specific quantitative targets would offer stakeholders a clearer understanding of the Company’s progress over time. Additionally, FGEN could benefit from revisiting its data presentation methods to ensure precision and clarity. Strengthening representations in graphs and figures would enhance the overall readability and impact of the report, making it easier for stakeholders to grasp key insights. Furthermore, the Company should ensure the completion of all sections and maintain consistency in the presentation of information to further enhance the overall reliability and completeness of the report.

By addressing these areas for improvement, FGEN can enhance its reporting practices and solidify its position as a leader in sustainability and corporate transparency. Moreover, it will help the Company further align its report with the <IR> Framework while strengthening its strategies and processes to attain targets, mitigate risks, capture opportunities, and contribute to the achievement of the United Nations Sustainable Development Goals (UN SDGs).

Overall, FGEN’s 2023 IR draft stands out for its comprehensive coverage, strategic insight, and commitment to stakeholder engagement. It not only aligns with the requirements of the <IR> Framework but also provides a holistic view of the Company’s operations and its impact on society and the environment in delivering long-term value.

In this regard, the improvements of FGEN in meeting the requirements and guidelines of the <IR> Framework can be seen in Figure 2. Specifically, UA&P-CSR’s detailed findings and recommendations for each <IR> Content

Element and Guiding Principle, based on the final IR draft submitted by the Company on March 21, 2024, can be found in Tables 1 and 2, respectively.

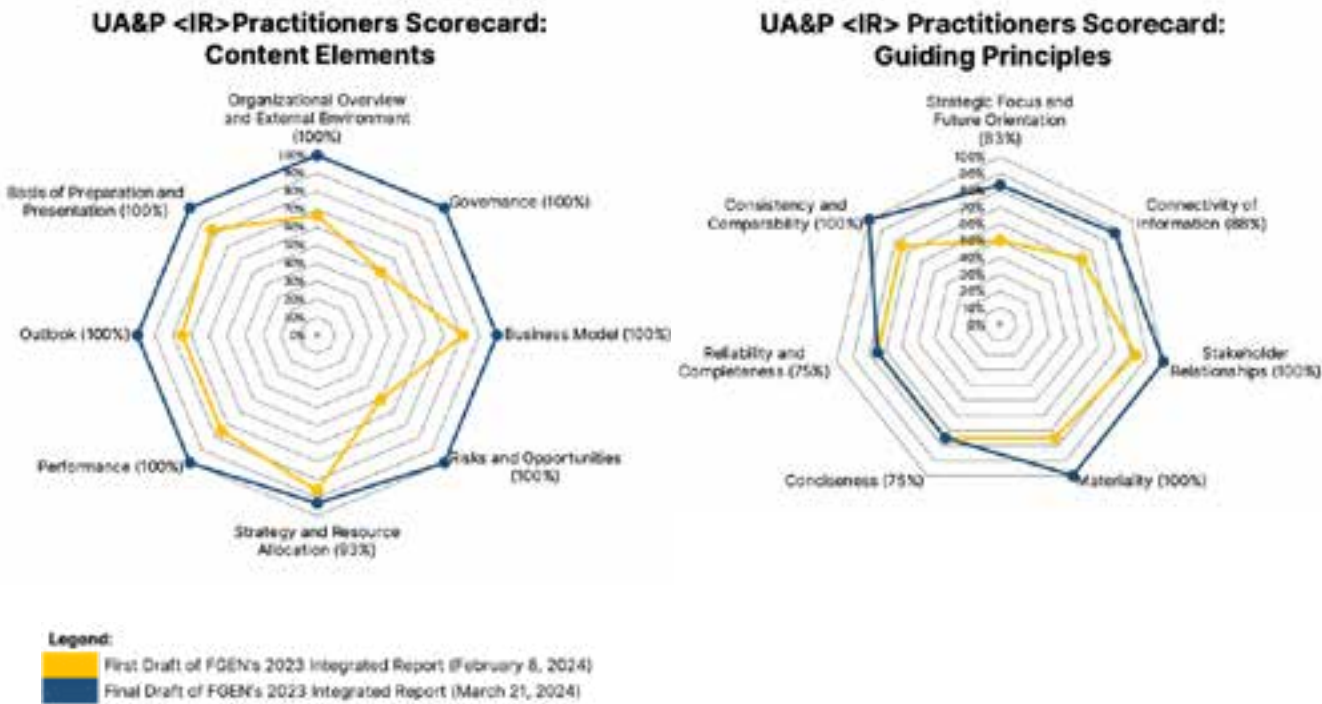


Figure 2. Summary of Scores of the <IR> Content Elements and Guiding Principles of FGEN's 2023 IR

Table 1. Assessment of the <IR> Content Elements of FGEN's 2023 IR (March 21, 2024 version)

<IR> Content Elements	Findings and Recommendations
Organizational Overview and External Environment	FGEN has provided context regarding its organizational overview by presenting its Company profile, operations, 2023 highlights and milestones, as well as its market positioning. Additionally, further context regarding its operations was presented through the discussion of key external factors that may directly and indirectly influence them, including the quality, availability, and affordability of capital required by FGEN. These factors were discussed along with background information and their implications for the Company, including how it responds to them.
Governance	The Company provided a comprehensive overview of its governance structure and practices, outlining the functions of the Board Committees and reflecting the active involvement of those charged with governance in shaping the organization's strategic direction and addressing material issues. The report effectively outlined FGEN's commitment to regulatory compliance and the Lopez Values, accompanied by a detailed discussion of governance policies aimed at monitoring organizational culture aligned with the <IR> capitals. It also discussed the Company's three-fold compensation philosophy, which guides compensation decisions and aims to contribute to long-term business success.
Business Model	FGEN's value creation diagram presented the following key elements of the business model: inputs, business activities, outputs, and outcomes. It also included an overview of other <IR> Content Elements, including Strategy, External Environment, Risks and Opportunities, Outlook, and Performance. Regarding the inputs, it provided information on the availability, quality, and affordability of the Company's capitals. Moreover, the section on Outcomes showed whether value is created, preserved, or eroded, as well as identified the stakeholders affected and the value creation timeline for each capital.
Risks and Opportunities	The Company presented a comprehensive discussion of its key risks and opportunities by providing insights into its risk management process, context, and other supporting information on its identified risks and opportunities. Additionally, it included discussions on managing FGEN's climate-related risks and its overall approach to Business Continuity Management to address crises and emergency situations. These discussions outlined how the Company is equipped to mitigate current or potential risks and capitalize on opportunities.

Strategy and Resource Allocation	FGEN provided a clear discussion of its strategy regarding decarbonization and regenerative efforts. It presented plans spanning the short, medium, and long term, all guided by its mission and purpose. These strategic objectives are supported by discussions on resource allocation plans, target outcomes, and initiatives. Moreover, it explained its approaches to continuously developing and refining its strategies. Highlighting its competitive advantage, the Company also discussed capabilities that will enable it to thrive in a dynamic business environment. In the next reporting period, FGEN should further strengthen its target outcomes by including quantitative targets to measure progress over time.
Performance	The Company was able to effectively describe its current level of performance quantitatively and qualitatively across all capitals as the basis for assessing its progress in delivering management’s strategic targets and creating value for the Company itself and its pentad stakeholders. To ensure precision in data presentation in the report, FGEN should simply revisit its graphs and figures and strengthen their representations.
Outlook	FGEN included a time horizon and icons representing impacted capitals. It clearly outlined short-, medium-, and long-term key themes, along with their implications and opportunities. The Company also provided detailed discussions on each theme. Moreover, under its Strategic Positioning section, FGEN shared strategic objectives and a long-term vision. Additionally, it outlined specific timelines for its decarbonization roadmap plans and goals, spanning from 2024 to 2030.
Basis of Preparation and Presentation	FGEN summarized its materiality determination process, reporting boundary, and frameworks used to effectively quantify and evaluate its material topics in 2023. In addition to a thorough discussion of the topics through its indicators, FGEN was also able to determine the current impact of its material topics on the Company’s value creation and presented key information such as the timeframe of impact and its link to other <IR> Content Elements such as Strategy and Outlook.

Table 2. Assessment of the <IR> Guiding Principles of FGEN’s 2023 IR (March 21, 2024 version)

<IR> Guiding Principles	Findings and Recommendations
Strategic Focus and Future Orientation	FGEN’s strategy was integrated into various sections of the report, including the Value Creation Approach, Risks and Opportunities, Outlook, Progress on the Mission, and 2023 Materiality Determination Process. It also reported on the progress made in 2023 in relation to its strategy. Additionally, the report discussed how its strategy guides the Company in responding to internal and external issues and challenges, thus preparing it to respond better in the future. In the final report, FGEN should include the Chairman’s and President’s Messages, providing insight into the leadership’s commitment to achieving its mission and strategic objectives, including its future direction.
Connectivity of Information	Overall, FGEN has established its holistic value creation story through the outline and logical structure of the report, particularly in the flow of discussion. Its approach of presenting its past-to-present performance (e.g., quantitative data over a three-year period) aligns with its previous practice in previous IRs to illustrate how it creates value over time. Moving forward, the Company should ensure the completion of all presented data, key messages from company leaders, and consistency in the information presented to further emphasize the interconnectedness within the report.
Stakeholder Relationships	The Company’s commitment to a decarbonized energy system is emphasized in the report by outlining stakeholder-focused strategies. Specifically, FGEN detailed its stakeholders’ roles and outlined steps for engagement with local/host communities through a table in the Social and Relationship Capital section. Additionally, it identified and explained its target stakeholders for strategic objectives by utilizing icons and providing a separate column in the presented table. Meanwhile, its Stakeholder Relationships are further demonstrated in other sections and processes in developing the report. When identifying material ESG topics, it prioritized stakeholders and incorporated time horizons for operational impacts. Notably, the “Strategic Objectives and Long-Term Vision” section outlined target stakeholders and time horizons.
Materiality	FGEN presented a thorough materiality determination process, utilizing a Double Materiality Assessment that resulted in the identification of 32 material topics. The report effectively synthesized these topics into a table, organizing them into Environmental, Social, and Governance (ESG) categories, and provided insights into the timeframe of impact on value creation. Notably, as an enhancement from their previous IR, the summary table now incorporates descriptions of the current impact of each material topic on FGEN’s value creation. Additionally, the report includes a Content Index that aligns material ESG topics with various sustainability reporting standards and frameworks, along with indicated page numbers referencing relevant discussions.

Conciseness	Throughout the report, FGEN demonstrated conciseness by using plain language while providing sufficient context for the presented data. It also employed infographics to enhance readability and comprehension for the readers. In the final report, the Company should ensure to complete all sections including cross-references to limit the repetition of information.
Reliability and Completeness	FGEN showcased a balanced way of reporting its performance across all capitals and material topics by including both increases and decreases in impact on the Company's value creation. To further reinforce the reliability and completeness of the overall report, the remaining sections, such as the Third-Party Review Statement and key messages from the Chairman and the President, may need to be completed as soon as the information becomes available.
Consistency and Comparability	FGEN presented its quantitative and qualitative data in comparison to its industry peers by using key performance indicators (KPIs) and industry information as a baseline. In ensuring consistency, the Company revisited its material topics from the 2022 IR and stated any changes and additional material topics in the 2023 IR.

Overview of Expert's Insights

FGEN has seamlessly adopted the <IR> Framework as the overall framework for reporting its vision, environmental assessments, value creation model, strategy, performance, and outcome metrics. To clearly articulate these disclosures, FGEN's IR also incorporates materiality assessment and appropriate disclosure standards, such as the GRI Standards (including the G4 Electric Utilities Sector Disclosure), SASB Standards, Task Force on Climate-related Financial Disclosures (TCFD), United Nations Guiding Principles on Business and Human Rights (UNGP-BHR), and UN SDGs. The report is forward-looking in its disclosures, adopting measures before the anticipated enforcement of the Securities and Exchange Commission's form called the SEC Sustainability Reporting Form (SuRe Form) in 2024. Introduced in October 2023, the SuRe Form is designed to incorporate the principles of the International Financial Reporting Standards (IFRS) S1 (proposal for listed companies to comply with sustainability-related financial information) or the International Financial Reporting Standards S2 in the annual reports.

The 2023 IR reiterated FGEN's commitment to decarbonize and regenerate the environment through collaborative partnerships. This commitment is in response, among other factors, to the Philippines' vulnerability to climate risks, despite the country's low contribution to global emissions. Unlike in its 2022 IR, FGEN's 2023 IR clearly articulates a growth path and what the Company aims to achieve through and with it – increasing capacity by 13GW while working with partners to pursue decarbonization efforts, enabling organizational capabilities to support these initiatives, and generating systems value for its stakeholders.

The balanced discussion and appreciation of both opportunities (e.g., green energy solutions and market and stakeholder preferences for the Company's renewable energy, and its pursuit of ESG principles and practices) and risks (e.g., expiring power contracts amidst market fluctuations, the National Grid Corporation of the Philippines' serious project delays) facing the Company, including the probability and degree of their impacts, particularly on FGEN's operations, stakeholders, and capitals, provide readers with a strong impression of the Company's vigilant stance to capitalize on these opportunities and mitigate these risks, respectively.

As elaborated in the report, the Company is highly aware of the need for a transition mechanism to ensure energy security for the growing economy, amidst the national thrust towards tapping into renewable energy sources to meet energy requirements. With gas in the Malampaya field drying out, sourcing of liquefied natural gas (LNG) to fire the existing gas-fired power plants has become a critical source of low-carbon energy supply baseload. Plans to pursue growth via digitization, hydrogen, and other nature-based solutions are being considered as well, but nothing concrete has yet been discussed in the report.

In the next reporting cycle, FGEN may consider including in its disclosures the following:

- Discussing greening its LNG supply chain, given that it has evolved and will further evolve as a primary resource. Financing will become a major consideration with its ambitious but viable plan to increase generation capacity by 13 GW.
- Highlighting the opportunities that FGEN's green financing needs offer investors in search of such investments. Digitization is a primary thrust towards innovation and decarbonization.
- Explaining how it will adopt artificial technology (AI) to accelerate efforts to discover avenues for regeneration.
- Identifying other possible partners that it can work with in its determination to regenerate and contribute beyond carbon neutrality since collaborative co-evolving partnerships like energy consumers that prefer renewable energy are important.

Overall, FGEN's 2023 IR paints a complete picture of how the Company sees itself now and in the future, enlightened by its mission of decarbonization and regeneration, thus giving assurance to readers, especially primary stakeholders, that their interests are always taken into consideration.

03 April 2024
University of Asia and the Pacific
Center for Social Responsibility

Disclaimer:

The UA&P-CSR review team has the necessary competencies and qualifications to maintain independence during the review process. While their assessment report and review of FGEN’s IR may yield positive outcomes, it should be noted that this engagement does not result in an assurance engagement. The review team only provides professional findings and does not express any assurance. Additionally, it is important to clarify that the views expressed by the review team are their own and may not necessarily reflect the views of UA&P-CSR.

As undersigned, we have conducted a thorough review of First Gen Corporation’s 2023 Integrated Report, as well as the relevant information provided by the management. To fulfill our vetting engagement, we conducted appropriate procedures to determine whether the information presented in the IR is fairly stated, in all material respects, in alignment with the International <IR> Framework.

Our responsibility is to express a conclusion based on our engagement. After careful evaluation, we are pleased to report that in our opinion, the information presented in FGEN’s 2023 IR is fairly stated in material respects, in alignment with the International <IR> Framework.



Dr. Winston Conrad Padojinog is the President of the University of Asia and the Pacific (UA&P) and a professor of industrial economics and strategic management. Concurrently, he also serves as the President of the Center for Research and Communication Foundation, Inc. – the research and communication arm of UA&P that aims to promote inclusive growth and development. As an expert in the fields of industry dynamics, strategic management, finance, and business sustainability he has externally assured the sustainability reports of various companies in the Philippines in partnership with the UA&P Center for Social Responsibility. Also, he sits on the board of non-government organizations that promote good governance and education for the less privileged including CSR Philippines, Center of Excellence in Governance, the Institute of Solidarity in Asia, the Institute of Corporate Director, Center for Family Governance and Center for School Governance, and the Jose Jon Tiamsuy Foundation that extends scholarships to deserving students in Iloilo City. He also serves as policy advisor to several industry associations in the country such as Subdivision and Housing Developers Association (SHDA), Organization of Socialized and Economic Housing Developers of the Philippines (OSHDP), the National Real Estate Association, Inc. (NREA), Semiconductor and Electronics Industries of the Philippines (SEIPI), Philippine Franchise Association (PFA), and the Philippine Retailers Association (PRA).

Dr. Winston Conrad Padojinog
President, University of Asia and the Pacific


Lindsay Anne Estacio
Reana Aliah Dolor
Ernest Marc Castillo

Mr. Colin Legarde Hubo is a global ambassador for the International Integrated Reporting Council (IIRC-London) which is now also part of the International Financial Reporting Standards (IFRS). He was also an elected stakeholder council member of the Global Reporting Initiative (GRI Amsterdam) for six years and currently a member of the consultative group of the United Nations Commission on Trade and Development (UNCTAD) Regional Partnership for Sustainability Reporting in Asia. In the Philippines, he sits as an independent trustee of Petron Foundation and acts as the sustainability and ESG advisor of several conglomerates including GT Capital Holdings, Inc., First Philippine Holdings Corporation, SM Prime Holdings, Inc., DMCI Holdings, Inc., San Miguel Global Power, Petron Corporation, First Gen Corporation, Energy Development Corporation, and multiple mining and energy companies.

In 2022, Diligent (New York) recognized him as an ESG, Diversity, and Climate Trailblazer and featured him in the Modern Governance 100 list. Colin initiated the UA&P Applied Sustainability Management in Asia Pacific (ASMAP) executive program which has been accredited by the Philippine Securities and Exchange Commission (SEC). Colin holds a Business Economics Certificate from UA&P’s Strategic Business Economics Program (SBEP) and completed the Wharton Executive Education for Leadership and Management. He was also Fleishman fellow at Duke University and has worked with IFC-World Bank, Control Risks Group, French Development Agency, and the UK Embassy in Manila.

Mr. Colin Legarde Hubo
*Global Ambassador, International Integrated Reporting Council
Former Stakeholder Council Member, Global Reporting Initiative
Certified Specialist, Task Force on Climate-related Financial Disclosures*


Francesca Louise Cabugoy
Alliah Leona Tan

*GRI Standards and <IR> Framework Practitioners
TCFD-certified Specialists
UA&P Center for Social Responsibility*

Content Index

<IR>: Integrated Reporting Framework
GRI: Global Reporting Initiative Standards for Sustainability Reporting
SASB: Sustainability Accounting Standards Board - Infrastructure Sector – Electric Utilities & Power Generators
TCFD: Task Force on Climate-related Financial Disclosures
UNGP-BHR: United Nations’ Guiding Principles on Business and Human Rights
UN SDG : United Nations Sustainable Development Goals

STATEMENT OF USE: First Gen Corporation has reported the information cited in this GRI content index for the period from 1 January to 31 December 2023 with reference to the GRI Standards.

GRI USED: GRI 1: Foundation 2021

MATERIAL TOPICS	DEFINITION	<IR>	GRI	SASB	TCFD	UNGP-BHR	UN SDG	PAGE/S
ENVIRONMENT								
Materials	Inputs used to manufacture and package an organization’s products and services can be non-renewable materials, such as minerals, metals, oil, gas, or coal; or renewable materials, such as wood or water. Both renewable and non-renewable materials can be composed of virgin or recycled input materials.	Natural Capital	301-1: Total weight or volume of materials that are used to produce and package the organization’s primary products and services by: i. non-renewable materials used; ii. renewable materials used	-	-	-	SDG 8 Target 8.4	196, 206
Energy	Refers to how an organization can consume energy in various forms, such as fuel, electricity, heating, cooling or steam. Energy can be self-generated or purchased from external sources and it can come from renewable sources (such as wind, hydro or solar) or from non-renewable sources (such as coal, petroleum or natural gas).	Natural Capital	302-1: Energy consumption within the organization 302-4: Reduction of energy consumption EU11: Average generation efficiency	-	-	-	SDG 7 Target 7.2 SDG 8 Target 8.4 SDG 13 Target 13.1	113, 177 to 179, 204 to 206
Water and Effluents	Refers to the amount of water withdrawn and consumed by an organization and the quality of its discharges can impact the functioning of the ecosystem in numerous ways. Direct impacts on a catchment can have wider impacts on the quality of life in an area, including social and economic consequences for local communities and indigenous peoples.	Natural Capital	303-1: Interactions with water as a shared resource 303-2: Management of water discharge-related impacts 303-3: Water withdrawal 303-4: Water discharge 303-5: Water consumption	Water Management IF-EU-140a.1 IF-EU-140a.2 IF-EU-140a.3	-	-	SDG 6 Target 6.3 SDG 8 Target 8.4	178 to 183, 204, 206, 254 to 255
Emissions	Emissions into air, which are the discharge of substances from a source into the atmosphere. Types of emissions include: greenhouse gas (GHG), ozone-depleting substances (ODS), and nitrogen oxides (NOx) and sulfur oxides (SOx), among other significant air	Natural Capital	305-1: Direct greenhouse gas (GHG) emissions (Scope 1) 305-2: Indirect greenhouse gas (GHG) emissions (Scope 2) 305-3: Other indirect greenhouse gas (GHG) emissions (Scope 3) 305-4: Greenhouse gas (GHG) emissions intensity 305-5: Reduction of GHG emissions 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Greenhouse Gas Emissions & Energy Resource Planning IF-EU-110a.1 IF-EU-120a.1	Governance Risk Management Metrics and Targets	-	SDG 7 Target 7.1, 7.2 SDG 13 Target 13.1	90 to 95, 171 to 177, 204 to 205, 254

MATERIAL TOPICS	DEFINITION	<IR>	GRI	SASB	TCFD	UNGP-BHR	UN SDG	PAGE/S
Waste	Generated in the organization's own activities, for example, during the production of its products and delivery of services. It can also be generated by entities upstream and downstream in the organization's value chain, for example, when suppliers process materials that are later used or procured by the organization, or when consumers use the services or discard the products that the organization sells to them. Waste can have significant negative impacts on the environment and human health when inadequately managed. These impacts often extend beyond locations where waste is generated and discarded. The resources and materials contained in waste that is incinerated or land filled are lost to future use, which accelerates their depletion.	Natural Capital	306-2: Management of significant waste-related impacts 306-3: Waste generated 306-4: Waste diverted from disposal 306-5: Waste directed to disposal	-	-	-	SDG 6 Target 6.3 SDG 12 Target 12.5 SDG 15 Target 15.1, 15.5	183 to 185, 204 to 206
Climate Action	Refers to stepped-up efforts to reduce greenhouse gas emissions and strengthen resilience and adaptive capacity to climate-induced impacts, including: climate-related hazards in all countries; integrating climate change measures into national policies, strategies and planning; and improving education, awareness-raising and human and institutional capacity with respect to climate change mitigation, adaptation, impact reduction and early warning	Natural Capital Risks and Opportunities Human Capital Financial Capital	2-22: Statement on sustainable development strategy 201-2: Financial implications and other risks and opportunities due to climate change	Greenhouse Gas Emissions & Energy Resource Planning IF-EU-110a.3	Risk Management Strategy Governance	-	SDG 13 Target 13.1	90 to 95, 122, 205, 254
Environmental Compliance	Refers to an organization's compliance with environmental laws and/or regulations. This includes compliance with international declarations, conventions and treaties, as well as national, sub-national, regional, and local regulations	Natural Capital	2-27: Compliance with laws and regulations	-	Strategy	-	SDG Target 16.3	170, 179, 181, 183 to 185, 207
Biodiversity	Protecting biological diversity is important for ensuring the survival of plant and animal species, genetic diversity, and natural ecosystems. In addition, natural ecosystems provide clean water and air, and contribute to food security and human health. Biodiversity also contributes directly to local livelihoods, making it essential for achieving poverty reduction, and thus, sustainable development.	Natural Capital	304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas 304-3: Habitats protected or restored 304-4: Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	-	-	-	SDG 15 Target 15.1, 15.5	187 to 190, 206

MATERIAL TOPICS	DEFINITION	<IR>	GRI	SASB	TCFD	UNGP-BHR	UN SDG	PAGE/S
SOCIAL								
Employment	Refers to an organization's approach to employment or job creation, that is, an organization's approach to hiring, recruitment, retention and related practices, and the working conditions it provides. It also covers the employment and working conditions in an organization's supply chain.	Human Capital	2-7: Employees 401-1: Total number and rates of new employee hires and employee turnover by age group, gender and region 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	-	-	Human Rights Training	SDG 8 Target 8.5, SDG 10 Target 10.3	130 to 133, 135, 149, 206 to 207
Labor / Management Relations	Refers to an organization's consultative practices with employees and their representatives, including its approach to communicating significant operational changes	Human Capital	402-1 Minimum notice periods regarding operational changes	-	-	-	SDG 8 Target 8.8	141, 206
Occupational Safety & Health	Healthy and safe work conditions involve both prevention of physical and mental harm, and promotion of workers' health. Prevention of harm and promotion of health require an organization to demonstrate commitment to workers' health and safety. They also require the organization to engage workers in the development, implementation, and performance evaluation of an occupational health and safety policy, management system and programs that are appropriate to the organization's size and activities.	Human Capital Social & Relationship Capital	403-1: Occupational health and safety management system 403-2: Hazard identification, risk assessment, and incident investigation 403-3: Occupational health services 403-4: Worker participation, consultation, and communication on occupational health and safety 403-5: Worker training on occupational health and safety 403-6: Promotion of worker health 403-9: Work-related injuries 403-8: Workers covered by an occupational health and safety management system 403-10: Work-related ill health	Workforce Health & Safety IF-EU-320a.1	-	-	SDG 3 Target 3.8 SDG 8 Target 8.8	57, 136, 140, 142 to 148, 162 to 164, 203, 206, 255
Local Communities	Refers to individuals or groups of individuals living or working in areas that are affected or that could be affected by the organization's activities. The local community can range from those living adjacent to the organization's operations to those living at a distance. An organization's activities and infrastructure can have significant economic, social, cultural, and/or environmental impacts on local communities. Where possible, organizations are expected to anticipate and avoid negative impacts on local communities.	Social & Relationship Capital	204-1: Proportion of spending on local suppliers at significant locations of operation 411-1: Total number of incidents of violations involving rights of indigenous peoples and actions taken 413-1: Percentage of operations with implemented local community engagement, impact assessments, and development programs	-	-	Non discrimination Human rights grievance mechanisms Rights of indigenous people	SDG 2 Target 2.3	57, 153 to 155, 202
Supplier Social Assessment	Impacts the organization either causes or contributes to, or that are directly linked to its activities, products, or services by its relationship with a supplier.	Social & Relationship Capital	403-5: Worker training on occupational health and safety 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships 403-9: Work-related injuries 403-10: Work-related ill health 414-1: New suppliers that were screened using social criteria	-	-	Labor practices and decent work Forced or compulsory labor Child labor Human rights grievance mechanism	SDG 3 Target 3.4 SDG 8 Target 8.8	152, 162 to 164, 202, 206

MATERIAL TOPICS	DEFINITION	<IR>	GRI	SASB	TCFD	UNGP-BHR	UN SDG	PAGE/S
Customer Health and Safety	Refers to an organization's systematic efforts to address health and safety across the life cycle of a product or service, and its adherence to customer health and safety regulations and voluntary codes	Social & Relationship Capital	416-1: Assessment of the health and safety impacts of product and service categories	-	-	-	-	120 to 121
Customer Privacy	Includes losses of customer data and breaches of customer privacy. These can result from non-compliance with existing laws, regulations and/or other voluntary standards regarding the protection of customer privacy	Social & Relationship Capital	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-	-	-	165, 167
Customer Relationships	Refers to managing interactions with previous, current, and potential customers. Companies that manage their customer relations well develop a customer experience strategy that strengthens customer retention and promotes customer acquisition.	Social & Relationship Capital	EU3: Number of residential, industrial, institutional and commercial customer accounts	-	-	-	-	153 to 154, 259
Stakeholder Engagement	Refers to the process through which an organization actively communicates and collaborates with individuals, groups, or entities who have a vested interest or concern in the organization's activities, decisions, or outcomes. It involves seeking input, feedback, and dialogue to better understand and address the needs, expectations, and concerns of these stakeholders	Social & Relationship Capital	2-29: Approach to stakeholder engagement	-	-	Rights of indigenous people Non discrimination Human rights grievance mechanism	SDG 16 Target 16.b	44 to 45, 152 to 153, 155, 207
Power Supply Availability	Refers to the consistent and uninterrupted availability of electrical power or electricity to meet the needs of consumers, businesses, and industries within a specific area or region. It signifies the reliability and stability of the electrical grid or power infrastructure, ensuring that electricity is consistently accessible to users without frequent interruptions, blackouts, or voltage fluctuations	Manufactured Capital	EU30: Average Plant Availability	-	-	-	SDG 7 Target 7.1 SDG 13 Target 13.1	113 to 121, 204 to 205
Human rights	Rights inherent to all human beings, which include, at a minimum, the rights set out in the United Nations (UN) International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work	Human Capital Social & Relationship Capital	2-23: Policy commitment 406-1: Total number of incidents of discrimination and corrective actions taken	-	-	Human rights assessment	SDG 5 Target 5.1 SDG 8 Target 8.8	58 to 59, 140 to 141, 203, 206

MATERIAL TOPICS	DEFINITION	<IR>	GRI	SASB	TCFD	UNGP-BHR	UN SDG	PAGE/S
Training and Education	Refers to an organization's approach to training and upgrading employee skills, and performance and career development reviews. It also includes transition assistance programs to facilitate continued employability, and the management of career endings due to retirement or termination.	Human Capital	404-1: Average hours of training per year per employee by gender, and by employee category 404-2: Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	-	-	-	SDG 8 Target 8.2, 8.5	134 to 136, 139 to 141, 206
Diversity and Equal Opportunity	Refers to an organization's approach to diversity and equal opportunity at work. When an organization actively promotes diversity and equality at work, it can generate significant benefits for both the organization and workers. For example, the organization can gain access to a larger and more diverse set of potential workers. These benefits also flow through to society in general, as greater equality promotes social stability and supports further economic development.	Human Capital	2-7: Employees 405-1: Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity 406-1: Total number of incidents of discrimination and corrective actions taken	-	-	Non discrimination Human rights grievance mechanism	SDG 5 Target 5.1, 5.5 SDG 8 Target 8.5, 8.8	58, 60 to 61, 64, 130 to 132, 138 to 139, 203 to 204, 206

MATERIAL TOPICS	DEFINITION	<IR>	GRI	SASB	TCFD	UNGP-BHR	UN SDG	PAGE/S
GOVERNANCE								
Economic Performance	Includes the economic value generated and distributed (EVG&D) by an organization; its defined benefit plan obligations; the financial assistance it receives from any government; and the financial implications of climate change.	Financial Capital Human Capital	201-1: Direct economic value generated and distributed 201-2 Financial implications and other risks and opportunities due to climate change	-	Risk Management Strategy Governance	-	SDG 13 Target 13.1	90 to 95, 108 to 110, 155, 162, 205 to 206
Market Presence	Refers to an organization's contribution to economic development in the local areas or communities where it operates. For example, this can include the organization's approaches to remuneration or local hiring.	Financial Capital Social & Relationship Capital	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	-	-	-	SDG 5 Target 5.1 SDG 8 Target 8.5	149, 203, 206
Indirect Economic Impacts	Includes the impacts of an organization's infrastructure investments and services supported.	Financial Capital Social & Relationship Capital	203-1 Infrastructure investments and services supported 203-2 Significant indirect economic impacts	-	-	-	SDG 3 Target 3.8 SDG 8 Target 8.5 SDG 9 Target 9.c	153 to 162, 203, 206
Tax	Refers to important sources of government revenue and are central to the fiscal policy and macroeconomic stability of countries. They are acknowledged by the United Nations to play a vital role in achieving the Sustainable Development Goals. They are also a key mechanism by which organizations contribute to the economies of the countries in which they operate. Taxes paid by an organization reflect that profitability depends on many factors external to the organization, including access to workers, markets, public infrastructure and services, natural resources, and a public administration	Financial Capital Social & Relationship Capital	207-1 Approach to tax 207-2 Tax governance, control, and risk management	-	-	-	-	111
Innovation	Refers to the process that an individual or organization undertakes to conceptualize brand new products, processes, and ideas, or to approach existing products, processes, and ideas in new ways.	Intellectual Capital	-	-	-	-	SDG 9 Target 9.c	119 to 121, 166 to 169, 206
Sustainable Finance	Process of taking environmental, social, and governance (ESG) considerations into account when making investment decisions	Financial Capital	-	-	-	-	-	106
Business Ethics and Conduct	Application of ethical values to business behavior	Governance Human Capital	2-22: Statement on sustainable development strategy 2-23: Policy commitment	-	-	-	-	13 to 15, 54 to 60

MATERIAL TOPICS	DEFINITION	<IR>	GRI	SASB	TCFD	UNGP-BHR	UN SDG	PAGE/S
Corporate Governance	Refers to the system of rules, practices and processes by which a company is directed and controlled.	Governance	2-9: Governance structure and composition 2-10: Nomination and selection of the highest governance body 2-11: Chair of the highest governance body 2-12: Role of the highest governance body in overseeing the management of impacts 2-13: Delegation of responsibility for managing impacts 2-14: Role of the highest governance body in sustainability reporting 2-15 Conflicts of interest 2-17: Collective knowledge of the highest governance body 2-18 Evaluation of the performance of the highest governance body 2-19 Remuneration policies 2-20: Process to determine remuneration 2-27: Compliance with laws and regulations	-	Governance	Non discrimination	-	52 to 53, 61 to 64, 216 to 225
Risk Management	Process of identifying, assessing and controlling threats to an organization's capital and earnings.	Governance Human Capital Risks & Opportunities	2-12:Role of the highest governance body in overseeing the management of impacts 2-22: Statement on sustainable development strategy	-	Risk Management	-	-	65 to 68, 78 to 89, 90 to 95
Data Privacy	Branch of data management that deals with handling personal data in compliance with data protection laws, regulations, and general privacy best practices.	Human Capital Governance Intellectual Capital	-	-	-	-	-	147, 167
Anti-corruption/ Bribery	Refers to actions of an organization or its employees that can result in collusion with potential competitors, with the purpose of limiting the effects of market competition. This can include fixing prices or coordinating bids, creating market or output restrictions, imposing geographic quotas, and allocating customers, suppliers, geographic areas, or product lines. It also addresses anti-trust and monopoly practices which are actions of an organization that can result in collusion to erect barriers for entry to the sector, or to otherwise prevent competition. This can include unfair business practices, abuse of market position, cartels, anticompetitive mergers, and price-fixing.	Financial Capital Social & Relationship Capital	205-2 Communication and training about anti-corruption policies and procedures 205-3 Confirmed incidents of corruption and actions taken	-	-	-	SDG 16 Target 16.5	54, 207

SASB Content Index

The following table shows the main indicators required by the Value Reporting Foundation - SASB Standard in relation to the primary sector of reference for First Gen: Infrastructure - “Electric Utilities & Power Generators Sector”. The table shows, where present, the reference to the GRI disclosure with which the disclosure required by SASB was covered as well as references to the pages of the 2023 First Gen Integrated Report

TOPIC	Code	Accounting Metric	2023	2022	2021	GRI Standards
Greenhouse Gas Emissions & Energy Resource Planning	IF-EU-110a.1	(1) Gross global scope 1 emissions (MtCO2eq)	6.97	6.61	5.92	305-1
		(2) Percentage covered under emissions-limiting regulations (%)	Not applicable. The Company is not operating under any emissions limiting or reporting regulation.			
		(3) Percentage covered under emissions-reporting regulations (%)				
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	Not applicable. The Company is not involved in the transmission business.			-
	IF-EU-110a.3	Description of long-term and short-term strategy or plan to manage scope 1 emissions, emission-reduction targets, and an analysis of performance vs. those targets	Refer to pages 76 to 77, 90 to 95, and 122 of the 2023 IR	Refer to page 60 to 65 and 70 to 71 of the 2022 IR	Refer to page 60 and 74 to 77 of the 2021 IR	201-2
Air Quality	IF-EU-120a.1	"Air emissions of the following pollutants: (1) NOx (excluding N2O) [Mt]"	3, 476.49	3,642.30	2,945.30	305-7
		(2) SOx [Mt]	237.40	355.30	623.00	
		(3) Particulate matter (PM10) [Mt]	204.04	147.10	341.70	
		(4) Lead (Pb) [Mt]	0.00	0.00	0.00	
		(5) Mercury (Hg) [Mt]	0.00	0.00	0.00	
		(6) Percentage of each in or near areas of dense population	100%	100.00%	100.00%	-
Water Management	IF-EU-140a.1	(1) Total water withdrawn (Mm3)	2,553.39	2,831.65	2,687.51	303-3a
		(2) Total water consumed (Mm3)	2.15	2.42	2.58	303-5a

TOPIC	Code	Accounting Metric	2023	2022	2021	GRI Standards
Water Management	IF-EU-140a.1	(3) Percentage of each in regions with high or extremely high baseline water stress (%)	0.00%	0.00%	0.00%	303-3b
			0.00%	0.00%	0.00%	303-5b
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	0	0	0	303-2 2-27
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Refer to pages 182 to 183 of the 2023 IR	Refer to page 142 of the 2022 IR	Refer to pages 124 to 126 of the 2021 IR	303-1
“Coal Ash Management”	IF-EU-150a.1	1) Amount of coal combustion residuals (CCR) generated (Mt)	Not applicable. The Company does not own any coal plant.			306-3
		2) Percentage recycled (%)				306-4
	IF-EU-150a.2	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential				-
Energy Affordability	IF-EU-240a.1	Average electric rate for customers	The retail electricity rate is subject to confidentiality.			-
	IF-EU-240a.2	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month				-
	IF-EU-240a.3	1) Number of residential customer electric disconnections for non-payment	Not applicable. The Company is not involved in the distribution business of residential customers.			EU27
		(2) Percentage reconnected within 30 days				-
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory				DMA EU (former EU7) DMA EU (former EU23)
Workforce Health & Safety	IF-EU-320a.1	(1) Total recordable incident rate (TRIR)	0.18	0.14	0.24	403-9
		(2) Fatality rate	0.01	0.00	0.00	
		(3) Near miss frequency rate (NMFR)	0.30	0.46	0.37	

TOPIC	Code	Accounting Metric	2023	2022	2021	GRI Standards
End-Use Efficiency & Demand	IF-EU-420a.1	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	Not Applicable since revenue decoupling and lost revenue adjustment mechanism are not implemented in the Philippines. We have, however, the Energy Efficiency and Conservation Act (Republic Act No 11285) which institutionalizes energy efficiency and conservation, enhance the efficient use of energy, and grant incentives to energy efficiency and conservation projects. First Gen, through Pi Energy Inc., supports the EECA by offering Energy Audits and Remote Energy Monitoring System to its customers to help them identify energy efficiency measures, track consumption, and monitor its facilities' energy performance.			-
	IF-EU-420a.2	Percentage of electric load served by smart grid technology	Not Applicable since First Gen does not offer smart grid technology.			-
	IF-EU-420a.3	Customer electricity savings from efficiency measures, by market (MWh)	Not Applicable since we can only determine the potential MWh savings of the customers			-
"Nuclear Safety & Emergency Management"	IF-EU-540a.1	Total number of nuclear power units, broken down by results of most recent independent safety review	0	0	0	-
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	Not applicable. The Company does not own nuclear power plants.			DMA EU former EU21
Grid Resiliency	IF-EU-550a.1	Number of incidents of non-compliance with physical or cybersecurity standards or regulations	0	0	0	-
Grid Resiliency	IF-EU-550a.2	1) System Average Interruption Duration Index (SAIDI)	Not applicable. The Company is not involved in the distribution business.			EU28
		(2) System Average Interruption Frequency Index (SAIFI)				EU29
		(3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days				-

Code	Accounting Metric	2023	2022	2021	GRI Standards
IF-EU-000.A	Number of customers served: (1) residential	0	0	0	EU3
	(2) commercial				
	(3) industrial				
	(4) all other retail customers	269	263	128	
	(5) whole sale customers	23	28	22	
IF-EU-000.B	Total electricity (MWh) delivered to: (1) residential	21,604,500.00	22,429,400.00	19,808,200.00	-
	(2) commercial				
	3) industrial				
	(4) all other retail customers				
	(5) wholesale customers				
IF-EU-000.C	Length of transmission and distribution lines (km)	Not applicable. The Company is not involved in the transmission and distribution business.			EU 4
IF-EU-000.D	Total electricity generated (MWh)	21,604,500.00	22,429,300.00	19,808,200.00	EU2
	ENERGY SOURCE	% OF TOTAL ENERGY GENERATED			
	Natural Gas	64.45	65.50	62.14	
	Hydro	1.21	1.39	1.62	
	Geothermal	32.59	31.65	34.06	
	Wind	1.69	1.39	2.10	
	Solar	0.07	0.07	0.08	

Acknowledgments

- First Gen Head Office Groups:
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 - Administrative Services
 - Business Development
 - Corporate Social Responsibility
 - Enterprise Risk Management
 - Human Resources
 - Information Technology
 - Integrated Corporate Communications
 - Investor Relations
 - Legal and Regulatory
 - Office of the Chairman and CEO
 - Office of the President and COO
 - Power Marketing, Economics and Trading
 - Procurement
 - Quality Environment Safety and Health
 - Strategy and Planning
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- FGBPC Technical Working Group
- FGCEC Technical Working Group
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