ASSURANCE STATEMENT OF THE EXTERNAL REVIEW COMMITTEE

UA&P
UNIVERSITY OF ASIA AND THE PACIFIC

A. GENERAL DISCLOSURES

Four experts from various fields of specialization – one (1) each in economics and society and two (2) for the environment to cover the "green" (i.e., biology) and "brown" (i.e., effluents, emissions, wastes and residues) aspects - comprised the External Review Committee (ERC) who reviewed the Energy Development Corporation's (EDC) 2017 Sustainability Report (SR 2017). This report covers EDC's Philippine operations from the period January 1 to December 31, 2017. In addition to assessing EDC's SR 2017 for content and quality, the management approach of the economic, social and environment including topic-specific disclosures in accordance to the Global Reporting Initiative (GRI) comprehensive option, the ERC has been tasked to answer the following questions: (a) What are the external and internal drivers for carbon neutrality in the context of EDC's business strategy?; (b) What are the measures to help EDC fully understand its carbon footprint and carbon reduction strategy?; and, (c) What are the ways to effectively engage EDC's key stakeholders given its carbon neutral business strategy?

The output of the assurance review process of the SR 2017 is intended for senior management, company, shareholders, creditors and other parties interested in knowing the impacts of EDC's economic, society and environment performance vis-à-vis its stakeholders' reasonable expectations.

EDC shouldered the expenses for the site visits including the honorariums of the ERC members and the support provided by CSR-UA&P. The company pre-selected the stakeholders who were interviewed and the sites visited, and provided and presented the data and information during the review process when requested by the ERC.

B. LEVEL OF ASSURANCE

The assurance process is limited by the scope defined in the Content Index of the SR and by the integrity and accuracy of the data and information provided during site visits, stakeholder interviews and presentations. The ERC members have considered that the sampled data and information (i.e., audited financial statements, data of water and energy consumption, waste generation, community investments and activities, etc.) were accurate and true. Historical data were also presented and reasons for variance were explained.

The ERC agreed to visit the geothermal sites in Kidapawan, Leyte, and the wind and solar farms in Ilocos Norte individually due to the difficulty of all four ERC members to find a common schedule to visit the sites and the time constraint between the assurance process and the submission of their report. All ERC members were able to visit the geothermal operations in Southern Negros (Valencia) and the Corporate HQ in Ortigas, Pasig. The assurance process lasted from February 2018 until April 17, 2018 upon the receipt of EDC's SR 2017.

It should be noted that EDC has presented an integrated report by combining its sustainability performance data with the usual disclosures required by annual reporting. The validation process has been based solely on pertinent disclosures related to the GRI reporting Standards and does not extend beyond such data or information.

The ERC's statement should not be construed as the views of UA&P, UA&P-CSR or of the organizations to which the ERC members belong, nor does it provide a guarantee of the accuracy of the data and information as well as an endorsement of EDC's approaches, strategies and core beliefs.

C. METHODOLOGY

EDC has been at the forefront of sustainability reporting in the Philippines since releasing its first report in 2011. Over the years, the company has acquired the knowledge, competence and experience in monitoring the impact of its operations on the triple bottom line, as well as in establishing the systems, structure, strategy and culture to monitor, evaluate and enhance its performance outcomes over time. Moreover, EDC has benefitted from the previous assurance review processes by taking stock of the recommendations of various experts geared towards enhancing the quality of EDC's reporting, performance and impact.

The ERC members met last April 2, 2018 to discuss: (1) their impressions of the validation visits and interviews; (2) the general assessment of some topic-specific disclosures; and (3) the partial draft of some sections of the SR 2017. They then forwarded their management reports and final assurance statement to the representatives of EDC last April 19, 2018.

D. FINDINGS

The EDC's 2017 Sustainability Report has applied the GRI Reporting Principles to disclose its performance subject to limitations and scope that have been defined in the SR's Content Index. Also, the management approaches and their components, report boundaries and material topics considered important by company stakeholders were identified and reported.

1. Based on the site visits and interviews with key management and stakeholders, it was observed that EDC's corporate beliefs and principles were consistently demonstrated, directly felt, and sincerely appreciated by communities, local government, suppliers, and businesses that have benefited from EDC's various initiatives.
2. Beyond EDC's commitment to providing affordable, reliable and modern renewable energy (SDG 7) to Filipinos, the company has envisioned itself to contribute to nation building significantly. As a matter of fact, the company viewed its commitment in the larger framework of ending poverty, protecting the planet, and achieving prosperity for all (SDGs 1-17) as well as aligning the company's topic-specific disclosures to the Department of Energy's Renewable Program vis-à-vis the Sustainability Development Agenda and the Paris Agreement (CoP 21). More than just documenting the targets reached on an annual basis, the account of the journey and the stories of the struggles of the community to achieve those targets are valuable to the EDC family and to those who value the nation and the planet. There is a palpable sense of pride among the company's leaders and employees on the targets that have been achieved annually and acceptance of each other's role in ensuring that everyone "walks the talk".
3. EDC's business units are located inside protected areas and within forest or watershed reservations. Thus, one of the most notable disclosures of EDC is on biodiversity. The company's active forest and watershed protection programs have been attributed for the conservation, enhancement, and restoration to fully functional state of a wide expanse of watershed reservations. It is noteworthy that EDC is doing all essential measures - from enduring maintenance and operation process improvement to preventing the wastes generated from all its operational activities that could contaminate water bodies, soil and other parts of the landscape - for protecting the watershed. For instance, the wastes from geothermal power generation (i.e., geothermal brine and condensates) are contained from spilling over critical natural resources by way of reinjection into the geothermal reservoir. It is most likely that EDC will remain committed to the protection of the environment and natural resources in the coming years as embodied in its corporate vision.
4. ERC has come to appreciate the key drivers of carbon neutrality of EDC: (a) the demands of external capital providers to account for the triple bottom line impacts of EDC's as fund beneficiary; (b) the competitive pressures in the renewable energy segment; and (c) the leadership group embracing sustainability principles at the core of its operations. EDC's strategies aimed at carbon neutrality have contributed to its competitiveness and relevance to its suppliers and "fence-line" communities, to local government units and society at large. Subsequently, EDC has taken stock of the carbon footprints of its operations such that it knows exactly the levers to adjust in its operations and where to intervene directly through its environmental programs and projects to cut and even absorb carbon emissions in the atmosphere.
5. Overall, the SR has adhered to GRI's reporting standards concerning quality and content, material topics and boundaries, as well as on management approach, its components and other related disclosures. The report is accurate, verifiable and balanced as can be inferred from the data taken from the official archives of EDC, the materials presented during validation sessions which have disclosed both positive and negative trends including appropriate explanations, and close interactions with EDC's management, personnel and stakeholders. The use of graphs, tables, pictures in presenting the information has enhanced the clarity of the report despite its largely technical content.

E. RECOMMENDATIONS

EDC has gone beyond the usual reporting of its performance and impact. It has transformed itself into an organization fully cognizant of its responsibility not only to its shareholders and financiers but also to society and the environment at large. To enhance further and challenge EDC's sustainable agenda, the ERC has suggested the following recommendations:

1. Given the extensive investments of EDC to ensure that local communities become sustainable even beyond the company's existence, it is critical at this stage to engage the same sectors and communities in participatory planning so that they can be assisted to transition from dependency to self-reliance for technical and financial support.

   Likewise, the successful implementation of the company's programs, e.g., safety standards, environmental care, community empowerment, challenges the organization to promote through capacity building these best practices and transfer the critical lessons learned to the families of beneficiaries and employees, suppliers and contractors, and the respective LGUs in areas where it operates.

2. To improve its sustainability report in the future, it is important to set in place comprehensive environmental monitoring systems from the headwaters all the way down to the coastal and marine ecosystems. Similarly, the generation of time series datasets will improve the impact estimation, hence the sustainability reporting of EDC. This is especially true in the case of estimating the impacts of EDC on the water balance of concerned watersheds. Availability of fresh and accurate datasets would improve the use of prediction models and its outputs. Also, the monitoring of biodiversity and ecosystems could be improved by adopting methods and procedures that are consistent with existing national and international protocols. Finally, a partnership with other stakeholders including the LGUs, local communities and research and academic institutions in environmental monitoring and protection could be expanded.

3. The SR needs to highlight certain aspects to support the three major sustainability programs namely: Carbon Reduction Program, Water Management Program, and the Materials and Waste Optimization Program. EDC may consider using different reporting units for water consumption and waste generation to measure water and materials/waste generation accurately. For instance, water consumption due to drilling activities should be distinguished from water consumption for day-to-day operations. Also, EDC may consider expanding Scope 3 coverage to include applicable items of Category 5 GHG protocol to include the solid waste and wastewater generation. Also, EDC may consider other gases such as SOx, NOx and SF6 (if applicable) in their GHG calculations. Phase out plan and program for R22 must be reported in EDC's 2018 SR.
4. Achieving energy generation efficiency and effective management of major projects are steps in the right direction to drive down costs in a competitive renewable energy market. However, these may not be sufficient enough to offer significant growth that EDC needs in the medium term in the course of pursuing a carbon-neutral business model. Therefore, EDC should articulate its plans and strategies for capacity and (new) market expansion on renewable power generation in the Philippines and in the surrounding Asian region to cement its reputation as a renewable energy company. It can easily capitalize on its expertise and long experience to replicate the business model and expand its capacity accordingly.
5. On the social perspective, the practices and adoption of EDC's sustainability initiatives by its stakeholders must improve or alleviate social conditions. EDC must be able to know the impact of its social and environmental projects and how these can positively influence society particularly those communities in areas where they have significant operations. For instance, the enhanced knowledge and improved ecosystem of the communities and suppliers must bring in more livelihoods, higher agricultural productivity, efficient government and non-government services ability to fight corruption and capacity to become self-reliant.
6. EDC can incorporate in its total carbon footprint those that are generated by its supply chain and employees (full-time, contractual or outsourced), and work with them to reduce their carbon emissions. To encourage ownership of such initiative, EDC can use its bargaining power, ascendancy and knowledge of sustainable business as well as present the economic incentives or benefits of such practices (i.e., savings from energy efficiency of operations, work-life balance through digitization and output-based work arrangements, etc.). Also, EDC must be able to measure the economic incentives behind carbon neutrality when extended deeper into the supply chain and the day-to-day life of its employees.

EXTERNAL REVIEW COMMITTEE

Dr. Winston Conrad Padojinog, DBA
President,
University of Asia & the Pacific
Chair, External Review Committee for EDC SR 2017

Dr. Winston Padojinog or Stan – an associate professor of industrial economics and strategic management – is the 4th (fourth) President of the University of Asia and the Pacific. Before being appointed as President, he occupied various positions in the university – from graduate staff member to the more recent ones of which are the School Secretary and Vice Dean of the School of Economics and the Dean of the School of Management.

He lectures and undertakes researches in the fields of industry dynamics, strategic management, finance and business sustainability courses in the graduate programs of UA&P. His extensive experience and researches in the field as an industry economist and business strategist makes Dr. Padojinog a sought-after expert and consultant by industry associations, policy makers and companies for their industrial policy, corporate strategy, business sustainability and governance requirements. Stan is frequently invited to speak in international and local forums to discuss issues related to competitive strategy, leadership, business sustainability and industry-based policies. Since 2011, he has served as a member of the External Review Committee of various companies that pioneered and subjected their sustainability reports for external assessment.

He seats on the board of non-government organizations that promote good governance and education for the less privileged. He is a founding member of the Center for School Governance – an NGO aimed at promoting good governance in universities and colleges. He is sits as board member of the Center for Research and Communication Foundation, Inc. – a think tank that promotes an enlightened private and public sector that should work for economic and business policies that bring about inclusive growth and development; the Jose Jon Tiamsuy Foundation that extends scholarships to deserving students in schools in Iloilo City; and the Association of Southeast Asian Institutions of Higher Learning – National Council of the Philippines.

Br. Armin Luistro
President,
De La Salle University

Br. Armin Luistro brings with him over 33 years of experience in both the private and public sectors. He served as the Secretary of the Department of Education from June 2010 to 2016 where he led the implementation of the K to 12 Basic Education Program. Prior to this, Br. Armin was at the helm of De La Salle University, serving as its President from April 2004 to June 2010. In previous years, he also served as President of the De La Salle University System, and several other La Salle schools. Currently, he is the President of De La Salle University Science Foundation as well as the President of the Philippine Business for Social Progress (PBSP), the country's largest, business-led non-governmental organization. He has also recently returned in his post as the President of De La Salle Philippines, the network of La Salle schools in the country.

Br. Armin also served in various capacities in other government and intergovernmental organizations. These include the National Youth Commission (NYC) Advisory Council, UNESCO National Commission of the Philippines, Technical Skills and Development Authority (TESDA) Board, NEDA Social Development Committee, Human Development and Poverty Reduction Cluster of the Philippine Cabinet, and the Southeast Asian Ministers of Education Organization (SEAMEO). He has likewise been an active member of the Philippine Council for NGO Certification (PCNC), Knowledge Channel Foundation, Philippine Business for Education (PBEd), and the Sidhay Foundation for Street Children. Br Armin is a professed member of the De La Salle Christian Brothers. An educator at heart, Br Armin began his teaching profession at De La Salle Lipa in Batangas where he worked as a religion teacher, homeroom adviser and campus minister from 1983-1986.

Br. Armin holds a doctorate in Educational Management from the University of Saint La Salle in Bacolod, as well as a Master in Religious Education and Values Education degree from De La Salle University in Manila. He obtained his Bachelor of Arts in Philosophy and Letters degree also from De La Salle University.

Professor Louernie de Sales Ph.D.
Professor,
University of the Philippines Diliman

Dr. Louernie de Sales, Ph.D. is a graduate of the University of the Philippines in Diliman (Ph.D. in Environmental Engineering, M.Sc. Environmental Engineering, B.S. Chemical Engineering). She was an Assistant Professor at the Mining, Metallurgical and Materials Engineering Department and the Pollution Control Officer of UP Diliman. Currently, she teaches at the Environmental Engineering Graduate Program handling graduate courses on Fate of Pollutants, Remediation and Clean-up and Solid and Hazardous Waste Engineering. She was the Team Leader for the World Bank projects on the development of the Site Control Guidelines for Contaminated Sites, a UNIDO national expert on the Environmental Monitoring for the POPs Non-Combustion Facility and currently, the national expert on development for the Chemicals and Hazardous Waste Roadmap for the Philippines.

Dr. de Sales' various specializations include Solid Waste and Night Soil Management, Water and Air quality monitoring and Hazardous Waste Characterization and Treatment. She headed and consulted on various projects in Toxic, Hazardous and Solid Waste Management, Water and Wastewater, Air Pollution and Management and Environmental Impact and Risk Assessment, Environmental Site Assessment and Due Diligence and Environmental and Social Safeguards. She was the Team Lead in securing ECCs for 37 Petroleum Retail Stations and prepared abandonment plans for about 23 retail stations, depots and terminals all over the country. She was also involved in major projects such as dams and railways as environmental and social systems lead. She was the former Vice President for Technical and Operations of Inchem Environmental, Inc.

Dr. de Sales has published several types of research in various fields including Solid Waste Management, Water Quality and Management, Air Pollutants and Management and Risk Assessment among others. She is the Highest Award Recipient of UNEP Eco-Peace Leadership Center – World Environmental Forum in 2008. She is also a Mondialogo Engineering Awardee with Jury Distinction in 2005.

Professor Rex Victor Cruz, Ph.D.
8th Chancellor,
University of the Philippines Los Baños

Dr. Rex Victor O. Cruz, Ph.D. is a full professor and UP Scientist III at the University of the Philippines Los Baños (UPLB). He obtained his bachelor and master's degrees in forestry at UPLB and his doctoral degree at the University of Arizona.

His specialization includes forestry, watershed management, environmental management, ecosystem and landscape management, upland development and climate change.

He is a former dean of the CFNR (2007-2011) and Chancellor of UPLB (2011-2014). He was also a member of the UN Intergovernmental Panel on Climate Change (IPCC) in 1992-1995; 1997-2000; and 2004-2007. Currently, he is a member of the Asia Pacific Forestry Network Board of Directors and on the Editorial Board of several journals. He is also the Program and Project Leader of MODECERA (Monitoring and Detection of Ecosystem Changes for Resiliency and Adaptation), INWARD (Integrated Watershed Research and Development Project), and National Conservation Farming Village (CFV) Program.

GRI CONTENT INDEX

GRI STANDARDS ("In Accordance - Comprehensive")

Energy Development Corporation Performance Report 2017 is prepared in accordance with the Electric Utilities Sector Supplement (EUSS) released by GRI in 2009, and the GRI Standards released in 2016. This report has been prepared in accordance with the GRI Standards: Comprehensive option. This index lists GRI General and Specific Standard Disclosures and EUSS standard disclosures. It also summarizes EDC's coverage and details where we report in relation to each Standard Disclosure. This report is assured by an External Review Committee (ERC) hosted by the University of Asia and the Pacific. Some of the information can also be found in our microsite (www.energy.com.ph/sustainability). For a detailed explanation of GRI Standard Disclosures, please visit www.globalreporting.org

GRI STANDARDS			
General Disclosures	Disclosure	Page number(s) and/or URL(s)	Omissions
Organizational Profile			
102-1	Name of the organization	Energy Development Corporation, p. 4	
102-2	Activities, brands, products, and services	Utilities-generation of RE (geothermal, wind, solar, hydro), p. 4	
102-3	Location of headquarters	Pasig City, Philippines	
102-4	Location of operations	Philippines, primarily in Leyte, Negros Island, Bicol, Mindanao, Ilocos Norte,and Nueva Ecija, p. 4	
102-5	Ownership and legal form	pp. 162-170	
102-6	Markets served	Philippine power grid markets in Luzon and Visayas; distribution utilities; contestable customers mostly in Luzon, Visayas, and Mindanao; and institutional customer, National Power Corporation (NPC), p. 6	
102-7	Scale of the organization	1,936 employees, including First Gen Hydro (FG Hydro) and EDC Burgos Wind Power Company (BWPC). The Company generated total energy sales of 7,951.4 GWh in 2017, a 6.8% decrease from the 8,531.5 GWh in 2016. Total revenue is PHP33,255.2 million in 2017, a 2.9% or PHP980.4 million decrease from the PHP34,235.6 million revenue in 2016, p. 6	
102-8	Information on employees and other workers	p. 73	
102-9	Supply chain	pp. 6, 98	
102-10	Significant changes to the organization and its supply chain	There are no significant changes to the organization and its supply chain.	
102-11	Precautionary Principle or approach	pp. 18-21, 22-27	
102-12	External initiatives	The Company matches its efforts with the Sustainable Development Goals (SDGs) of the United Nations (UN) as a general framework to end poverty, protect the planet, and achieve prosperity for all. Our primary focus has always been to ensure access to affordable, reliable, sustainable, and modern energy for all (SDG 7). In the process, we have also been promoting gender equality (SDG 5); decent work and economic growth (SDG 8); industry, innovation, and infrastructure (SDG 9); responsible consumption and production (SDG 12); climate action (SDG 13); life on land (SDG 15); and, through our corporate social responsibility (CSR) efforts, fighting against hunger and poverty (SDGs 1-2); ensuring access to clean water and sanitation (SDG 6); enhancing good health and well-being (SDG 3); and providing access to quality education without discrimination (SDG 4).	
102-13	Membership of associations	p. 128	
Strategy			
102-14	Statement from senior decision-maker	pp. 18-21	
102-15	Key impacts, risks, and opportunities	pp. 13-14	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	pp. 16, 90	
102-17	Mechanisms for advice and concerns about ethics	p. 101	
Governance			
102-18	Governance structure	pp. 103-112	
102-19	Delegating authority	pp. 103-112	
102-20	Executive-level responsibility for economic, environmental, and social topics	In 2014, First Philippine Holdings (FPH) appointed Ms. Agnes C. de Jesus as its Chief Sustainability Officer (CSO) to lead the implementation of various corporate sustainability programs, including the adoption of the Global Reporting Initiative (GRI) Standards framework not only in EDC but also in FPH's other companies, starting off with First Gen Corporation. Ms. de Jesus reports directly to FPH and EDC Chairman Federico R. Lopez.	

GRI STANDARDS			
General Disclosures	Disclosure	Page number(s) and/or URL(s)	Omissions
102-21	Consulting stakeholders on economic, environmental, and social topics	pp. 96-101	
102-22	Composition of the highest governance body and its committees	pp. 103-112	
102-23	Chair of the highest governance body	pp. 104-105	
102-24	Nominating and selecting the highest governance body	pp. 104-105, 108	
102-25	Conflicts of interest	p.94	
102-26	Role of highest governance body in setting purpose, values, and strategy	pp. 103-112	
102-27	Collective knowledge of highest governance body	pp. 111-112	
102-28	Evaluating the highest governance body's performance	p. 108	
102-29	Identifying and managing economic, environmental, and social impacts	pp. 108-112	
102-30	Effectiveness of risk management processes	pp. 114-115	
102-31	Review of economic, environmental, and social topics	pp. 109-110	
102-32	Highest governance body's role in sustainability reporting	Our Chairman and Chief Executive Officer (CEO) sets directions on our sustainability roadmap. The Chief Financial Officer (CFO) and his team reviews and approves the financial aspects, while our Chief Sustainability Officer (CSO) reviews the non-financial aspects of our sustainability report. p. 13-14	
102-33	Communicating critical concerns	p. 79	
102-34	Nature and total number of critical concerns	There are no critical concerns reported in 2017.	
102-35	Remuneration policies	EDC's compensation philosophy is to recognize company and individual performance, as reflected in the value of each officer or employee's position compared against the marketplace and within the company. Executive officers are compensated in a manner that is consistent with these principles, which aligns the interests of the management and the shareholders and drives sustained and superior performance. pp. 101, 108, 114	
102-36	Process for determining remuneration	pp. 101, 107, 109-110, 112-113	
102-37	Stakeholders involvement in remuneration	None.	
102-38	Annual total compensation ratio	Not reported.	
102-39	Percentage increase in annual total compensation ratio	Not reported.	
Stakeholder engagement			
102-40	List of stakeholder groups	pp. 10, 96-101	
102-41	Collective bargaining agreements	p. 79-80	
102-42	Identifying and selecting stakeholders	p. 10	
102-43	Approach to stakeholder engagement	pp. 10, 96-101	
102-44	Key topics and concerns raised	p. 11	
Reporting practice			
102-45	Entities included in the consolidated financial statements	Energy Development Corporation (EDC) and subsidiaries Bac-Man Geothermal, Inc. (BGI); Unified Leyte Geothermal, Inc. (ULGEI); First Gen Hydro Power Corporation (FG Hydro); EDC Burgos Wind Power Corporation (EBWPC); EDC Siklab Power Corporation (EDC Siklab); and Green Core Geothermal, Inc. (GCGI), among other subsidiaries, pp. 162-170	
102-46	Defining report content and topic Boundaries	pp. 10-11	
102-47	List of material topics	p. 11	
102-48	Restatements of information	There are no restatements of information.	
102-49	Changes in reporting	None in 2017.	
102-50	Reporting period	Calendar year 2017, p. 10	
102-51	Date of most recent report	5/5/2017	
102-52	Reporting cycle	Annual, p. 10	
102-53	Contact point for questions regarding the report	Frances L. Ariola (ariola.fl@energy.com.ph)	
102-54	Claims of reporting in accordance with the GRI Standards	In Accordance - Comprehensive, p. 10	
102-55	GRI content index	pp. 134-141	
102-56	External assurance	pp. 130-133	

MATERIAL TOPICS				
General Disclosures		Disclosure	Page number(s) and/or URL(s)	Omissions
GRI 200 ECONOMIC STANDARD SERIES				
Economic performance				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 36, 38	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 36, 38	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	p. 38	
	201-2	Financial implications and other risks and opportunities due to climate change	pp. 22-27, 28-31, 36	
	201-3	Defined benefit plan obligations and other retirement plans	pp. 75-76	
	201-4	Financial assistance received from government	In 2017, actual duties waived amounted to PHP53.64 million.	
Market Presence				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 73-75	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 73-75	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability, pp. 73-75	
GRI 202: Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	p. 75	
	202-2	Proportion of senior management hired from the local community	p. 74	
Indirect Economic Impacts				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 60-61	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 60-61	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability, pp. 60-61	
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	pp. 60-69	
	203-2	Significant indirect economic impacts	pp. 60-69	
Procurement Practices				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, p. 38	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, p. 38	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability, p. 38	
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	pp. 38, 61	
Anti-corruption				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption	All our business units and our Head Office are assessed for risks related to corruption.	
	205-2	Communication and training about anti-corruption policies and procedures	EDC has a Code of Conduct and Discipline, which was reviewed and revised in November 2015. It prescribes norms of conduct and standards of behavior to instill a strong sense of discipline among employees, and to ensure EDC's core values are embraced by employees in their work and daily lives. Electronic and hard copies were made available, provided, and distributed to new employees. Acknowledgment forms expressing joint commitment to strictly conform to the revised Code of Conduct and Discipline were also signed by employees.	
	205-3	Confirmed incidents of corruption and actions taken	There were no confirmed incidents of corruption in 2017.	
Anti-competitive Behavior				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	

MATERIAL TOPICS				
General Disclosures		Disclosure	Page number(s) and/or URL(s)	Omissions
GRI 300 ENVIRONMENTAL STANDARDS SERIES				
Materials				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 60-61	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 60-61	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability, pp. 60-61	
GRI 301: Materials	301-1	Materials used by weight or volume	p. 51	
Energy				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 302: Energy	302-1	Energy consumption within the organization	p. 46	
	302-2	Energy consumption outside of the organization	p. 46	
	302-3	Energy intensity	p. 46	
	302-4	Reduction of energy consumption	None. Energy production is our core business.	
Water				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 49	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 49	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability, pp. 49	
GRI 303: Water	303-1	Water withdrawal by source	p. 49	
	303-2	Water sources significantly affected by withdrawal of water	p. 49	
	303-3	Water recycled and reused	p. 50	
Biodiversity				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 52-56	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 52-56	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability, pp. 52-55	
GRI 304: Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	p. 52	
	304-2	Significant impacts of activities, products, and services on biodiversity	Tree cutting and tree pruning were done in Leyte and Negros to hazardous trees affecting ongoing projects.	
	304-3	Habitats protected or restored	pp. 53-55	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	p. 54	
Emissions				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 44-48	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 44-48	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability, p. 48	
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	p. 45	
	305-2	Energy indirect (Scope 2) GHG emissions	p. 45	
	305-3	Other indirect (Scope 3) GHG emissions	p. 45	
	305-4	GHG emissions intensity	p. 46	
	305-5	Reduction of GHG emissions	pp. 44-46	
	305-6	Emissions of ozone-depleting substances (ODS)	p. 47	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	p. 47	
Effluents and Waste				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 50-51	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 50-51	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability, pp. 50-51	

Material Topics				
General Disclosures		Disclosure	Page number(s) and/or URL(s)	Omissions
GRI 306: Effluents and Waste 2016	306-1	Water discharge by quality and destination	p. 50	
	306-2	Waste by type and disposal method	p. 51	
	306-3	Significant spills	p. 50	
	306-4	Transport of hazardous waste	p. 50	
	306-5	Water bodies affected by water discharges and/or runoff	None.	
Environmental Compliance				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	None.	
GRI 400 SOCIAL STANDARDS SERIES				
Employment				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 72, 77	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 72, 77	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability, pp. 72	
GRI 401: Employment	401-1	New employee hires and employee turnover	pp. 72-74	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	pp. 77, 79	
	401-3	Parental leave	p. 77	
Labor/Management Relations				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, p.80	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 402: Labor/ Management Relations	402-1	Minimum notice periods regarding operational changes	pp. 79-80	
Occupational Health and Safety				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 86, 88	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 86, 88	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 403: Occupational Health and Safety	403-1	Workers representation in formal joint management-worker health and safety committees	pp. 86, 87	
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	pp. 86, 87	
	403-3	Workers with high incidence or high risk of diseases related to their occupation	None.	
	403-4	Health and safety topics covered in formal agreements with trade unions	p. 88	
Training and Education				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 75-76	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 75-76, 79	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 404: Training and Education	404-1	Average hours of training per year per employee	p. 76	
	404-2	Programs for upgrading employee skills and transition assistance programs	pp. 75-76, 78	
	404-3	Percentage of employees receiving regular performance and career development reviews	pp. 78-79	

Material Topics				
General Disclosures		Disclosure	Page number(s) and/or URL(s)	Omissions
Diversity and Equal Opportunity				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, p. 74	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, p. 74	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	p. 75	
	405-2	Ratio of basic salary and remuneration of women to men	p. 75	
Non-discrimination				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, p. 74	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, p. 74	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	There were no incidents of discrimination and corrective actions taken.	
Freedom of Association and Collective Bargaining				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 79-80	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 79-80	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 407: Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None.	
Child Labor				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	None.	
Forced or Compulsory Labor				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	None.	
Security Practices				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 410: Security Practices	410-1	Security personnel trained in human rights policies or procedures	100% of security personnel trained	
Rights of Indigenous Peoples				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 61-62, 68-69	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 61-62, 68-69	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability, pp. 61-62, 68-69	
GRI 411: Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	None.	

Material Topics				
General Disclosures		Disclosure	Page number(s) and/or URL(s)	Omissions
Local Communities				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability, pp. 60-69	
	103-2	The management approach and its components	www.energy.com.ph/sustainability, pp. 60-69	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability, pp. 60-69	
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	pp. 60-69	
	413-2	Operations with significant actual and potential negative impacts on local communities	None.	
Supplier Social Assessment				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Not reported.	
	414-2	Negative social impacts in the supply chain and actions taken	None.	
Public Policy				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 415: Public Policy	415-1	Political contributions	None.	
Customer Health and Safety				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	pp. 82-83	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	None.	
Marketing and Labeling				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 417: Marketing and Labeling	417-1	Requirements for product and service information and labeling	p. 94	
	417-2	Incidents of non-compliance concerning product and service information and labeling	None.	
	417-3	Incidents of non-compliance concerning marketing communications	None.	
Customer Privacy				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None.	
Socioeconomic Compliance				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	www.energy.com.ph/sustainability	
	103-2	The management approach and its components	www.energy.com.ph/sustainability	
	103-3	Evaluation of the management approach	www.energy.com.ph/sustainability	
GRI 419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	None.	

Material Topics				
General Disclosures		Disclosure	Page number(s) and/or URL(s)	Omissions
Electric Utilities				
Electric Utilities Sector Supplement	EU1	Installed capacity, broken down by primary energy source and by regulatory regime	pp. 4-5	
	EU2	Net energy output broken down by primary energy source and by regulatory regime	p. 37	
	EU3	Number of residential, industrial, institutional and commercial customer accounts	p. 6	
	EU4	Length of above and underground transmission and distribution line by regulatory regime	EDC does not operate transmission lines.	
	EU5	Allocation of CO_2 emissions, allowances or equivalent, broken down by Carbon Trading Framework	The Philippines is a Non- Annex 1 country and has no binding emission reduction targets or allowances under the Kyoto Protocol.	
		Management Approach: Demand-Side Management	www.energy.com.ph/sustainability	
		Management Approach: Research and Development	www.energy.com.ph/sustainability	
		Management Approach: System Efficiency	www.energy.com.ph/sustainability	
	EU10	Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime.	pp. 5-6	
	EU11	Average generation efficiency of thermal plants by energy source and by regulatory regime	p. 37	
	EU13	Biodiversity of offset habitats compared to the biodiversity of the affected areas	pp. 52-55	
		Management Approach: Programs and processes to ensure the availability of a skilled workforce	www.energy.com.ph/sustainability	
	EU15	Percentage of employees eligible to return in the next 5 and 10 years broken down by job category and by region	p. 75	
	EU17	Days worked by contractor and subcontractor employees involved in construction, operation and maintenance activities	Not reported.	
	EU18	Percentage of contractor and subcontractor employees that have undergone relevant health and safety training	100% attendance to relevant health and safety training	
		Management Approach: Stakeholder participation in decision making processes related to energy planning and infrastructure development	www.energy.com.ph/sustainability	
		Management Approach: Contingency planning measures, disaster/ emergency management plan and training programs, and recovery/restoration plans	www.energy.com.ph/sustainability	
	EU22	Number of people physically or economically displaced and compensation, broken down by type of project	None.	
		Management Approach: Programs, including those in partnership with government, to improve or maintain access to electricity and customer support services	www.energy.com.ph/sustainability	
	EU25	Number of injuries and fatalities to the public involving company assets, including legal judgments, settlements, and pending legal cases of diseases	None.	
	EU30	Average plant availability factor by energy source and by regulatory regime	p. 37	