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MESSAGE FROM THE PRESIDENT & CEO

“SRPC recognizes the importance of providing power that does not only support but also uplift people’s lives.”

Since we started reporting our performance in 2011, San Roque Power Corporation (SRPC) has remained strongly committed in pursuing programs and policies for sustainable development. We have since published a Sustainability Roadmap in 2014 along with our second Sustainability Report, *The Power of Water*, which received a commendation for Best Practice in Sustainability Reporting in the Philippines from the National Center for Sustainability Reporting in Jakarta. In this third report, which covers April 2014 to March 2017, we document our efforts in achieving a fair balance among the economic, social, and environmental aspects of our business.

As a generation company, SRPC recognizes the importance of providing power that does not only support but also uplift people’s lives. Thus, in this Sustainability Report, we chose the theme “Sustaining Lives, Empowering the Future.” In this report, we illustrate that, in addition to meeting business objectives and compliance to established operational standards and regulatory requirements, we also generate positive results for the environment, the people within the company, and the community we work in.



Our Operational Targets

We have maintained 100% reliability and 98.57% availability in power generation as we delivered a total of 2,619,325.75 MWh from April 2014 to March 2017.

We have been operating the power plant since 2003 in accordance with the Power Purchase Agreement and providing ancillary services to the National Grid Corporation of the Philippines pursuant to the Ancillary Services Procurement Agreement.

Our Response to the Global Call

The past three years have been punctuated with the formation of landmark sustainability targets for the global community, particularly the United Nations Sustainable Development Goals (SDGs). We have since aligned our corporate social responsibility programs with the SDGs to set and track the potential impact of the programs we can accomplish. It is also a useful supplement to our Roadmap, the key performance indicators of which we have fully completed, with some earlier than planned. This and the Global Reporting Initiative sustainability reporting guidelines ensure that we carry out our initiatives with results that are beneficial to our stakeholders.

Another recent milestone in the sustainability movement is the Paris Climate Accord, a global agreement among nations to pursue efforts that limit global warming to 1.5 °C below pre-industrial levels, to which the Philippines is a signatory. Among the pledges made is a long-term goal of net-zero emissions. As a hydroelectric company, SRPC generates clean or zero greenhouse gas (GHG) power. Our carbon footprint mostly results from company vehicle use, international travel, and fuel for standby generators, which are largely offset by our tree planting programs in the San Roque Watershed. In this regard, we believe that SRPC plays a considerable role in helping our country attain its commitments in the global agreement to address climate change.

As a company that draws power from natural resources, sustainability has become a critical factor with which our stakeholders measure our performance. It is important then to stay up to date with these international sustainability targets and connect them to the multipurpose objectives of the San Roque Multipurpose Project. Thus, we have and will continue to consider the triple bottom line in mind.

Our Community

Our main contribution to the local and national economy is through the payment of taxes. Over the last three years, the Company paid about two billion pesos income and local business taxes. In addition, we complied with the payment under Energy Regulations (ER) 1-94 of financial benefits accruing to the host communities of power-generating projects. For the reporting period, SRPC contributed PHP 25,699,785.60 to the fund and assisted LGUs in availing its benefits.

We continue to provide social assistance to our fence-line communities through the funding of projects on livelihood and enterprise development, education, health care, environmental conservation, and related programs amounting to PHP 28,124,880.20.

It is critical that SRPC goes beyond mere environmental compliance and work to actively improve the ecological conditions of the site we function in. In the last three years, we have planted a total of 136,875 trees in 200 hectares to continuously regenerate the open areas and restore biodiversity in the San Roque Watershed. This is in addition to the 150,164 trees planted in 310 hectares in 2011-2014.

Since the project inception in 2011, a total of 287,039 seedlings were planted in 510 hectares of open areas within the San Roque Watershed.

We have also extended our partnerships with organizations that deal directly with biodiversity conservation, including the Philippine Eagle Foundation.



Our Employees

We continued our Voice Out sessions with the President to nurture and encourage dynamic interaction within the organization. Positive dialogues between management and the employees at all levels make SRPC a productive workplace. Among the outcomes of the Voice Out sessions include the lowered interest rate on Provident Fund loans from 6% to 4.5%; improvement of the Annual Physical Examination of managers to Executive Check-up; utilization of dental and optical benefit for medicine reimbursement; and the increase of educational loan from PHP 20,000.00 to PHP 40,000.00 per child.

Our Compliance System

Good corporate governance is a cardinal goal for Marubeni Corporation and Kansai Electric Power Company Ltd. Integrity is also a Core Value of SRPC. The Company demonstrates this by adhering to the best ethical standards. For this reporting period, we further strengthened our corporate ethics policy with the creation in 2015 of the Corporate Compliance Department, headed by a Vice President. We then released an updated Compliance Manual the year after, which promotes integrity at all levels within SRPC. The Manual introduced compliance access points that include Door of Courage and Anti-Corruption Hotline for general compliance matters. The Company strictly implements the Compliance Manual to promote a culture of high ethical practice in all aspects of business operations.

Our Enduring Commitment to Sustainability

The San Roque Multipurpose Project by definition fulfills manifold objectives— farmland irrigation, generation of clean and reliable peaking energy, flood attenuation, and water quality improvement—that touch upon multiple facets of the development aspirations of the immediate community and the nation as a whole. It is then imperative that SRPC functions in the most sustainable manner as possible, especially as the country's energy demands continue to grow.

Thus, when I assumed leadership of the Company in 2015, I made sure that our sustainability commitment endures and is executed rigorously, considering the high standards and significant targets we have set. I am proud of SRPC's sustainability performance for the past three years, which our employees and partners have achieved. We publish this report to serve as a document on how much we have progressed. It also serves as an inspiration to advance our sustainability practices, which is consistent to our overall vision of producing power that energizes lives.



Kenshi Iseri

ABOUT THE REPORT

San Roque Power Corporation has kept apace in implementing its sustainability objectives since it released its first Sustainability Report in 2011. Two years later, in addition to the second Report, SRPC also published its Sustainability Roadmap, that disclosed plans to further improve its approaches in economic, environmental, and social responsibility. This Sustainability Report, SRPC's third, demonstrates how far the Company has fared and covers April 2014 to March 2017 sustainability performance.

The previous Sustainability Report was prepared in accordance with the Global Reporting Initiative (GRI) G4 sustainability reporting guidelines following the comprehensive in-accordance option and the Electric Utilities Sector Disclosures (EUSD). This Sustainability Report adheres to the GRI Standards released by GRI in October 2016. It also observes the “in accordance - comprehensive” option set by the GRI Standards and the EUSD. The Report only covers the power generation component of the San Roque Multipurpose Project (SRMP). The other features—irrigation, flood attenuation, and water quality improvement—which are within the purview of government agencies are presented without additional details in the Features of the SRMP section. The Report also discusses SRPC's Project *RANG-AY* which is implemented by the San Roque Power Foundation, Inc. (SRPFI).

The University of Asia and the Pacific–Center for Social Responsibility (UA&P-CSR) assisted SRPC with the technical aspects of this Report.

Materiality

SRPC assessed the significance of certain sustainability issues to the business in order to determine overall materiality. The University of Asia and the Pacific–Center for Social Responsibility crafted a survey questionnaire administered to the functional groups and stakeholders of the Company through a stakeholder consultation. The survey questionnaire identified which GRI Standards Disclosure may or may not be material to the Company and measured the extent of impact and influence of a disclosure to the stakeholder and the amount of influence the stakeholder has on a particular disclosure. The results were then mapped out to show the indicators with high impact and high influence on functional groups' and stakeholders' assessment and decisions and the significance of economic, environmental, and social impacts. The scores of the disclosures represent the mean of the scores answered by the respondents. Indicators with an average score of two and above were considered material. All indicators under the Electric Utilities Sector Disclosures were considered material by the respondents. Among the many economic, environmental, and social indicators considered, the following were deemed material for the Report:



ECONOMIC

- 201-1 Direct economic value generated and distributed
- 201-2 Financial implications and other risks and opportunities due to climate change
- 201-3 Defined benefit plan obligations and other retirement plans
- 201-4 Financial assistance received from the government
- 202-1 Ratios of standard entry level wage by gender compared to local minimum wage
- 202-2 Proportion of senior management hired from the local community
- 203-1 Infrastructure investments and services supported
- 203-2 Significant indirect economic impacts
- 204-1 Proportion of spending on local suppliers
- 205-1 Operations assessed for risks related to corruption
- 205-2 Communication and training about anti-corruption policies and procedures
- 205-3 Confirmed incidents of corruption and actions taken



ENVIRONMENTAL

- 301-1 Materials used by weight or volume
- 301-2 Recycled input materials used
- 301-3 Reclaimed products and their packaging materials
- 302-1 Energy consumption within the organization
- 302-2 Energy consumption outside of the organization
- 302-3 Energy intensity
- 302-4 Reduction of energy consumption
- 302-5 Reductions in energy requirements of products and services
- 303-1 Water withdrawal by source
- 303-2 Water sources significantly affected by withdrawal of water



ENVIRONMENTAL (CONTINUED)

- 303-3 Water recycled and reused
- 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas
- 304-2 Significant impacts of activities, products, and services on biodiversity
- 304-3 Habitats protected or restored
- 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations
- 305-1 Direct (Scope 1) GHG emissions
- 305-2 Energy indirect (Scope 2) GHG emissions
- 305-3 Other indirect (Scope 3) GHG emissions
- 305-4 GHG emissions intensity
- 305-5 Reduction of GHG emissions
- 305-6 Emissions of ozone-depleting substances (ODS)
- 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions
- 306-1 Water discharge by quality and destination
- 306-2 Waste by type and disposal method
- 306-3 Significant spills
- 306-4 Transport of hazardous waste
- 306-5 Water bodies affected by water discharges and/or runoff
- 307-1 Non-compliance with environmental laws and regulations
- 308-1 New suppliers that were screened using environmental criteria
- 308-2 Negative environmental impacts in the supply chain and actions taken



SOCIAL

- 401-1 New employee hires and employee turnover
- 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
- 401-3 Parental leave
- 402-1 Minimum notice periods regarding operational changes
- 403-1 Workers representation in formal joint management-worker health and safety committees
- 403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities
- 403-3 Workers with high incidence or high risk of diseases related to their occupation
- 403-4 Health and safety topics covered in formal agreements with trade unions
- 404-1 Average hours of training per year per employee
- 404-2 Programs for upgrading employee skills and transition assistance programs
- 404-3 Percentage of employees receiving regular performance and career development reviews
- 405-1 Diversity of governance bodies and employees
- 405-2 Ratio of basic salary and remuneration of women to men



SOCIAL (CONTINUED)

- 406-1** Incidents of discrimination and corrective actions taken
- 408-1** Operations and suppliers at significant risk for incidents of child labor
- 409-1** Operations and suppliers at significant risk for incidents of forced or compulsory labor
- 410-1** Security personnel trained in human rights policies or procedures
- 411-1** Incidents of violations involving rights of indigenous peoples
- 412-1** Operations that have been subject to human rights reviews or impact assessments
- 412-2** Employee training on human rights policies or procedures
- 412-3** Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening
- 413-1** Operations with local community engagement, impact assessments, and development programs
- 413-2** Operations with significant actual and potential negative impacts on local communities
- 414-1** New suppliers that were screened using social criteria
- 414-2** Negative social impacts in the supply chain and actions taken
- 416-1** Assessment of the health and safety impacts of product and service categories
- 416-2** Incidents of non-compliance concerning the health and safety impacts of products and services
- 417-1** Requirements for product and service information and labeling
- 417-2** Incidents of non-compliance concerning product and service information and labeling
- 417-3** Incidents of non-compliance concerning marketing communications
- 419-1** Non-compliance with laws and regulations in the social and economic area

Stakeholders

The Technical Working Group (TWG) applied the same approach that was used in the previous report in identifying the Company's stakeholders. The TWG identified and prioritized the stakeholders with the ability to shape the Company's sustainability performance based on the extent of their influence on the Company as well as the Company's operations' effects on them. The Company's stakeholders are:

- **Shareholders**
- **Board of Directors and Officers**
- **Employees**
- **Host or fence-line communities** (resettlement areas, barangay LGUs, municipal LGUs, provincial LGUs, regional LGUs)
- **National Government Agencies** (National Power Corporation, National Irrigation Administration, Power Sector Assets and Liabilities Management Corporation, National Grid Corporation of the Philippines, Philippine Institute of Volcanology and Seismology, Philippine Atmospheric Geophysical and Astronomical Services Administration, Department of Energy, Energy Regulatory Commission, National Water Resources Board, Bureau of Internal Revenue, Board of Investments, Bureau of Customs, Securities and Exchange Commission, Department of Labor and Employment, Department of Science and Technology, Department of Trade and Industry, Department of Environment and Natural Resources, Department of Social Welfare and Development, Philippine National Police, Department of Education, Philippine Council for NGO Certification, National Telecommunications Commission, Social Security System, Home Development Mutual Fund, Philippine Health Insurance Corporation, Bureau of Fire Protection)
- **Private organizations**
- **Foundations**
- **Media**
- **Service providers**
- **Suppliers**

These are the same stakeholders who were consulted by the Company in identifying the GRI Standards disclosures that are material in the preparation of this Report.



COMPANY NAME: San Roque Power Corporation



PRINCIPAL OFFICE:

Barangay San Roque, San Manuel, 2438 Pangasinan

MAKATI ADMINISTRATIVE OFFICE:

36th Floor Tower 1, The Enterprise Center
6766 Ayala Avenue, Makati City



COUNTRY OF OPERATION: Philippines



WEBSITE: www.sanroquepower.ph

EMAIL: gri.twg@sanroquepower.ph



NET ENERGY OUTPUT: 2,619,325.75 MWh



TOTAL WORKFORCE: 97 regular employees
as of March 2017



TOTAL SAFETY MANHOURS: 988,278 man-hours



**TOTAL WATER USED IN
GENERATING ELECTRIC ENERGY:** 6,622.74 MCM



SRPC

AT A GLANCE

The San Roque Power Corporation (SRPC or the Company) operates the power-generating facility of the San Roque Multipurpose Project in accordance with the Power Purchase Agreement with the National Power Corporation (NPC).

SRPC provides the contracted capacity to the National Power Corporation under the Power Purchase Agreement and provides ancillary services to the National Grid Corporation of the Philippines under the Ancillary Services Procurement Agreement.

SRPC is indirectly owned by Marubeni Corporation and Kansai Electric Power Company Ltd. with an equal sharing of 50%. SRPC is a stock corporation incorporated in the Philippines in accordance with the Corporation Code of the Philippines and the Foreign Investments Act of 1991. The Company has been registered with the Philippine Securities and Exchange Commission since October 14, 1997. Its principal office is located in Barangay San Roque, San Manuel, Pangasinan, Philippines.

VISION

*The Power To
Energize Lives*

CORE VALUES

As employees of San Roque Power Corporation, we undertake to be conscious of, and commit ourselves individually and as an organization to our basic values of excellence, dedication, leadership, integrity, teamwork, safety, social responsibility in our work and in everything that we do.

MISSION

To excel in generating electric energy in the safest and most reliable manner, exceed our customers' service expectations, and ensure our long-term productivity and profitability while performing our responsibilities as a good corporate citizen.

We will affirm our reputation for a strong commitment:
To the best and most effective management and operating systems,
For exemplary health, safety and environmentally sound practices,
To the advancement of human resources, and
For an enduring adherence to the highest ethical standards of good corporate citizenship.



Awards

- ★ **2017 Scroll of Honor Award** from Philippine Red Cross
- ★ **2016 Commendation for Best Practice in Sustainability Reporting in the Philippines** from National Center for Sustainability Reporting, Jakarta, Indonesia
- ★ **2015 International Socrates Award in Recognition of SRPC's Professional Achievement in relation to Humanitarian Goals, Environmental Awareness, and Business Innovation** from Europe Business Assembly
- ★ **2015 Award of Merit for achieving 1,568,588 Safe Man-Hours without Lost Time Accident** from Safety Organization of the Philippines, Inc.
- ★ **2015 CSR Excellence Award-Education Category (Reading, Mathematics and Science Proficiency Program)** from People Management Association of the Philippines
- ★ **2015 Multipartite Monitoring Team Best Practices Award in Region I** from Environmental Management Bureau and Pollution Control Association of the Philippines, Inc., Region VII
- ★ **2015 Diploma of Service Award** from Philippine Red Cross Pangasinan Chapter
- ★ **2015 Certificate of Recognition-Sustainable Livelihood Program** from the Department of Social Welfare and Development-Region I
- ★ **2014 Perfect Safety Record Award** from Safety Organization of the Philippines, Inc.
- ★ **2014 Special Recognition-CSR in the Community** from the Sustainable Business Awards Philippines

Corporate Value Chain

SRPC's Corporate Value Chain is composed of the following: Operations, Maintenance, Plant Systems and Communications, Engineering, Ancillary Services, Technical Improvement and Audit, Occupational Safety, Human Resources, Finance and Accounting, Logistics, Corporate Compliance, and Corporate Affairs.

The Corporate Value Chain aims to sustainably operate and deliver electric power and related services, while considering cost effectiveness and efficiency. To promote corporate sustainability, the Company formulates plans and programs that ensure proper task delegation and timely delivery of output.

Many of the strategic goals can only be accomplished through inter-departmental collaboration. While each team has their own responsibilities, roles, and measurements, assignments involving other departments are also set by the Corporate Value Chain. Information regarding these types of tasks are cascaded to respective teams. They are then evaluated regarding adherence to these tasks and overall goals. In order to mitigate potential concerns regarding control, responsibility, and accountability, on such tasks, Management implements policies, systems, and procedures to provide clarity and direction.

SRPC Supply Chain

Consistent with the Power Purchase Agreement and the Environmental Compliance Certificate, the SRPC strongly supports local procurement of supplies and services required in the operation and maintenance of the San Roque Power Plant. This commitment contributes to the local economy of Pangasinan and Benguet especially to the project-affected families in the host municipalities.

SRPC, through SRPFI, supports community organizations such as the Camanggaan Farmers Association (CFA), Lagpan Livelihood Association (LLA), Daynet Community Livelihood Association (DCLA), Oling-Bantic-Lawiguen Livelihood Association (OBLLA), and *Baro A Namnama* Multipurpose Cooperative (BANMPC). Some of these organizations have since been engaged as service providers to the Company. Specifically, DCLA has for two years been contracted to clear debris within the reservoir area. Similarly, the Narra Multipurpose Cooperative, another local organization, has been tapped for the maintenance of the Operators' Village and some designated areas.

For the reporting period, 30.68% of items and services were purchased from local suppliers in the municipalities of San Manuel and San Nicolas in Pangasinan, and in Itogon, Benguet.

Principles and Initiatives

The Company subscribes to a number of externally developed economic, environmental, and social principles such as compliance-based Power Purchase Agreement as an economic principle and the Environmental Compliance Certificate for both environmental and social aspects.

The direct and indirect economic impacts on the local economy of San Manuel and San Nicolas in Pangasinan, and in Itogon, Benguet are anchored in Project *RANG-AY* initiatives: access to financial capital, provision of technical assistance and capacity building, institution-building, and livelihood-support goods and infrastructure projects. The Company also voluntarily subscribes to internationally accepted principles such as the principles of the UN Sustainable Development Goals and the UN Global Compact, and the approaches on Sustainable Livelihood and Community Driven Development.

LIST OF EXTERNAL INITIATIVES

- Convergence with the Cordillera Administrative Region government and non-government agencies on support to enterprise development for Oling, Bantic, Lawiguen Livelihood Association and Daynet Community Livelihood Association in Itogon, Benguet
- Engagement with the Department of Social Welfare and Development's Area-based Standards Network (ABSNet) on cooperation, social welfare agencies' monitoring and policy advocacies
- Partnership with Synergeia Foundation on the English, Mathematics and Science Proficiency Program
- Partnership with the Technical Education and Skills Development Authority on Community-based Skills Training Program
- Partnership with the Philippine Eagle Foundation on Eagle Conservation Program
- Partnership with the Philippine Red Cross on the Water, Sanitation and Hygiene (WASH) Promotion Program
- Engagement with the local media on Information, Education and Communication campaign
- Engagement with the Rotary Club of Urdaneta East on program implementation
- Engagement with the Society of Filipino Foresters, Inc. on environmental programs and policy advocacies

MEMBERSHIP IN ASSOCIATIONS

- Philippine National Committee on Large Dams
- People Management Association of the Philippines
- Employer's Confederation of the Philippines
- Occupational Safety and Health Association of the Philippines
- Safety Organization of the Philippines, Inc.
- Philippine Institute for Supply Management
- Philippine Corrosion Society
- Procurement and Supply Institute of Asia
- League of Corporate Foundations
- Philippine Business for the Environment
- Pollution Control Association of the Philippines
- Integrated Institute for Electrical Engineers
- Philippine Society of Mechanical Engineers
- Philippine Institute of Civil Engineers
- Philippine Instrumentation & Control Society
- Institute of Electronic Communication Engineers of the Philippines
- United Architects of the Philippines
- Philippine Institute of Certified Public Accountants
- Institute of Computer Engineers of the Philippines
- Society of Filipino Foresters, Inc.

FEATURES OF SRMP

The San Roque Multipurpose Project (SRMP) provides farmland irrigation, power, flood attenuation, and water quality improvement services, empowering the neighboring communities, and promising a better future.

Farmland Irrigation

SRMP supplies year-round irrigation for around 37,000 hectares of farmlands in Pangasinan and Tarlac. The National Irrigation Administration, in cooperation with the National Power Corporation is the lead government agency responsible in the administration of this SRMP feature.



Power

SRPC handles the operations and maintenance of the power-generating component of the SRMP. It has a maximum capacity of 435 MW of clean renewable energy that can produce approximately 1,000GWh annually.



SAN ROQUE MULTIPURPOSE PROJECT

Flood Attenuation

SRMP attenuates the perennial flooding of the Agno River by storing inflow from heavy rains in the reservoir with a large holding capacity of 525 million cubic meters in active storage and 120 million cubic meters flood surcharge. The reservoir regulates the release of water downstream for minimal impacts on the 16 municipalities along the Lower Agno.



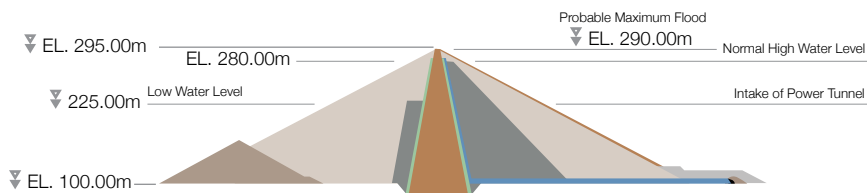
Water Quality Improvement

The reservoir's substantial dead storage functions as a settling basin by trapping sediments or mine tailings generated by small scale mining activities and landslides upstream. The deposition of these sediments improves the water quality for downstream irrigation.



THE SAN ROQUE DAM

Features of the Reservoir



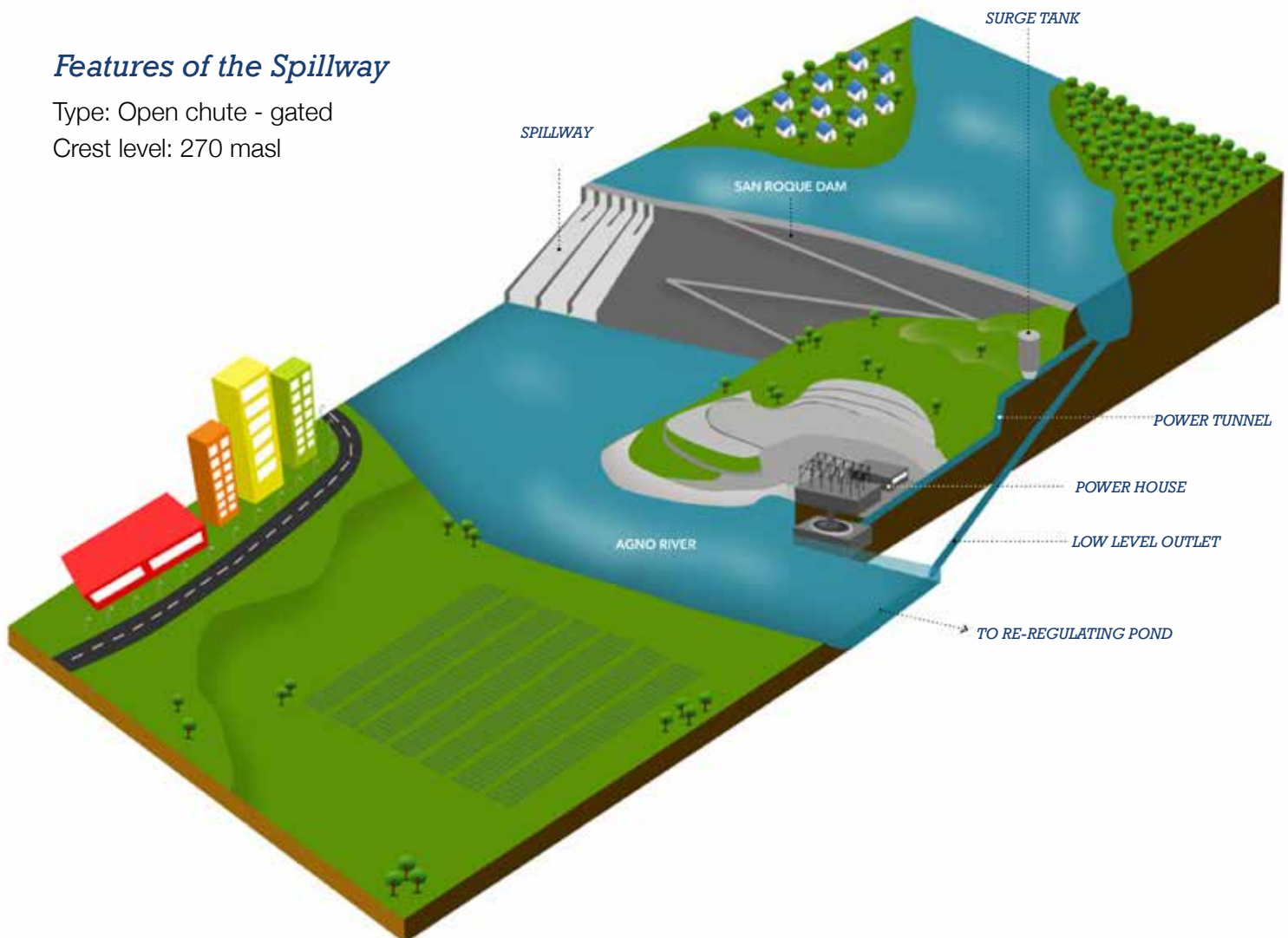
Active Storage: 525 MCM
 Dead Storage: 310 MCM
 Flood Cushion: 120 MCM (Elev. 280-290 masl)

Features of the Dam

Type: Rock fill (clay core)
 Max height: 200 meters
 Crest level: 295 masl
 Length: 1.13 kilometers

Features of the Spillway

Type: Open chute - gated
 Crest level: 270 masl





The San Roque Hydroelectric Power Plant: Powering Luzon

The San Roque Hydroelectric Power Plant (SRHEPP) supplies its contracted capacity of 115 MW to the Luzon Power Grid.

The SRHEPP transmits power to the San Manuel Substation using a 230-kV Transmission Line.

The National Grid Corporation of the Philippines (NGCP) issues dispatch instructions for power generation. SRPC submits an Annual Generation Report to the Energy Regulatory Commission (ERC). The Strategic Power Development Corporation (SPDC) which was appointed as the Independent Power Producer Administrator for the capacity of

the San Roque Hydroelectric Power Plant trades SRHEPP's capacity in the Wholesale Electricity Spot Market (WESM). The SRHEPP's Net Energy Output for 2014 to 2017 is 2,619,325.75 MWh broken down as follows:

NET ENERGY OUTPUT	
Year	Mega Watt Hours (MWh)
April 2014 to March 2015	704,567.58 MWh
April 2015 to March 2016	1,086,660.21 MWh
April 2016 to March 2017	828,097.96 MWh

Ancillary Services

The SRHEPP is an accredited ancillary services provider for regulating reserve, contingency reserve, and dispatchable reserve. These ancillary services are essential to the efficient delivery of electricity and the reliable operation of the transmission system.

- **Regulating Reserve** – generating capacity needed to balance the supply (generation) and load in real time (seconds to minutes) due to fluctuations of either load (switching on/off) or generation (ramping up/down).
- **Contingency Reserve** – generating capacity necessary to adjust automatically in response to sudden reduction of generation output or tripping of generation unit.
- **Dispatchable Reserve** – generating capacity necessary to replenish the Contingency Reserve.

Third Party Risk Assessment

SRPC values independent evaluation in assessing potential risks that may affect its operations. Thus, the Company engages third parties to conduct risk assessments on property, occupational health and safety, and other related practices and policies.

Plant Risk Assessment Survey by Allianz/Marnix, Malayan, and PGA Sompo Insurance

This survey is done to evaluate existing loss prevention and control measures. Allianz/Marnix, Malayan, and PGA Sompo Insurance conducted the survey in 2015 and 2016 to evaluate the possible risks to property and potential business interruption at the power plant and recommended measures to prevent these. Their findings rated SRHEPP above standard due to the implementation of all 15 recommendations made from an earlier audit in 2010. The auditors made one new recommendation each for 2015 and 2016, which will be assessed in 2018.

Semi-Annual Safety Inspection and Assessment of the Non-Power Component by NPC

The Dams, Reservoirs, and Waterways Division under the Dams Management Department of the NPC conducts semi-annual safety inspection and assessment to check the physical working conditions of the non-power components of the SRMP in accordance with the NPC Dam Safety Program.

Based on their findings, the dam and its appurtenant structures are well-maintained and generally performing satisfactorily in accordance with the NPC Dam Safety Program and the international standards.



Occupational Health and Safety Management Audit by Marubeni Power Asset Management (MPAM)

This audit assesses the adequacy and effectiveness of controls for key aspects of SRPC's business, which includes Quality, Safety, Environment, Operations, and Maintenance in accordance with Marubeni's Integrity Management Applications (IMA), in particular Module 102-Occupational Health and Safety.

MPAM's audit conducted in 2016 consisted of interviews, documents reviews, and field walk down observations. Findings and observations were documented and discussed in a wrap-up meeting.

The Company allocates resources for the implementation of the third-party recommendations. The Company also observes and adopts Japan International Standards (JIS), US Bureau of Reclamation (USBR) standards, and International Commission on Large Dams (ICOLD) Dam Safety Standards and Procedures.

As a best practice, the Company has developed an Emergency Action Plan (EAP) as required by the Environmental Compliance Certificate issued by the Department of Environment and Natural Resources. The EAP is a systemic procedure to notify government agencies responsible for responses to dam-related emergencies. SRPC conducts tabletop drills on the EAP's Notification Flowchart and Information Education Campaign annually, after which updates required are incorporated to the EAP.





GOVERNANCE

SRPC practices good corporate governance by establishing rigorous world-class protocols and ensuring transparency in its decision-making processes. Operational risks are considered and addressed with foremost consideration of the welfare of employees. Information shared with external and internal stakeholders are prepared with clarity and consistency.

Implementing governance best practices not only enables SRPC to meet its corporate objectives in a responsible and ethical manner but also sustains the Company's social license from the community it operates in, affiliates it works with, and the customers it aims to empower.





Governance Structure

The Board of Directors

SRPC's Board of Directors (Board) is composed of seven directors—three nominees from Marubeni Corporation, three nominees from Kansai Electric Power Company Ltd., and one member who is jointly nominated by Marubeni and Kansai Electric. This ensures balanced representation among the two shareholders and the check and balance in decisions regarding policy and business agreements. The Board member nomination is based on the individual's integrity and competence in business, particularly the energy industry.

The Board provides policy direction to the Company's management, including the control and accountability systems. The Board is responsible of appointing the President and CEO and other officers, and ensures the execution of the Company's business plan and strategy. The Board is also responsible for the approval and provision of appropriate resources and major capital expenditures and for monitoring financial and other reportorial requirements.

The Board elects the President and CEO, the Vice Presidents and other officers of the Corporation. The directors are elected during the annual meeting of the shareholders and serve for one year term until their successors are elected.

At the shareholders' meeting, key economic, environmental, and social matters involving the Company as well as the Board's performance are discussed.

The Board of Directors exercises the highest level of governance while the President and CEO manages business operations. The President and CEO reports directly to the Board while the Senior Vice Presidents report to the President and CEO.

The Executive Management Team

The President and CEO heads the Executive Management Team (EMT). The other members are: two Senior Vice Presidents, one for Operations and Maintenance and the other for Technical Matters; five Vice Presidents for Operations and Maintenance, Finance and Accounting, Corporate Affairs, Corporate Compliance, and Human Resources and Administration. The EMT ensures that the Company is managed according to its vision and mission; develops the strategies, policies, plans, and programs that maintain the Company's role as a world-class and socially responsible generation company; and formulates or revises directives and policies.

Task Delegation

Executive-level employees are responsible for key economic, social, and environmental matters within the organization. In 2016, the Company adopted functional realignments, which included changes in organizational nomenclatures of functional groups:

- Operations, Maintenance, Engineering, Ancillary Services, Plant Systems and Communications, Information Technology, and Safety to Operations and Maintenance Group (O&M)
- Corporate Social Responsibility Department to Corporate Affairs Group (CAG)
- Compliance Department to Corporate Compliance Group (CCG)
- Accounting and Finance Department to Finance and Accounting Group (FIN)
- Human Resources Department to Human Resources and Administration Group (HRA)



OPERATIONS & MAINTENANCE (O & M)

- Engineering
- Operations
- Plant Performance and Ancillary Services
- Maintenance
- Plant Systems and Communications
- Safety
- Technical Improvement and Audit



CORPORATE AFFAIRS GROUP (CAG)

- Corporate Social Responsibility
- Community and Public Relations
- Environmental Management
- Support Services and Security



CORPORATE COMPLIANCE GROUP (CCG)

- Compliance
- Ethics



FINANCE AND ACCOUNTING GROUP (FIN)

- Financial, Accounting and Treasury
- Payables and Inventory
- Government Regulations



HUMAN RESOURCES AND ADMINISTRATION GROUP (HRA)

- People Management
- Operations Performance Management

Evaluation and Compensation

SRPC maintains its compensation philosophy to be competitive in the energy sector. The Company voluntarily participates in Market Surveys to be updated on current trends on Benefits and Compensation Package.

The President and CEO determines the compensation for the officers and consults the Executive

Management Team to determine the compensation package of the employees based on the Remuneration policy of the Company. In such case, compensation is commensurate to the complexity of the job, level of accountability involved, and the job's direct impact on the Company business.

Consultation with Stakeholders

Stakeholders are regularly consulted by the concerned officer with the modes and frequency of engagement depending on need. Findings are then immediately reported to the President and CEO. The table below shows which officers are in charge with which stakeholder.

STAKEHOLDERS	GOVERNANCE BODY
Shareholders	President and CEO
Business Partners	President and CEO, Senior Vice Presidents, and Vice Presidents
Environmental and Social Regulators	Vice President for Corporate Affairs
Economic Regulators	Senior Vice President and Vice President for Operations and Maintenance, Vice President for Finance and Accounting
Local Government Bodies, Communities, Program Partners and Media	Vice President for Corporate Affairs

Meetings and Communications

The Board holds meetings where updates regarding business operations, including but not limited to social, environmental, economic, and security concerns, are reported.

The Board is also provided with copies of the Sustainability Reports, Annual Operations Reports, and Monthly Operations updates. Quarterly and Annual Operations and Financial Reports are presented and submitted to the shareholders. Operations Reports are prepared by the different groups of the Company while the Annual Financial Report is prepared by an independent accounting firm for the sake of integrity.

The modes of communication between the Management and the employees are through memoranda and announcements.

The President and CEO conducts Voice-Out sessions where employees are given the opportunity to express their concerns to and with Management. There were five Voice-Out sessions with different groups of employees during the reporting period.



The Executive Management Team maintains two-way communication with its employees through monthly meetings in order to provide regular updates and discuss performance assessments.

Every first Monday of the month, the Human Resources and Administration Group holds general assemblies for employees wherein corporate announcements are made and new and existing issues regarding, but are not limited to, Health and Safety, Information Technology updates, Human Resources programs, and Company activities are discussed.

The Operations and Maintenance Group also conducts daily Toolbox Meetings to establish the day's scheduled activities and discuss the job hazards for each activity.

The Company's website, www.sanroquepower.ph can be accessed for more information, comments, suggestions, and recommendations.

Ethics, Compliance and Grievance Mechanisms

One of SRPC's Core Values is Integrity. Thus, the Company conducts its business with the highest standard in corporate ethics. Since the last report, the Company created the new role of Vice President for Corporate Compliance to handle compliance, corporate ethics, and related issues, further reinforcing the Company's commitment to ethical principles.

SRPC has updated its Code of Conduct and Compliance Manual in 2016 to strengthen its policy on corporate ethics. From 2015 to 2017, the Corporate Compliance Group conducted eight orientations on compliance policies and procedures to promote a culture of compliance among the employees.

Anti-Bribery, Anti-Corruption and Conflicts of Interest

The Company's Anti-Bribery and Anti-Corruption policy, which was drafted during the last reporting period, was implemented in 2016. This includes clear standards and procedures in the reporting and documentation of Giving and Receiving Gifts and Entertainment Expenses. All employees are trained to be aware that offering or receiving bribes, commissions, or anything of value to or from subordinates, Company clients, contractors and suppliers, and such other persons or firms with whom the Company does business are not tolerated. The Company's Code of Ethics defines the importance of making business decisions based on the best interests of the Company, not on personal considerations or relationships. The Company's Corporate Compliance Group periodically reviews employee compliance to assure that no bribery, corruption and conflicts of interest take place within the Company.

While there were no incidents or findings of potential exposure to anti-corruption law violations, the Corporate Compliance Group did note potential exposure in relation to weak internal controls.

Since the start of its operations, the Company has not been involved in any legal action for corruption, anti-competitive behavior, antitrust, or monopoly practices. Neither has the Company been fined or sanctioned in relation to its tax obligations and compliance with laws and regulations. During the reporting period, SRPC did not receive any violation notice pertaining to non-compliance with regulatory requirements.

Human Rights

For this reporting period, the Company conducted a human rights compliance assessment, the first time since it began sustainability reporting. The assessment was accomplished using the Human Rights Compliance Assessment tool by the Danish Institute for Human Rights. The following aspects

were considered during the review: potential human rights violations caused by company operations on employees and other stakeholders; the level of compliance to human rights indicators; and the extent of stakeholders' understanding of the Company's human rights disclosures.

There were eight respondents from the employees and suppliers. The respondents were asked to answer True, False, Further Attention, Not Applicable, and No Information on the statements classified under the following categories: Forced Labor, Child Labor and Young Workers, Non-Discrimination, Freedom of Association, Workplace Health and Safety, Conditions of Employment and Work, Security, Land Management, Environmental Health and Safety, Corruption and Bribery, Company Products and Marketing Practices, and Relations with Suppliers, Contractors and other Associates. There were no findings in relation to potential human rights violations. However, the Company determined a need to educate stakeholders in areas with No Information responses.

While there is no specific formal grievance mechanism for human rights cases, it is written in the Compliance Manual that any non-compliant action regarding internal and/or external laws should be reported to the Compliance Officer and/or Vice President for Corporate Compliance.

Internal Stakeholders

The Company has a grievance mechanism, which includes an Investigation Committee established for the purpose of hearing any administrative case. It comprises the following: the Group Head as the Chairman, the Vice President for HRA to facilitate the investigation, the Human Resources Supervisor to record the proceedings, and two members of the team to be recommended by the Human Resources—one non-HR and one non-management or non-supervisory employee—and the complainant.

More than having a system that allows personnel to voice their concerns, SRPC has set measures to prevent problems from arising. The Company's Open Door Policy gives employees the opportunity to discuss with their immediate superiors any work-related concerns. Employees are encouraged to inform their managers, the Human Resources and Administration Group, or the Compliance Officer regarding issues related to unethical or unlawful behavior and matters related to organizational integrity.

The Door of Courage is another access point where concerned employees can report or consult the Compliance Committee for general compliance matters or the Anti-Corruption Hotline for concerns relating to bribery and other serious offenses.

During the reporting period, there was no grievance concerning labor practices filed against the Company. There were also no reported critical concerns communicated to the highest governance body.

External Stakeholders

The high social acceptability of SRPC arises from the good community relations it has established with the host communities. Thus, communication with external stakeholders is crucial to maintain its sustainability performance. The Company actively seeks feedback in this regard through regular key informant interviews, focus group discussions, and public consultations with host and partner communities. Another mechanism is through partner organizations, particularly local livelihood and homeowners associations. The Company also set up a process for walk-in filing of incident and grievance reports.

Issues and concerns not resolved at the community level are raised up to the SRMP Multipartite Monitoring Team (MMT). The MMT is composed of representatives from SRPC, NPC, Department of Environment and Natural Resources (DENR), a local environmental non-government organization (NGO),

and surrounding stakeholder communities (women, youth, indigenous people, senior citizens, and other sectors). It was organized primarily to oversee the compliance with the Environmental Compliance Certificate conditions, the Environmental Management and Monitoring Plan, and all applicable laws, rules, and regulations. No cases for non-compliance were filed against the Company during the reporting period.

For the host communities inhabited by Indigenous Peoples, the Company complies with the Indigenous Peoples Rights Act. It does so in partnership with the National Commission on Indigenous Peoples (NCIP). As a result of proper coordination with NCIP and the Daynet Community Livelihood Association and the Oling, Bantic, Lawiguen Livelihood Association, there have been no reported violations of IP rights.

Partnerships with Suppliers

SRPC voluntarily continued the practice of prioritizing products and services from local suppliers, which started during the construction of the San Roque Multipurpose Project. For this reporting period, 30.68% of items/services were purchased from local suppliers from barangays San Roque and Narra, municipalities of San Manuel, San Nicolas, and Itogon, and provinces of Pangasinan, Benguet, La Union, and Tarlac.

The Company extends its sustainability efforts by assessing its suppliers on compliance. It contracted Duns & Bradstreet Philippines to screen suppliers in this regard. Any company that has the financial and technical capability may be listed as a supplier but is required to pass the Company's pre-qualification and accreditation process. For this reporting period, 90 new suppliers were screened and none of them was found to have significant negative social and environmental impacts.

Contracts with all suppliers are in accordance with the law and include articles on human rights. All the suppliers undergo accreditation and screening



to ensure that they comply with the provisions of the Labor Code of the Philippines, particularly the provisions on minimum wage and working conditions. SRPC also requires service contractors to provide accident and health insurance and personal protective equipment for their workers.

Security personnel are duly licensed and meet the standards set by the Philippine National Police. In addition to trainings in professional conduct, code of ethics, and the Eleven General Orders, they also attended seminars on human rights and laws on arrest, search, and seizure. The Company also requires that all security guards pass the neuro-psychiatric test conducted by clinics accredited by the Philippine National Police.

MANAGEMENT APPROACH DISCLOSURE

Management Approach to Economic Sustainability

SRPC secures its long-term productivity through strong economic performance, measured by profitability. The Finance and Accounting Group (FIN) guides employees in all policies related to accounting, disbursements, and cash transactions. The main objectives of the Group are:

- To set up and monitor the overall Company Annual Budget, Forecasts, and Long-Term Projections;
- To claim VAT for each year with at least 90% recovery; and
- To ensure that no fines or penalties occur due to employee error.

In addition to meeting financial goals, FIN is also responsible for compliance to the following:

- The Corporation Code of the Philippines
- RA 8170 – Foreign Investments Act of 1991
- RA 8424 – Tax Reform Act of 1997
- RA 9136 – Electric Power Industry Reform Act of 2001

The Group conducts quarterly meetings and annual group planning sessions and uses a checklist of reporting requirements to evaluate the implementation of the policies. It generates the following reports:

- Results of the Monthly Variance Report, Annual External and Periodic Internal Audit, Annual Actuarial Report, Actual Recovery of Claims Report, and deviations from long term projections
- For cash management, liabilities being paid on time and interest income being optimized
- Comparison of Actual vs Budget

The Corporate Compliance Group also reviews the financial reports. In addition, the quality of the financial reports is validated by an External Auditor appointed by the stockholders. Employees who find any issue regarding financial performance measurement and reporting are encouraged to report them through Voice Out sessions and the monthly General Assembly.

SRPC's management approach on economic performance enables the Company to clearly illustrate the flow of capital and creation of wealth for its shareholders; show its economic impact; and present a balanced measurement of the transactions between the Company and the government.

Management Approach to Environmental Sustainability

SRPC handles its environmental impact through a comprehensive Environmental Management and Monitoring Plan and conservation programs involving the local community. These include the maintenance of the quality and volume of water, its main resource, to specified standards and the protection of the watershed within which it operates. The Environmental Unit of the Corporate Affairs Group implements environmental policies, which aim to minimize any negative effects and improve upon the natural environment. The environmental objectives include compliance to the following:

- Conditions set in the Environmental Compliance Certificate issued by DENR for SRMP;
- Implementation of the Environmental Management and Monitoring Plan;
- PD 1586 – Environmental Impact Statement System of 1978;
- RA 9275 – Clean Water Act of 2004 that includes Water and Wastewater Quality Standard;
- RA 6969 – Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990;
- RA 9003 – Ecological Solid Waste Management Act of 2000;
- RA 8749 – Clean Air Act of 1999;
- RA 9512 – National Environmental Awareness and Education Act; and
- Other applicable environmental laws, regulations, and policies governing the operation of the Plant.

In addition to compliance, the Company also aims to achieve the following:

- Monitor and reduce electricity and fuel consumption;
- Reduce waste;

- Support the Watershed Management Program of the NPC-San Roque Watershed Area Team (SRWAT) and the DENR;
- Rehabilitate at least 500-hectares of open areas in the watershed through reforestation programs;
- Protect and conserve existing flora and fauna biodiversity (Tree Library Program and Fish Stock Enhancement Program);
- Catalog and conserve bird and wildlife species thriving in the area;
- Support the conservation of the Philippine Eagle in Northern Luzon, with the Philippine Eagle Foundation, Inc.; and
- Increase awareness of people on environmental stewardship.

As with the other units, general environmental matters are monitored and evaluated quarterly. A semi-annual Compliance Monitoring Reporting and Compliance Validation is done with the Multipartite Monitoring Team. Standard compliance reports are duly submitted to the respective regulators, particularly the DENR Environmental Management Bureau. When applicable, analysis is conducted by a third party. For the biodiversity programs, annual assessment and planning workshops are conducted.

SRPC understands the environmental footprint of its construction and operations. Thus, the Company's management approach for environmental performance goes beyond compliance and aims to implement programs that protect and/or improve the environment. As a company that relies on natural resources in the long term, this is not only ideal, but necessary.

Management Approach to Social Sustainability

Employees

SRPC uses best practices in labor management, promoting employee welfare through competitive compensation and benefits; personal development; and occupational health and safety. This is implemented by the Human Resources and Administration (HRA) Group. The Company complies to the following laws and regulations:

- Labor Code of the Philippines
- Social Security System
- Pag-IBIG Law
- Philhealth Law
- RA 9710 – Magna Carta for Women
- RA 10911 – Anti-Age Discrimination Law
- RA 8187 – Paternity Leave Act
- RA 9262 – Anti-Violence Against Women and their Children Act
- DO 112-11 Series of 2011 – Special Leave for Women

The Company also has internal policies related to recruitment, leave, and benefits that are guided by industry surveys in order to keep them competitive.

The Company aims for specific targets related to labor relations and welfare:

- Less than four percent turnover
- At least seven days minimum notice on operational changes
- At least three trainings per employee per year
- Zero accidents

In addition to bi-monthly HRA meetings, the effectiveness of the general human resources-related policies is assessed through the monthly General Assembly and Management Team meetings and regular audits by the Corporate Compliance Group.

The Marubeni Power Asset Management conducted a Safety Audit in 2016. The Company continues to uphold a safety culture among its personnel across all levels.

Employees are the most important asset of the Company and thus its management approach are set to align with accepted standards to support their welfare and development.





Community

A program directive CSR 01-01 defines and describes the overall policy, standards and practices relative to the development and implementation of the Company's social investment programs for the local communities. SRPC implements socially beneficial programs to its fence-line communities not just to maintain its social license to operate but to extend the socio-economic benefits of its operations. The Company's community related projects are implemented by the Corporate Affairs Group together with the San Roque Power Foundation, Inc. The Company complies to the following:

- Conditions set in the Environmental Compliance Certificate (nos. 2 - Implementations of Resettlement and Community Development Program, 9 - Priority in Employment of Qualified Residents Including Women During Project Construction, 12 - Implementation of a Comprehensive/Integrated Watershed Management Plan, and 13 - Implementation of

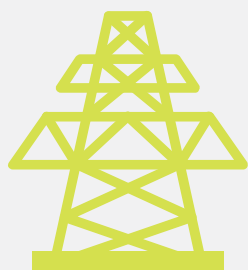
a Needs-based Social Development Program)

- RA 8371 – Indigenous Peoples' Rights Act

Project *RANG-AY*, the Company's comprehensive corporate social responsibility effort, is guided by the UN Sustainable Development Goals 1, 2, 3, 4, 5, 6, and 8. Primary focus is on livelihood and enterprise development, with supplementary programs on education, health, and environmental protection. Projects are developed through a cyclical process of planning, implementation, and evaluation together with stakeholders in order to continuously improve on previous accomplishments and learn from any gaps, when applicable.

SRPC acknowledges the social risks involved in large-scale projects such as SRMP, thus its management approach to community issues are done by active engagement with stakeholders. This is monitored by measurable positive impacts that mitigate or improve the conditions of those potentially affected by its operations.

INCLUSIVE ECONOMIC PERFORMANCE



Total Net Energy Output

2,619,325.75 MWh

704,567.58 MWh

April 2014 - March 2015

1,086,660.21 MWh

April 2015 - March 2016

828,097.96 MWh

April 2016 - March 2017



ECONOMIC VALUE Generated and Distributed (in USD)

	April 2014 - March 2015	April 2015 - March 2016	April 2016 - March 2017
Total Direct Value Generated	108,201,617	72,154,177	57,481,595
Total Value Distributed	197,107,470	100,637,538	52,619,761
Economic Value Retained	(88,905,853)	(28,483,362)	(4,861,834)

Environmental Performance
as of March 31, 2017



PHP 25,016,417.36

COMMUNITY INVESTMENT



April 2014 - March 2015

USD 419,012

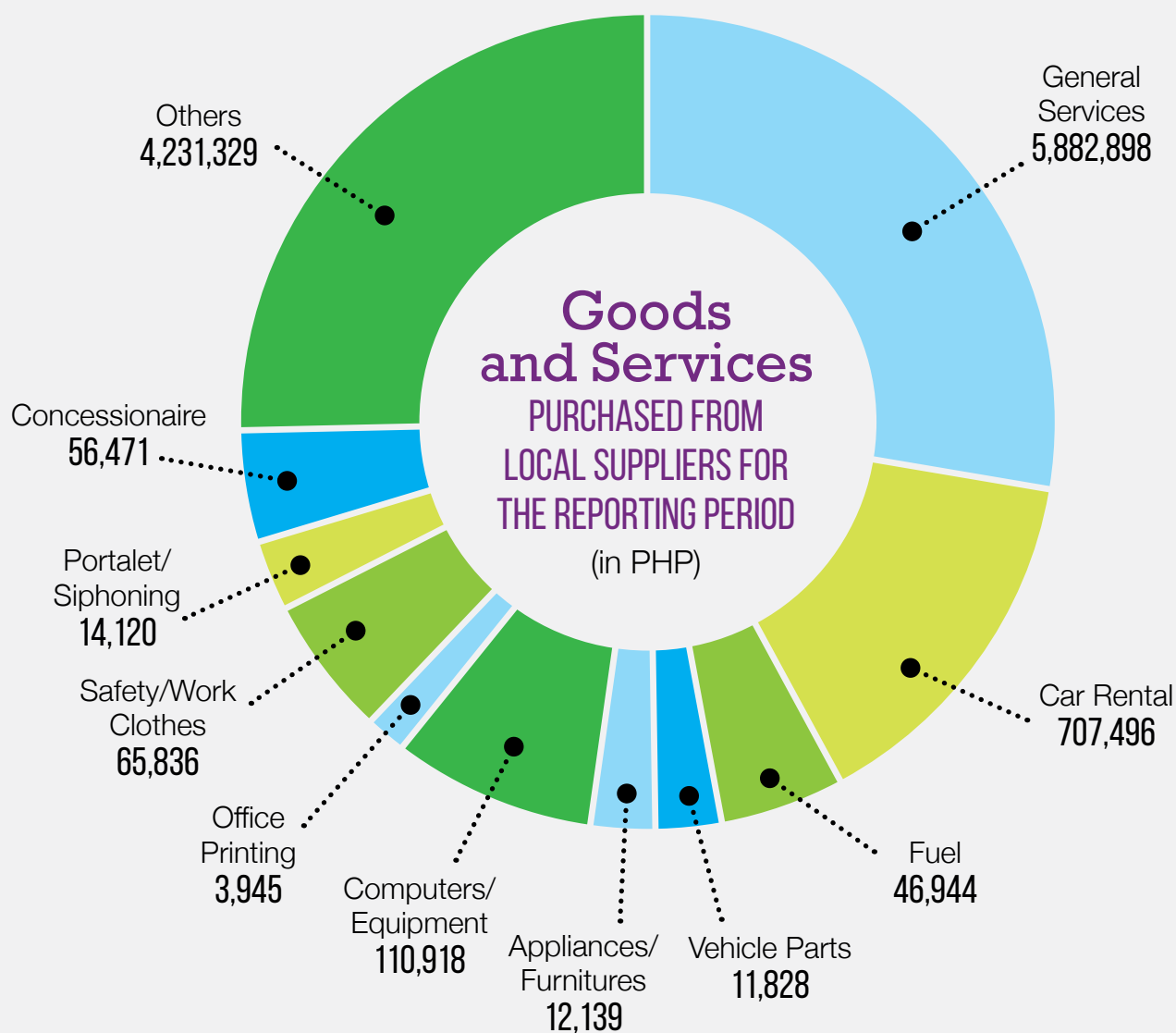
April 2015 - March 2016

USD 262,482

April 2016 - March 2017

USD 333,402

	April 2014 - March 2015 (in PHP)	April 2015 - March 2016 (in PHP)	April 2016 - March 2017 (in PHP)
Livelihood and Enterprise Development	4,096,350	1,967,600	3,197,800
Education and Health Care	7,593,718	4,455,140	4,013,637
Environmental Protection	2,650,000	880,000	350,000



Economic Performance that Extends to the Larger Community

SRPC's ability to provide power that energizes lives depends on its continued productivity and profitability. The Company aims to effectively and responsibly utilize financial, natural, and human capital in order to sustain long-term operations. By maintaining good economic performance, the Company was able to extend positive impact to the larger community and other stakeholders.

During the reporting period, the Company experienced decline in major indicators: Direct

Economic Value Generated, Total Direct Value Generated, Total Value Distributed, Economic Value Retained, and Net Income.

The economic value distributed includes dividends, which are payments to capital providers. These are not considered as expenses but are deductions from Cash and Equity of the Company during the declaration period.

The Company provides the Audited Financial Statements to the following entities:	
1.	Sithe Philippines Holdings, Inc.
2.	KPIC Netherlands BV
3.	Marubeni Corporation
4.	Kansai Electric Power Company Ltd.
5.	Axia Power Holdings Philippines Corporation
6.	Energy Regulatory Commission
7.	Bureau of Internal Revenue
8.	Securities and Exchange Commission
9.	Bangko Sentral ng Pilipinas
10.	Board of Investments

Employee Welfare

Sustaining communities with long-term security and empowerment begins with the work force. The Company provides good employee compensation and benefits that attract and retain local talent. This is one of the most direct ways that the Company invests and improves on local financial capacities, which also then uplifts conditions for its indirect stakeholders. Hiring locally, especially including management positions, ensures a sense of ownership and responsibility that is deeply tied to the immediate communities and environment the Company operates in. Three members of the Executive Management Team and two Managers are from Benguet and Pangasinan.

Part of the SRPC's mission is the advancement of human resources. Thus, SRPC provides employee benefits that are competitive in the energy industry. The entry level SRPC earns is 47% higher than the prescribed minimum wage in the Ilocos region.



ENVIRONMENTAL PERFORMANCE

SRPC's business relies directly on natural resources. To continue fulfilling its mission of empowering lives in a sustainable way, environmental conservation and effective materials management is not only preferable, it is imperative for its success.



Resource Efficiency

Impounded water from Agno River used for power generation totaled 6,622.74 MCM. This is then returned to the river system unaltered. This is referred to as operational releases, which become the source for the SRMP irrigation component being managed by the National Irrigation Administration. Majority of the water utilization is for agriculture, river ecology maintenance downstream, and domestic use.

WATER USED IN GENERATING ELECTRIC ENERGY

April 2014-March 2015	1,835.36 MCM
April 2015-March 2016	2,661.90 MCM
April 2016-March 2017	2,125.48 MCM

SRPC is a provider of clean, renewable hydroelectric energy and its operations are powered by the same. However, this does not stop the Company from seeking further energy efficiency. While there was a peak uptick of power use in FY 2015-2016 of 6,921.12 MWh, there was an overall trend of decrease from its 2014 Sustainability Report. In FY 2016-2017, the energy use totaled 4,897.75 MWh, cutting its 2011 consumption by almost half at 47.35%.

ELECTRICITY CONSUMPTION

	MWh	GJ
2011*	9,301.61	33,485
April 2014 to March 2015	5,637.20	20,293.92
April 2015 to March 2016	6,921.12	24,916.03
April 2016 to March 2017	4,897.75	17,631.90

*Baseline data from 2014 Sustainability Report.

Previous efficiency gains come from administrative approaches such as turning off equipment outside office hours to green purchasing decisions that include energy-efficient equipment related to lighting, computing, and air-conditioning. However, for this reporting period, our fuel consumption has increased.

FUEL CONSUMPTION

	Gallons
2011*	33,956
April 2014 to March 2015	31,078.21
April 2015 to March 2016	36,795.64
April 2016 to March 2017	37,368.91

*Baseline data from 2014 Sustainability Report.

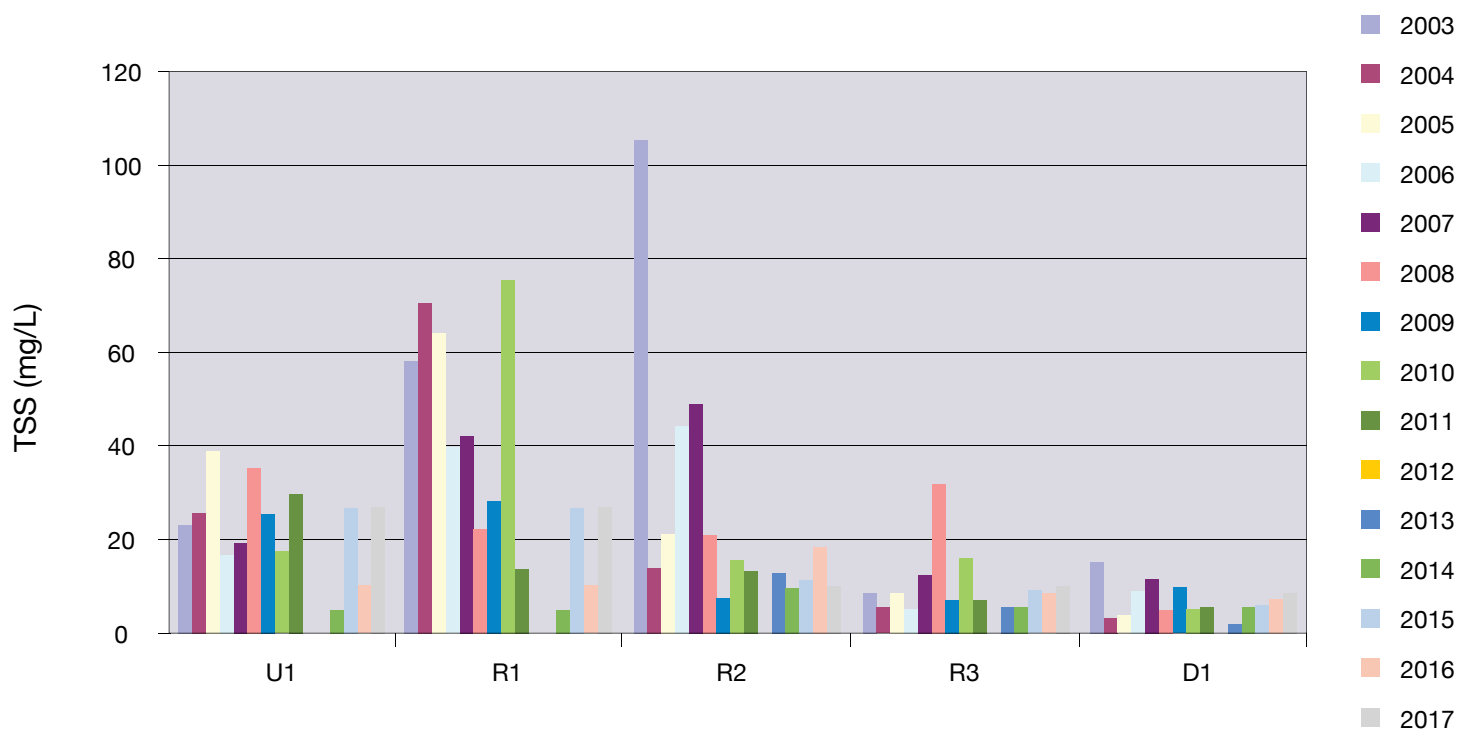
Water Quality

SRPC consistently monitors and evaluates water and sediment quality of the reservoir and downstream of the dam to ensure and maintain the quality of water. It meets the Water Quality Guidelines of the DENR for Class C Freshwaters intended for irrigation and propagation and growth of fish and other aquatic resources.

The Company and the Multipartite Monitoring Team conduct routine monitoring in selected stations upstream, within the reservoir area and downstream of the dam to identify trends in terms of degradation or improvement in water quality condition over time.

Specific parameters regularly monitored include, among others, levels of cyanide and heavy metals such as mercury, arsenic, copper, cadmium, chromium and lead, due to small-scale mining and other similar activities upstream of the lower Agno River. Previous results of analysis of water samples showed that concentrations of target pollutants, including substances typically used in mineral processing (i.e., mercury, cadmium, arsenic, cyanide), were generally within the DENR Water Quality Criteria.

ANNUAL MEAN TSS VALUES



Total Suspended Solids (TSS) measures the extent of un-dissolved solid particles in water, such as silt, decaying plant and animal matter, and domestic and industrial wastes. The above graph illustrates that the highest TSS levels were apparent in the up-lake portions of the reservoir (Stations R1 and R2) and diminished significantly at down-lake portion (Station R3) and downstream (Station D1).

The Company also conducts reservoir clearing by removing floating debris and vegetation to prevent decomposition and proliferation of bacteria and other microorganisms that can impact on water quality. The impoundment of water also supports groundwater recharge for the household use in the surrounding communities. Groundwater levels are not adversely impacted by the Company's operations.

The sediments that flow with the water through SRMP are trapped and settled in the reservoir bed, improving the quality of water that reaches the downstream communities. However, high rate of sedimentation may decrease the productive life of the reservoir. As such, the NPC monitors the rate of sedimentation thru bathymetric survey.

Water used for plant operations (outside power generation) are treated accordingly in the Treatment Plants before release into the river. The plant released a total of 84,240 cubic meters of treated water for the reporting period.

Watershed and Downstream Environment Conservation and Rehabilitation

The San Roque Watershed is a 9,550-hectare protected area within Benguet and Pangasinan that was established as a critical watershed forest reserve by virtue of Presidential Proclamation No. 2320 on November 22, 1983. While the watershed is under the control and maintenance of the National Power Corporation, SRPC takes an active role in keeping this natural habitat viable for future generations. As such, the Company implements projects involving protection, conservation, and rehabilitation of the watershed, which is expected to improve water yield and ecological health.

SRPC has implemented a number of programs to protect and restore habitats impacted during the construction. These include continuous rehabilitation and maintenance of the areas cleared of vegetation during project construction with reforestation using indigenous species. For this reporting period, the Company through its Grow-A-Tree for the San Roque Watershed Project planted a total of 136,875 seedlings in a 200-hectare area with 2,275 volunteers and hired planters. Since project's inception in 2011, 287,039 seedlings have been planted in 510 hectares of open areas within the watershed that was



participated in by 6,433 volunteers not just within the Company but also the surrounding communities, the government, and non-profit organizations through the socially mobilized tree planting activities.

The Company also maintained an arboretum, or tree library, in partnership with NPC and DENR, wherein seeds are collected either locally or sourced out from seed suppliers around the country. Saplings, which are then grown and later replanted in the arboretum, were geo-tagged for monitoring. The arboretum also serves as an educational tool to show the variety and attributes of plant species found in the watershed.

Regular species stock enhancement, particularly elvers dispersal, is conducted every three years as part of the fish stock enhancement project and in compliance to one of the conditions of the municipality of Itogon during the construction. The Company coordinated with the NPC & LGU Itogon for eel dispersal/seeding in the reservoir. For this reporting period, the Company seeded additional 60,000 elvers from the previous 60,000 elvers seeded in 2013 (20 kilos total). The last dispersal was in December 2017.

The Company also endeavors to enhance the ecological conditions of the watershed and promote appreciation of the wildlife within, particularly its avian population. As of 2017, at least 92 species of birds have been sighted in SRMP. One of these species is the Philippine duck (*Anas luzonica*), which is classified as vulnerable species (one level behind Endangered) by the International Union for Conservation of Nature (IUCN). The Company is pleased to find that the watershed continues to provide shelter for this threatened species, with at least 1,000 observed on site during the bird-watching activities conducted with the Wild Bird Club of the Philippines, NPC, San Roque Watershed Area Team, and the Department of Environment and Natural Resources. No other threatened species were found within SRMP.

SRPC partnered with the Philippine Eagle Foundation (PEF) to determine potential habitation of the Philippine Eagle (*Pithecophaga jefferyi*) within the San Roque Watershed. As the country's national bird that is also critically endangered according to the IUCN, the Philippine Eagle serves as a useful symbol for the ecological balance of the watershed and the state of the country's overall natural environment. However, the study found the site to be not suitable for the species. Efforts were shifted and expanded the project scope to include the Cordillera and Caraballo mountain ranges. The initial study efforts done in Luzon area particularly in Calanasan, Apayao resulted in a discovery of the first ever confirmed documentation of Philippine Eagles in the Northern Cordillera Range. On April 24, 2015, the PEF biologists and Isnag research assistants discovered the first active Philippine Eagle nest in Luzon Island wherein they found a month-old Philippine Eagle chick dozing off the center of the sturdy nest bowl in the lush forest of Apayao Province in the Cordillera Administrative Region. The SRPC continues to support PEF's research study on the breeding behavior and diet of the Philippine Eagle pair and their young, their home range and habitat use, and movement and dispersal pattern of the juvenile eagle. This is done through transmitter devices. In addition to PEF's scientific research efforts, the Company also supports the organization's efforts in conservation breeding, and community and public information campaigns in partnership with the local government units, and reforestation.

Emissions and Atmospheric Impacts

SRPC's main operations are powered by clean renewable hydroelectric energy. Thus the Company's GHG emissions are nominal, 1,046.5756 tons of CO₂ from vehicle use and 10,631.6485 tons of CO₂e from electricity used during operations. For FY 2014 to 2017, the Company's GHG emissions totaled 11,687.2240 tons of CO₂e.

Watering of unpaved roads is regularly conducted to minimize fugitive dust emissions. On the other hand, noise quality measurement is not regularly conducted due to minimal differences in the obtained readings. However, should there be a need for monitoring such as construction, monitoring will be duly conducted.

Due to the remedial works in the SRHEPP spillway plunge pool area by the NPC in 2017, temporary air quality monitoring stations were established for monitoring purposes during the rehabilitation works. The monitoring was spearheaded by the NPC that defined the baseline data with a detection limit of 0.20 µg in March 2017.

AIR QUALITY DURING THE REMEDIAL WORKS OF SRHEPP SPILLWAY PLUNGE POOL AREA PROJECT				
Parameters (µg/Ncm)	Concentration (µg/Ncm)			DENR AAQ Stds
	Staging Area	Switchyard	Work Area	
NO ₂	2.56	3.19	3.92	260
SO ₂	19.67	18.41	11.93	340
SPM	48.57	45.70	-	300

Noise quality measurements were also taken simultaneously at each air quality sampling stations. The baseline data established in March 2017 are as follows:

Parameters	Noise Level (dBA)			
		Maximum	Minimum	LEq
Staging Area	Morning	80.2	66.2	58.6
	Daytime	61.8	37.6	45.8
	Evening	-	-	-
Switchyard	Morning	63.0	52.2	54.7
	Daytime	59.5	56.6	55.2
	Evening	61.5	57.0	-
Work Area	Morning	57.5	31.4	41.1
	Daytime	45.1	29.1	38.3
	Evening	54.0	36.4	43.5

Waste Management

The Company manages its wastes based on guidelines set by the Ecological Solid Waste Management Act of 2000 and the Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990. No critical issues regarding waste management were recorded for the reporting period. All waste items are properly sorted and stored at a designated area in the Material Recovery Facility. Non-recyclable/re-usable wastes are disposed to the municipal dumpsite.

SRPC has an active partnership with ABS-CBN Lingkod Kapamilya Foundation, Inc. and Oriental Motolite and Marketing Corporation for the safe disposal of its used oil and batteries. The operation does not generate PCB waste. Other than these materials, the Company does not produce or ship hazardous waste. For the reporting period, the volume of solid waste collected and disposed of by the Company is 360 m³ and 108 m³ respectively.

VOLUME OF SOLID WASTE COLLECTED

April 2014 - March 2015	120 m ³
April 2015 - March 2016	120 m ³
April 2016 - March 2017	120 m ³

VOLUME OF SOLID WASTE DISPOSED

April 2014 - March 2015	36 m ³
April 2015 - March 2016	36 m ³
April 2016 - March 2017	36 m ³

Environmental Compliance

SRPC is compliant to all relevant environmental laws and regulations. The Company did not incur any environmental violation nor was issued with notices, litigation, fines, penalties, or charges.

Throughout its operations, SRPC has procedures, manual standards, and practices that address environmental compliance obligations set forth in the Environmental Compliance Certificate issued to the project and the continuous implementation of the Environmental Management and Monitoring Plan. The Company also maintains links with stakeholders for collaborative partnerships toward environmental protection and conservation.

The Company maintains an Environmental Guarantee Fund (EGF) that serves as a contingency fund to compensate project-related impacts that are not addressed through other mitigation measures or programs of the SRMP. The EGF has two components: the EGF Trust Fund and EGF Cash Fund which are in the form of interest-bearing cash accounts initially amounting to PHP 5,000,000 and PHP 800,000 respectively.

In addition, the Company maintains an Environmental Monitoring Fund (EMF) to support the activities of the Multipartite Monitoring Team (MMT) for compliance monitoring. The EMF was established as agreed upon and specified in the MMT Memorandum of Agreement between the DENR, SRPC, NPC, local government units, and other MMT representatives. The fund is an interest-bearing account initially amounting to PHP 1,000,000. It is meant to cover the costs of the MMT monitoring activities such as MMT meetings, collection and transport of samples, laboratory analyses, documentation and reporting, honoraria and allowances, transportation, and board and lodging. The EMF is replenished whenever balances fall below half of the agreed initial amount.

As of March 31, 2017	
Particulars	Amount
EGF Trust Fund	5,710,169.98
EGF Cash Fund	898,277.17
EMF	944,968.21
Environmental Expense (Environmental Compliance, Monitoring and Audits, Ground maintenance, Reservoir Maintenance, MMT)	17,463,002.00
Total	25,016,417.36

SRPC's operations have impacts to the natural environment in both upstream and downstream of the San Roque reservoir. Thus, the Company seriously considers the environmental implications of its operations and decision-making in the use of resources. The Company also approaches environmental programs as a continuous effort with its stakeholders, rather than just one-time projects. The Company believes that its environment-related accomplishments in the past three years demonstrate how it values the natural environment and its inherent role in sustaining life, and that by protecting it, the Company helps maintain resources that empower people today and in the future.





SOCIAL PERFORMANCE


SRPC's ability to effectively perform its many responsibilities depends on its talented workforce. In turn, the Company provides its workers with commensurate compensation and benefit and a safe workplace. It also creates opportunities for further career development and incentives that encourage better productivity. By providing rewarding careers, the Company enables its employees to achieve a secure and empowered future.

Employees

Workforce Profile

As of the end of reporting period, SRPC employed 149 workers, 97 of whom, or 65%, are regular full-time workers. A majority of our full-time employees are from the local area—52 from Pangasinan in Region I and 21 from Benguet and Baguio City in the Cordillera Administrative Region. Twelve percent of our workers belong to the Ibaloi, Kankanaey, and Kalinga ethnic groups. The rest are from other parts of the Philippines, Japan, and USA. For the reporting period, six workers separated from the Company, while seven were hired. In the next ten years, 22 employees are expected to retire: three executives, two managers, three supervisors, and 14 rank and file workers.

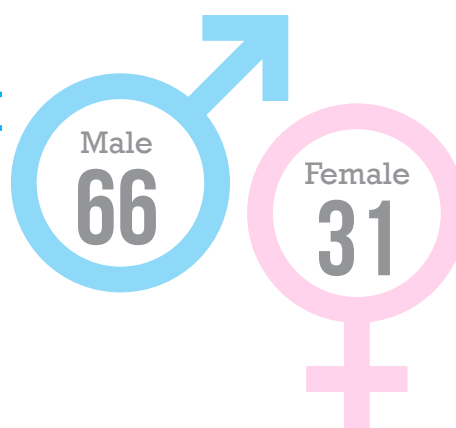
The Company is predominantly male, representing 68% of the workforce and mostly occupying positions in the Operations and Maintenance Group. Two-thirds of support and administrative workers are female. Two of the eight officers of the Executive Management Team, three of the 14 Executive Managers, and five of 14 Supervisors are women. The ratio of the female to the male population is 1:2.3.



REGULAR EMPLOYEE PROFILE BY TYPE AND ORIGIN					
	Executives	Managers	Supervisors	Staff	Total
Benguet/Baguio City	2	2	6	11	21
Pangasinan	1		2	49	52
Manila	2		1	4	7
Others		2	5	5	12
Japan	2	2			4
USA	1				1
Total	8	6	14	69	97

REGULAR EMPLOYEE PROFILE BY GENDER

Total **97**



REGULAR EMPLOYEE PROFILE BY AGE

	AGE GROUP			Total
	Under 30	30-50	Over 50	
Executives	0	2	6	8
Managers	0	4	2	6
Supervisors	0	12	2	14
Staff	18	42	9	69
Total	18	60	19	97

Compensation, Benefits, and Welfare

Employee compensation at SRPC is competitive, generally within the energy industry and within the renewables sub-industry in particular. The Company adopted a remuneration system that is commensurate to the duties and responsibilities of the position and employee competency; thus no distinction is made whether the position is occupied by a male or a female employee. The base salary ratio of female to male is 1:1.

In addition, regular full-time employees receive overtime pay, group life and accident insurance, medical insurance (extended to the families of the employees), retirement benefit, provident fund, discretionary performance incentives, and allowances such as housing, transportation, rice, meal, and mobile communications subsidies. Other benefits the Company provides its regular employees are Company uniforms and personal protective equipment, the service awards, and leave incentives.

During the reporting period, eight employees availed of parental leave— two males and six females. The Company observes the 60 days (normal) or 78 days (caesarian) maternity leave and the seven working days paternity leave. The Rate of Return was at 100%.

Performance Management Program

The Company conducts an annual performance assessment process, which determines its overall operations and accomplishments. All employees are subject to the Performance Management Program (PMP) at the end of the fiscal year. The employees' performance is measured based on goals, key result areas and performance indicators set at the start of the performance planning meetings of every group. The results of these reviews determine the employees' discretionary performance bonus and salary increase. Opportunities for improvement and additional trainings are also identified during the assessment.



Training and Development

SRPC supports the continuous enhancement of its employees' competencies, thus employees have attended trainings, conferences, and conventions relevant not only to their positions but also their own personal development. The training program is guided by the following processes: Qualification Card for technical positions, Skills and Knowledge Assessment for competency gap identification, Leadership Development Program for succession planning, and the Performance Management Process for development needs identification. The Company allocates a substantial budget for professional trainings here and abroad. In particular, the Company sends technical staff from the Operations and Maintenance Group to Kansai Electric Power Company's hydro power plants in Japan for hands-on training. This is a five-year training program for key technical staff in preparation for the major maintenance works of the SRHEPP.

For the reporting period, a total of PHP 21 million was spent for various trainings totaling 22,776 hours. This is 40% higher than the previous reporting period as the Company is committed to provide opportunities to support the continuing improvement of its employees' skills.

TRAINING HOURS								
Year	Breakdown (per Level in Hours)					Breakdown (per Gender)		Average Hour Per Employee
	Total Hours	Executive	Manager	Supervisor	Staff	Male	Female	
April 2014 to March 2015	9572	96	832	768	7876	7680	1892	104.04
April 2015 to March 2016	6056	212	144	1272	4428	4810	1246	65.12
April 2016 to March 2017	7148	230	232	1408	5278	6050	1098	73.69

Safety in the Workplace

It is important for SRPC to provide a safe working environment for all employees. Its Safety Policy promotes the Company's commitment to create a safety culture among its employees, which fosters an understanding that everyone has the ultimate responsibility to work safely.

Since the last report, SRPC has maintained a safe workplace, with a No Lost Time Accident for the seven straight years. This record on good occupational health and safety not just covers our regular employees, but contractors as well. For this reporting period, we record a total of 988,278 safe work hours.

NO LOST TIME ACCIDENT		
Reporting Period	Work Hours Rendered	Number of Personnel
April 2014 to March 2015	316,476	143
April 2015 to March 2016	335,901	147
April 2016 to March 2017	335,901	147

To strengthen the Company's safety culture, the Safety Group presents monthly Safety Updates during the General Assembly to instill safety culture, encourage incident reporting, and practice preventive actions. In addition, the Operations and Maintenance Group conducts daily Tool Box meetings to review the status of work activities and discuss Job Hazard Analysis and Safety Assessment for everyone's understanding and compliance. The Job Hazard Analysis is a process that helps employees identify potential hazards and mitigation measures. This is also required from service providers before work permits are issued.

Prevhealth Inc., the Company's health care provider, issues regular safety and health alerts and bulletins for the information and reference of all employees as well as the SRMP community. The safety responsibility is

extended to all contractors, as well as visitors as they are considered a part of the Company's safety efforts.

The Safety Orientation, which is conducted for all newly hired employees, Cadet Engineers, On the Job Trainees, and service providers, contain topics on General Safety Rules and Regulations. The Company celebrates Safety Day every year in the month of September.

In compliance with Rule 1040 of the Department of Labor and Employment, the Company's Health and Safety Committee carries out the health and safety programs of the Company. All employees and contractors are represented in the Committee: general staff members, supervisors, management, and representatives from security, medical, ground maintenance, and food concessionaire contractors. The permanent Chair of the Committee is the Senior Vice President for Operations and Maintenance while the Safety Engineer serves as permanent member and secretary.



Safety Audit

The Health and Safety Committee conducts regular safety inspections and audit to measure the Company's compliance with Philippine Occupational Safety and Health Standards by the Bureau of Working Conditions of the Department of Labor and Employment.

In 2016, the Marubeni Power Asset Management (MPAM) Group of Hong Kong conducted Safety Audit utilizing Module 102 - Occupational Health and Safety of their Integrated Management Approach. The audit assesses the adequacy and effectiveness of controls for key aspects of SRPC's business, which includes Quality, Safety, Environment, Operations, and Maintenance.

The next Safety Audit will be after three years.

Safety Trainings

For the reporting period, the Company conducted seven safety training courses for 285 regular employees and contractual workers. These courses included Basic Occupational Safety and Health, Standard First Aid and Basic Life Support, Basic Vehicle Maintenance, Basic Rope Access and Rescue, Scaffold Erection and Safety, Job Hazard Analysis, and Rigging.

SAFETY TRAININGS			
SAFETY TRAINING COURSES	PARTICIPANTS		
	REGULAR EMPLOYEES	CONTRACTORS' EMPLOYEES	TOTAL
Basic Occupational Safety & Health (BOSH)	22	9	31
Standard First Aid & Basic Life Support	77	52	129
Basic Vehicle Maintenance Workshop	11	4	15
Basic Rope Access and Rescue	11	14	25
Scaffold Erection & Safety NC II	23	13	36
Job Hazard Analysis	27	1	28
Rigging NC I	20	1	21

The Company's Water, Sanitation and Hygiene (WASH) Promotion Program implemented in public schools in the host communities in partnership with the Philippine Red Cross trains students in first aid, basic life support, and disaster preparedness. Six hundred fifty one (651) students were trained during the reporting period.



Safety Performance Report

For the period, the Company responded to five incidents of bushfire in and around the power plant facility and one structural fire near the vicinity of the National Grid Corporation of the Philippines. There were five instances of vehicular incidents involving company assets and employees resulting to varying damages on the vehicles involved. Two of these incidents resulted to personal injuries to the two other parties involved but no legal case or claims were filed against the Company from these parties.

Despite exposure of Operations and Maintenance personnel to certain on-site hazards such as working at heights, energized and rotating equipment, confined spaces, and possible submergence, there were no incidents of illness, injury, or leave resulting from work activity.

Health and Wellness

The Company launched a program called "Biggest Loser/Gainer" in 2015 to promote a healthier lifestyle, in particular for weight management of the employees. Apart from sports tournaments during the annual Company sports festival, the employees have access to fitness equipment in the mini-gyms at the power plant.

For four straight years, the Company has been supporting the Red Cross in its blood donation campaign. The annual bloodletting activity is held as part of the Company's Safety Day celebration.

Employee Volunteerism

For the reporting period, 161 employee volunteers spent a total of 1,288 volunteer hours in 15 *Nasapa A Paskua* (early Christmas program) and 9 *Brigada Eskwela* (school maintenance program) activities.

The employee-initiated program, *Nasapa A Paskua*, which started in 2010, attracted additional partners such as Axia Power Holdings Philippines Corporation and San Roque Power Corporation Employees' Multipurpose Cooperative. Unlike the Company's other outreach programs, which are focused in the host communities, the *Nasapa A Paskua* reaches out to schools and communities outside the host communities. From 2014 to 2017, the program generated a total of PHP 243,896.55, which benefited 15 schools and 1,366 children.



Building for a Brighter Future


Part of the company's role as a socially responsible corporate neighbor is the dutiful payment of corporate taxes. For the reporting period, the Company has remitted approximately 2 billion pesos in income and local business taxes.


The Company does not provide contributions, financial or otherwise, to politicians and political parties. However, the Company contributes to fiestas or founding anniversaries, sports and cultural activities, and fund raising activities. For the reporting period, it incurred PHP 877,265 for these donations. These are guided by Company policies on Giving Gifts and Entertainment (ADM-05-11) and Anti-Bribery and Anti-Corruption (ADM-05-12).


The Company also complies with the payment of financial benefits to host communities under the Energy Regulations (ER) 1-94, corresponding to the one-centavo per kilowatt hour of total electricity sales. The Company remits a trust fund administered by the Department of Energy that can be accessed by the host communities for electrification, development and livelihood, reforestation, watershed management, health and environment enhancement projects. For the reporting period, the Company contributed PHP 25,699,785.60 to the fund.


Completed Projects Funded under ER 1-94 with a total project cost of PHP 54,814,368.56 from 2008 to 2017

 **86** sitios electrified

 **1** provincial reforestation program implemented


 **7** vehicles purchased (barangay patrols and ambulances)


 **1** slope protection constructed


 **3** buildings repaired (day care center and health center)

 **1** Kubeta Para Sa Masa (community toilets) program implemented

 **1** farm to market road constructed

 **2** water supply systems constructed

 **2** buildings constructed (employment and skills development center and health center)

 **7** classrooms rehabilitated

Project RANG-AY

The Company is committed to act as catalyst to assist its fence-line communities in attaining inclusive growth and development. It has embedded social responsibility in its core values and has established the San Roque Power Foundation, Inc. (SRPFI) to be its implementing arm in effecting social responsibility programs. With this, the Company developed programs and projects through its Strategic Social Investment Program, which aims to directly improve the socio-economic conditions in the SRMP fence-line communities. These include clear improvements in livelihood, education, and reduced incidences of water/sanitation illnesses, along with straightforward reduction in GHG emissions from public lighting and improved access to health care.



LIVELIHOOD AND ENTERPRISE DEVELOPMENT

- Livelihood and Enterprise Projects
- Sustainability Imprinting
- Access to Financial Capital
- Skills Training



EDUCATION AND HEALTH CARE

- Reading, Mathematics and Science Proficiency
- Summer Arts Workshop
- Support to Brigada Eskwela
- Support to Volunteer Teachers
- Donate A Book, Make Reading Fun
- Water, Sanitation and Hygiene Promotion
- Dengue: Iwasan at Puksain
- Supplemental Feeding



ENVIRONMENTAL CONSERVATION

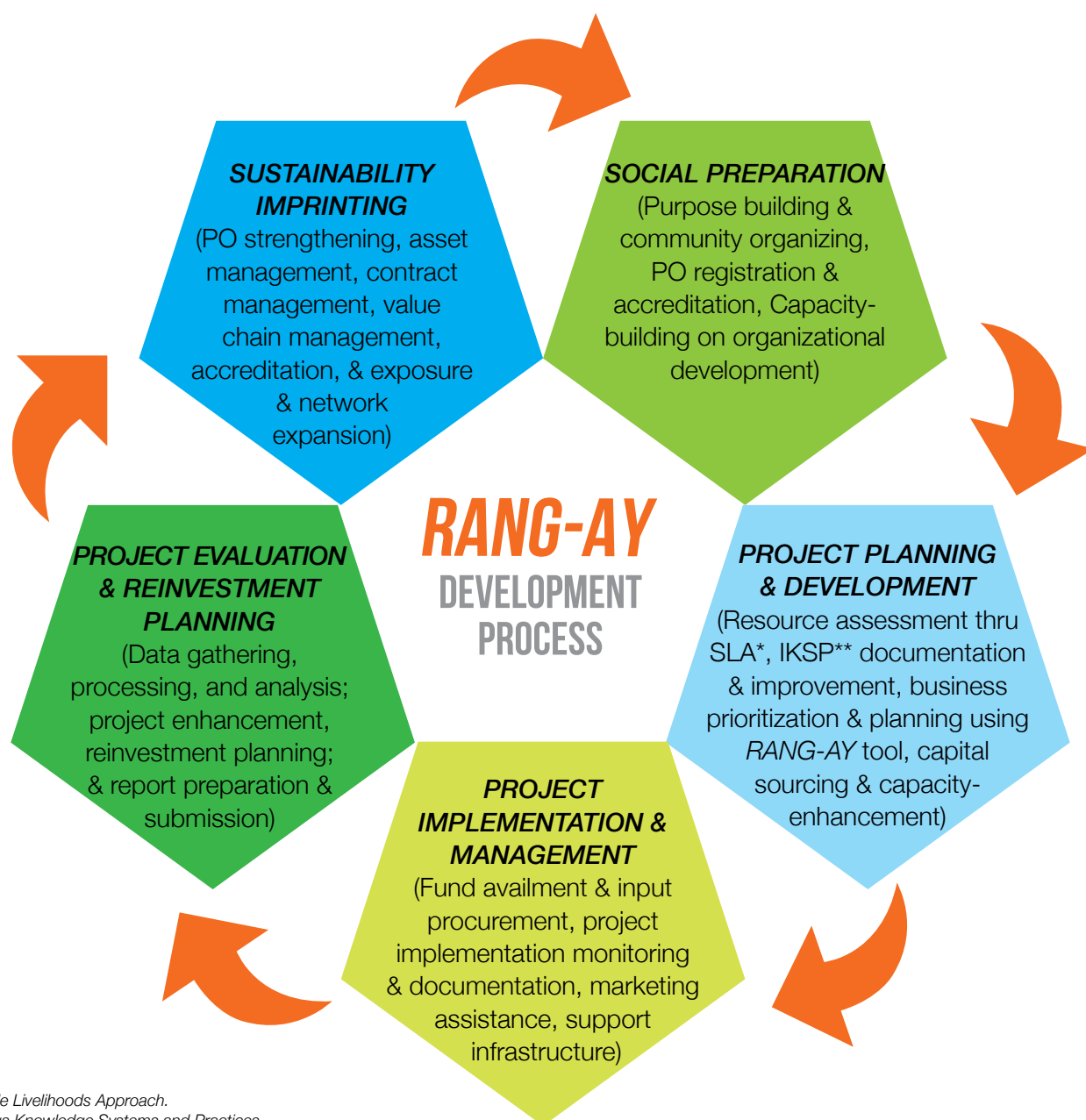
- Grow-a-Tree for the San Roque Watershed
- Tree Library/Arboretum
- Bird and Wildlife Conservation
- Philippine Eagle Project
- Ecological Waste Management
- Environmental Information, Education and Communication

More than creating spaces and structures that ease socio-economic development, the Company also provides the community with financial and knowledge resources that enable them to be more economically stable. Thus, the Company developed the Community-Driven Enterprise Development (CDED) Model, which is based on the Sustainable Livelihood Framework (SLF) and the Community-Driven Development (CDD) approach. The Company studies economic gaps in the community and create programs that indirectly address them through the use of organizational, social, natural, physical, and financial resources. This method encourages self-reliance and resulted in measurable improvements.

In 2017, the Company developed Project *RANG-AY* (**R**esource **A**ccess to **N**urture **G**rowth and **A**ccelerate development in the community**Y**) concept for all development interventions being carried out in SRMP's fence-line communities. Project *RANG-AY* is not just a concept and development process but a goal. (*Rang-ay* is an Ilokano word that means progress).

As a goal, Project *RANG-AY* should translate to improvement in the quality of life. As a concept, it is a community development model conceptualized from CDED model and SL framework. As a process, Project *RANG-AY* forms a holistic development approach that integrates interventions on livelihood and enterprise development with education, health, and environmental conservation as resource-enhancing strategies for the five basic community capitals (human, social, physical, financial, and natural) through meaningful engagement with stakeholders, partners, and interest groups.

The figure below provides for the Project *RANG-AY* development process that is both cyclical and progressive:



*Sustainable Livelihoods Approach.

**Indigenous Knowledge Systems and Practices.

Foremost in the Company's key accomplishments is the Access to Financial Capital Project through the *Baro A Namnama* Multipurpose Cooperative (BANMPC), which has achieved operational self-sufficiency in 2016 and with loan officer productivity reaching a high of 138.33%. The amount of loans disbursed for this reporting period total PHP 16,657,119.00 which are used to launch or augment local enterprises. From a baseline repayment rate of 90%, it has now met the 100% in FY 2016.

The Company has helped the average household income of PHP 20,424 in its fence-line communities to increase by 13.44% since the last reporting period in 2014 to PHP 23,168, which is 2.55 times more than the PHP 9,065 national monthly household poverty threshold for a family of five (Philippine Statistics Authority, 2015).

In terms of educational programs, in 2012, the Reading, Mathematics and Science Proficiency Program developed its own culture-based workbooks in English and Science written by teachers from the Department of Education's Pangasinan Division II and Itogon District II. In 2016, the teachers from

San Nicolas District II authored another culture-based workbook entitled *Workbook in Elementary Mathematics 2*. This is now being used by Grade II pupils from the 92 public elementary schools supported by the program.

Emerging impacts of the program includes increase in the National Achievement Test score from 57% in 2007 when the program started, to 72.17% in 2015 and low drop-out rate of 0.26%.

In addition to finance and education, the Company also provides assistance related to institution-building, livelihood infrastructure, and health care. These projects have achieved improvements in the following indicators:

- entrepreneurial and management skills
- health care quality
- community organization management

The impacts of these programs are verified through field visits and interviews, cross-monitoring, and socio-economic surveys undertaken by a third-party.

COMPLETED PROJECTS/ACCOMPLISHMENTS DURING THE REPORTING PERIOD



EDUCATION

- 25,880 elementary pupils benefited from English, Mathematics and Science Proficiency Program
- 34,831 English, Mathematics and Science workbooks distributed
- 1,754 story and reference books donated to 25 schools
- 1,361 teachers trained in English, Mathematics and Early Language Literacy and Numeracy
- 1,505 parents trained in school governance
- 316 children participated in summer arts workshop
- 49 volunteer teachers supported



LIVELIHOOD AND ENTERPRISE DEVELOPMENT

- PHP 23,168 gross monthly household income from PHP 20,424 in 2014
- PHP 16,657,119 total amount of loan disbursed to 427 borrowers
- 412 persons trained in enterprise development
- 86 farmer-leaders participated in study visits
- 113 out of school youths trained in Shielded Metal Arc Welding
- 22 women trained in General Sewing



HEALTH

- 651 pupils trained in community-based first aid, hygiene and sanitation promotion, and disaster preparedness
- 4,115 children given hygiene kits
- 2,328 children benefited from supplemental feeding program



INFRASTRUCTURE

- 9 classrooms repaired
- 2 classrooms constructed
- 7 hand-washing facilities constructed
- 4 two-room comfort rooms constructed
- 2 water systems constructed
- 7 others (baywalk solar-powered street lights project, breeding research and organic demonstration training center, bridge, library, farm to market road)



THE SUSTAINABILITY TEAM

The Sustainability Council

Kenshi Iseri, President and CEO

William Connell, Senior Vice President for Operations and Maintenance

Yoshinao Matsushita, Senior Vice President for Technical Matters

Tommy T. Valdez, Vice President for Corporate Affairs and Head of the Sustainability Technical Working Group

Carlos M. Echevarria, Vice President for Corporate Compliance

Raymund N. Mariano, Vice President for Operations and Maintenance

Rheena Liza D. De Guzman, Vice President for Finance and Treasurer

Ma. Rhona Liza J. Apil, Vice President for Human Resources and Administration

The Technical Working Group

OPERATIONS AND MAINTENANCE

Rubentheo P. Cuta

Edgar Allan F. Villegas

Marcel P. Ablog

Melania O. Abubo

Arnulfo V. Academia

Emiliano P. Dictaan

Michael D. Mercado

Jayson P. Palado

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Rochelle S. Idanan

Tamcyn R C. Ubaldo

Zarah E. Ednalaguim

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Heidi A. Tominez

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Marita L. Ebojo

Carly Repollo

HUMAN RESOURCES AND ADMINISTRATION

Michael A. Sese

CORPORATE COMPLIANCE

Renato G. Salicsic

SAN ROQUE POWER FOUNDATION, INC.

Arzel S. Manalili

GRI ADVISER

Colin L. Hubo, Executive Director, University of Asia and the Pacific - Center for Social Responsibility

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) OR DIRECT ANSWER AS APPLICABLE	OMMISSION
GRI 101: Foundation 2016			
[GRI 101 does not include any disclosures]			
GENERAL DISCLOSURES			
GRI 102: General Disclosures 2016	102-1 Name of the organization	San Roque Power Corporation (SRPC)	This disclosure cannot be omitted.
	102-2 Activities, brands, products, and services	The San Roque Power Corporation (SRPC or the Company) operates the power-generating facility of the San Roque Multipurpose Project in accordance with the Power Purchase Agreement with the National Power Corporation (NPC). The San Roque Hydroelectric Power Plant (SRHEPP) has a maximum capacity of 435 MW of clean renewable energy that can produce approximately 1,000GWh annually.	" "
	102-3 Location of headquarters	Barangay San Roque, San Manuel 2438 Pangasinan, Philippines	" "
	102-4 Location of operations	Barangay San Roque, San Manuel 2438 Pangasinan, Philippines	" "
	102-5 Ownership and legal form	SRPC is indirectly owned by Marubeni Corporation and Kansai Electric Power Company Ltd with an equal sharing of 50%.	" "
	102-6 Markets served	National Power Corporation	" "
	102-7 Scale of the organization	Pages 19, 35, 49-50	" "
	102-8 Information on employees and other workers	Pages 49-50	" "
	102-9 Supply Chain	Page 15	" "
	102-10 Significant changes to the organization and its supply chain	No significant changes occurred in the Company's size, structure, ownership or its supply chain since its 2014 The Power of Water Sustainability Report.	" "
	102-11 Precautionary Principle or approach	Pages 20-21	" "
	102-12 External initiatives	Pages 15-16	" "
	102-13 Membership of associations	Page 16	" "
	102-14 Statement from senior decision-maker	Pages 1-4	" "
	102-15 Key impacts, risks, and opportunities	Pages 2, 4, 17, 42-43, 56, 60	" "
	102-16 Values, principles, standards, and norms of behavior	Pages 28-29	" "
	102-17 Mechanisms for advice and concerns about ethics	Pages 28-29	" "
	102-18 Governance structure	Pages 23-25. Information can also be found in website: http://www.sanroquepower.ph/governance/	" "
	102-19 Delegating Authority	Page 25	" "
	102-20 Executive-level responsibility for economic, environmental, and social topics	Page 27	" "
	102-21 Consulting stakeholders on economic, environmental, and social topics	Page 27	" "
	102-22 Composition of the highest governance body and its committees	Page 25	" "
	102-23 Chair of the highest governance body	The Board of Directors exercises the highest level of governance while the President and CEO manages business operations.	" "
	102-24 Nominating and selecting the highest governance body	Page 25	" "
	102-25 Conflicts of interest	Page 28	" "
	102-26 Role of highest governance body in setting purpose, values, and strategy	Page 25	" "
	102-27 Collective knowledge of highest governance body	Page 27	" "

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) OR DIRECT ANSWER AS APPLICABLE	OMMISSION
GENERAL DISCLOSURES			
GRI 102: General Disclosures 2016	102-28 Evaluating the highest governance body's performance	Page 25	This disclosure cannot be omitted.
	102-29 Identifying and managing economic, environmental, and social impacts	Page 27	" "
	102-30 Effectiveness of risk management processes	Page 23	" "
	102-31 Review of economic, environmental, and social topics	Page 27	" "
	102-32 Highest governance body's role in sustainability reporting	Page 62	" "
	102-33 Communicating critical concerns	Page 27	" "
	102-34 Nature and total number of critical concerns	None during the reporting period.	" "
	102-35 Remuneration policies	Pages 26, 50	" "
	102-36 Process for determining remuneration	Page 26	" "
	102-37 Stakeholders' involvement in remuneration	The Company voluntarily participates in Market Surveys to be updated on current trends on Benefits and Compensation Package.	" "
	102-38 Annual total compensation ratio	1:2.4	" "
	102-39 Percentage increase in annual total compensation ratio	1:1	" "
	102-40 List of stakeholder groups	Page 9	" "
	102-41 Collective bargaining agreements	The Company does not have a labor union.	" "
	102-42 Identifying and selecting stakeholders	Page 9	" "
	102-43 Approach to stakeholder engagement	Page 9	" "
	102-44 Key topics and concerns raised	Pages 6-8	" "
	102-45 Entities included in the consolidated financial statements	Page 37	" "
	102-46 Defining report content and topic boundaries	Page 5	" "
	102-47 List of material topics	Pages 6-8	" "
	102-48 Restatements of information	There is no restatement of information.	" "
	102-49 Changes in reporting	The previous Sustainability Report was prepared in accordance with the Global Reporting Initiative (GRI) G4 sustainability reporting guidelines following the comprehensive in-accordance option and the Electric Utilities Sector Disclosures (EUSD).	" "
	102-50 Reporting period	April 2014 to March 2017	" "
	102-51 Date of most recent report	April 2014	" "
	102-52 Reporting cycle	Biennial	" "
	102-53 Contact point for questions regarding the report	Technical Working Group San Roque Power Corporation San Roque, San Manuel, 2438 Pangasinan Philippines gri.twg@sanroquepower.ph	" "
	102-54 Claims of reporting in accordance with the GRI Standards	This Report has been prepared in accordance with the GRI Standards: Comprehensive option.	" "
	102-55 GRI content index	Pages 63-72	" "
	102-56 External assurance	The Company did not engage a third party to conduct an external assurance of sustainability disclosures.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	The Report only covers the power generation component of the San Roque Multipurpose Project. The other features-irrigation, flood attenuation, and water quality improvement-which are within the purview of government agencies are presented without additional details in the Features of the SRMP section. The Report also discusses SRPC's Project RANG-AY which is implemented by the San Roque Power Foundation, Inc.	" "
	103-2 The management approach and its components	Pages 31-34	" "
	103-3 Evaluation of the management approach	Pages 31-34	" "

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) OR DIRECT ANSWER AS APPLICABLE	OMMISSION
MATERIAL TOPICS			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	This disclosure cannot be omitted.
	103-2 The management approach and its components	Page 31	" "
	103-3 Evaluation of the management approach	Page 31	" "
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Pages 35-36	" "
	201-2 Financial implications and other risks and opportunities due to climate change	This is not applicable at the moment because the Company does not have a system in place to check financial implications due to climate change. However, there are measures and strategies used by the Company to capitalize on its favorable impacts to improve the overall quality of the environment (see discussions on Environment section).	" "
	201-3 Defined benefit plan obligations and other retirement plans	Page 50	" "
	201-4 Financial assistance received from government	The Company received input value added tax refund from the Philippine Government.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 31	" "
	103-3 Evaluation of the management approach	Page 31	" "
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	The entry level SRPC earns is 47% higher than the prescribed minimum wage in the Ilocos region.	" "
	202-2 Proportion of senior management hired from the local community	Three members of the Executive Management Team and two Managers are from Benguet and Pangasinan.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 31	" "
	103-3 Evaluation of the management approach	Page 31	" "
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Pages 56, 60	" "
	203-2 Significant indirect economic impacts	Pages 59-60	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 31	" "
	103-3 Evaluation of the management approach	Page 31	" "
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	The Company purchased 30.68% of items and services from local suppliers in the municipalities of San Manuel and San Nicolas in Pangasinan, and in Ilogon, Benguet.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 31	" "
	103-3 Evaluation of the management approach	Page 31	" "
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	There were no findings in relations to potential exposure in violating anti-corruption law.	" "
	205-2 Communication and training about anti-corruption policies and procedures	All employees were oriented on Anti-Bribery and Anti-Corruption policy, which was effected in December 2016.	" "
	205-3 Confirmed incidents of corruption and actions taken	There were no compliance audit findings regarding the incidents of corruption for the reporting period.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 31	" "

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) OR DIRECT ANSWER AS APPLICABLE	OMMISSION
MATERIAL TOPICS			
GRI 103: Management Approach 2016	103-3 Evaluation of the management approach	Page 31	This disclosure cannot be omitted.
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None during the reporting period. The Company's sole customer is the National Power Corporation, to whom it has been fulfilling the stipulation of delivering the contracted capacity since operations began in 2003.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 32	" "
	103-3 Evaluation of the management approach	Page 32	" "
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Impounded water from Agno River that is used for power generation totaled 6,622.74 MCM.	" "
	301-2 Recycled input materials used	The water used for generating hydroelectric power is entirely returned to the river system unaltered. This is referred to as operational releases, which become the source for the SRMP irrigation component being managed by the National Irrigation Administration.	" "
	301-3 Reclaimed products and their packaging materials	Hydroelectric power is the only product of SRPC. Hydro power passes through transmission lines and therefore there is nothing to reclaim.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 32	" "
	103-3 Evaluation of the management approach	Page 32	" "
GRI 302: Energy 2016	302-1 Energy consumption within the organization	17,456.07 MWh or 62,841.85 GJ	" "
	302-2 Energy consumption outside of the organization	2,601,869.67 MWh or 9,366,730.82 GJ	" "
	302-3 Energy intensity	The Company's energy intensity ratio within the organization is .666 percent for this reporting period.	" "
	302-4 Reduction of energy consumption	The Company's efficiency gains come from administrative approaches such as turning off equipment outside office hours to green purchasing decisions that include energy-efficient equipment related to lighting, computing, and air-conditioning.	" "
	302-5 Reductions in energy requirements of products and services	The Company consistently implements flexible work policies, systematic arrangement of employee errands and carpooling programs to support use of mass transit, and use of teleconferences to reduce its fuel consumption.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 32	" "
	103-3 Evaluation of the management approach	Page 32	" "
GRI 303: Water 2016	303-1 Water withdrawal by source	The San Roque Reservoir inflow for the reporting period totaled 7,049.54 MCM.	" "
	303-2 Water sources significantly affected by withdrawal of water	Upstream of the dam, the water quality impacts associated with the operation of the Plant are confined to the reservoir area; hence, no impacts are expected further upstream. Downstream of the dam, assessment of water quality reflects significant improvement especially in terms of turbidity/clarity and total solids (dissolved and suspended). The Company is also equally diligent in monitoring and controlling the quality of effluent water from its sewage treatment facilities.	" "
	303-3 Water recycled and reused	The water used for generating hydroelectric power is entirely returned to the river system unaltered and unharmed for purposes of irrigation as being managed by the National Irrigation Administration.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 32	" "

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) OR DIRECT ANSWER AS APPLICABLE	OMMISSION
MATERIAL TOPICS			
GRI 103: Management Approach 2016	103-3 Evaluation of the management approach	Page 32	This disclosure cannot be omitted.
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Pages 42-43	" "
	304-2 Significant impacts of activities, products, and services on biodiversity	Pages 3, 42-43	" "
	304-3 Habitats protected or restored	Page 43	" "
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	As of 2017, at least 92 species of birds have been sighted in SRMP. One of these species is the Philippine duck (<i>Anas luzonica</i>), which is classified as vulnerable species (one level behind Endangered) by the International Union for Conservation of Nature (IUCN).	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 32	" "
	103-3 Evaluation of the management approach	Page 32	" "
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 44	" "
	305-2 Energy indirect (Scope 2) GHG emissions	The Company's office building electricity consumption, including electricity used for lighting, cooling, heating, and office equipment (e.g., printers, photocopiers) comes from hydroelectric power, hence, indirect emissions from these sources are considered insignificant.	" "
	305-3 Other indirect (Scope 3) GHG emissions	No data collected for the reporting period.	" "
	305-4 GHG emissions intensity	Page 44	" "
	305-5 Reduction of GHG emissions	The Company endeavors to sustain its energy efficiency both as an electric generator as it incorporates state of the art appropriate technology to produce energy cleanly and efficiently, and as an end-user, improving its energy efficiency in the workplace by implementing basic administrative procedures like turning off electric equipment outside operational hours and giving preference to energy-efficient products such as lightings, computers and air-conditioning units. The Company encourages reductions through investment in energy efficient office equipment and lightings and reduced use of materials such as paper, food packaging, and bottled water.	" "
	305-6 Emissions of ozone-depleting substances (ODS)	No emissions of ozone-depleting substances from cooling systems due to non-use of refrigerants or freons.	" "
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	No air emission characterization for NOx and SOx had been conducted for this reporting period.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 32	" "
	103-3 Evaluation of the management approach	Page 32	" "
GRI 306: Effluents and Waste 2016	306-1 Water discharge by quality and destination	Impounded water from Agno River that is used for power generation is returned to the river system unaltered for irrigation use. It meets the Water Quality Guidelines of the DENR for Class C Freshwaters intended for irrigation and propagation and growth of fish and other aquatic resources.	" "
	306-2 Waste by type and disposal method	All waste items are properly sorted and stored at a designated area in the Material Recovery Facility. Non-recyclable/re-usable wastes are disposed to the municipal dumpsite.	" "
	306-3 Significant spills	No significant spills were recorded during this reporting period.	" "
	306-4 Transport of hazardous waste	Hazardous wastes such as used oil and batteries are collected and stored in a designated storage area. These wastes are transported and treated locally at licensed and DENR-accredited facilities and do not cross international boundaries.	" "
	306-5 Water bodies affected by water discharges and/or runoff	Pages 40-41	" "

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) OR DIRECT ANSWER AS APPLICABLE	OMMISSION
MATERIAL TOPICS			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	This disclosure cannot be omitted.
	103-2 The management approach and its components	Page 32	" "
	103-3 Evaluation of the management approach	Page 32	" "
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	The Company has not received any notice of violation pertaining to non-compliance with environmental requirements or penalized for any environmental offense.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 32	" "
	103-3 Evaluation of the management approach	Page 32	" "
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	None for this reporting period. However, the suppliers for siphoning service are required to be DENR-accredited.	" "
	308-2 Negative environmental impacts in the supply chain and actions taken	1. Number of suppliers assessed for environmental impacts – None 2. Number of suppliers identified as having significant actual and potential negative environmental impacts – None 3. Significant actual and potential negative environmental impacts identified in the supply chain – disposal of old batteries and used oil 4. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment – None 5. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment – None	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 49	" "
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 50	" "
	401-3 Parental leave	During the reporting period, eight employees availed of parental leave - two males and six females.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	At least seven days minimum notice on operational changes.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 403: Occupational Health and Safety 2016	403-1 Workers representation in formal joint management-worker health and safety committees	Page 52	" "
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	There were no incidents of illness, injury, or leave resulting from work activity.	" "
	403-3 Workers with high incidence or high risk of diseases related to their occupation	The Operations and Maintenance personnel are exposed to certain on-site hazards such as working at heights, energized and rotating equipment, confined spaces, and possible submergence. There were however no incidents of illness, injury, or leave resulting from work activity.	" "

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) OR DIRECT ANSWER AS APPLICABLE	OMISSION
MATERIAL TOPICS			
GRI 403: Occupational Health and Safety 2016	403-4 Health and safety topics covered in formal agreements with trade unions	The SRPC has no labor union. However, it has a tie-up with the Department of Labor and Employment Region 1 Office for the KAPATIRAN WISE-TAV Program which encourages the companies to assist/guide small companies in eventually becoming fully compliant with labor laws and OSH Standards.	This disclosure cannot be omitted.
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	2014-2015 - 104.04 training hours/employee 2015-2016 - 65.12 training hours/employee 2016-2017 - 73.69 training hours/employee	" "
	404-2 Programs for upgrading employee skills and transition assistance programs	SRPC supports the continuous enhancement of its employees' competencies, thus employees have attended trainings, conferences, and conventions relevant not only to their positions but also their own personal development.	" "
	404-3 Percentage of employees receiving regular performance and career development reviews	All employees are subject to the Performance Management Program at the end of the fiscal year.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pages 49-50	" "
	405-2 Ratio of basic salary and remuneration of women to men	The base salary ratio of woman to man is 1:1.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	None during the reporting period.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	During the reporting period, there were no cases in which the right to exercise freedom of association and collective bargaining of employees and suppliers may be violated or at significant risk.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	The SRPC does not employ minors who are under the legal working age.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	No incidents of forced or compulsory labor among SRPC's contractors, sub-contractors, and suppliers have been reported to date.	" "
	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) OR DIRECT ANSWER AS APPLICABLE	OMMISSION
MATERIAL TOPICS			
GRI 103: Management Approach 2016	103-3 Evaluation of the management approach	Page 33-34	This disclosure cannot be omitted.
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	All security personnel have attended seminars on human rights and laws on arrest, search, and seizure.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	None during the reporting period.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	None during the reporting period.	" "
	412-2 Employee training on human rights policies or procedures	From 2015 to 2017, the Corporate Compliance Group conducted eight trainings on human rights attended by all employees.	" "
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Contracts with all suppliers are in accordance with the law and include articles on human rights.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Pages 2, 56-60	" "
	413-2 Operations with significant actual and potential negative impacts on local communities	The significant potential negative impacts of operations include contribution to flooding of communities along the lower Agno River in case of extreme weather events and insufficiency of water for irrigation during drought.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Ninety (90) new suppliers were screened and none of them was found to have significant negative social impacts.	" "
	414-2 Negative social impacts in the supply chain and actions taken	None during the reporting period.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 415: Public Policy 2016	415-1 Political contributions	The Company does not provide contributions, financial or otherwise, to politicians and political parties.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	In managing the efficient use of water, the Company sets necessary operational guidelines and conducts impact studies, which consider the social, economic, and environmental impacts that will result in the process of generating electricity.	" "

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) OR DIRECT ANSWER AS APPLICABLE	OMISSION
MATERIAL TOPICS			
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	None.	This disclosure cannot be omitted.
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	The San Roque Hydroelectric Power Plant has a maximum capacity of 435 MW and annually produces approximately 1,000GWh of clean renewable energy.	" "
	417-2 Incidents of non-compliance concerning product and service information and labeling	None.	" "
	417-3 Incidents of non-compliance concerning marketing communications	None.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	None. The SRPC is an operator bound by the Power Purchase Agreement. It does not engage electric customers in any way.	" "
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Page 5	" "
	103-2 The management approach and its components	Page 33-34	" "
	103-3 Evaluation of the management approach	Page 33-34	" "
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	The SRPC has not identified any non-compliance with laws and regulations in the social and economic areas.	" "
ELECTRIC UTILITIES SECTOR DISCLOSURES			
General Standard Disclosures			
EU1	Installed Capacity, Broken Down by Primary Energy Source and Regulatory Regime	The San Roque Hydroelectric Power Plant has an installed capacity of 435 MW.	This disclosure cannot be omitted.
EU2	Net Energy Output Broken Down by primary Energy Source and by Regulatory Regime	Pages 19, 35	" "
EU3	Number of Residential, Industrial, Institutional and Commercial Customer Accounts	The SRPC does not directly engage electric customers in any way, such as in matters of customer accounts.	" "
EU4	Length of Above and Underground Transmission and Distribution Lines	The SRPC only generates power. The transmission lines and distribution networks are maintained by other agencies.	" "
EU5	Allocation of CO2e Emissions Allowances or Equivalent, Broken Down by Carbon Trading Framework	The Company voluntarily monitors GHG emissions using GHG Protocol's Corporate Accounting and Reporting Standard. However, there are no carbon GHG trades being done by the Company.	" "

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) OR DIRECT ANSWER AS APPLICABLE	OMMISSION
CATEGORY: ECONOMIC			
Sector Specific Aspect: Availability, Efficiency			
EU10	Planned Capacity Against Projected Electricity Demand Over the Long Term, Broken Down by Source and Regulatory Regime	The San Roque Hydroelectric Power Plant has a maximum capacity of 435 MW and annually produces approximately 1,000GWh of clean renewable energy. The SRHEPP supplies its contracted capacity of 115 MW to the Luzon Power Grid.	This disclosure cannot be omitted.
Sector Specific Aspect: Availability and Reliability			
EU11	Average Generation Efficiency of Thermal Plants by Energy Source and by Regulatory Regime	Not applicable. SRHEPP is a hydroelectric power plant.	Not applicable.
EU12	Transmission and Distribution Losses as a Percentage of Total Energy	The SRPC only generates power based on the requirements of the Power Purchase Agreement.	This disclosure cannot be omitted.
CATEGORY: ENVIRONMENTAL			
G4 Aspect: Biodiversity			
EU13	Biodiversity of Offset Habitats Biodiversity of Offset Habitats Compared to the Biodiversity of the Affected Areas	Pages 42-43	This disclosure cannot be omitted.
CATEGORY: SOCIAL			
Sub-Category: Labor Practices and Descent Work			
G4 Aspect: Employment			
EU15	Percentage of Employees Eligible to Retire in the next 5 to 10 Years Broken Down by Job Category and by Region	Seven percent of employees are eligible to retire in the next five years while 16 percent are eligible to retire in the next ten years.	This disclosure cannot be omitted.
EU17	Days Worked by Contractor and Subcontractor Employees involved in Construction, Operation and Maintenance Activities	112 days	" "
EU18	Percentage of Contractor and Subcontractor that have undergone relevant Health and Safety Trainings	Thirty eight (38) percent.	" "
G4 Aspect: Local Communities			
EU22	Number of People Physically or Economically Displaced and Compensation, Broken Down by Type of Project	The National Power Corporation compensated the 660 families displaced during the construction of the San Roque Multipurpose Project from 1998 to 2003.	This disclosure cannot be omitted.
Sub-Category: Product Responsibility			
G4 Aspect: Customer Health and Safety			
EU25	Number of Injuries and Fatalities to the Public Involving Company Assets Including Legal Judgements, Settlements, and Pending Legal Cases of Diseases	Page 54	This disclosure cannot be omitted.
EU26	Percentage of Population Unserved in Licensed Distribution or Service Areas	Reporting on the percentage of an unserved population in licensed distribution areas is not applicable to SRPC's case.	" "
EU27	Number of Residential Disconnections for Non-Payment, Broken Down by Duration of Disconnection and by Regulatory Regime	The SRPC is not a distributor, hence it does not directly engage electric customers in any way, such as in matters of customer accounts, points of connection, and disconnection for non-payment.	" "
EU28	Power Outage Frequency	During the reporting period, it had seven interruptions with a total duration of 94.41 unit hours	" "
EU29	Average Power Outage Duration	13.49 units hours	" "
EU30	Average Plant Availability Factor by Energy Source and by Regulatory Regime	98.57%	" "



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