

STRENGTH IN SYNERGY

2013-2015 SUSTAINABILITY REPORT



G4-1

a. Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.

THE POWER OF NARRATIVE

JUST LIKE THE POWER WE GENERATE HAS THE ABILITY TO ENERGIZE LIVES, STORYTELLING HAS THE POWER TO CONNECT, ENGAGE, AND TRANSFORM US.

STORYTELLING IS AN INTRINSIC ABILITY WHICH MAKES US UNIQUELY HUMAN. THROUGHOUT TIME, MANKIND HAS SHARED STORIES AROUND BONFIRES, IN CAVES, LONG BEFORE HE LEARNED TO WRITE OR SWIPE.



POWER

The power of storytelling lies in its ability to put ourselves in another person's shoes and vicariously experience life through different eyes. Stories have the amazing ability to weave characters, transport ideas or recreate events in a plane unbound by the limitations of space and time. While the storytelling medium and techniques have changed over time, the core truth remains that human beings are hardwired to tell and listen to stories.

EVOLUTION

In this Report, TeaM Energy's story marks a crucial step in the evolution of our company reporting, as we advance to fulfill the latest G4 guidelines under the Global Reporting Initiative (GRI), the most widely referenced sustainability framework worldwide. As we continue to pursue opportunities to build our capacity and meet the growing energy needs of the country, we also open more avenues to broaden stakeholder engagement and participation.

Through our TeaM Energy Foundation, Inc. (TEFI), we also seek and provide training on biodiversity monitoring among our counterparts in the community, with the aim of strengthening the collaboration and partnership with them in promoting the stewardship and conservation of forest resources.

As we aim higher, we aspire not only to be among the top power plants in Asia by regional standards, but also to be at par with global benchmarks as a world-class organization.

GROWTH

We also have our growth story to tell. TeaM Energy turns a new leaf with the construction of Pagbilao Unit 3, which expands our role in serving the energy requirements of the country. We envision a future where the company transcends the current label it is assigned—an Independent Power Producer—and assumes a more expansive role as a power company. With this, we are exploring energy-related opportunities that will deepen our commitment to our mission as the nation's growth partner.

MILESTONES

We highlight, with pride, a milestone which our company has received. TeaM Energy has the distinct honor of being chosen as one of the 14 organizations in the country recognized for its ethical business practices. As signatory to the Integrity Pledge, we are in agreement with the top business leaders in the country in bringing change as we implement provisions aimed at promoting integrity in all aspects of business.

CHALLENGES

We are well aware that our resolve will continually be tested by the dynamic and vibrant landscape in the power sector that we operate in. We look forward to the challenges ahead and view them as excellent opportunities for us to showcase our resiliency through our business formula: sustained profitability, operational excellence, significant social contribution, and our ability to work and function as an inspired team—bound by our common values.

PURPOSE

This 2013-2015 Sustainability Report is a story of our company's sustainability efforts. More than the numbers and data we disclose, we want to have reporting that is both purposeful and meaningful. Sustainability reporting after all requires speaking one's truth, conversing in honesty and being authentic. Our report will only have meaning if it is understood. The figures may seem overwhelming and intimidating, so we preface this fourth report harnessing the graphic novel form as a companion narrative to recount our sustainability story through a medium that is universally relatable. Here, the story is drawn through the perspective of a child and how one comes to terms with the concept of sustainability. The portrayal of the child is symbolic of the future, and the very reason why sustainability efforts are being made at the present.

IMPACT

We believe that creativity and sustainability go hand in hand and they reinforce one another. It is our hope that the marriage of the data and the story will make our reporting more effective, memorable and impactful.

ENDINGS, TRANSITIONS AND BEGINNINGS

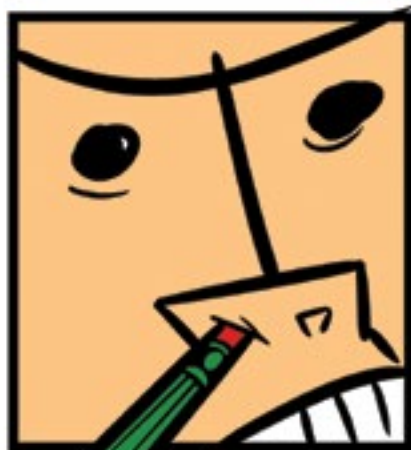
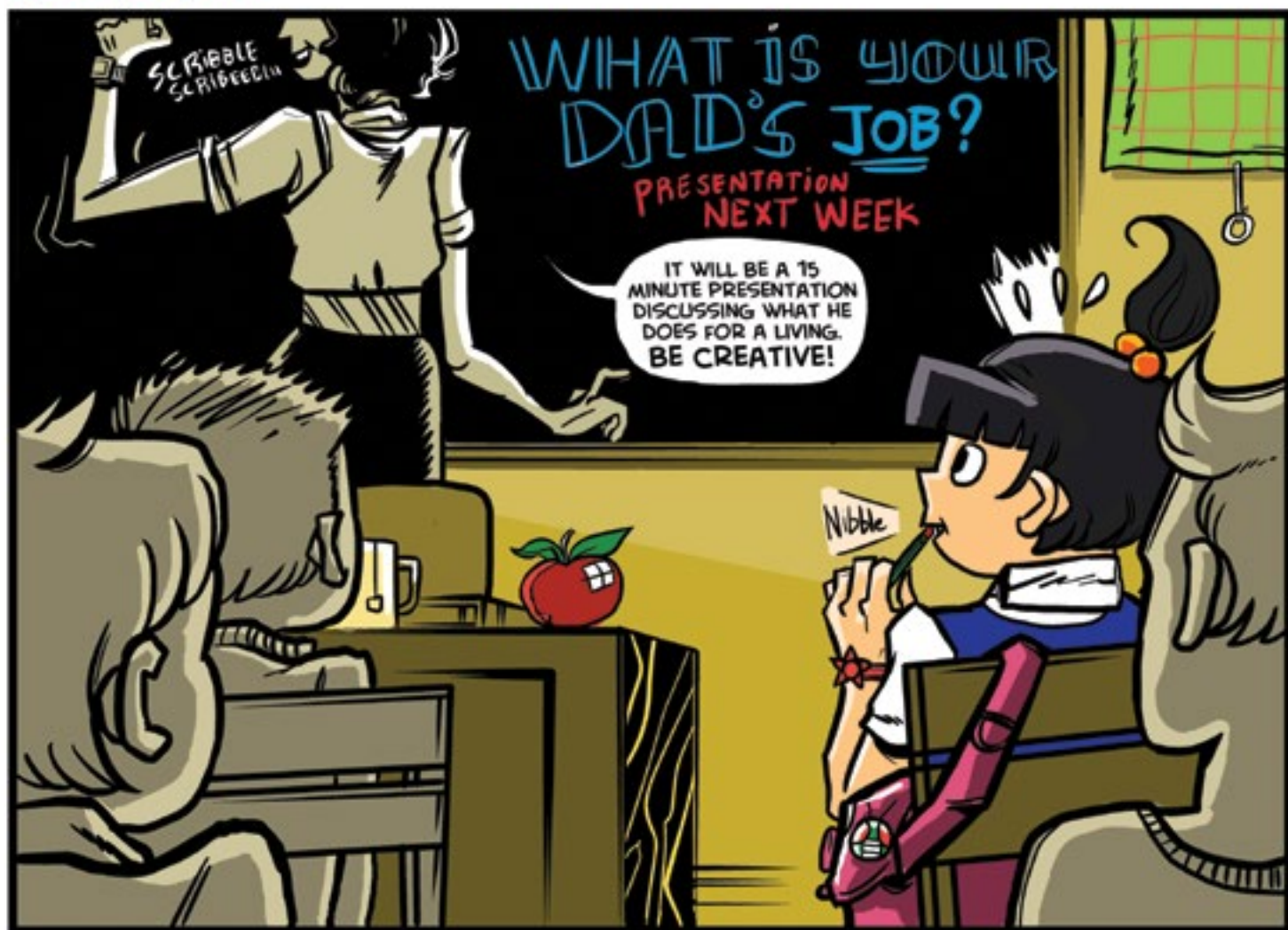
As our company enters its seventh year of reporting, we would like to indulge in a nostalgic review of the idealism that first inspired our commitment to sustainability. We would like to pay homage to Mr. Federico Escaler Puno (†), our sustainability champion and father. We dedicate this endeavor to our prime mover. His unwavering support, direction and mandate to push us towards more transparent reporting has made this continuing dialogue possible. As we look back with profound gratitude for this man, we earnestly hope that the efforts made leading to this fourth report would do some justice as a fitting tribute to his legacy.

As we bid farewell and express our profound gratitude to our former President, Mr. Puno, we would also like to take this opportunity to welcome our new Chairman and CEO, Mr. John V. Alcorido who will bring his expertise, direction and leadership to the organization. Our sustainability story has come full circle and we brace ourselves with renewed vigor as we turn a new leaf and weave new stories on our sustainability journey.

We invite all of you, our stakeholders, to read this Report and join us in this journey on our sustainability story. We hope that our passion towards inclusive and resilient growth will continue to resonate in us all.

Very truly yours,


TOSHIRO KUME
OFFICER-IN-CHARGE

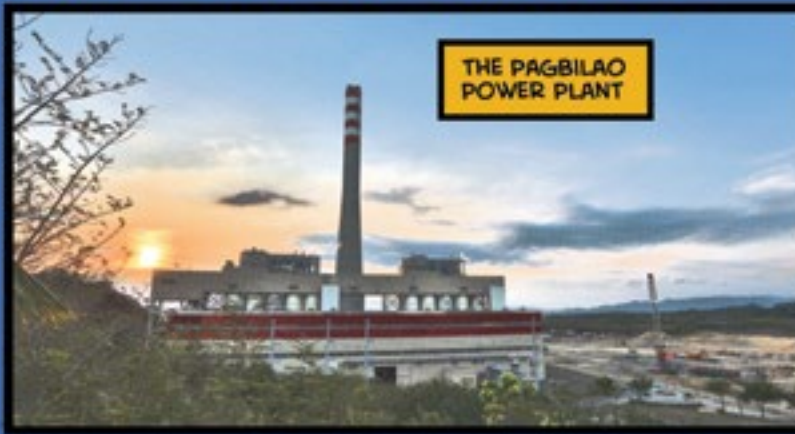








1. COAL IS THE MAIN FUEL SOURCE OF OUR POWER PLANTS.



THE PAGBILAO
POWER PLANT



THE SUAL
POWER PLANT

2. COAL MANAGEMENT

COAL IS UNLOADED AT THE RESPECTIVE PLANTS, WHERE IT UNDERGOES THE PROCESS OF STACKING AND RECLAIMING.

COOPERATIVES COMPOSED OF MEMBERS & WORKERS FROM THE LOCAL COMMUNITIES PROVIDE THE SERVICES FOR THIS PROCESS.

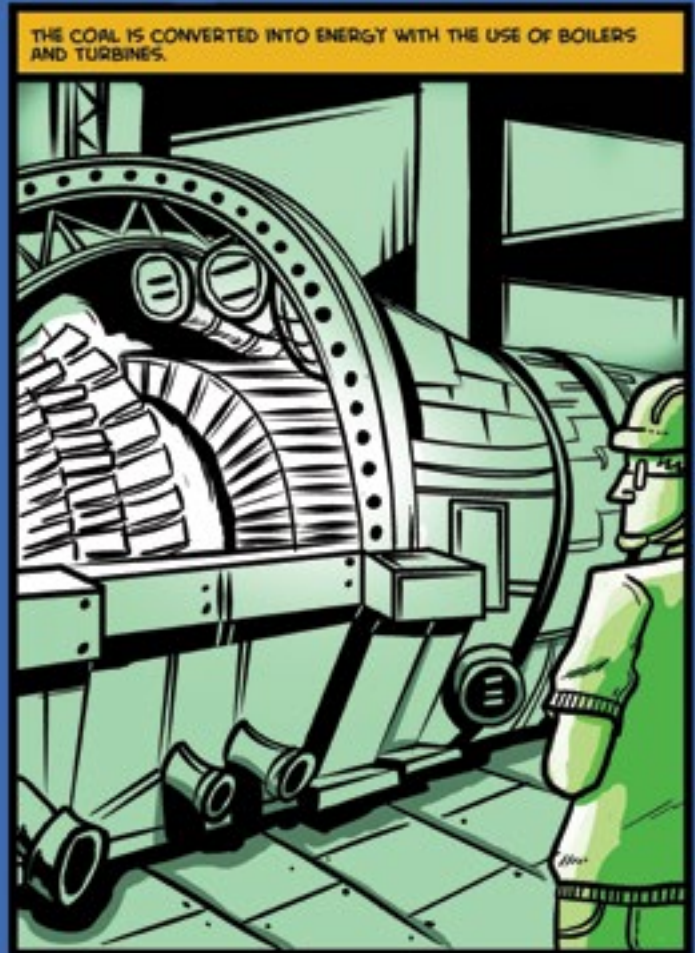


ALSO PROVIDING SUPPORT ARE CONTRACTORS WHO ASSIST IN MAINTAINING THE COAL SYSTEMS AND WHO PROVIDE PARTS FOR REPLACEMENT AND REPAIRS.

3. ENERGY CONVERSION PROCESS



THE COAL IS CONVERTED INTO ENERGY WITH THE USE OF BOILERS AND TURBINES.





OUR COMPANY WORKS HAND IN HAND WITH VARIOUS CONTRACTORS TO ENSURE THAT THIS PROCESS OF CONVERSION IS CONDUCTED WITHOUT INCIDENT.

SERVICES WE REQUIRE INCLUDE THE MAINTENANCE OF THE BOILERS AND TURBINES, INCLUDING THE REPLACEMENT AND REPAIR OF DAMAGED PARTS.

4. CONNECTIONS

CONTRACTORS ARE ALSO EMPLOYED TO MAINTAIN THE SWITCHERS AND OTHER CONNECTION ASSETS.

THIS SERVICE IS NEEDED TO ENSURE THAT THE PLANTS ARE CONNECTED TO THE GRID AND THAT THE ENERGY GENERATED PASSES THROUGH.



THESE TRAININGS ARE PROVIDED FOR ALL EMPLOYEES, TO INSTRUCT THEM ON COMPANY IDEALS FOR:

HEALTH
& SAFETY

ENVIRONMENTAL
COMPLIANCE

SECURITY &
REGULATORY
PRACTICES



EMPLOYEES WHO WORK
IN OUR POWER PLANTS
RECEIVE SUFFICIENT TECHNICAL
TRAINING TO ENSURE
THEIR OWN SAFETY



...AND OTHERS.

PAPE,
HELMET
MO.

UY, DRE
SALAMAT!
NAKALIMUTAN
KO PALA.

BEFORE THEY ARE ALLOWED TO OPERATE ANY MACHINERY OR EQUIPMENT...

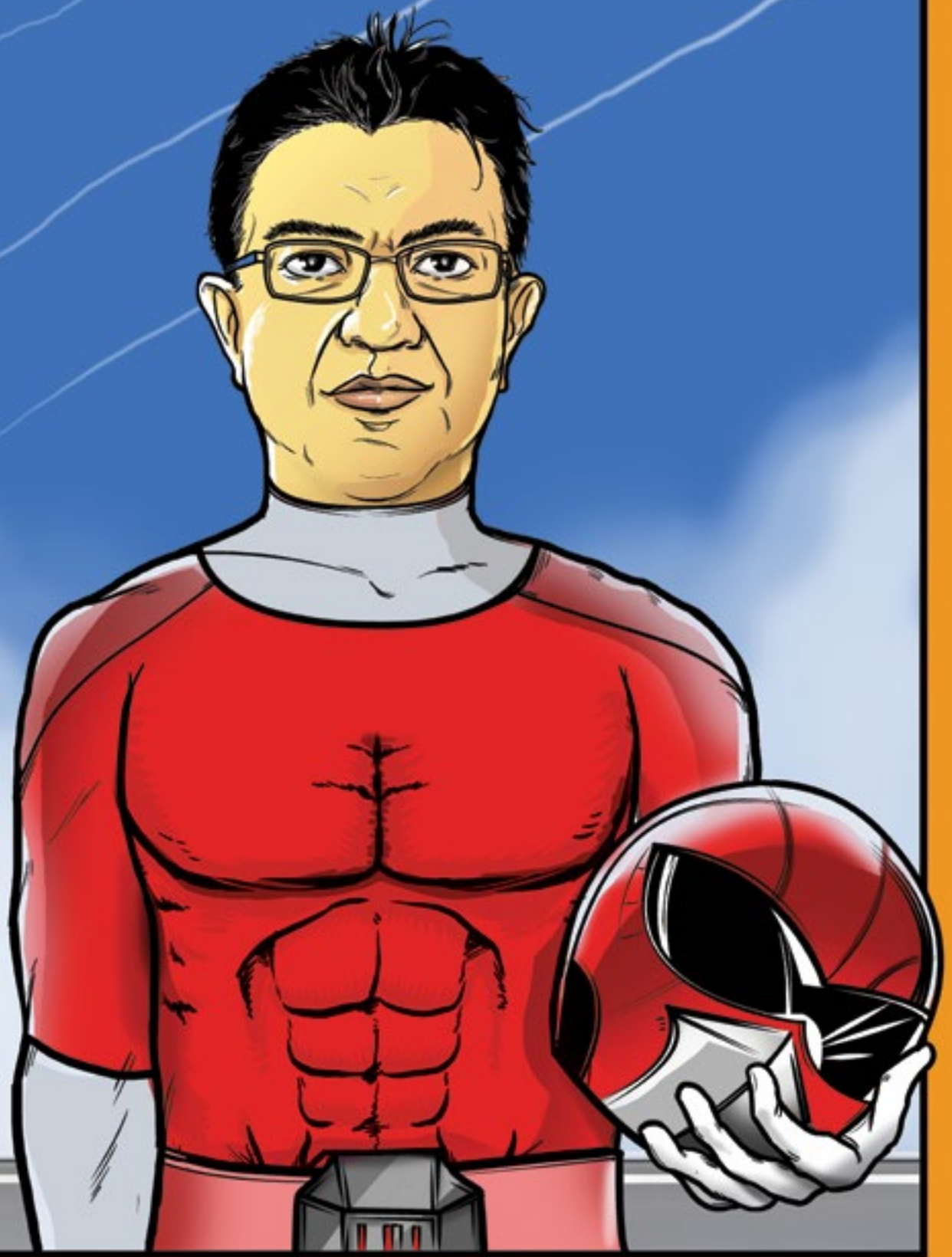
THEY ALL UNDERGO RIGOROUS TRAINING.



THESE WILL GIVE THEM THE SKILLS AND KNOWLEDGE NEEDED TO EXECUTE THEIR DUTIES WITH CARE & EFFICIENCY.



EMPLOYEES AT THE MANAGEMENT LEVEL UNDERGO DEVELOPMENT PROGRAMS TO ENABLE THEM TO PERFORM THEIR JOBS TO MAXIMUM CAPACITY, BY GIVING THEM THE SKILLS NECESSARY TO FACILITATE THE DEVELOPMENT OF A POSITIVE WORK CULTURE THAT ADHERES TO THE VISION AND GOALS OF THE ORGANIZATION.



3. FUNCTIONAL TRAININGS

EMPLOYEES FROM THE SHARED SERVICES GROUPS ARE PROVIDED WITH THE TRAININGS TO DISPENSE THEIR ROLES SUCCESSFULLY TO THE POWER PLANTS. THE PEOPLE WHO HANDLE THE ENERGY SUPPLY AND BUSINESS DEVELOPMENT SIDES OF THE ORGANIZATION ARE TRAINED TO FULLY UNDERSTAND THE DUTIES AND RESPONSIBILITIES THEIR POSITIONS ENTAIL.



ANO DAW PO?

WHERE I WORK,
PEOPLE ARE TAUGHT
TO DEVELOP
THEIR EXPERTISE.

OH. OKAY

A. MEMBERSHIP IN JOINT
MANAGEMENT-WORKER HEALTH AND
SAFETY COMMITTEES

EMPLOYEE HEALTH
AND SAFETY
COMMITTEES

THE NECESSITY OF OUR EMPLOYEES
TO BE PROPERLY REPRESENTED
IN JOINT MANAGEMENT-WORKER
HEALTH AND SAFETY COMMITTEES.

EMPLOYEE
HEALTH
AND SAFETY
COMMITTEES.

APPROXIMATELY 10% OF OUR TOTAL
WORKFORCE ARE MEMBERS OF
VARIOUS COMMITTEES THAT ENSURE
THE SAFETY OF OUR OPERATIONS.



...ARE PROVIDED
PROPER
PROTECTIVE
EQUIPMENT.



WE MAKE SURE THAT EACH MEMBER
WORKING IN POTENTIALLY
DANGEROUS POSITIONS...

B. PROVISION OF
PERSONAL
PROTECTIVE
EQUIPMENT

HEN-
SHIN



HEALTH &
SAFETY
INSPECTIONS

Regular
check
up!



...AND AUDITS...

WHAT
ARE AUDITS,
DAD?

THESE ARE DONE
TO ENSURE THAT THE
COMPANY'S RESOURCES
ARE PROPERLY MANAGED.

D. TRAINING AND EDUCATION

THE PREREQUISITE OF GIVING ALL EMPLOYEES PROPER TRAINING AND EDUCATION BEFORE THEY ARE ASKED TO PERFORM DUTIES THAT REQUIRE AMPLE SKILL AND KNOWLEDGE TO ACCOMPLISH.



E. COMPLAINTS MECHANISM

THE IMPLEMENTATION OF A COMPLAINTS MECHANISM THAT WOULD MAKE IT MORE CONVENIENT FOR OUR EMPLOYEES TO FILE GRIEVANCES AND RAISE CONCERNS REGARDING THEIR WORK LOAD.



...OR THEIR WORKING CONDITIONS



OR THEIR WORK ENVIRONMENT.

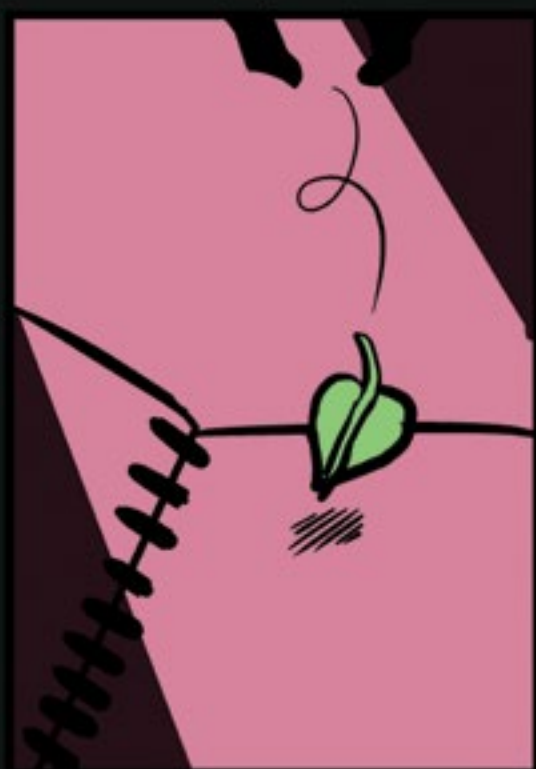
KAILANGAN KO ATA
NG BAKASYON SA
MINDORO, SIR.

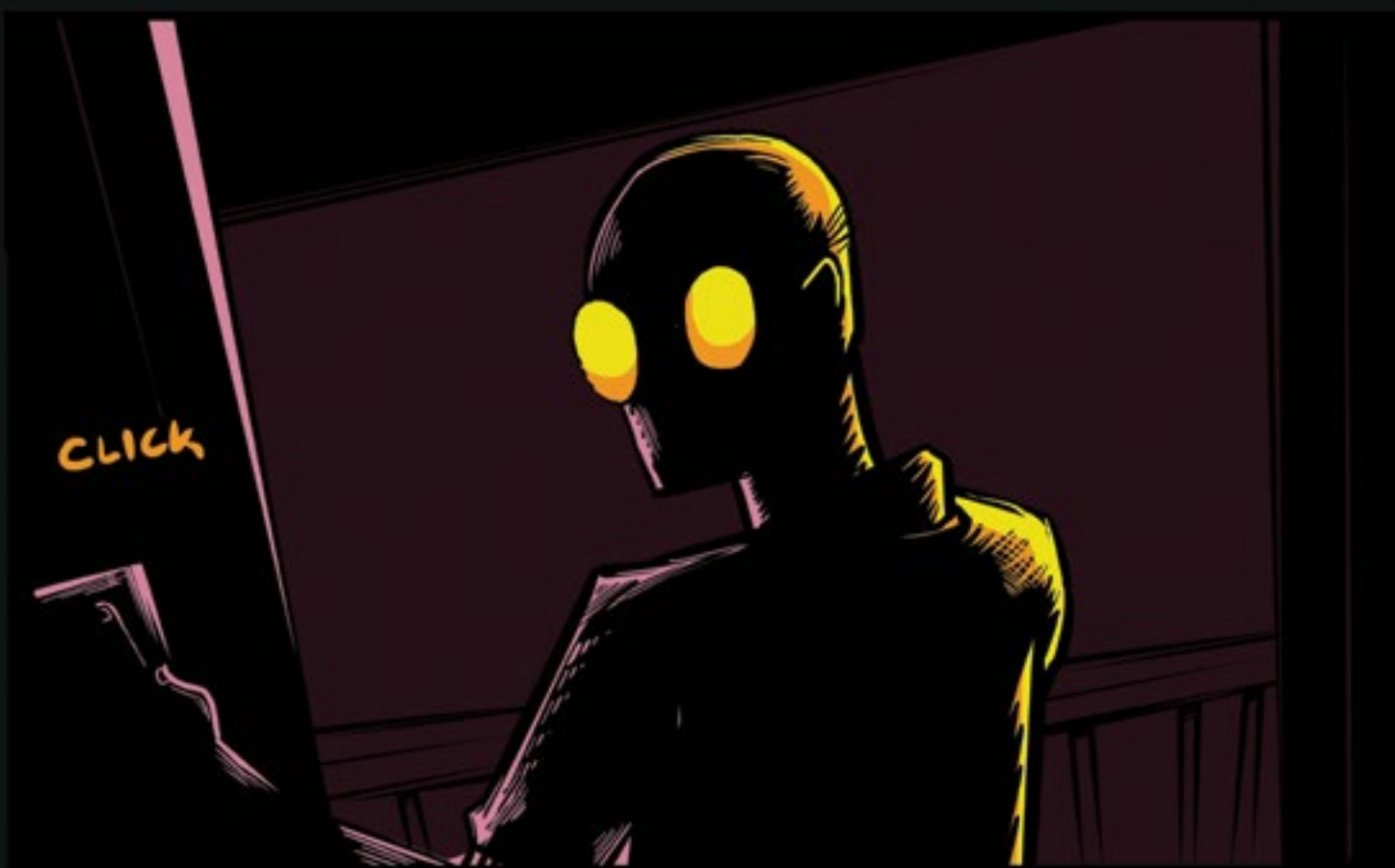
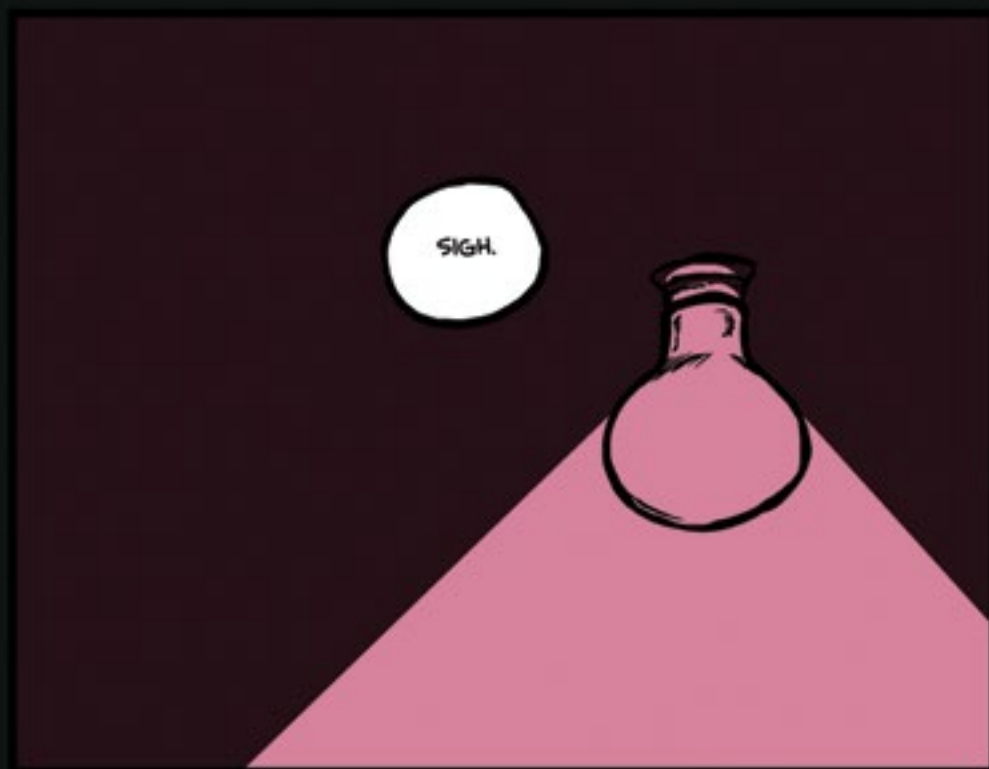
TINGNAN NATIN ANG FILE
MO KUNG ILAN PA
NATITIRA SA LEAVE MO.

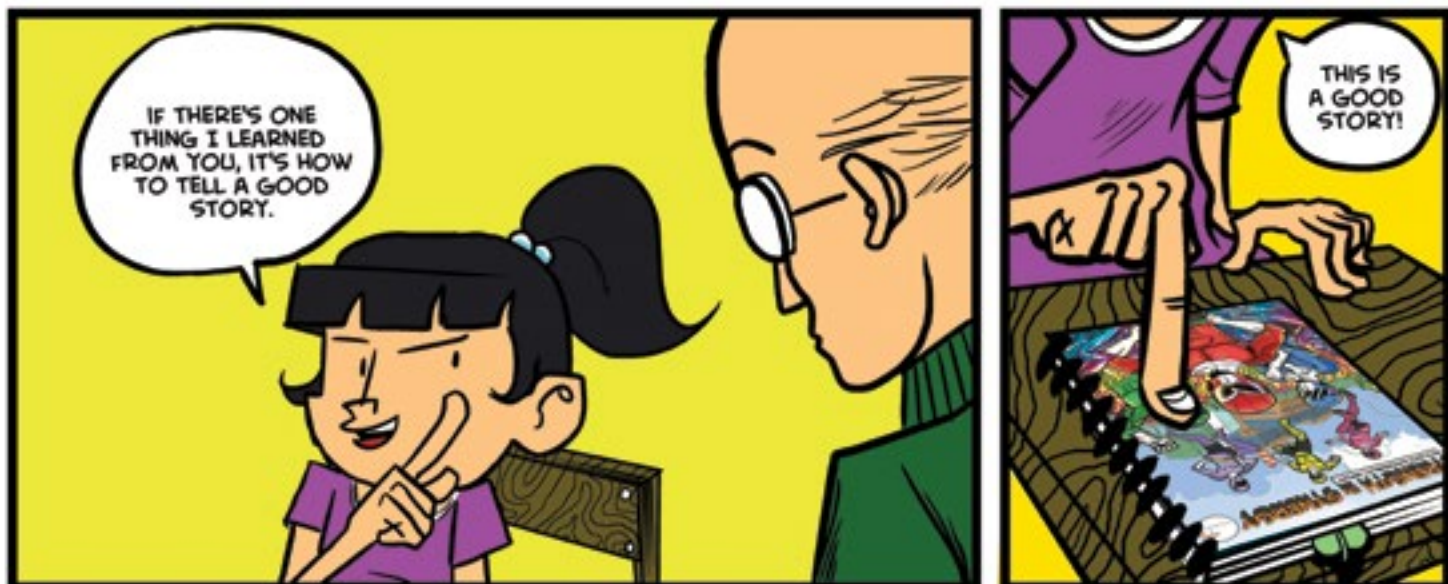
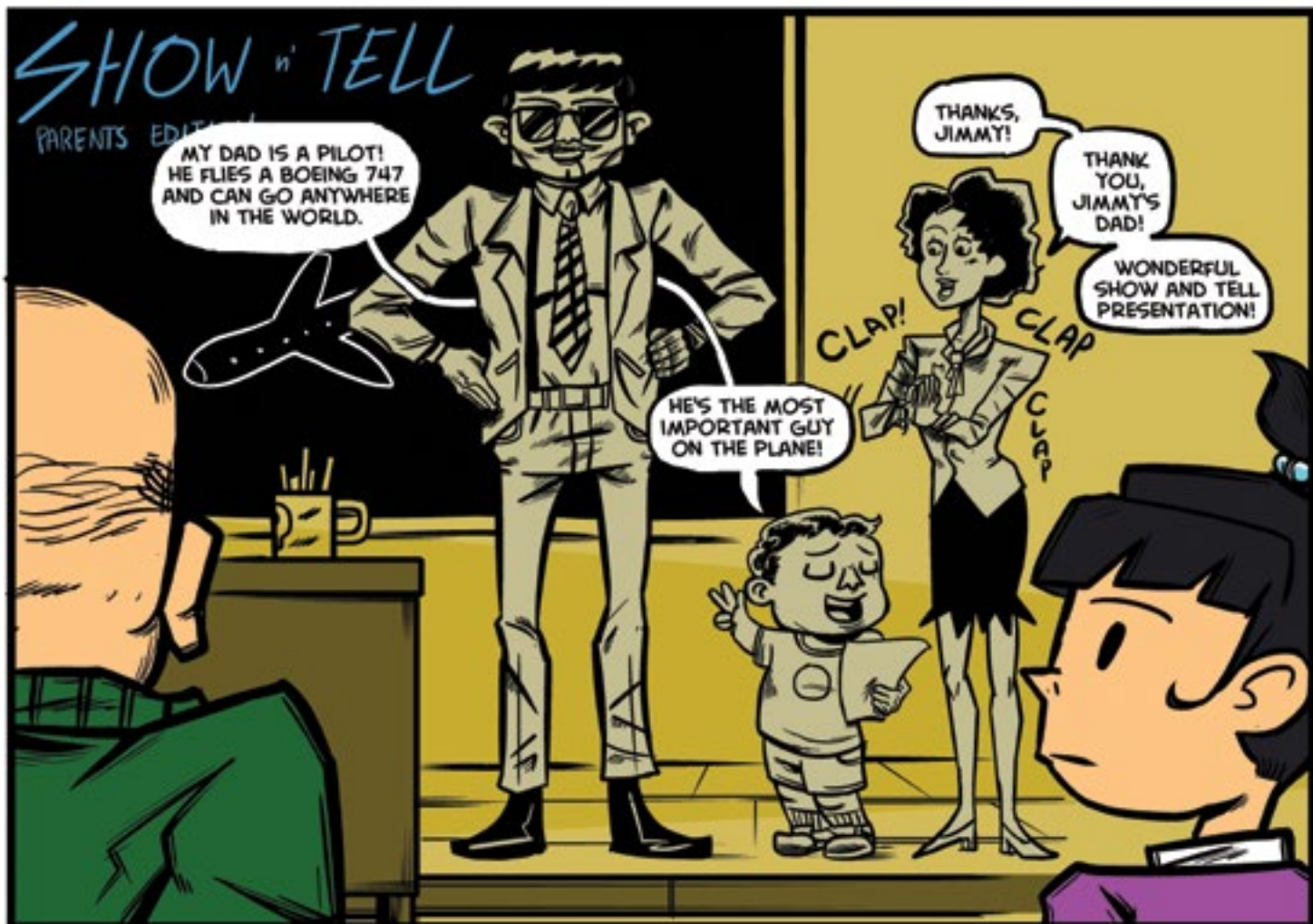












IN MEMORY OF MR. PUNO, A MAN WHO UNDERSTOOD THE POWER OF THE NARRATIVE. HE PUSHED FOR THE DISCLOSURE OF OUR STORY TO SHOW THE INDUSTRY THE BENEFITS OF WORKING WITH THE GOVERNMENT AND THE COMMUNITY. MAY HIS LEGACY LIVE ON, AS WE CONTINUE TO TELL STORIES OF OUR SUSTAINABILITY JOURNEY.



“
WE PUSHED FOR A HIGH VOLUME OF DISCLOSURES FROM OUR END AS WE WANTED TO BE AS TRANSPARENT AS POSSIBLE WHILE ALSO SHARING HOW OUR COMPANY HAS WORKED WITH GOVERNMENT AND OUR HOST COMMUNITIES IN UPLIFTING SOCIO-ECONOMIC CONDITIONS IN THE COUNTRY. **”**

Federico E. Puno

TABLE OF CONTENTS

PROFILE DISCLOSURES	23
PERFORMANCE INDICATORS	67
ECONOMIC	69
ENVIRONMENTAL	89
SOCIAL: LABOR PRACTICES AND DECENT WORK	125
SOCIAL: HUMAN RIGHTS	147
SOCIAL: SOCIETY.....	157
SOCIAL: PRODUCT RESPONSIBILITY	167
ERC ASSURANCE STATEMENT	177
EXTERNAL REVIEW COMMITTEE	181
SUSTAINABILITY REPORT TECHNICAL WORKING GROUP.....	184
GRI G4 CONTENT INDEX	185



PROFILE



DISCLOSURES



- a.1 Strategic priorities and key topics for the short and medium term with regard to sustainability, including respect for internationally recognized standards and how such standards relate to long-term organizational strategy and success
 a.2 Broader trends (macroeconomic or political) affecting the organization and influencing sustainability priorities
 a.3 Key events, achievements, failures during the reporting period

EVEN AS WE MARCH TOWARDS NEW ENDEAVORS, WE REMAIN WATCHFUL OF THE SIGNIFICANT ROLE WE PLAY IN THE CONTINUED DEVELOPMENT OF OUR NATION. WE WORK HARD TO ENSURE THE FULFILLMENT OF OUR SHORT AND MEDIUM TERM OBJECTIVES. WE SEEK TO SURPASS THE EXCELLENT QUALITY THAT IS EXPECTED FROM OUR COMPANY WITH REGARD TO OUR CURRENT COMMITMENTS UNDER THE ENERGY CONVERSION AGREEMENTS, OUR FURTHER EXPANSION INTO THE ENERGY SUPPLY BUSINESS, AND THE CONSTRUCTION AND FUTURE COMMERCIAL OPERATIONS OF PAGBILAO UNIT 3 (A.1).

Our company strategy is to place ourselves in a position where we can continually adjust to developments that affect the business context as an energy provider. Recently, the Philippine economy has been strong and active in Southeast Asia as the Philippine currency has strengthened and the country's credit standing has steadily risen. These events have led to increased investor confidence. Now, more than ever, we recognize the significance of the role we play.

It is TeaM Energy's role to provide reliable and reasonably priced electricity, continue attracting investors into the Philippine market. We see these challenges as opportunities to prove our value to the nation. The reliable and affordable electricity we provide will help promote a stable economy and a healthy domestic market (a.1, a.2).

Our Sual and Pagbilao Power Stations have received the Quality Management System Certification (ISO 9001: 2008 Certification) to ensure that systems are in place for the reliable operations of our plants. As we manage the risks which may arise from natural calamities and disasters, we are also pursuing a Business Continuity Program to align with ISO/IEC 22301:201 standard (Societal security - Business continuity management systems) (a.1, a.2).

The strength of our ISO 14001-certified Environmental Management System and our Occupational Health and Safety Assessment Systems (OHSAS) 18001 Certifications were highlighted as our company faced the challenge of containing an oil leak at our Sual Power



Station on October 27, 2014. During the start-up of one of our units, heavy fuel oil (HFO) leaked from the fuel oil supply line. While the operation was land-based, HFO traced its way to our plant cooling water outfall within the plant premises. Fortunately, our Emergency Response Team sprang into action and managed to contain the leak within hours after it took place. Our rapid, calibrated response, in coordination with the relevant agencies of government, both local and national, which are all part of our established Emergency Response Procedure, helped in ensuring that no significant damage was done to the immediate marine ecosystem. The immediate deployment of oil spill booms, application of dispersants, and continuous monitoring of coastlines within the plant's vicinity were crucial in preventing this incident from causing harm to the environment, particularly to the sea. (a.3) This was evidenced by water quality testing carried out by Department of Environment and Natural Resources - Environmental Management Bureau (DENR-EMB), which showed compliance with applicable standards.

This incident led our organization to take measures and to put in place additional safeguards to prevent similar occurrences in the future. All reportorial requirements needed by the government agencies and regulators were accomplished in a timely manner for transparency. We have dutifully responded to the notice of violation cited for this incident. (a.3) To ensure a non-recurrence of the incident, relief valves were tested, pipe thickness was inspected, and carbon steel pipes are being upgraded to stainless steel pipes (a.3).

Our awareness and concern for climate change has compelled us to continue reforestation and forest protection programs to improve the carbon sink capacity in Quezon and Pangasinan, improve our heat rate efficiency to reduce the volume of coal we use and consequently our carbon footprint, and explore renewable energy projects. The last initiative has been encouraged by regulatory requirements and Feed-in Tariff (FiT) incentives for renewable energy developers.

The past few years have seen the rise in cases of corporate malpractice and the global acceptance of the Anti-Bribery Law (Foreign Corrupt Practices Act, UK Bribery Act). The Philippines loses a significant portion of investments and the national budget to corruption, with Foreign Direct Investments in the country remaining low, relative to our neighboring countries. This is the result of wariness by existing firms and the perception that the playing field is not equal. The Global Competitiveness Report, published annually by the World Economic Forum, notes that while our standing has improved in the past years, corruption remains to be the main impediment of doing business in the Philippines.

TeaM Energy joins the national movement to improve the country's competitive position to attract more investments by participating in the Integrity Initiative. This is a private sector initiative that invites companies to commit to abide by a unified code of ethical business practices to end the vicious cycle of corruption.

Our former President and CEO, the late Federico E. Puno, represented TeaM Energy as a signatory to the Integrity Initiative. Before he passed away, Mr. Puno had the opportunity to announce that TeaM Energy had been chosen to be among 12 organizations in the country recognized for its ethical business practices. Just as TeaM Energy subjects itself to financial and operational audits following international standards (ISO recertification), it subjected itself in mid-2014 to a third-party integrity/business ethics audit organized by Integrity Initiative.

The audit identified both our strengths and key areas for improvement which is the current Integrity Risk Assessment (IRA) mechanism. We have since conducted our IRA based on the process of the Integrity Management Model of the United Nations Global Compact's Guide for Anti-Corruption Risk Assessment. Our goal is to adhere to the highest level of certification under the Integrity Initiative (a.1, a.2, a.3).



**BEST STRUCTURED LOAN DEAL
OF THE YEAR IN SOUTHEAST ASIA**

Team Energy Corporation, 6th Annual
Alpha Southeast Asia Deal and
Solutions Awards (2013)

**9TH GAWAD KALUSUGAN AND
KALIGTASAN AWARD, CHAMPION,
INSTITUTIONAL CATEGORY**

Sual Power Station, Department of
Labor and Employment (2012)

**LIKAS YAMAN AWARD OF EXCELLENCE
(NATURAL WEALTH)**

Sual Power Station, Department of
Environment and Natural Resources (2013)

**2ND RUNNER UP FOR UNIT 2 HEAT
RATE IMPROVEMENT PROJECT**

Sual Power Station

ISO 14001 RE-CERTIFICATION

The Sual and Pagbilao Power Stations have been ISO
14001-certified in implementing an Environmental
Management System (EMS) since 2002.

OHSAS 18001 CERTIFICATION

The Sual and Pagbilao Power Stations both
maintain Occupational Health and Safety
Assessment Systems (OHSAS) 18001 Certifications

PLAQUE OF RECOGNITION

Sual Power Station with USPPE,
National Conciliation and
Mediation Board (2013)



AWARD OF DISTINCTION

Pagbilao and Sual Power
Stations, Safety Organization of
the Philippines (2014)

AWARD OF MERIT

2012 Team Energy
Sustainability Report
International Association of
Business Communicators
(2015)

**PRODUCTIVITY
INVOLVEMENT AND BASE
PAY AWARDS**

Pagbilao Power Station,
Department of Labor and
Employment (2012)

**MASTER AWARD FOR ZERO
BASURA (ZERO WASTE)**

Sual Power Station, Philippine
Business for Social Progress
(2013)

ISO 9001: 2008 CERTIFICATION

Sual and Pagbilao Power Stations both
received the Quality Management
System Certification (2013).

EMPLOYER OF THE YEAR

Sual Power Station, Pag-ibig Fund
(2012)

**ASIA PACIFIC REFINANCING
DEAL OF THE YEAR**

Team Energy Corporation, Project
Finance Awards (2013)

SCROLL OF HONOR AWARD

Sual Power Station, Philippine
National Red Cross (2013)

RETAIL ELECTRICITY SUPPLIERS LICENSE

Team (Philippines) Energy Corporation,
Energy Regulatory Commission (2013)

MERIT OF ALLIANCE AWARD

Sual Power Station,
Department of Health (2013)

OFFICIAL SEAL OF APPROVAL

Pagbilao and Sual Power Stations,
Department of Environment and Natural
Resources (2012)

**AWARD OF EXCELLENCE FOR
PERFECT SAFETY RECORD**

Sual Power Station, Safety Organization
of the Philippines (2013)



As we continue to live by our corporate values of Integrity, Service Quality, People Oriented, Innovation, Responsible Citizenship, Excellence, Dedication and Teamwork, we have managed to elevate our performance to world-class standards in the pursuit of sustainable business and good governance.

Our efforts have been recognized by various organizations through the following awards and certifications during the reporting period.

a.4 Views on performance with respect to targets

The general overview of our previous targets are the themes of these targets (i.e., reliability and availability, environmental impact, social impact, and financial impact). For TeaM Energy, these themes can also be seen in the vision statements of our SOSI framework:

SUSTAINED PROFITABILITY

- A. WE PROVIDE EXCELLENT VALUE TO OUR SHAREHOLDERS.
- B. WE EXCEED OUR CUSTOMER'S EXPECTATIONS IN TERMS OF COST, RELIABILITY AND QUALITY SERVICE.
- C. WE ARE THE PREFERRED BUSINESS PARTNER IN SUPPLYING ENERGY.

SIGNIFICANT SOCIAL CONTRIBUTION

- A. TEAM ENERGY COMMUNITIES ARE ROLE MODELS IN THE COUNTRY IN TERMS OF EDUCATION, HEALTH AND ECONOMIC DEVELOPMENT.
- B. WE TAKE THE LEAD IN IMPROVING AND PROTECTING THE BIODIVERSITY OF THE AREAS WHERE WE OPERATE.
- C. WE ARE A VALUABLE PARTNER IN THE NATION'S GROWTH.
- D. WE ARE A CATALYST IN ENHANCING PHILIPPINE-JAPAN SOCIAL AND ECONOMIC PARTNERSHIP.

OPERATIONAL EXCELLENCE

- A. WE EXCEED OUR HEAT RATE TARGETS. (WHICH FOR TEAM MEANS HAVING OUR HEAT RATE EFFICIENCY BETTER THAN OUR TARGETS)
- B. WE MAINTAIN WORLD-CLASS EFOR (EQUIVALENT FORCED OUTAGE RATE) AND EAF (EQUIVALENT AVAILABILITY FACTOR).
- C. WE SET THE STANDARDS IN SAFETY, HEALTH AND ENVIRONMENTAL PERFORMANCE.
- D. WE BENEFIT FROM THE SYNERGY OF THE BEST JAPANESE AND FILIPINO PROCESSES AND SYSTEMS.

INSPIRED TEAM

- A. WE HOLD DEAR AND LIVE OUT OUR VALUES.
- B. WE DELIVER RESULTS WITH THE HIGHEST STANDARDS OF ETHICAL BEHAVIOR.
- C. WE ATTRACT AND RETAIN THE BEST TALENTS.
- D. WE UPHOLD INDUSTRIAL PEACE.
- E. WE REWARD OUR EMPLOYEES BASED ON INDIVIDUAL AND TEAM PERFORMANCE.

The performance indicators in the past years have remained to be the same for reliability and availability. Targets for these indicators may vary each year, based on evaluation/deliberation made but what remains constant is the principle behind the evaluation/deliberation which is for these targets to be stretch goals. This means that we seek to go beyond what is normally attainable.

Guided by our value for excellence, our SOSI goals are stretch goals that mark our actual performance and progress for the past years. Our plants performed well during the summer season in 2015, responding to the Department of Energy's call to ensure sufficient energy capacity during the Malampaya Gas Field shutdown (March 15-April 13, 2015). A Contingency Plan was developed with inputs gathered from various departments. These were reviewed, consolidated and prioritized. Roll-outs at both power plants were conducted by no less than the Officer-In-Charge and the Executive Vice President for Operations in February 2015. Additional preventive measures were included such as close monitoring of critical equipment through frequent monitoring to identify signs of any abnormalities, special walkdowns by Tokyo Electric Power Company (TEPCO) specialists and the review of safety, security and communication protocols. Both plants were on heightened alert and were successful in being available during this critical period.

The main challenges to TeaM Energy in the next 3-5 years have to do with our operations. We would like to continually improve the reliability and efficiency of both our power plants' operations. We intend to achieve this by enhancing our predictive maintenance approach, implementing all reliability improvements, and completing projects to sustain full capacity.

To ensure the long-term viability of our company's operations and to help address the country's growing energy needs, expanding our business along with totally selling our excess capacity will play a major role. This is why the completion of Pagbilao Unit 3 is a priority.

As the government continues to promote the participation of industry players via the Wholesale Electricity Spot Market and the Retail Competition Open Access, the company has to define its differentiation strategy in the competitive energy industry. Amidst the global pressure to curb green house gas emissions, TeaM Energy commits to comply with the Philippine guidelines, continues to monitor developments on global guidelines while currently studying possible renewable energy sources.

Other concerns include the preparation for the end-of-cooperation period for both Sual and Pagbilao Power Stations.

To address these challenges, we need to maintain a motivated, empowered, and highly competent human capital.

SECTION ONE: **ORGANIZATION'S KEY IMPACTS ON SUSTAINABILITY AND EFFECTS ON STAKEHOLDERS**

TeaM Energy understands that we are in a position where we can make an impact on the lives of people. These include the government, our customers, regulators, business and residential end-users, employees, suppliers, host communities and the society at large.

Our ability to consistently generate and supply electricity is the most important contribution we can make to support national economic development as it affects the operations of business and industry and impacts the quality of life of communities. In addition, for every kilowatt hour that we sell, one centavo goes to the Energy Regulation (ER) 1-94 Fund which finances electrification and various development initiatives for the host region, municipality, province, barangay and resettlement areas where our power stations are located.

Our entire organization gives great value on how we manage our impacts to the environment. Current systems and programs have allowed us to comply with environmental laws and regulations and perform well according to environmental performance standards, thereby minimizing atmospheric, marine and terrestrial impacts. By improving efficiency and having the proper controls, we can bring down our emissions to acceptable levels. An integral part of how we conduct our operations is ensuring transparency and objectivity on how we monitor our environmental performance. This includes the formation of a multi-partite team to monitor impacts of our operations to the surrounding ecosystems, and to validate our compliance with environmental laws and regulations.

We continue to mitigate our environmental impacts and carbon footprint through programs such as the Heat Rate Improvement Initiatives. This is complemented with the Carbon Sink Initiative, and our Household Electrification Assistance through Renewable Technology and Social Preparation for the Upliftment of Lives Program (HEART and SOUL Program)—a community-based program using solar technology.

In line with our goal to protect the biodiversity in the areas we operate, we have engaged our partner communities to develop an environmental stewardship mindset. This has led to the success of various programs such as reforestation and Information, Education, Communication (IEC) campaigns to increase awareness on biodiversity conservation. With the success of these engagements, our communities have become involved in caring for their environment. As a result of these programs, forest areas maintained by our partner communities have relatively higher survival rates than the national average.

We can also affect lives with our ethical business practice and our safe method of operations. We operate our plants with the safety of our employees, contractors, business partners, and communities in mind following occupational health and safety best practices.

We provide targeted training and development for our employees to be competent in their work and programs that equip employees eligible for retirement with skills to be productive citizens post-employment.

The taxes that we pay to the government, both national and local, help fund development programs and provide basic services. Our payments to suppliers and service providers lead to the generation of business and employment opportunities. Through wages, salaries and benefits, we provide employees a decent quality of life. Finally, our earnings allow us to maintain a good level of dividends and service any debts.

GOVERNANCE

All these are made possible by the entire organization led by our Board of Directors. TeaM Energy's goals are approved and major business decisions are made by our directors. The operational requirements are managed by the Executive Committee with recommendations made by the Management Committee. The Management Committee in turn consults with the rest of the organization. Our divisions, sections, and units align their targets to the corporate goals.

Our SOSI goals are manifested in each department's operational methodology. These, together with our policies and standards, are only implemented after extensive development and deliberation. Through SOSI, our departments are able to manage our performance.

TeaM Energy also conducts a review of the goals, performance indicators, and strategies on an annual basis. The company has projected targets that we seek to improve on with each succeeding year, making adjustments if and when necessary, based on our better understanding of actual conditions, the market environment, and other factors within the organization.

SECTION TWO: **IMPACT OF SUSTAINABILITY TRENDS, RISKS, OPPORTUNITIES ON THE LONG-TERM PROSPECTS AND FINANCIAL PERFORMANCE OF THE ORGANIZATION**

RELIABILITY AND AVAILABILITY

The excellent operation of our facilities is the core and basis of our business. Naturally, the risks we consider relate to the proper functioning of these plants. One of our main concerns is aging power stations. These structures were built in the 1990s, and have been operating for at least 15 years at the time of reporting. It is critical that we operate at optimal capacity.

Instead of seeing these as threats to our business, Team Energy embraces them as opportunities for us to continuously evolve and improve our operations.

As mentioned earlier, we have contingency plans to ensure continuous plant operations and are in the process of developing a business continuity program following the ISO/IEC 22301:2012 standards. In line with this, our medium-term objectives to be implemented in the next 3-5 years include the following:

- a. the institutionalization of contingency planning for operations*
- b. the conduct of an audit and gap assessment for the business continuity program*
- c. improved maintenance plans*

ENVIRONMENTAL IMPACT

Until an alternative viable source of energy emerges that will be able to supply base load capacity, coal will continue to be a main fuel source. We recognize that our potential to expand our business may be restricted by public pressure and policies implemented. Even if we have access to technology that is proven to mitigate environmental impact and meet regulatory standards, the lack of information, and other preconceived notions about our industry, could make pursuing additional coal/fossil-fuel projects a challenge.

Our response to this risk reflects our desire to enhance current mitigation and adaptation programs to reduce our carbon emissions. We have launched a Greenhouse Gas (GHG) Accounting Initiative in order to accurately measure our GHG emissions, as we continue to study other renewable energy options.

Our short- to medium-term targets include the following:

- a. improving unit heat rate*
- b. maintaining excellent environmental performance*
- c. educating our stakeholders with the various aspects of our business*
- d. conducting feasibility studies on renewable energy projects*



SOCIAL IMPACT

As we pursue new projects, especially those that would involve construction, we recognize that risks will arise. As an example, in the construction of Pagbilao 3, there are increased risks to safety, health and security, with the influx of contractors, personnel, land and sea traffic. Equal importance to safety should be given to the workers on the Pagbilao 3 project, many of whom are from the locality and members of the community. As a response to these risks, we are improving our operational systems and procedures to ensure the safety and health of our employees, contractors, and members of the community.

We have taken steps to improve our transparency and governance.

Concerning our social impact, our immediate goals for the future include the following:

- a. continuous improvement of systems and procedures to maintain safe, healthy and secure operations of the plants*
- b. the implementation of a plan co-developed with the local government, schools, the local community, and Engineering, Procurement and Construction (EPC) contractor for the safety of the local community, employees and contractors, especially during the Pagbilao Unit 3 construction period*
- c. full participation in the Integrity Initiative*
- d. more stakeholder consultations to identify critical needs as basis for programs and partnerships*

SECTION TWO: TARGETS, PERFORMANCE AGAINST TARGETS, AND LESSONS LEARNED FOR THE CURRENT REPORTING PERIOD

KEY PERFORMANCE INDICATORS	PERFORMANCE	TARGET AND PERFORMANCE					
		FY 2011-2012		FY 2012-2013		FY 2013-2014	
		TARGET	PERFORMANCE	TARGET	PERFORMANCE	TARGET	PERFORMANCE
RELIABILITY AND AVAILABILITY	EFOR IN PERCENT						
	PAGBILAO	2.00	3.34	2.00	4.85	2.00	4.82
	SUAL	2.00	4.14	2.34	4.59	3.73	1.71
	EAF IN PERCENT						
	PAGBILAO	88.07	80.41	82.93	83.08	83.57	82.46
	SUAL	85.92	83.94	91.23	88.19	88.36	88.83
ENVIRONMENTAL IMPACT	HEAT RATE IN KCAL/KWH						
	PAGBILAO U1	2,301.24	2,297.26	2,324.69	2,283.95	2,347.94	2,282.59
	PAGBILAO U2	2,301.24	2,276.40	2,324.69	2,276.27	2,347.94	2,290.80
	SUAL U1	2,396.79	2,298.80	2,330.00	2,352.10	2,409.47	2,340.46
	SUAL U2	2,396.79	2,349.17	2,378.00	2,332.73	2,389.63	2,311.76
SOCIAL IMPACT							
FINANCIAL IMPACT							

ORGANIZATIONAL PROFILE

G4-3

Report the name of the organization.

T EAM ENERGY IS ONE OF THE LEADING INDEPENDENT POWER PRODUCERS IN THE PHILIPPINES. IT PRODUCES OVER 2,000 MEGAWATTS (MW) OF INSTALLED GENERATING CAPACITY.

It is composed of the following legal entities; The parent company TeaM Energy Corporation (TEC), our subsidiaries TeaM Sual Corporation (TSC) and TeaM (Philippines) Energy Corporation; and our social development arm, TeaM Energy Foundation, Inc. (TEFI).

			LESSONS LEARNED FROM FY 2013-14 AND FY 2014-15	
FY 2014-2015		FY 2015-2016		
TARGET	PERFORMANCE	TARGET		
			Continual strategy evaluation and assessment based on actual performance to change or fine-tune if necessary according to the current actual situation.	
2.00	3.63	2.00		
2.00	2.01	2.00	For an aging plant, we shifted the maintenance strategy from preventive to predictive maintenance approach. We started employing Aging Plant Strategies, like mid-life assessment programs, life extension programs, Risk-based maintenance approach, Performance-based approach and Root cause analysis approach. We also started the predictive forecasting approach based on statistical analysis.	
89.27	87.69	88.09		
88.87	89.19	84.88		We developed and implemented all reliability improvements and power on demand sustainability projects.
2,371.41	2,296.56	2,395.13	Performance or good quality coal following our ECA specifications is an input for us to meet our heat rate targets and for our by-product to meet environmental performance standards. We implement coal blending strategy when performance coal is not available to meet the twin purpose of dispatch and our by-products meet environmental performance standards.	
2,371.41	2,301.52	2,395.13		
2,342.80	2,383.50	2,385.88		
2,314.07	2,364.72	2,367.08		
Refer to Social Indicators				
Refer to Social Indicators				

G4-4

Report the primary brands, products, and services.

THE PRIMARY SERVICES WE PROVIDE ARE POWER GENERATION AND POWER SUPPLY. WE PROVIDE THIS SUPPLY FROM TWO COAL-FIRED FACILITIES WE MAINTAIN AND OPERATE: THE PAGBILAO POWER STATION AND THE SUAL POWER STATION. WE ALSO OWN A 20% STAKE IN THE NATURAL GAS-FIRED PLANT IN ILIJAN, BATANGAS, WHICH HAS AN INSTALLED CAPACITY OF 1,271 MW.

Our Pagbilao Power Station is a 735-MW coal-fired thermal power plant at Isla Grande in Pagbilao, Quezon. The power plant is capable of producing a maximum of 16,800 MWh of electricity daily or over six (6) million MWh annually. The electricity generated is connected to the Luzon Grid via the 230-kV transmission line and the NGCP sub-station in Tayabas, Quezon. It has a 700 MW Energy Conversion Agreement (ECA) with National Power Corporation (NPC).

Our Sual Power Station has a generating capacity of 1,218 MW and is the largest coal-fired thermal power plant in the Philippines. This station started providing electricity to the Luzon grid since October 1999 through a 1,000 MW ECA with NPC.

G4-5

Report the location of the organization's headquarters.

THE CORPORATE OFFICES OF TEC, TSC, TPEC AND TEFI ARE FOUND IN 25/F W FIFTH AVENUE BLDG., 5TH AVE., BONIFACIO GLOBAL CITY 1634, PHILIPPINES.

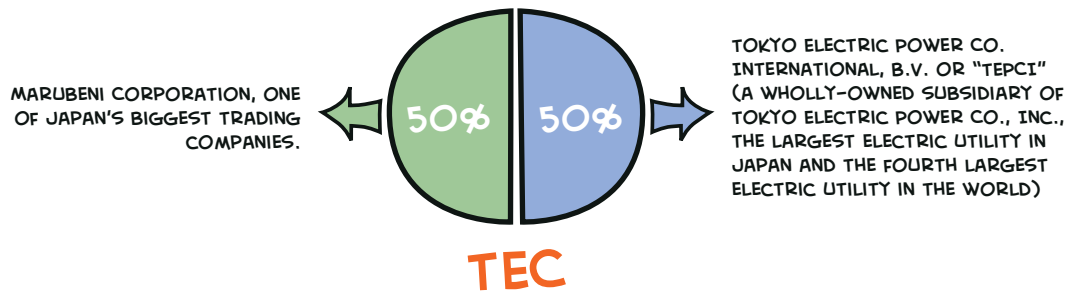
The plant sites of TEC and TSC are in Pagbilao, Quezon and Sual, Pangasinan, respectively.

G4-6

Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.

Team Energy operates only in the Philippines.





TEC has a joint venture with Mitsubishi Corporation called "TeaM Diamond Holding Corporation" or "TDHC". The ownership is 48.79% TEC and 51.21% Mitsubishi Corporation. TDHC owns 41% of KEPCO Ilijan Corporation ("KEILCO") which operates the Ilijan Power Plant in Batangas.

TSC and TPEC are wholly owned subsidiaries of TEC. TPEC has a wholly-owned subsidiary, TPEC Holdings Corporation ("TPEC Holdco").

TPEC Holdco owns 50% of Pagbilao Energy Corporation, the project company for the 3rd unit of the Pagbilao Power Station.

TEC, TSC, TPEC and TPEC Holdco are stock corporations. TEFI is non-stock, non-profit corporation.

TEAM ENERGY HAS POWER PLANTS IN PAGBILAO, QUEZON AND SUAL, PANGASINAN, WHICH SUPPLY ELECTRICITY DIRECTLY TO THE LUZON GRID AS SPECIFIED IN AN ENERGY CONVERSION AGREEMENT (ECA) WITH THE NATIONAL POWER CORPORATION (NPC). THE POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT OR PSALM HANDLES NPC'S GENERATION ASSETS AND MANAGEMENT AS PRESCRIBED UNDER THE ELECTRICITY POWER INDUSTRY REFORM ACT OR EPIRA.

Therma Luzon, Inc. (TLI) and the San Miguel Energy Corporation (SMEC) have been appointed by PSALM as the IPP administrators of the generated electricity covered by the respective Energy Conversion Agreement of Pagbilao and Sual Power Stations.

Excess electricity generated by these power plants, which are not covered by the ECA are sold by TeaM Energy, through its subsidiary TPEC.

TPEC handles the selling, marketing and trading of the excess electricity from these plants and supplies them to various economic zones, private companies and the electricity market.

TPEC Holdco owns 50% of the Pagbilao Energy Corporation; the project company of the 3rd Unit of the Pagbilao Power Station.

TEFI is a social development arm, which conducts sustainable programs on electrification, the environment, education and engagement.

	FISCAL YEAR 2014 APRIL 2013–MARCH 2014	FISCAL YEAR 2015 APRIL 2014–MARCH 2015
TOTAL NUMBER OF OPERATIONS	Corporate Office, Pagbilao Power Plant, Sual Power Plant	Corporate Office, Pagbilao Power Plant, Sual Power Plant
NET SALES (USD)	606,832,060	572,124,008
OPERATING INCOME (USD)	353,137,036	291,215,608
TOTAL ASSETS (USD)	3,298,994,566	3,100,385,403
LOANS (USD)	2,065,503,094	1,920,873,839
EQUITY (USD)	698,749,613	698,749,613
GROSS GENERATION (MWH)		
PAGBILAO – UNIT 1	2,537,316.34	2,434,359.00
PAGBILAO – UNIT 2	1,815,997.00	2,430,035.50
SUAL – UNIT 1	3,990,037.00	4,119,744.00
SUAL – UNIT 2	3,874,895.00	4,004,415.00

As of March 2015, TeaM Energy employed 776 nationwide, of which 66% belong to the rank and file.

TeaM Energy recognizes its workforce as a vital contributor to the organization's success. A key element of our management strategy is to ensure a committed workforce by providing them the benefits and perks of regular employment package. 95% of our employees are full-time regular employees, all of whom enjoy the incentives provided by TeaM Energy to its full-time employees. Only 24 employees are on temporary contracts, while 8 employees are on probationary status.

FISCAL YEAR 2014 APRIL 2013–MARCH 2014					
ALL EMPLOYEES	TOTAL EMPLOYEE	NO. OF MALES	NO. OF FEMALES	% OF MALES	% OF FEMALES
CORPORATE OFFICE					
MANAGERIAL	62	40	22	64.52	35.48
PROFESSIONAL/TECHNICAL	38	16	22	42.11	57.89
RANK AND FILE	90	47	43	52.22	47.78
PAGBILAO					
MANAGERIAL	45	41	4	91.11	8.89
PROFESSIONAL/TECHNICAL	25	24	1	96.00	4.00
RANK AND FILE	196	161	35	82.14	17.86

FISCAL YEAR 2014 APRIL 2013-MARCH 2014					
ALL EMPLOYEES	TOTAL EMPLOYEE	NO. OF MALES	NO. OF FEMALES	% OF MALES	% OF FEMALES
SUAL					
MANAGERIAL	43	38	5	88.37	11.63
PROFESSIONAL/TECHNICAL	32	31	1	96.88	3.13
RANK AND FILE	228	199	29	87.28	12.72
PERMANENT EMPLOYEES	TOTAL EMPLOYEE	NO. OF MALES	NO. OF FEMALES	% OF MALES	% OF FEMALES
CORPORATE					
MANAGERIAL	62	40	22	64.52	35.48
PROFESSIONAL/TECHNICAL	32	12	20	37.50	62.50
RANK AND FILE	87	45	42	51.72	48.28
PAGBILAO					
MANAGERIAL	45	41	4	91.11	8.89
PROFESSIONAL/TECHNICAL	25	24	1	96.00	4.00
RANK AND FILE	192	157	35	81.77	18.23
SUAL					
MANAGERIAL	43	38	5	88.37	11.63
PROFESSIONAL/TECHNICAL	32	31	1	96.88	3.13
RANK AND FILE	226	199	28	87.61	12.39
TEMPORARY EMPLOYEES	TOTAL EMPLOYEE	NO. OF MALES	NO. OF FEMALES	% OF MALES	% OF FEMALES
CORPORATE					
MANAGERIAL	-	-	-	n.m.	n.m.
PROFESSIONAL/TECHNICAL	6	4	2	66.67	33.33
RANK AND FILE	3	2	1	66.67	33.33
PAGBILAO					
MANAGERIAL	-	-	-	n.m.	n.m.
PROFESSIONAL/TECHNICAL	-	-	-	n.m.	n.m.
RANK AND FILE	4	4	-	100.00	n.m.
SUAL					
MANAGERIAL	-	-	-	n.m.	n.m.
PROFESSIONAL/TECHNICAL	-	-	-	n.m.	n.m.
RANK AND FILE	2	1	1	50.00	50.00

FISCAL YEAR 2015 APRIL 2014-MARCH 2015					
ALL EMPLOYEES	TOTAL EMPLOYEE	NO. OF MALES	NO. OF FEMALES	% OF MALES	% OF FEMALES
CORPORATE					
MANAGERIAL	66	44	22	66.67	33.33
PROFESSIONAL/TECHNICAL	40	16	24	40.00	60.00
RANK AND FILE	92	46	46	50.00	50.00
PAGBILAO					
MANAGERIAL	45	41	4	91.11	8.89
PROFESSIONAL/TECHNICAL	33	32	1	96.97	3.03
RANK AND FILE	196	163	34	82.65	17.35
SUAL					
MANAGERIAL	46	41	5	89.13	10.87
PROFESSIONAL/TECHNICAL	32	31	1	96.88	3.13
RANK AND FILE	226	195	31	86.28	13.72
PERMANENT EMPLOYEES	TOTAL EMPLOYEE	NO. OF MALES	NO. OF FEMALES	% OF MALES	% OF FEMALES
CORPORATE					
MANAGERIAL	66	44	22	66.67	33.33
PROFESSIONAL/TECHNICAL	31	9	22	29.03	70.97
RANK AND FILE	88	43	45	48.86	51.14
PAGBILAO					
MANAGERIAL	45	41	4	91.11	8.89
PROFESSIONAL/TECHNICAL	33	32	1	96.97	3.03
RANK AND FILE	190	158	32	83.16	16.84
SUAL					
MANAGERIAL	46	41	5	89.13	10.87
PROFESSIONAL/TECHNICAL	32	31	1	96.88	3.13
RANK AND FILE	222	192	30	86.49	13.51
TEMPORARY EMPLOYEES	TOTAL EMPLOYEE	NO. OF MALES	NO. OF FEMALES	% OF MALES	% OF FEMALES
CORPORATE					
MANAGERIAL	-	-	-	n.m.	n.m.
PROFESSIONAL/TECHNICAL	9	7	2	77.78	22.22
RANK AND FILE	4	3	1	75.00	25.00
PAGBILAO					
MANAGERIAL	-	-	-	n.m.	n.m.
PROFESSIONAL/TECHNICAL	-	-	-	n.m.	n.m.
RANK AND FILE	6	4	2	66.67	33.33

FISCAL YEAR 2015 APRIL 2014-MARCH 2015					
TEMPORARY EMPLOYEES	TOTAL EMPLOYEE	NO. OF MALES	NO. OF FEMALES	% OF MALES	% OF FEMALES
SUAL					
MANAGERIAL	-	-	-	n.m.	n.m.
PROFESSIONAL/TECHNICAL	-	-	-	n.m.	n.m.
RANK AND FILE	4	3	1	75.00	25.00

G4-11

Percentage of Employees Covered by Collective Bargaining Agreement

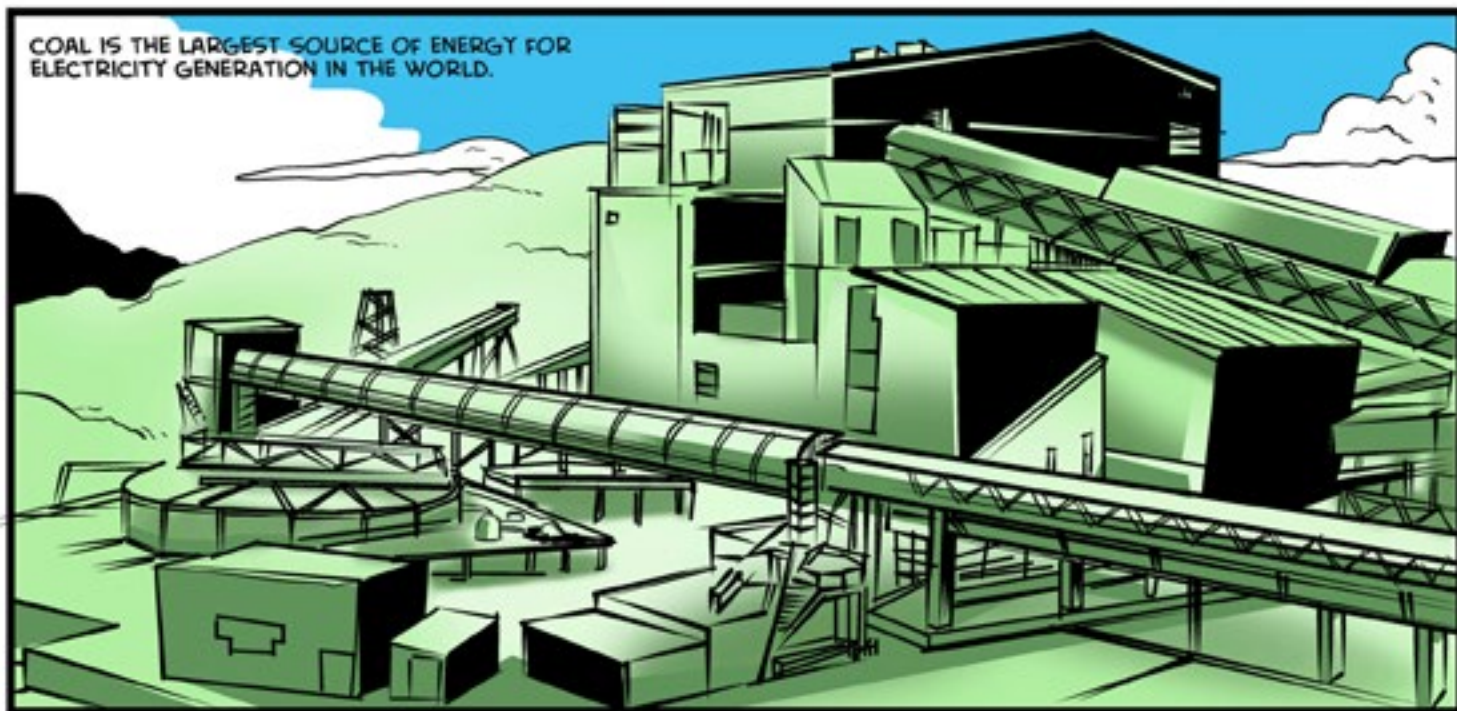
FISCAL YEAR 2015 APRIL 2014-MARCH 2015				
	CORPORATE	PAGBILAO	SUAL	TOTAL
TOTAL EMPLOYEES	198	274	304	776
TOTAL EMPLOYEES COVERED BY CBA	-	171	202	373
% OF EMPLOYEES COVERED BY CBA	0%	62%	66%	48%

At present 373 out of 776 of our employees or 48% of our worker population are covered by collective bargaining agreements. These collective agreements cover both union members as well as those who are not members of the union but pay agency fees.

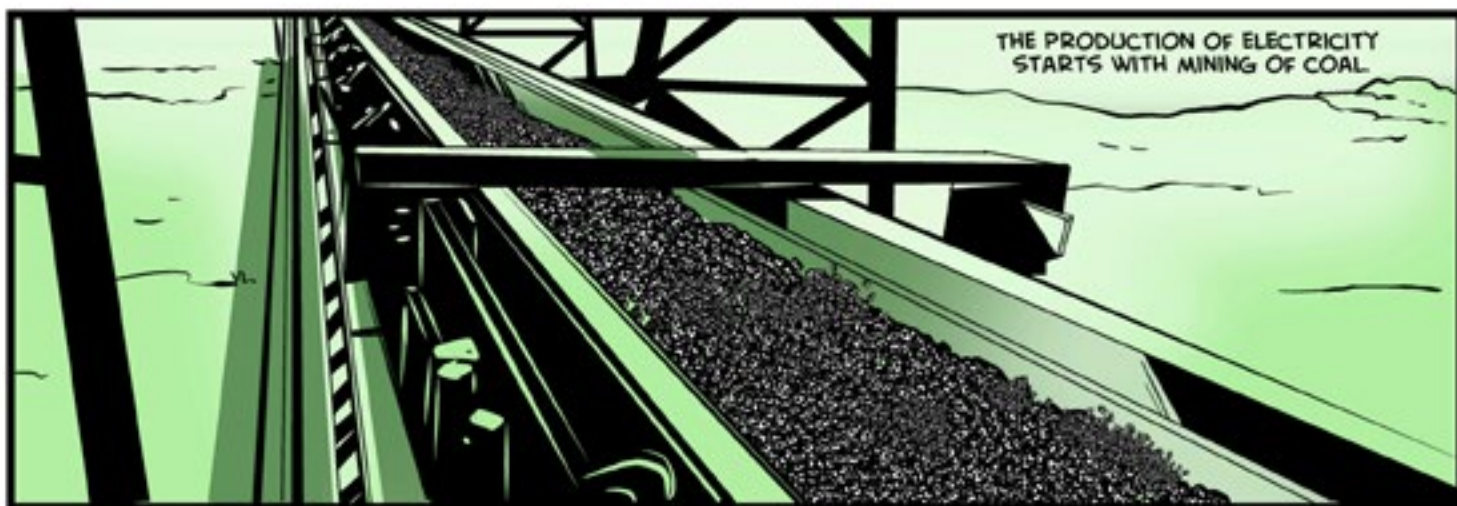
New rank and file employees at the sites become members of the union upon regularization. They benefit from the collective agreements as well.



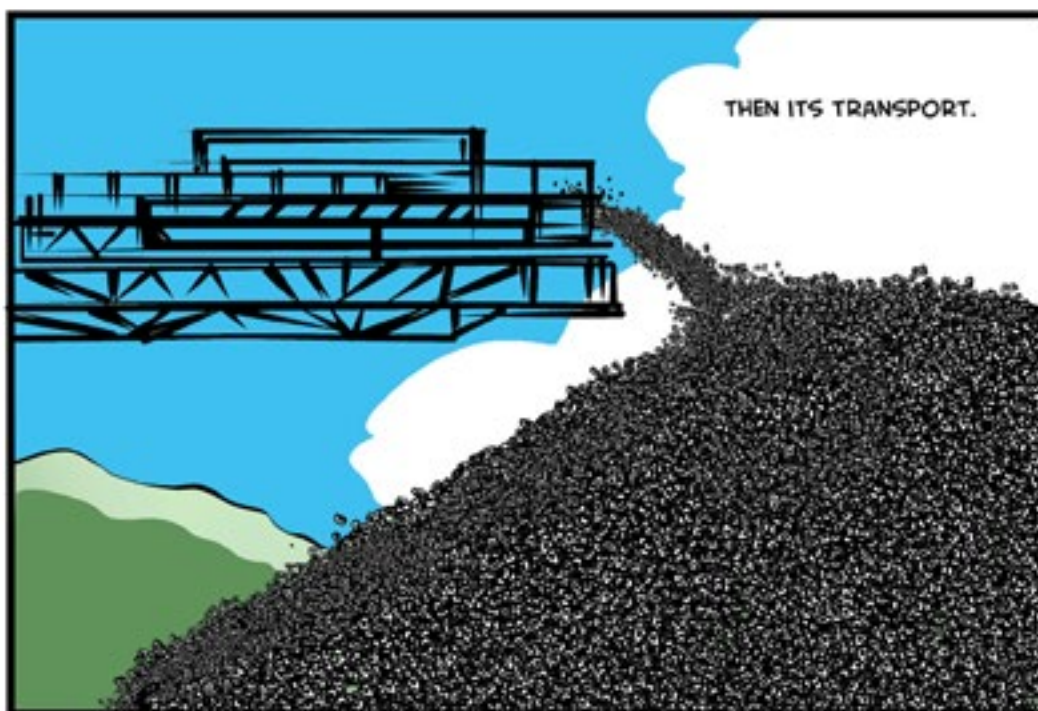
COAL IS THE LARGEST SOURCE OF ENERGY FOR ELECTRICITY GENERATION IN THE WORLD.



THE PRODUCTION OF ELECTRICITY STARTS WITH MINING OF COAL.



THEN ITS TRANSPORT.



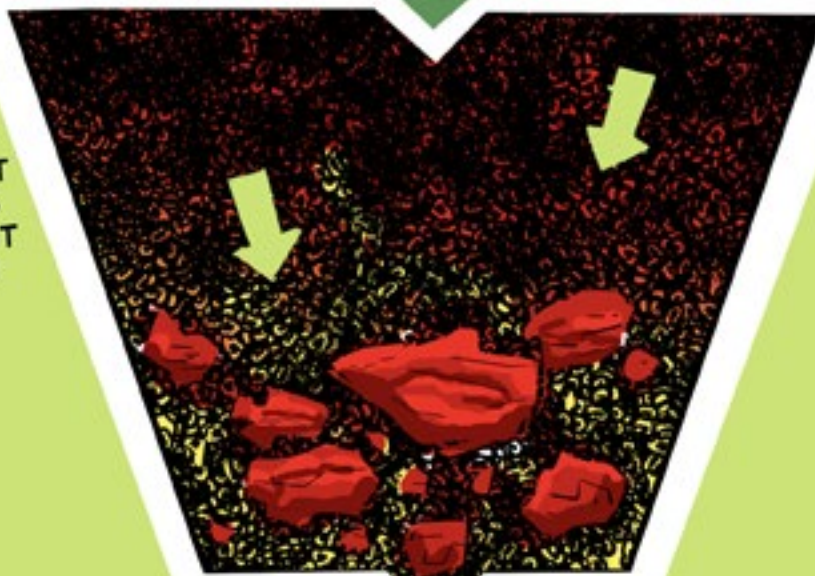
COAL, A ROUGH BLACK ROCK FORMED MILLIONS OF YEARS AGO FROM DECAYING PLANT MATERIALS.





A TREE FALLS
IN A SWAMP
A FEW MILLION
YEARS AGO

WATER
AND DIRT
COVERS
THE PLANT
MATTER



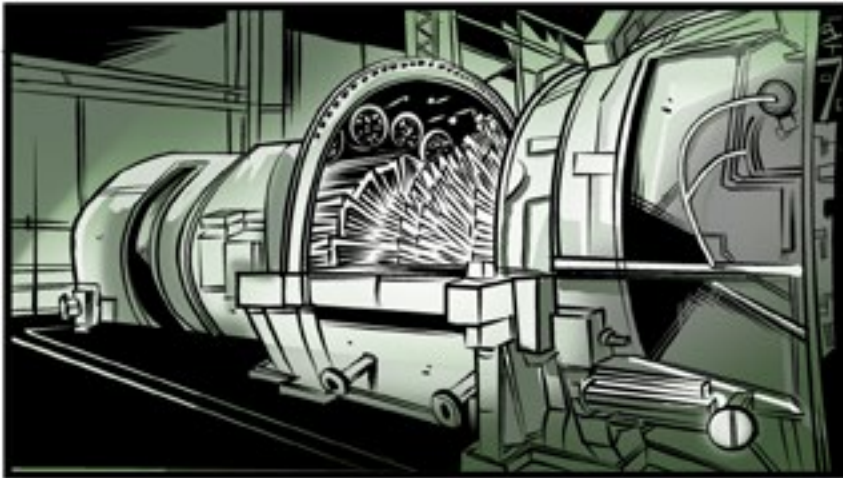
PRESSURE AND TIME...



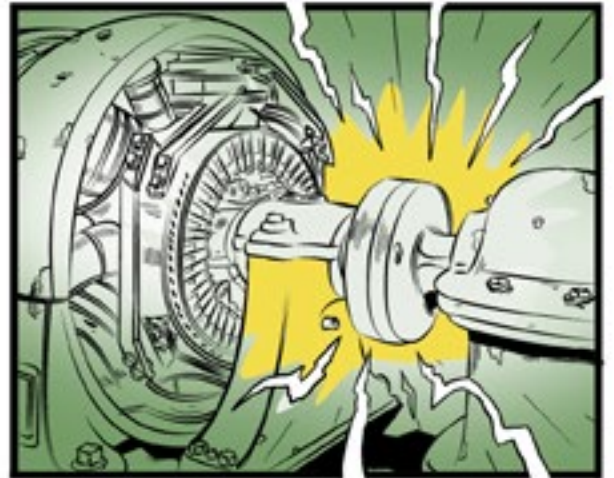
AND THAT'S HOW
COAL IS FORMED



COAL IS CONVERTED INTO HEAT ENERGY VIA THE BOILER.



IN THE TURBINE, HEAT ENERGY IS TRANSFORMED INTO MECHANICAL ENERGY.



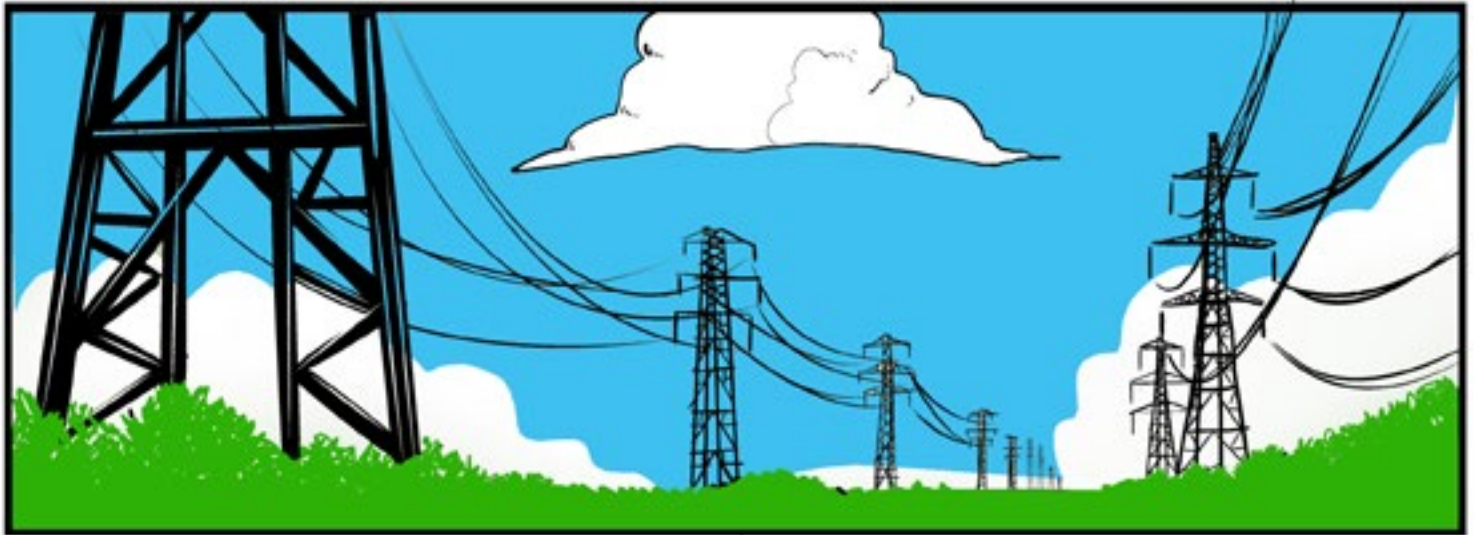
THE GENERATOR COUPLED WITH THE TURBINE CONVERTS MECHANICAL ENERGY TO ELECTRICAL ENERGY



MECHANICAL ENERGY IS CONVERTED TO ELECTRICAL ENERGY.



TEAM ENERGY'S SUAL & PAGBILAO POWER STATIONS
ARE AMONG THE FACILITIES IN THE COUNTRY THAT
GENERATE ELECTRICITY USING COAL AS FUEL.



THESE POWER PLANTS GENERATE A COMBINED TOTAL OF 2,058 MEGAWATTS
OF ELECTRICITY, ACCOUNTING FOR APPROXIMATELY 15.8 PERCENT
OF THE GENERATING CAPACITY IN THE LUZON GRID.



THIS IS ENOUGH TO POWER
10 MILLION COMPUTERS OR
20 MILLION HOUSEHOLDS WITH
A 100-WATT LIGHTBULB EACH.

G4-13

Report any significant changes during the reporting period.

T HERE ARE NO SIGNIFICANT CHANGES ON THE ORGANIZATION'S SIZE, STRUCTURE, OWNERSHIP, OR SUPPLY CHAIN.

Other changes include the beginning of Open Access last June 26, 2013. As an Energy Regulatory Commission-licensed (ERC) Retail Electricity Supplier (RES), TPEC began to sell to new contestable customers, such as Liberty Flour Mills and Manila Water, Inc.

Furthermore, our principal office had moved from Pasay City to Taguig City.

G4-14

Report whether and how the precautionary approach or principle is addressed by the organization.

T EAM ENERGY ENSURES THAT ITS OPERATIONAL CONTROLS COMPLY WITH ALL APPLICABLE GOVERNMENT REGULATIONS. TEAM ENERGY CONTINUES TO COMMIT ITS OPERATIONS UNDER THE PRECAUTIONARY PRINCIPLE OF ENSURING ALL POSSIBLE IMPACTS TO THE ENVIRONMENT AND STAKEHOLDERS ARE ADDRESSED.

Through the years, we have subjected our Integrated Management System (IMS) to thorough reviews and continual improvement to ensure that all environmental aspects and OHS hazards have been identified, and their associated impacts and risks determined and controlled. We have established risk assessment methodology in our sites to evaluate modifications in our operations and capital expenditures prior to implementation. Notwithstanding any gap in government regulation, we continue to seek measures to address these risks.

G4-15

Economic, Environmental and Social Charters

W E INTEND TO CONDUCT TRAINING ON BIODIVERSITY MONITORING SYSTEMS (BMS) AMONG OUR COMMUNITY PARTNERS THROUGH OUR FOUNDATION, TEAM ENERGY FOUNDATION, INC. (TEFI). THROUGH THIS CHARTER, WE ENCOURAGE AND STRENGTHEN STAKEHOLDER INVOLVEMENT IN THE PROTECTION AND PROPER MANAGEMENT OF FOREST RESOURCES AND REHABILITATION AREAS.

Our desire to help contribute to improve conservation and sustainable use of biodiversity is in line with the Philippine Commitment to the Convention on Biological Diversity (one of the key agreements at the 1992 Rio Earth Summit). We provide our partner communities with the necessary skills and knowledge on biodiversity and carbon stock assessment, and sustainable resource management.

On April 13 to 18, 2015, we started conducting trainings for 20 Agta/Dumagat and Remontado members to help them protect their ancestral domain comprising 144,000 hectares of forestland in General Nakar, Quezon Province. It is also one of the identified key biodiversity areas that shelter some of the country's unique and extremely threatened fauna and flora. It includes the world famous Philippine Eagle *Pithecophaga jefferyi* and the lowland Dipterocarp forest. The area also provides vital ecosystem benefits.

We also seek to provide indigenous tribal communities with the necessary skills and knowledge on biodiversity and carbon stock inventory to help them preserve their ancestral domain. 20 Agta/Dumagat and Remontado members participated in the Biodiversity and Carbon Stock Assessment Training on April 13 to 18, 2015.

This training not only allowed them to gain self-confidence in conducting inventories, but also gave them a stronger sense of ownership of the REDD-plus (Reducing Emissions from Deforestation and Forest Degradation) Program.

G4-16

List memberships of associations

AS AN ORGANIZATION, TEAM ENERGY IS PLACED IN A POSITION WHERE ITS LEADERS AND EMPLOYEES CAN ENGAGE WITH DIFFERENT SECTORS OF SOCIETY AND DISCUSS SUSTAINABLE SOLUTIONS TO THE GROWING NEED FOR GREENER DEVELOPMENT. THROUGH THIS ENGAGEMENT WE CAN SHARE OUR KNOWLEDGE OF THE INDUSTRY. THESE RELATIONSHIPS WOULD ALSO ALLOW US TO BECOME MORE AWARE OF OUR STAKEHOLDERS NEEDS AND EXPECTATIONS.

TeaM representatives attend regular meetings to discuss updates on any legislations and proposed measures affecting its members. Through the Philippine Independent Power Producers Association (PIPPA), TeaM participates in the drafting and formulation of revenue measures through its inputs.

TeaM Energy representatives are involved in consultation meetings regarding proposed tax legislations with the Tax Management Association of the Philippines (TMAP). Through TMAP, TeaM Energy participates in the formulation of revenue measures that are mutually beneficial and fair for everyone involved.

As a member of Philippine Association of National Advertisers (PANA), TeaM Energy promotes discourse on national issues related to the advertising industry that affect both consumers and the general public.

TPEC is a member of the Retail Electricity Suppliers Association of the Philippines (RESA). Our commitment to fully understand matters pertaining to the implementation of the Retail Competition and Open Access in the Philippines has inspired this involvement on our part.

TEFI is an active member of several organizations and councils such as the League of Corporate Foundations (LCF), Philippine Business for the Environment (PBE) and the Philippine Council for NGO Certification (PCNC).

EH-1 Installed Capacity

	FISCAL YEAR 2014 APRIL 2013–MARCH 2014	FISCAL YEAR 2015 APRIL 2014–MARCH 2015
PAGBILAO POWER STATION		
INSTALLED CAPACITY IN MW	764	764
FUEL TYPE	Coal	Coal
SUAL POWER STATION		
INSTALLED CAPACITY IN MW	1,294	1,294
FUEL TYPE	Coal	Coal
TOTAL	2,058	2,058

We utilize coal to generate over 2,000 MW of electricity. We have also begun exploring renewable sources of energy as we slowly create more environment-friendly sources of energy.

EH-2 Net energy output broken down by primary energy source and by regulatory regime

	FISCAL YEAR 2014 APRIL 2013–MARCH 2014	FISCAL YEAR 2015 APRIL 2014–MARCH 2015
PAGBILAO POWER STATION		
NET GENERATION IN MWH	4,143,000	4,654,000
SUAL POWER STATION		
NET GENERATION IN MWH	7,192,000	7,460,000
TOTAL	11,335,000	12,114,000

EU-3

Number of residential, industrial, institutional and commercial customer accounts

NAME OF CLIENT	LOCATION	CLASSIFICATION
SOLID DEVELOPMENT CORPORATION ("SDC")	Mataas na Parang, San Ildefonso, Bulacan	Large Industrial User
BAGUIO CITY ECONOMIC ZONE ("BCEZ")	Loakan, Road, Baguio City	Economic Zone
BENGUET ELECTRIC COOPERATIVE ("BENECO")	Alapang, La Trinidad, Benguet	Electric Cooperative
LA UNION ELECTRIC COOPERATIVE ("LUECO")	San Fernando, La Union	Distribution Utilities
PHILEX MINING CORP.	Padcal, Tuba, Benguet	Large Industrial User
MERALCO FOR SUNPOWER PHILIPPINES MFG. LTD.	Laguna	Distribution Utility or "DU" (Meralco) Large Industrial User (Sunpower)
PHILIPPINE RESINS INDUSTRIES INC. ("PRII")	Mariveles, Bataan	Lease of Facilities/ Industrial
PHILIPPINE POLYPROPYLENE INC. (PPI) FORMERLY PETROCORP	Mariveles, Bataan	Lease of Facilities/ Industrial
SMEC - NPCA	Mariveles, Bataan	Lease of Facilities/ Industrial
MANILA WATER COMPANY, INC.	Diliman, Quezon City	Contestable Customer
LIBERTY FLOUR MILLS	Blumentrit Ext., Mandaluyong City	Contestable Customer
ISUZU PHILIPPINES CORPORATION	Laguna	Contestable Customer
ECOZONE POWER MANAGEMENT, INC.	Laguna	Retail Electricity Supplier

We supply electricity to the state-owned NPC through ECAs. Throughout the reporting year, our Energy Supply Business has sold our excess capacity to 14 customers.

EU-4

Length of above and underground transmission and distribution lines by regulatory regime

T EAM ENERGY DOES NOT HANDLE TRANSMISSION AND DISTRIBUTION FOR ELECTRICITY SUPPLIED TO THE NPC UNDER THE ECA. FOR THE EXCESS CAPACITY SOLD BY TPEC THROUGH OUR ENERGY SUPPLY BUSINESS ("ESB"), BELOW ARE THE DETAILS:

- Solid Development Corporation (SDC)
Approximately 7Km, 1x69kV transmission line from Cruz-na-Daan Service Station up to SDC
- Baguio City Economic Zone (BCEZ)
Approximately 7.702Km, 1x69kV transmission line from Itogon Service Station to Texas Instruments compound
- NPC Alliance (formerly BPC)
Approximately 10km, 2x230kV transmission line from NGCP tower tapping point up to PNOC-AFC compound

E4-5

Allocation of CO₂ emissions, allowances or equivalent, broken down by Carbon Trading Framework

THE PHILIPPINES HAS YET TO ADOPT A REGULATORY FRAMEWORK IN CONNECTION WITH THE KYOTO AGREEMENT ON THE REDUCTION OF CO₂ EMISSION TARGETS AND CARBON TRADING. AS SUCH, TEAM ENERGY HAS YET TO OBSERVE EMISSION ALLOWANCES FOR THIS PURPOSE.

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17

List all entities included in the organization's consolidated financial statements or equivalent documents.



OUR OPERATING COMPANIES AND THEIR PRIMARY BUSINESSES:

- TeaM Energy Corporation (TEC) - *TEC maintains and operates the coal-fired thermal power plant in Pagbilao, Quezon*
- TeaM Sual Corporation (TSC) - *TSC maintains and operates the coal-fired thermal power plant in Sual, Pangasinan*
- TeaM (Philippines) Energy Corporation (TPEC) - *sells, markets and trades excess capacity (electricity not contracted by the National Power Corporation) generated by the Pagbilao and Sual Power Plants.*
- TeaM Energy Foundation, Inc. (TEFI) - *conducts sustainable programs on Electrification, Environmental stewardship, Education and Engagement*

G4-18

Explain the process for defining the report content and the Aspect Boundaries.

THE PROCESS FOR DEFINING REPORT CONTENT BEGINS WITH VARIOUS CONSULTATION SESSIONS WITH THE STAKEHOLDERS OF SUAL AND PAGBILAO POWER STATIONS. THESE CONSULTATIONS WERE INITIATED BY TEAM ENERGY THROUGH THE UNIVERSITY OF ASIA AND THE PACIFIC CENTER FOR SOCIAL RESPONSIBILITY (UA&P - CSR). TEAM ENERGY SELECTED THE STAKEHOLDER REPRESENTATIVES WHILE UA&P SERVED AS THE FACILITATORS.

The process included the reintroduction of the GRI framework of Sustainability Reporting, to make sure that the concerns and interests of stakeholders were going to be included in the report.

Questionnaires were used as the primary survey instrument, which assessed the influence and impacts of the groups on the company's goals and, conversely, the company goals and operations on the groups' interests and well-being.

Three consultation visits were conducted in the following sites: Sual, Pagbilao, and the Corporate Office. Aside from this, some questionnaires were accomplished and returned by those who were unable to go to the consultations.

There were also briefings with TeaM Energy employees across sites.

G4-19

List all the material Aspects identified in the process for defining report content.

TEA M ENERGY IDENTIFIED MATERIAL ASPECTS THROUGH A QUESTIONNAIRE. WE SET A THRESHOLD OF 40% AS THE STANDARD FOR CONSIDERING GRI INDICATORS THAT ARE TRULY MATERIAL TO THE EXTERNAL STAKEHOLDERS. IN OTHER WORDS, ONLY THOSE INDICATORS THAT WERE CHOSEN BY AT LEAST 40% OF THE RESPONDENTS CAN BE CONSIDERED AS MATERIAL.

ECONOMIC CATEGORY

Out of the 100 respondents, 85 of them chose EC1 (Direct economic value generated and distributed) as their most material indicator under the Economic Category. All indicators under the Economic category are above the 40% threshold, hence all indicators in this category can be considered as material.

ENVIRONMENTAL CATEGORY

As for the Environment Category, the respondents chose EN20 (Emissions of ozone-depleting substances (ODS) and EN21 (NOx, SOx, and other significant air emissions) as their most material indicator. There are 78 respondents who chose this indicator. Stakeholders consider all indicators in the environment category as material.

LABOR SUBCATEGORY

Among the indicators in the Labor subcategory, LA1 (Total number and rates of new employee hires and employee turnover by age group, gender and region) emerged as the most material. It was selected by 78 respondents and was ranked fifth overall alongside EC4 (Financial assistance received from government), EN20 (Emissions of ozone-depleting substances), and EN21 (NOx, SOx, and other significant air emissions).

All indicators in the labor subcategory were considered material except for LA12 (Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity), LA15 (Significant actual and potential negative impacts for labor practices in the supply chain and actions taken), and LA3 (Return to work and retention rates after parental leave, by gender).

HUMAN RIGHTS SUBCATEGORY

For the human rights subcategory, HR1 (Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening) appeared as the most material indicator in the Human Rights subcategory. This indicator is ranked third overall with 80 respondents choosing it.

HR5 (Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor), HR6 (Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor), HR4 (Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights), HR10 (Percentage of new suppliers that were screened using human rights criteria), and HR11 (Significant actual and potential negative human rights impacts in the supply chain and actions taken) were not considered material aspects.

PRODUCT RESPONSIBILITY SUBCATEGORY

With regard to the product responsibility subcategory, PR8 (Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data), PR7 (Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes) and PR6 (Sale of banned or disputed products) were not considered material aspects.

SOCIETY SUBCATEGORY

Under the Society subcategory, SO1 (Percentage of operations with implemented local community engagement, impact assessments, and development programs) surfaced as the most material indicator for 86 respondents. This is considered as the most material indicator overall.

SO9 (Percentage of new suppliers that were screened using criteria for impacts on society), SO6 (Total value of political contributions by country and recipient/beneficiary), SO7 (Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes), SO3 (Total number and percentage of operations assessed for risks related to corruption and the significant risks identified), SO11 (Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms), and SO10 (Significant actual and potential negative impacts on society in the supply chain and actions taken) were not seen as material indicators.

ELECTRIC UTILITIES SECTOR DISCLOSURE

As for Electric Utilities Sector Disclosure, the indicator that has been selected the most by the respondents is EU2 (Net energy output broken down by primary energy source and by regulatory regime).

EU26 (Percentage of population unserved in licensed distribution or service areas) and EU27 (Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime) were not considered material indicators.

G4-20

Report the Aspect Boundary within the organization.

ALL INFORMATION CONTAINED REPRESENTS THE AREAS FOR WHICH TEAM ENERGY HAS OPERATIONAL CONTROL AND SOCIAL INVOLVEMENT. IT COVERS OUR FOUR ENTITIES NAMELY: TEC, TSC, TPEC, AND TEFI, AND AS SUCH IS LIMITED TO THE PHILIPPINES

This report seeks to provide information on:

Operating costs and revenues of the two power stations, the direct and indirect economic impacts on the local communities of Sual and Pagbilao, Occupational Health and Safety (OHS) and community disaster preparedness, community investments such as educational and livelihood programs, infrastructure investments for public benefit, company support to ensure professional growth and continued employability, the operations' impacts on biodiversity, climate change initiatives, access to electricity, continuous involvement in the stakeholder consultation process, transparency, and customer support services.

The report does not include direct sustainability information from our shareholders, suppliers, customers or contractors. Neither does it report on joint ventures, leased operations, nor other entities outside the parent company TEC, the wholly owned subsidiaries TSC and TPEC, and TEFI.

The primary users of this report will be our stockholders, employees, customers, the national and local governments, and the regulatory agencies we work with.

G4-21

Report the Aspect Boundary outside the organization.

ALIST OF ASPECT BOUNDARIES WERE INCLUDED IN THE REPORT BY A THIRD-PARTY CONSULTANT, THE UNIVERSITY OF ASIA AND THE PACIFIC CENTER FOR SOCIAL RESPONSIBILITY (UA&P - CSR), AND HAS BEEN EXTERNALLY ASSURED. INFORMATION ON THESE BOUNDARIES ARE FOUND IN PAGES 17-24 OF "TEAM ENERGY: STAKEHOLDERS CONSULTATION REPORT 2015."

G4-22

Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.

There are no restatements of information from previous reports.

G4-23

Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.

THERE ARE A FEW CHANGES MADE FROM PREVIOUS REPORTING PERIODS WITH REGARD TO THE SCOPE AND ASPECT BOUNDARIES. FOR ONE, TPEC AS AN ENERGY REGULATORY COMMISSION (ERC) LICENSED RETAIL ELECTRICITY SUPPLIER (RES) BEGAN ITS OPEN ACCESS LAST JUNE 26, 2013. IT BEGAN TO SELL TO NEW CONTESTABLE CUSTOMERS, SUCH AS LIBERTY FLOUR MILLS AND MANILA WATER, INC.

During the reporting period, TeaM Energy has transferred its principal office address from Pasay City to Taguig City, and this transfer is included in the report.

STAKEHOLDER ENGAGEMENT

G4-24

Provide a list of stakeholder groups engaged by the organization.

FOR THE PURPOSE OF THIS REPORT, THE VARIOUS STAKEHOLDERS ENGAGED BY THE ORGANIZATION HAVE BEEN CLUSTERED INTO ELEVEN MAJOR GROUPS NAMELY:

- Employees
- Suppliers and Contractors
- Executive Committee
- Independent Power Producer Administrator (IPPA)
- Community
- Program Partners
- Shareholders
- Customers
- Government
- Media
- Institutional Investors

G4-25

Basis for identification and selection of stakeholders with whom to engage.

We defined stakeholders as those who affect and can be affected by the decisions and actions of the corporation.

G4-26

Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.

EVERY TIME THAT A SUSTAINABILITY REPORT IS TO BE PRODUCED, UA&P CONDUCTS A STAKEHOLDER'S ENGAGEMENT USING THE GRI FRAMEWORK. THERE ARE OTHER ENGAGEMENTS DONE BY TEAM ENERGY BUT ALL ARE INTERNAL AND NOT FOR SUSTAINABILITY REPORTING.

S TAKEHOLDERS HAD A NUMBER OF CONCERNS THAT THE SURVEY QUESTIONNAIRE WAS NOT ABLE TO ACCOMMODATE. THESE CONCERNS WERE NOT ASPECTS REQUIRED FOR DISCLOSURE BY THE GRI FRAMEWORK. THESE CONCERNS ARE ENUMERATED BELOW:

SUAL

• LABOR

a. Community

- Labor employment of PWDs and assistance for their work behavior and development
- There was a request to advise guards that absences due to health reasons are valid, but seeking medical certificates as an alibi isn't.

b. Suppliers

- There was a request for programs to be created that would allow third-party members to be employed in TeaM Energy

c. Employees

- There were concerns about how much money has been saved to cover the end of cooperation period pay-out or "separation pay"
- End of cooperation package for employees who will not reach retirement age after contract of operation
- Have representatives from the union/R&F in the retirement committee of the company in which these representatives can access information regarding the date fund and allocation for retirement of all employees
- Programs/protection of employees for the End-of cooperation period
- Compa-ration of confidential-employees with 120% while union members are not covered by compa-ration
- Transparency of job evaluation across sites not yet aligned with table of organization
- Programs for career growth of those in the lower positions
- Scholarship program for employees' qualified dependents for confidential management rank and file

• ECONOMIC

a. Community

- Enhance social responsibility for programs of special education through adopt a school
- Remaining available scholarship funds for sending the less fortunate reach their goal

b. Government

- Detailed report on the operations of TPEC and SMEC

c. Suppliers

- Plan to implement NCR rates for those third party services employed in the plant

d. Employees

- Amount of fund retained for "end of cooperation period" terms and conditions
- How much money allotted for end of cooperation? What company handles the money?
- Representation of the R&F in the budget committee for transparency in funds involving allocation of fund for separation pay of all employee on/before end of cooperation period under the ECA and separation pay in case of change of new ownership of company
- Present revenues of each plant should be disclosed separately
- Transparency of job evaluation among employees
- Align company scholarship program with the union scholarship
- Increase numbers of beneficiaries of the scholarship

• ENVIRONMENTAL

a. Community

- *Programs or plans for the assessment on the future effect of coal and ash to the environment/ community/nearby residents/workers*
- *Marine waters & resources, funding, maintenance, rehabilitation - potential tourist spot for Sual*
- *Rehabilitation of silted rivers*
- *Conservation of potable water supply*
- *Prevention of health hazards, toxic wastes, mercury, etc. These are observable to the affected areas of Sual.*
- *Health sector must be furnished with reports (e.g., pertaining to premium on "oil spill")*

b. Government

- *Waste's volume and disposal method, and initiatives to mitigate environmental impacts of products and services*

• HUMAN RIGHTS

a. Community

- *Status as to why the municipal mayor was not allowed to enter the gate of the Team Energy for emergency response*

b. Employees

- *Lists of health services given to community—medicines, senior citizen building, constructing "PWD Building," exclusive to Sual*

• SOCIETY

a. Community

- *Lists of health services given to community—medicines, senior citizen building, constructing "PWD Building," exclusive to Sual*

• ELECTRIC UTILITIES

a. Community

- *Programs/Projects of the corporation to assist in the provision of electricity to areas without connection; Initiative of the corporation to make cheaper the cost of electricity to its host area/s*
- *Identify the readers/consumers of the Sustainability Report*

b. Suppliers

- *Plan to invest in other places of the nation like Visayas and Mindanao*

PAGBILAO

• LABOR

a. Employees

- *Annual report of workers' health and safety concern regarding the use of coal*
- *Request for formal written communication for second phase of the evaluation and possible terms of reference*
- *Employees' length of service statistics*

• ECONOMIC

a. Government

- *Ensure business permits of contractors and subcontractors*

b. Suppliers

- *Percentage of employees hired from host municipality, Quezon province and from other areas*



- **ENVIRONMENTAL**

- a. Employees
 - *Negative environmental impacts of global warming to the community*
- b. Government
 - *Foul odor from coal yard experienced by community members during Southwest monsoon*
- c. Suppliers
 - *Programs to all constituents affected by the operation of the plant*

- **ELECTRIC UTILITIES**

- a. Suppliers
 - *Subsidy to host community with regard to electric consumptions and bills*

- **OTHERS**

- a. Preparation needed by students who want to be employed in Team Energy
- b. Subsidy for electric consumption
- c. Is there a policy on Nepotism?
- d. Emphasize environmental protection initiatives in the Sustainability Report
- e. Plans of the company to shift eventually/little by little to explore other sources of energy other than coal/fossil fuel
- f. Provide free direct medical check-up for community members
- g. Provide more water for spraying to prevent ash fall going to the community

CORPORATE OFFICE

• EMPLOYEES

- a. Labor
 - *Benefits for contracted employees*
- b. Economic
 - *Future plans/projects of the company for expansion*
- c. Environmental
 - *Trainings/discussions with the nearby community members (those affected by the power plant) on the environmental initiatives of the company*
 - *Sustainability plans of the company and its investments on the society*
- d. Society
 - *Exit strategy programs for social projects beyond 5 years*

GOVERNMENT REGULATORS

• LABOR

- a. Include policy on hiring of Indigenous Peoples

• ECONOMIC

- a. Include cost of carbon sequestration implementation, if any

• ENVIRONMENTAL

- a. Include programs on carbon sequestration, if any

REPORT PROFILE

G4-28

Reporting period (such as fiscal or calendar year) for information provided.

The reporting period covered in this report is the Fiscal Years of 2014 and 2015. This period spans 24 months from April of 2013 until March of 2015.

G4-29

Date of most recent previous report (if any).

Our last published report was the 2011-2012 TeaM Energy Sustainability Report: From LIGHTING to LEADING. This is TeaM Energy's third Sustainability Report. Its reporting period covers January to December 2011 and the 15-month period of January 2012 to March 2013 comprising a total of 27-months of data.

G4-30

Reporting cycle (such as annual, biennial).

Biennial

G4-31

Provide the contact point for questions regarding the report or its contents.

The contact points for questions regarding the reports and its contents are Atty. Rosalie F. Factor (Ross.Factor@teamenergy.ph), the Assistant Vice President of our Legal Department, and Angela R. Rebuena (AngelaLourdes.Rebuena@teamenergy.ph), our External Affairs Associate, Corporate Office trunkline no. 552-8000.

G4-32

a. Report the 'in accordance' option the organization has chosen.

- The organization has chosen to report "In Accordance"—Comprehensive Option.
- The present report has been subjected to assurance as evidenced by the External Review Committee (ERC) Assurance Report. Team Energy commissioned an external panel of experts to provide assurance and the highest governing body is fully supportive of activities conducted under the Sustainability Report.

G4-33

a. Report the organization's policy and current practice with regard to seeking external assurance for the report.

T EAM ENERGY PUBLISHED ITS FIRST EXTERNALLY ASSURED SUSTAINABILITY REPORT IN 2010, "FROM BLACK TO LIGHT." THAT REPORT PROVIDED INFORMATION ON THE COMPANY'S PERFORMANCE AND ITS IMPACT ON THE ECONOMIC, ENVIRONMENTAL, AND SOCIAL FRONTS. TEAM ENERGY BELIEVES IN THE IMPORTANCE OF INDEPENDENT EXTERNAL ASSURANCE TO ENHANCE THE CREDIBILITY OF OUR SUSTAINABILITY REPORT. THUS, BEGINNING WITH THE 2010 REPORT, EXTERNAL ASSURANCE HAS BEEN A PREREQUISITE FOR OUR DISCLOSURE.

The External Review Committee (ERC) evaluated Team Energy's sustainability performance in adherence with the GRI guidelines. These disclosures were based on our information database, interviews with employees from various levels of the company, our external stakeholders (including, but not limited to, investors, suppliers, contractors, community members, and regulators), and tours and inspections of our power stations prior to publication.

GOVERNANCE

G4-34

Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.

T HE ENTITIES UNDER TEAM ENERGY – TEAM ENERGY CORPORATION (TEC), TEAM SUAL CORPORATION (TSC) AND TEAM (PHILIPPINES) ENERGY CORPORATION (TPEC) – ARE ALL GOVERNED BY THEIR RESPECTIVE BOARD OF DIRECTORS BUT WITH THE SAME SET OF SEVEN MEMBERS. THESE BOARDS ARE COMPOSED OF

THREE JAPANESE DIRECTORS AFFILIATED WITH TOKYO ELECTRIC POWER CO. (TEPCO), THREE JAPANESE DIRECTORS FROM MARUBENI CORPORATION, AND ONE FILIPINO DIRECTOR. HAVING THE SAME DIRECTORS GOVERN ALL TEAM ENERGY ENTITIES ALLOWS THE COMPANY TO FUNCTION WITH A SINGULAR, CONSISTENT VISION. IT IS THIS CONSTANCY IN ITS STRUCTURE THAT ALLOWS OUR ORGANIZATION TO BE AS EFFECTIVE AND EFFICIENT AS IT IS.

Of the seven members of the Board, five are Directors based in the Philippines who comprise the Executive Committee. The Executive Committee is composed of the following:

1. The Chairman of the TEC, TSC and TPEC Board of Directors is the President of TEC and TSC. He is also the Chairman and President of TEFI.
2. The TEC Executive Vice President (EVP) for Energy Supply Business, Project Development and Commercial Affairs, who is also the TPEC President
3. The EVP Operations
4. The EVP for Finance and Chief Finance Officer (CFO)
5. The EVP for Controllershship and Financial Planning.

The Executive Committee carries out functions delegated by the three Boards of Directors. All four companies have various committees such as the Management Committee, which is composed of senior managers and top officers, Health and Safety Committee, Uniform Committee, Food Committee, and InSPIRED TeaM Committee.

TeaM Energy Foundation, Inc. (TEFI) is governed by its own Board of Trustees. Of its eleven trustees, five come from TEC's Executive Committee, five are officers or management employees of TEC, TSC or TPEC, and one independent external trustee. At present there are nine men and two women in the TEFI Board of Trustees.



G4-35

Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.

Members of the Executive Committee carry out functions that address topics concerning the organization's economic, environmental, and social issues.

G4-36

Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.

The organization has appointed the Executive Committee to be responsible for economic, environmental, and social topics.

G4-37

a. Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.



OUR SOCIAL AND COMMUNITY AFFAIRS ARE HANDLED BY OUR EXTERNAL AFFAIRS DEPARTMENT. THIS DEPARTMENT DIRECTLY REPORTS TO THE PRESIDENT.

The Finance Department handles all economic matters. Members of this department report to the Executive Vice President of Finance and the Executive Vice President of Controllershship and Financial Planning.

Environment topics are delegated to the Environment Section under the Technical Services Department. This department reports to the Station Managers of our Pagbilao and Sual power stations. The station managers report to the Executive Vice President of Operations.

Customer topics are delegated to the Energy Supply Business, Project Development and Commercial Affairs Departments. These departments report to the Executive Vice President of the Energy Supply Business, Project Development and Commercial Affairs. The Commercial and Performance Section at the sites directly interface with customers for feedback and communication on daily plant statuses.

Supplier topics are delegated to the Materials Management Department. This department directly reports to the Vice President for Operations Optimization, who then reports to the Executive Vice President of Operations.

Labor topics are handled by our Human Resources Department, which reports to the Executive Vice President of Finance (CFO). On the other hand, communication and consultation on occupational health and safety (OHS) are handled by the OHS Section, which directly report to the Station Managers.

Compliance and regulatory topics are managed by the Legal Department, which also reports to the Executive Vice President of Finance (CFO).

The President, the Executive Vice President of Finance (CFO), the Executive Vice President of Controllershship and Financial Planning, the Executive Vice President of our Energy Supply

Business, Project Development and Commercial Affairs, and the Executive Vice President of Operations all report to the Executive Committee and to the Board of Directors.

The Executive Committee also reports to the Board of Directors.

Our TEFI Vice-President and Executive Director report to TEFI's Board of Trustees.

G4-38

Report the composition of the highest governance body and its committees.

The composition of our governance body and its committees are indicated in G4-34.

G4-39

Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).

THE CHAIRMAN OF THE BOARDS OF DIRECTORS OF TEC, TSC AND TPEC IS THE PRESIDENT OF TEC AND TSC. HE IS ALSO THE CHAIRMAN AND PRESIDENT OF TEFI. HAVING THE SAME CHAIR ENSURES PROGRESS TOWARDS THE SAME VISION UNDER TEAM ENERGY, AS WELL AS AN EFFICIENT AND EFFECTIVE GOVERNANCE STRUCTURE FOR THE ORGANIZATION.

G4-40

Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.

TEC'S SHAREHOLDERS, SPECIFICALLY TEPCO AND MARUBENI, SELECT THEIR NOMINEES TO TEC'S BOARD OF DIRECTORS. THESE ORGANIZATIONS EACH HAVE THEIR OWN CRITERIA AND QUALIFICATIONS IN ADDITION TO THOSE PRESCRIBED IN THE PHILIPPINE CORPORATION CODE.

The shareholders implement a rigid selection process for Directors, where candidates are selected based on who can add value and contribute independent judgment to the formulation of sound economic, environmental, and social corporate strategies and policies in the company.

G4-41

Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders.

WE ARE COMMITTED TO THE CONTINUED TRAINING OF NEW EMPLOYEES ON OUR CODE OF ETHICS AND BUSINESS CONDUCT. OUR CODE OF ETHICS COVERS THE IMPORTANCE OF FOLLOWING LAWS AND POLICIES THAT CONCERN OUR OPERATIONS AND FINANCIAL REPORTING. THE MANDATED CODE ALSO PROVIDES GUIDELINES ON HOW MEMBERS OF OUR ORGANIZATION CAN AVOID CONFLICTS OF INTEREST. IT WAS RELEASED AND DISTRIBUTED TO ALL EMPLOYEES ACROSS ALL SITES IN 2010. THE CODE OF ETHICS AND BUSINESS CONDUCT WAS DERIVED FROM THE BEST PRACTICES OF THE CODES OF ETHICS OF TEPCO AND MARUBENI, ALONG WITH BUSINESS ETHICS AND CONDUCT PRACTICED BY PREVIOUS SHAREHOLDERS OF THE COMPANY.

We have strict regulations on ethical business practice and we adhere to the highest standards. Our Code of Ethics covers multiple corporate issues and provides guidelines on how to handle multiple business scenarios, which have stern protocols on matters such as the handling of gifts, and any influence that might compromise independence in decision-making and ethical conduct in business dealings.

The Legal Department governs the monitoring of gifts from all business partners. Another task we delegated to our Legal Department is the conduct of a campaign to reinforce TeaM Energy's Anti-Corruption drive throughout the organization.

The strict implementation of our anti-corruption initiative extends to our Procurement Policy and Delegation. All transactions made as a representative of our organization requires all employees to act in the best interest of TeaM Energy and its shareholders. Our code of ethics further provides details on how to protect information about our operations, customers and suppliers.

To ensure adherence to the measures we have placed to prevent unethical practice, misconduct, or corruption, TEC and its subsidiaries welcome regular audits by its shareholders and external parties.

G4-42

Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.

STRATEGIC BUSINESS PLANNING



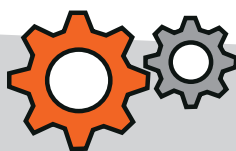
A GROUP WAS CREATED TO SCOPE OUT VARIOUS BUSINESS DEVELOPMENT IDEAS (BDIS).

AFTER PRESENTING THESE BDIS TO THE EXECOM, THE EXECOM GAVE GUIDANCE AND PROVIDED GENERAL PRINCIPLES AS INPUTS TO THE STRATEGIC DIRECTION OF THE COMPANY.



INSTEAD OF HIRING AN EXTERNAL CONSULTANT, A TEAM WAS SENT TO TRAIN ON STRATEGIC BUSINESS PLANNING.

MARCHING ORDERS: DEVELOP AND RECOMMEND A STRATEGIC BUSINESS PLANNING PROGRAM CUSTOMIZED FOR TEAM ENERGY.



THE RECOMMENDED PROGRAM WAS PRESENTED TO THE EXECOM AND WAS REFINED BASED ON THEIR COMMENTS.

THE PROGRAM WAS IMPLEMENTED WITH A WORKING GROUP. KEY POINTS FROM THE OUTPUT WERE PREPARED FOR THE EXECOM AND THE SHAREHOLDERS FOR THEIR FEEDBACK AND GUIDANCE.



JANUARY 21-22, 2015: FIRST WORKSHOP WITH THE EXECOM.

MARCH 11 & 13, APRIL 14-16, 2015: SESSIONS USING THE SPB FRAMEWORK.

APRIL 28, 2015: SUMMARIZATION OF INPUTS.

MAY 4, 2015: REVIEW WITH EXECOM

MAY 15, 2015: BOD PRESENTATION

G4-43

Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.

ASIDE FROM THE REGULAR MEETINGS OF THE BOARD OF DIRECTORS (FOR TEC, TSC, TPEC AND TPEC HOLDCO) AND THE BOARD OF TRUSTEES (FOR TEFI) WHERE THE SIGNIFICANT ECONOMIC, ENVIRONMENTAL AND SOCIAL TOPICS ARE DISCUSSED, THERE ARE PERIODIC MANAGEMENT REPORTS WHICH ARE SUBMITTED TO THEM BY THE EXECUTIVE COMMITTEE OR BY THE RELEVANT OFFICERS. FURTHERMORE, DOCUMENTS OR INFORMATION ARE REQUESTED, FROM TIME TO TIME, IF THE DIRECTORS OR SHAREHOLDERS REQUIRE FURTHER CLARIFICATION OR HAVE QUESTIONS ON THE VARIOUS TOPICS.

G4-44

- Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment.
- Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.

COMPANY EVALUATION IS A STANDARD PRACTICE OF TEAM ENERGY. SUCH A PROCESS IS NECESSARY TO MEASURE OUR PROGRESS AND LOCATE WEAKNESSES IN THE SYSTEM, IF THERE ARE ANY. THE EVALUATIONS THAT TEAM ENERGY UNDERGOES ARE CONDUCTED BY TEC'S SHAREHOLDERS BASED IN TOKYO: TEPCO AND MARUBENI. CHANGES IN THE ORGANIZATION'S MEMBERSHIP ARE ALSO DETERMINED BY THESE SHAREHOLDERS.

G4-45

- Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes.
- Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.

THE BOARD OF DIRECTORS/BOARD OF TRUSTEES APPROVES ALL MAJOR ACTIONS TO BE TAKEN IN THE MANAGEMENT OF ECONOMIC, ENVIRONMENTAL, AND SOCIAL IMPACTS. THEIR DECISIONS ARE BASED ON THE DATA RELAYED TO THEM BY MANAGEMENT, THROUGH MANAGEMENT REPORTS. ADDITIONAL FEEDBACK FROM STAKEHOLDERS IS INCLUDED IN THE MANAGEMENT REPORTS, WHENEVER NECESSARY AND RELEVANT.

G4-46

Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.

THE BOARD HAS THE AUTHORITY TO INITIATE THE AUDIT, DIRECT THE METHODOLOGY OF ITS DEPLOYMENT, AND REQUEST ADDITIONAL INFORMATION REGARDING THE ECONOMIC, ENVIRONMENTAL, AND SOCIAL ASPECTS OF THE COMPANY.

G4-47

Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.

A review of Team Energy's economic, environmental and social impacts, risks, and opportunities is conducted at least twice a year.

G4-48

Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.

The Technical Working Group, assisted by consultants, ensures that Material Aspects are covered. The President formally approves the report and its contents.

G4-49

Report the process for communicating critical concerns to the highest governance body.

All communication regarding critical concerns are reported to the highest governance body through comprehensive management reports.

G4-50

Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.

FOR THE REPORTING PERIOD, THREE CRITICAL CONCERNS WERE COMMUNICATED TO THE BOARD THROUGH THE MANAGEMENT REPORTS AND DISCUSSIONS DURING BOARD MEETINGS.

These were:

- *Collection issues concerning receivables.*
- *Environmental issues, such as the oil spill.*
- *Issues relating to the maintenance and operations of plants.*

After presenting these issues before the Board, proposals were presented as to how these matters were to be addressed. The Board approved all directives necessary to resolve these critical concerns.

G4-51

a. Report the remuneration policies for the highest governance body and senior executives .
b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.

MEMBERS OF THE BOARD OF DIRECTORS ARE BEING COMPENSATED FOR THEIR ROLE AS OFFICERS PURSUANT TO SECONDMENT AGREEMENTS WITH TEAM ENERGY. THE DIRECTORS ARE NOT BEING PAID FOR THEIR ROLE AS DIRECTORS. ALL OF OUR DIRECTORS ARE PAID FOR THEIR CONTRIBUTION TO TEAM ENERGY AS OFFICERS.

As for the officers and senior executives who are expatriates, they are paid pursuant to secondment agreement with TeaM Energy and their salaries are based on the remuneration policies of TEPCO and Marubeni.

The secondment agreements of TEPCO/Marubeni indicate that: "TEPCO/Marubeni pays an annual salary and any bonus for Seconded Employee with reimbursement by Employer. The amount is in accordance with TEPCO's internal regulation."

As for officers and senior executives who are not expatriates, there are corporate and individual performance factors that influence and affect salary increases and short-term incentives. These factors are based on TeaM Energy's policies on merit increases.

G4-52

Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.

The remuneration granted for expatriates is decided by TEPCO and Marubeni.

For non-expats, remuneration is based on Human Resources policies.

G4-53

Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.

Views on remuneration policies are primarily based on shareholders' and employees' comments.

G4-54

Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.

FISCAL YEAR 2014 APRIL 2013-MARCH 2014	FISCAL YEAR 2015 APRIL 2014-MARCH 2015
7.32	7.66

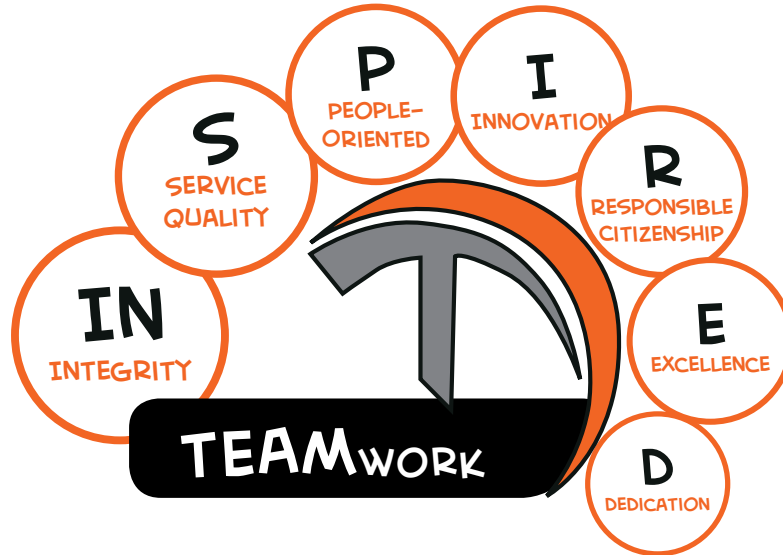
G4-55

Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.

FISCAL YEAR 2014 APRIL 2013-MARCH 2014	FISCAL YEAR 2015 APRIL 2014-MARCH 2015
1.97	0.94

ALL MEMBERS OF THE TEAM ENERGY ORGANIZATION ADHERE TO THE VALUES OF INSPIRED TEAM.

InSPIRED TEAM is an acronym which stands for:



In 2010, TeaM Energy adopted a new code of ethics. This code of ethics was based on a prior version of Mirant's Code of Ethics and Business Conducts. The version used by the company incorporates other provisions found in the TEPCO and the Marubeni code of ethics, as well as benchmarked global best practices of other companies.

The Code we adopted has been distributed to all employees. One prerequisite all new employees must abide by is the accomplishment and submission of a form stating that they have read and understood the Code of Ethics and Business Conduct.

As part of the distribution process, the Compliance Department facilitates discussions with employees, presenting key scenarios aimed at explaining potential dilemmas that each TeaM Energy employee might face and the steps one needs to take in seeking advice from their Compliance Officers.

We inform all employees that acting with integrity and behaving ethically requires that one face numerous seemingly gray-area scenarios that may challenge the basic notions of Right vs. Wrong, or Black or White. We always remind them that there are Compliance Officers who are ready to hear them out and provide guidance whenever they encounter such scenarios. Thus, included in the distribution process of the adopted code of conduct TeaM Energy uses is a seminar, which makes use of video clips. These scenarios are then discussed, and part of this process is a segment on making ethical decisions.

We provide our employees with guidelines in making lawful and ethical decisions by asking these questions:

a. What are the facts?

Members of our organization are encouraged to examine their own understanding of the situation before making a decision. They are trained to ask themselves questions such as, "Do I have enough information to make an informed decision? Do I need to obtain more information?" They are also

instructed to consult their Compliance Officer if they find themselves in situations that they are uncomfortable with.

b. Is the action legal?

Members of our organization are explicitly told to refuse and report any illegal activity. In fact, there are guidelines for cases where the action is legal, but the individual involved has reservations about the decision to be made. In such cases, there is a recommendation to consult the Compliance Officer.

c. Am I sure that the action is legal?

There are scenarios when the individual involved in the decision is uncertain whether or not the action to be committed is within the boundaries of the law. Members of our organization are told to consult with a Compliance Officer when such situations arise.

d. Does the action comply with our code of ethics and with other applicable company policies?

Members of our organization are constantly reminded to keep our code of ethics in mind. Not every legal action is an ethical action, and if a member of our organization finds himself in a situation where an act is legal, but unethical, he is instructed to refer back to our code of ethics and to consult his Compliance Officer.

In the seminar held as part of the distribution process of our code of ethics, several videos are presented on a variety of ethical topics such as sexual harassment, company resources, accepting gifts, conflicts of interest, office gossip, and worker safety. After showing a video clip of a situation that involves an ethical concern, employees are asked whether or not they believe there was any violation committed.

This question is a prelude to a discussion among the employees designed to probe the basis of their response.

In addition, there is a video clip shown about what the true test of a compliance program is. It shows how the same standards are equally applied on high performing employees, to demonstrate that no one is above the code.

G4-57

Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.

A S PART OF THE DISTRIBUTION PROCESS, THE COMPANY PROVIDED THE EMAIL ADDRESSES OF ALL THE COMPLIANCE OFFICERS AT THE CORPORATE AND PLANT SITES. EMPLOYEES ARE ENCOURAGED TO USE THE EMAIL ADDRESSES TO REPORT ANY INCIDENT THEY BELIEVE SHOULD BE INVESTIGATED BECAUSE OF A COMPLIANCE CONCERN.

As a safety measure, the Code also provides that "No employee will suffer retaliation for a report done in good faith, and made under a reasonable and honest belief of the situation being reported." They are also informed that retaliation by a superior to a reporting employee is an offense punishable under the Employee Code of Discipline up to Termination (Acts Against Orderliness and Conduct, Section h).

IF THERE IS PRIMA FACIE EVIDENCE THAT THERE IS AN ALLEGED INFRACTION OF COMPANY POLICIES AND PROCEDURES, THE EMPLOYEE CODE OF DISCIPLINE ALLOWS THE CONDUCT OF FACT FINDING BY AN INVESTIGATION PANEL. THE INVESTIGATION IS PART OF THE DUE PROCESS THAT THE COMPANY UNDERTAKES TO DETERMINE THE FACTS IN RELATION TO THE COMPLAINT FILED AGAINST AN EMPLOYEE.

The employee is given the opportunity to respond and defend himself, with assistance of counsel if he so chooses, and to confront witnesses against him, as well as submit documents in support of his defense. The purpose of a hearing is to verify if the employee committed the allegations and to recommend disciplinary actions, if warranted, under the Code of Discipline. The Executive Committee may adopt the recommendations in the Panel Investigation Report.



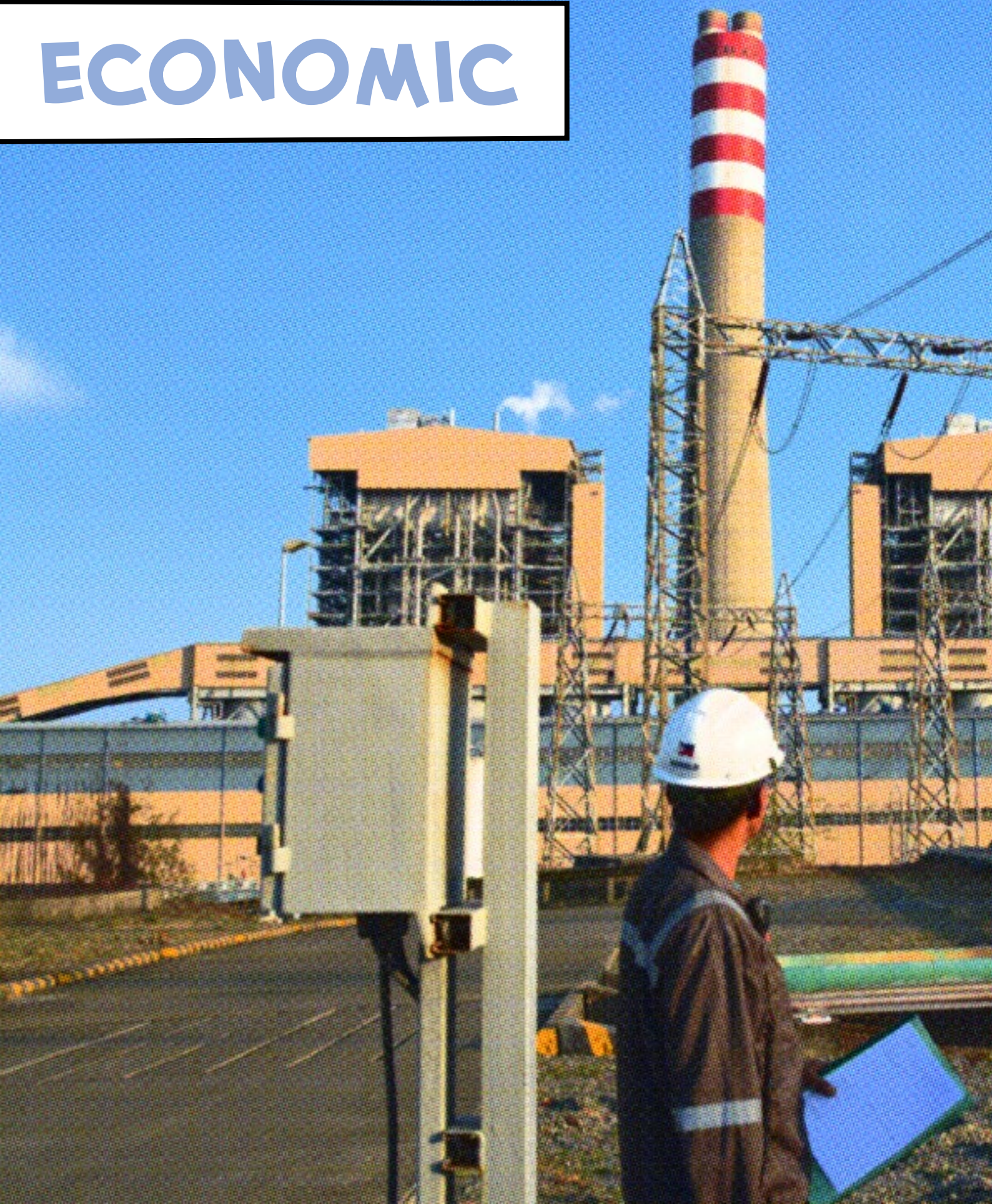
PERFORMANCE



INDICATORS

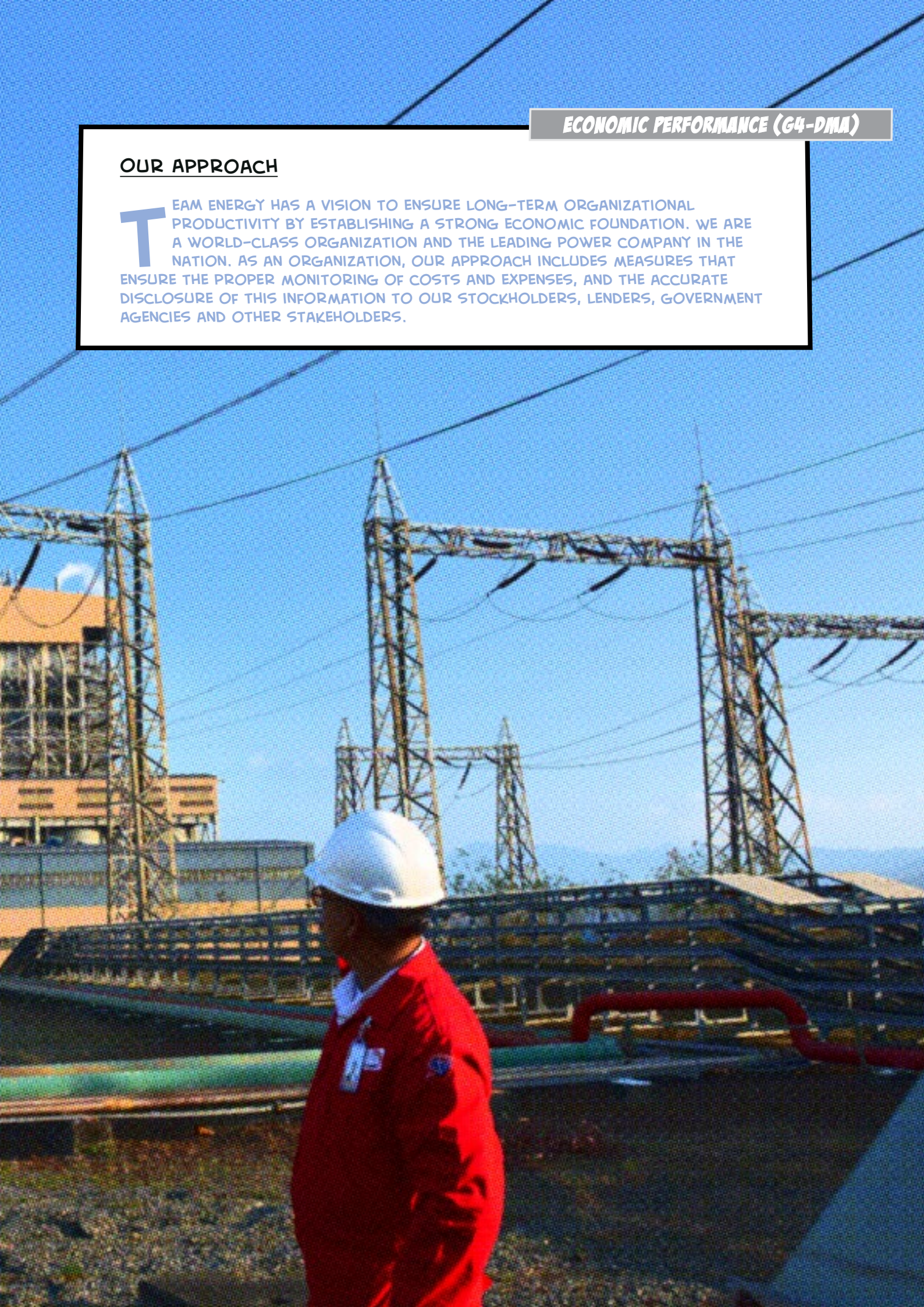


ECONOMIC



OUR APPROACH

TEAM ENERGY HAS A VISION TO ENSURE LONG-TERM ORGANIZATIONAL PRODUCTIVITY BY ESTABLISHING A STRONG ECONOMIC FOUNDATION. WE ARE A WORLD-CLASS ORGANIZATION AND THE LEADING POWER COMPANY IN THE NATION. AS AN ORGANIZATION, OUR APPROACH INCLUDES MEASURES THAT ENSURE THE PROPER MONITORING OF COSTS AND EXPENSES, AND THE ACCURATE DISCLOSURE OF THIS INFORMATION TO OUR STOCKHOLDERS, LENDERS, GOVERNMENT AGENCIES AND OTHER STAKEHOLDERS.



Consistent with our mission statement to promote sustainable development in the country, Team Energy has also engaged in various activities related to Renewable Energy (RE) development.

We have identified viable Renewable Energy projects. We have taken steps towards this goal. Currently, we are in contact with hydrologists and solar plant developers to identify renewable energy options. We have been extensively working on these projects, mapping out a timetable for the development of renewable energy projects with a preference for run-of-river hydropower sources, solar energy, and geothermal energy.

ORGANIZATIONAL RESPONSIBILITY

THE ANNUAL AND LONG-TERM TARGETS OF THE COMPANY ARE SET BY OUR BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE. THEY ARE RESPONSIBLE FOR OUR ECONOMIC PERFORMANCE AS THEY ARE THE THINK TANK FOR THE BUSINESS STRATEGIES AND OPERATIONAL INNOVATIONS THAT DRIVE OUR SUCCESS AS AN ORGANIZATION.

Team Energy Foundation, Inc. (TEFI) is our social development arm. Through TEFI, we transform our economic performance to Significant Social Contribution (SSC), i.e., concrete social development initiatives that fulfill the company vision.

MONITORING AND COMPLIANCE

TTEAM ENERGY'S GOALS EXTEND PAST MERE PROFITABILITY TARGETS. THE EXISTENCE OF AN SSC CORE GROUP ALLOWS OUR ORGANIZATION TO PROPERLY CHANNEL RESOURCES AND MANPOWER TO SOCIAL INITIATIVES OUTLINED IN OUR SSC GOALS. THESE INCLUDE THE PROPER MONITORING OF THE ANNUAL WORK PROGRAM, THE PROVISION OF TIMELY TECHNICAL INTERVENTION, AND THE DEVELOPMENT OF ACTION PLANS FOR SUCCEEDING PERIODS. THIS SYSTEM WILL EVENTUALLY BE FULLY INTEGRATED INTO OUR OPERATIONS GROUP.

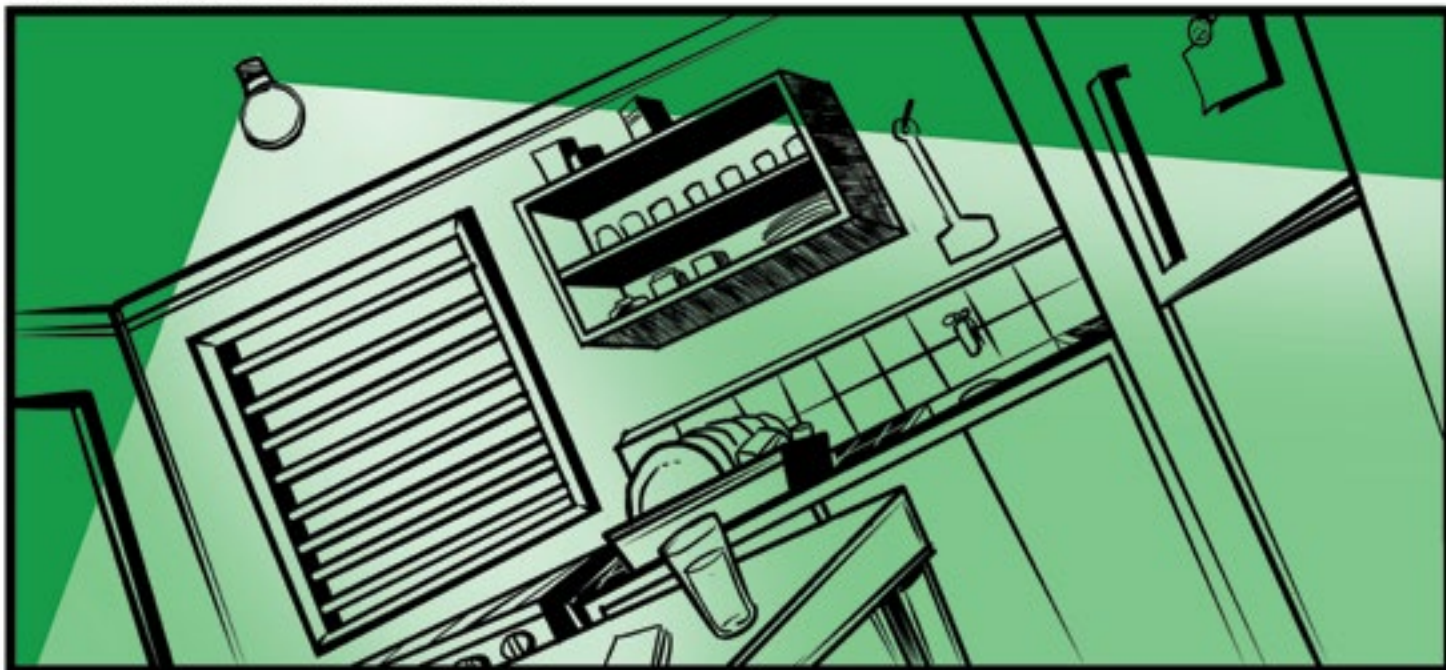
MARKET PRESENCE (G4-DMA)

WITH 2,193 MW OF TOTAL GENERATING CAPACITY, TEAM ENERGY IS ONE OF THE LARGEST INDEPENDENT POWER PRODUCERS (IPPS) IN THE PHILIPPINES. THERE ARE THREE (3) MAIN GRIDS FOR THE PHILIPPINES WITH THE LUZON GRID HAVING THE HIGHEST INSTALLED CAPACITY. THE INSTALLED GENERATING CAPACITIES FOR THE NATIONAL AND LUZON GRIDS ARE 17,585 MW AND 13,057 MW RESPECTIVELY. THE ERC RESOLUTION NO. 03, SERIES OF 2015, SETS THE INSTALLED GENERATING CAPACITIES AND MARKET SHARE LIMITATIONS PER GRID AND NATIONAL GRID. BASED ON THAT INFORMATION, WE CONTRIBUTE APPROXIMATELY 12.5% OF THE NATIONAL CAPACITY AND 16.8% OF THE LUZON CAPACITY.

We have two coal facilities - the Pagbilao Power Station and the Sual Power Station—which produce 735 MW and 1,218 MW of electricity, respectively. We also have a 20% stake in the Ilijan natural gas-fired power plant, whose generating capacity is 1,200 MW.

Our Energy Supply Business (ESB) group further increases our business potential with the proper utilization of 235 MW of our uncontracted electric capacity. This capacity is sold to different electric cooperatives, economic zones, and large industrial users in Luzon.

ELECTRIFICATION OF 267 HOUSEHOLDS IN BRGYS. PITA AND BABUYAN, MUNICIPALITY OF INFANTA, PROVINCE OF PANGASINAN THROUGH PROJECT HEART AND SOUL, A PUBLIC-PRIVATE PARTNERSHIP BETWEEN THE DEPARTMENT OF ENERGY (DOE) AND TEAM ENERGY FOUNDATION, INC. (TEFI)



INDIRECT ECONOMIC IMPACTS (G4-DMA)

THE ECONOMIC IMPACT WE HAVE IS NOT LIMITED TO THE IMMEDIATE ECONOMIC CONTRIBUTIONS WE MADE THROUGH SALES REVENUES, SUPPLIER PURCHASES, THE WAGES AND BENEFITS WE PROVIDE OUR EMPLOYEES, AND THE TAXES WE REMITTED TO THE GOVERNMENT. THE LONG-TERM BENEFITS WE PROVIDE INCLUDE OUR ABILITY TO CREATE JOBS, BUSINESS OPPORTUNITIES, SUPPLIER CONTRACTS AND ENGAGEMENTS IN THE COMMUNITIES WE OPERATE.

Creating sustainable communities has always been part of our company vision on Significant Social Contribution (SSC). With our investments through our partners and other funding initiatives, we have been able to advance the quality of education in schools, reduce malnutrition among children, increase access to clean drinking water, improve the living conditions of the community, and create more livelihood opportunities.

Furthermore, we indirectly contribute to the local economy by adhering to the Department of Energy's Financial Benefits to Host Communities under Energy Regulation I-94. This is a fund that can be accessed by the local government units of the host communities (resettlement site, barangay, municipality, province and region where our power stations operate).

PROCUREMENT PRACTICES USD (G4-DMA)

TEAM ENERGY HAS NO SPECIFIC POLICY PREFERRING LOCALLY-BASED SUPPLIERS. WE DEFINE "LOCAL" AS SITE-BASED AND MANILA-BASED SUPPLIERS AND CONTRACTORS. WE SOURCE LOCALLY-MADE GOODS AND AVAIL OF LOCALLY-PROVIDED SERVICES IF IT IS ADVANTAGEOUS TO ACQUIRE THEM IN TERMS OF THE COST DELIVERY LEAD TIME, AND QUALITY AS REQUIRED. AS OF THIS WRITING, 16% OF OUR GOODS AND SUPPLIES ARE SOURCED LOCALLY, AND 44% OF OUR SERVICE PROVIDERS ARE LOCAL CONTRACTORS.

AVAILABILITY AND RELIABILITY (G4-DMA)

CONSISTENT WITH OUR MISSION STATEMENT TO PROMOTE SUSTAINABLE DEVELOPMENT IN THE COUNTRY, TEAM ENERGY HAS ALSO ENGAGED IN VARIOUS ACTIVITIES RELATED TO RENEWABLE ENERGY (RE) DEVELOPMENT.

We have identified viable Renewable Energy projects and have taken steps towards this goal. Currently, we are in contact with hydrologists and solar plant developers to identify renewable energy options. We have been extensively working on these projects, mapping out a timetable for the development of renewable energy projects with a preference for run-of-river hydro-power sources, solar energy, and geothermal energy.

DEMAND SIDE MANAGEMENT (G4-DMA)

TPEC PROVIDES ADVICE ON OPERATIONAL SHIFTS, CHANGING SHUTDOWN SCHEDULES, AND THE MONITORING OF REAL-TIME CONSUMPTION TO ITS ENERGY SUPPLY BUSINESS CUSTOMERS THAT RESULTS IN SAVINGS.

RESEARCH AND DEVELOPMENT (G4-DMA)

RESearch AND STUDIES ON POTENTIAL PROJECTS IS BEING DONE BY BOTH THE COMPANY'S MANAGEMENT PERSONNEL AND EXTERNAL CONSULTANTS. THIS INCLUDES RESEARCH ON TIME OF FUEL AND ASPECTS OF THE POWER INDUSTRY (E.G., GENERATION, SUPPLY, ETC.).

PLANT DECOMMISSIONING (G4-DMA)

Not Applicable

ASPECT: ECONOMIC PERFORMANCE

G4-EC1

Direct economic value generated and distributed.

	FISCAL YEAR 2014 APRIL 2013-MARCH 2014	FISCAL YEAR 2015 APRIL 2014-MARCH 2015
	USD	
A.) DIRECT ECONOMIC VALUE GENERATED	606,832,060	572,124,008
1.) REVENUES	606,832,060	572,124,008
B.) ECONOMIC VALUE DISTRIBUTED	459,926,501	516,971,280
2.) OPERATING COST	124,237,093	109,852,644
3.) EMPLOYEE BENEFITS AND WAGES	39,780,980	41,681,614
4.) PAYMENTS TO PROVIDERS OF CAPITAL (INTEREST+DIVIDENDS)	217,064,766	278,297,611
5.) PAYMENTS TO GOVERNMENT (TAX ONLY)	78,145,151	85,795,294
6.) COMMUNITY INVESTMENTS	698,511	1,344,117
C.) ECONOMIC VALUE RETAINED (A-B)	146,905,559	55,152,728

ECONOMIC VALUE RETAINED

Over US\$146 million between April 2013 and March 2014 and over US \$55 million between April 2014 and March 2015 was retained by TeaM Energy in terms of economic value. Compared to FY 2014, our economic value retained decreased significantly by about 62% as we have significantly increased the distribution of economic gains to our employees, shareholders, and government and community investments. Total increase in economic value distributed is 12% on the aggregate.

REVENUES

WE ARE HAPPY TO REPORT THAT OUR ECONOMIC VALUE DISTRIBUTION INCREASED BY 12% NOTWITHSTANDING THE SLIGHT DECREASE IN OUR REVENUES FROM FY 2014 OF ABOUT 6% OR US \$34.7 MILLION LOWER.

The lower revenues in FY 2015 is mainly due to the billing adjustments in our Energy Supply Business (ESB) revenues made as a result of the Energy Regulatory Commission's (ERC) order voiding the Luzon Wholesale Electricity Spot Market (WESM) prices in the November 2013 and December 2013 billing periods. The ERC order effectively capped the WESM prices and these adversely affected the revenues of all market participants during the said billing periods.

The Energy Conversion Agreements (ECAs) also affected our bottom line. We recognized lower interest income from declining concession receivable balances due to effective interest rate methods.

OPERATING COSTS

OUR OPERATING COSTS WERE LOWER BY US \$14.4 MILLION OR 12% FROM FY2014. THIS WAS MAINLY DUE TO TEAM PHILIPPINES ENERGY CORPORATION'S (TPEC) LOWER FUEL PAYMENTS FOR FY2015 AS A RESULT OF LOWER VOLUME OF PURCHASES AND LOWER FUEL PRICES. THERE WERE FEWER FUEL DELIVERIES IN FY 2015 DUE TO THE BUILD-UP OF INVENTORY IN FY 2014. SIGNIFICANT SAVINGS WERE ALSO REALIZED AS FUEL PRICES DECREASED BY 10%-15% IN 2015.

We incurred lower Operations and Maintenance (O&M) expenses mainly for our Pagbilao plant since the replacement of condenser tubes was completed in 2014 and also due to lower purchase power relating to our house-load energy requirements which were sourced from the spot market.

Lower O&M expenses was offset by payments made on various repairs caused by typhoon Glenda and other General and Administrative (G&A) expenses.

EMPLOYEE WAGE AND BENEFITS

Our employee and wage benefits increased by US \$1.9 million or (five percent) 5% on account of annual merit increases, promotional increases in basic pay, higher incentive bonuses, and severance payments in FY 2015.

PAYMENTS TO PROVIDERS OF CAPITAL

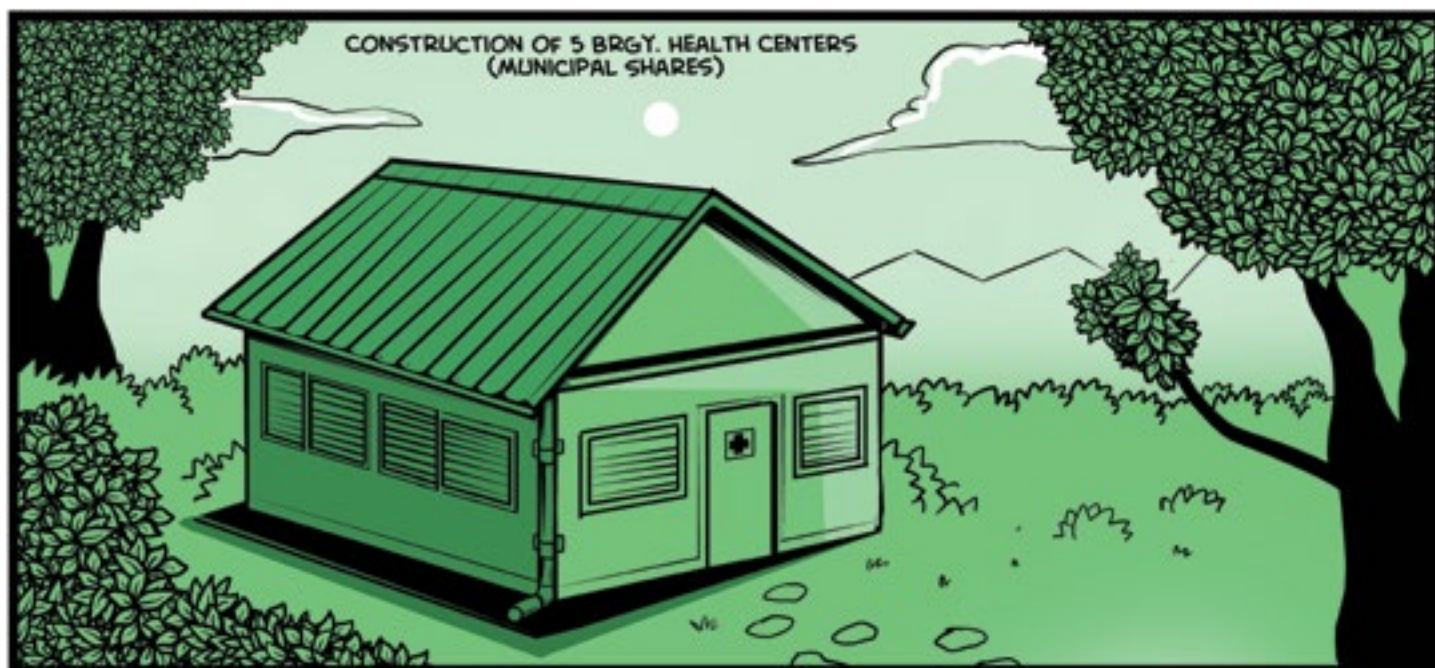
We spent US \$61.2 million more than we did in FY 2014. The reason for this is the higher dividend pay-out in FY 2015 as we continue to create value for our stockholders. This cost was slightly offset by lower interest expenses due to periodic principal repayments.

PAYMENTS TO GOVERNMENT

Team Energy recognizes its major role in nation-building as we continue to pay our tax obligations to both the national and local governments. In FY 2015, our tax payments amounted to US \$85.8 million, which is 10% higher than the previous year.

COMMUNITY INVESTMENTS

In FY 2015, we almost doubled our community investments totaling US \$1.34 million. Through TEFI and our community relations programs, we supported various livelihood programs of the local governments, and implemented electrification, educational, health, and environmental projects in our host communities.



G4-EC2

Financial implications and other risks and opportunities for the organization's activities due to climate change

IN TERMS OF CLIMATE CHANGE CONCERNS, TEAM ENERGY HAD JUST STARTED WITH ITS GHG INVENTORY DURING THE REPORTING PERIOD. IN SUAL AND PAGBILAO POWER STATIONS' TRANSITION TO THE ISO 14001:2015 STANDARD, RISKS AND OPPORTUNITIES OF THEIR OPERATIONS AND CORRESPONDING IMPACTS WILL BE IDENTIFIED, INCLUDING ANY FINANCIAL IMPLICATIONS. AS SUCH, THE REQUIREMENT OF THIS INDICATOR WILL BE REPORTED DURING THE NEXT REPORTING PERIOD.

THE WELFARE OF OUR EMPLOYEES IS ONE OF THE PRIORITIES OF TEAM ENERGY. WE ARE COMMITTED TO PROVIDING OUR EMPLOYEES A COMPETITIVE SALARY AND A FAIR BENEFITS PROGRAM THAT INCLUDES A TAX-QUALIFIED NON-CONTRIBUTORY RETIREMENT PLAN THAT COVERS ALL REGULAR EMPLOYEES.

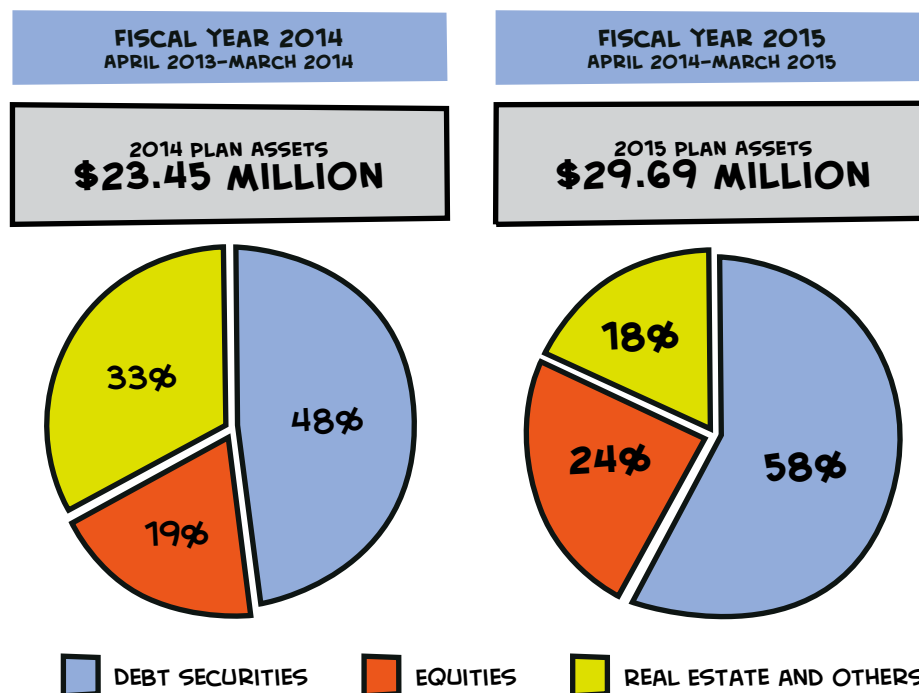
Employees covered by this plan shall receive a lump sum amount of a fixed multiple of their salary in the period leading up to retirement. The amount of the lump sum benefit is based on the employee's tenure and his most recent monthly salary.

As of March 31, 2015, the fair value of the Company's Retirement plan assets amounted to US\$ 29.69 million. Of these assets, approximately 58% were invested in debt securities, 24% in equities, and 18% in real estate and others.

The Retirement Fund is primarily administered and managed by a Board of Trustees (BOT). The BOT has delegated some trustee functions over certain Retirement Fund assets to a Trustee bank. Investment decisions are based on a set of guidelines that ensures optimal returns for the assets. Yearly changes in the value of assets and commitments depend primarily on price movements in the financial markets.

TeaM Energy is committed to ensuring that the employees' retirement fund can adequately cover any pension liabilities. Contributions to the fund are included in the annual budget and are based on an independent valuation report prepared by a third party actuary. The actuarial report uses weighted average assumptions on discount rate, expected rate of return on plan assets, and salary increases.

The cost of providing retirement benefits is determined using the projected unit credit actuarial valuation method in accordance with the International Financial Reporting Standard 19 (IFRS19), which prescribes the accounting and disclosure of employee benefits.



G4-EC4

Financial assistance received from government

THIS INDICATOR REFERS TO ANY DIRECT ASSISTANCE RECEIVED BY TEAM ENERGY IN THE FORM OF DOUBLE DEDUCTIONS FROM R&D, INVESTMENT CREDITS, DIRECT GOVERNMENT INFUSION AS EQUITY OR CREDITOR, GOVERNMENT INFRASTRUCTURE PROJECTS SPECIFICALLY PUT UP FOR TEAM AS A PRECONDITION TO INVEST OR OPERATE.

TeaM Energy did not receive direct financial assistance from government.

ASPECT: MARKET PRESENCE

G4-EC5

Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.

FISCAL YEAR 2014 APRIL 2013–MARCH 2014			FISCAL YEAR 2015 APRIL 2014–MARCH 2015	
MINIMUM WAGE	% OF ENTRY LEVEL WAGE VS. MIN. WAGE		MINIMUM WAGE	% OF ENTRY LEVEL WAGE VS. MIN. WAGE
466	236%	CORPORATE	481	229%
253	435%	SUAL	253	435%
255	432%	PAGBILAO	261	422%

WE ENSURE THAT ALL OUR EMPLOYEES ARE WELL COMPENSATED. THE MINIMUM WAGE IN THE PHILIPPINES DIFFERS DEPENDING ON THE REGION. THE RATES ARE OFTEN SUBJECT TO FLUCTUATIONS BASED ON MANY LOCAL SOCIOECONOMIC FACTORS. OUR ENTRY-LEVEL WAGE DOES NOT DISTINGUISH BY GENDER NOR IS IT PEGGED TO REGIONAL MINIMUM WAGES; RATHER, IT IS BENCHMARKED AGAINST INDUSTRY AVERAGES.

We pay our corporate employees an amount which is, at least, more than double the entry level minimum (229%) and pays workers assigned in our power stations in Pagbilao (435%) and Sual (422%) more than four times the mandated minimum wage.

G4-EC6

Proportion of senior management hired from the local community at significant locations of operation.

TEAM ENERGY IS COMMITTED TO GIVING PRIORITY TO QUALIFIED LOCALS BUT DOES NOT HAVE AN EXPLICIT POLICY ON HIRING SENIOR MANAGEMENT FROM THE LOCAL COMMUNITIES. OUR PRIORITY IS TO HIRE THE BEST CANDIDATE FOR THE POSITION. HOWEVER, IT IS PART OF THE COMPANY'S COMMITMENT TO ITS ENVIRONMENTAL MANAGEMENT PLAN (EMP) TO INCREASE EMPLOYMENT OPPORTUNITIES AND ECONOMIC ACTIVITIES IN THE REGION.

TEAM ENERGY IS OPERATING AND MAINTAINING TWO OF THE MOST RELIABLE COAL-FIRED THERMAL POWER PLANTS IN THE PHILIPPINES. AS WE OPERATE, ONE CENTAVO PER KILOWATT-HOUR (P0.01/KWH) OF THE TOTAL ELECTRICITY SALES WAS SET ASIDE AS FINANCIAL BENEFIT OF THE HOST COMMUNITIES --RESETTLEMENT SITE, BARANGAY, MUNICIPALITY, PROVINCE AND REGION. THE HOST COMMUNITIES CAN ACCESS THIS FUND TO IMPLEMENT LOCAL DEVELOPMENT PROJECTS IN THEIR ANNUAL OR LONG TERM INVESTMENT PLAN. TEAM ENERGY ASSISTS THE LOCAL GOVERNMENT UNITS IN THE DEVELOPMENT OF PROGRAM PROPOSALS, SECURING APPROVAL FROM THE DEPARTMENT OF ENERGY, AND CONDUCT OF PROJECT MONITORING EVALUATION AND AUDIT.

CONSTRUCTION OF ANAAO DAY CARE CENTER FOR THE MUNICIPALITY OF ALILEM, ILOCOS SUR (REGIONAL SHARE)



TEAM ENERGY PROJECTS

PROJECT FUNDED THROUGH ENERGY REGULATION 1-94 FROM THE OPERATIONS OF PAGBILAO POWER STATION

PROJECT	PROJECT COST (PHP)		INDIRECT IMPACT/S	+/-
	FY 2013-2014	FY 2014-2015		
CONSTRUCTION OF WATER TANK & INSTALLATION PIPELINE AT SITIO BANLISAN, BRGY. IBABANG POLO (BARANGAY SHARE)	5,335,967.00		On access to safe water	+
ADDITIONAL PURCHASE OF MEDICAL EQUIPMENT FOR QUEZON MEDICAL CENTER & 15 DISTRICT HOSPITAL IN QUEZON PROVINCE (PROVINCIAL SHARE)		8,845,680.00	On health services	+

PROJECT FUNDED THROUGH ENERGY REGULATION 1-94 FROM THE OPERATIONS OF SUAL POWER STATION

UPGRADING OF VARIOUS HOSPITAL FACILITIES (PROVINCIAL SHARE)	16,099,066.00		On health services	+
IMPROVEMENT/CONCRETING OF BAYBAY NORTE ROAD 3 LINES SEGMENT LOCATED AT SITIO MAGSAYSAY, SITIO MAPALYEN & SITIO BADUL, BRGY. BAYBAY NORTE (MUNICIPAL SHARE)	13,993,884.21		Access to specific destinations and in transporting agricultural produce of the municipality	+
PANGASINAN EMPLOYMENT & SKILLS DEVELOPMENT CENTER AT LINGAYEN (PROVINCIAL SHARE)	12,587,599.13		Productivity and skills for livelihood or employment of residents/ beneficiaries	+
IMPROVEMENT OF WATER SOURCE & EXPANSION OF WATER SYSTEM PHASE IV AT BRGY. PANGASCASAN (BARANGAY SHARE)	6,202,193.18		On access to safe water	+
VARIOUS IMPROVEMENT IN BRGY. HALL COMPOUND AT BRGY. PANGASCASAN (BARANGAY SHARE)	4,620,141.37		On community services	+
CONSTRUCTION OF SEWERAGE SYSTEM AT POBLACION EAST AT BRGY. POBLACION, SUAL, PANGASINAN (MUNICIPAL SHARE)	4,493,392.00		Management of liquid waste	+
CONSTRUCTION OF 5 BRGY. HEALTH CENTERS (MUNICIPAL SHARE)	4,433,683.25		Health services in the 19 barangays of the municipality	+
PROVINCIAL REFORESTATION PROGRAM AT TEBAG EAST, STA. BARBARA, PANGASINAN (PROVINCIAL SHARE)	2,500,000.00		Productivity and skills for livelihood or employment of residents/ beneficiaries	+
CONSTRUCTION OF 4 PUBLIC COMFORT ROOMS (MUNICIPAL SHARE)	2,269,100.92		Overall nutrition through improved hygienic facilities	+
CONSTRUCTION OF ANAAO DAY CARE CENTER FOR THE MUNICIPALITY OF ALILEM, ILOCOS SUR (REGIONAL SHARE)	500,000.00		Education and social development of children under 6 years old	+
ELECTRIFICATION OF 120 SITIOS WITHIN THE PROVINCE OF PANGASINAN		31,103,992.01	Access to electricity	+
PURCHASE OF SOLID WASTE MANAGEMENT EQUIPMENT FOR MUNICIPALITY OF SUGPON, ILOCOS SUR (REGIONAL SHARE)		4,500,000.00	Solid waste management and enforcement of laws on cleanliness and sanitation	+
ELECTRIFICATION OF 267 HOUSEHOLDS IN BRGYS. PITA AND BABUYAN, MUNICIPALITY OF INFANTA, PROVINCE OF PANGASINAN (DOE)		4,389,777.00	Access to electricity	+

PROJECT FUNDED THROUGH TEAM ENERGY

SAFE WATER PROGRAM	996,682.71	321,931.38	On access to safe water	+
COMPETITION ON DEVELOPMENT	497,600.00	475,055.00	Increased income of registered, organized People's Organizations	+
	175,000.00			+
	222,600.00			+
	100,000.00			+

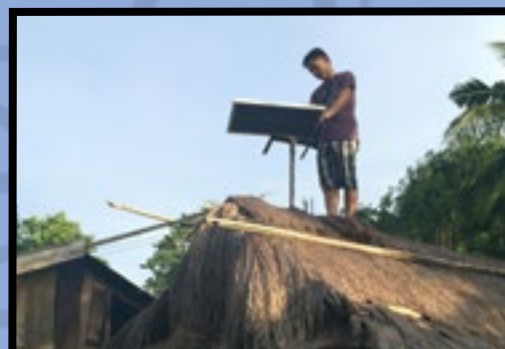
SIGNIFICANCE OF IMPACT/S	COMMERCIAL, IN-KIND OR PRO-BONO
Approximately 6,000 resident of the barangay benefitted.	Pro-bono
Improved health services at the Provincial Hospital and the 15 District Hospitals in Quezon Province.	Pro-bono
1.5 million Pangasinenses	Pro-bono
Approximately 1,675 community residences	Pro-bono
Around 80,150 beneficiaries within the province of Pangasinan	Pro-bono
Around 900 households with 4,500 total beneficiaries	Pro-bono
Approximately 110 key per sonnel servicing constituents of Brgy. Pangascasan	Pro-bono
Around 6,000 community residents benefitted	Pro-bono
Around 6,849 community residents benefitted	Pro-bono
12 Upland/Lowland & 4 coastal municipalities & 11 LGU within Pangasinan	Pro-bono
377 pupils and teachers	Pro-bono
Approximately 30 Barangay Anaao Pre-Schoolers every year	Pro-bono
120 sitios/ 8 municipalities within the Province of Pangasinan	Pro-bono
748 families with a total number of 3,937 beneficiaries	Pro-bono
267 households/ 1,335 hhs within the Province of Pangasinan	Pro-bono
Increased the number of schools with access to safe water. Six (6) schools within the host municipalities were provided with new water system or rehabilitated water systems, namely: Malicboy East Elementary School, Malicboy West Elementary School, and Polo North Elementary School at Pagbilao; Baquioen Elementary School, Napo-Logolog Elementary School, and Cacao Elementary School at Sual. A total of 2,397 students and 64 teachers benefitted from the Program.	In-kind
1386 Quezonians and Pangasinense benefitted from the program, as follows:	Commercial
Kooperatiba Sa Pagpapaunlad ng Sampaloc - Multi-Purpose Cooperative (Sampaloc, Quezon); Project: Expansion of Business Venture on Home Appliances and Decors	
Sinag Kalinga Foundation, Inc (Lucban, Quezon); Project: Improvement of the Service Areas for Resident Elderlies	
Catuday Farmers Multi-Purpose Cooperative (Bolinao, Pangasinan); Project: Expansion of Agricultural Development Inputs Trading	



TEAM ENERGY PROJECTS

PROJECT FUNDED THROUGH TEAM ENERGY				
PROJECT	PROJECT COST (PHP)		INDIRECT IMPACT/S	+/-
	FY 2013-2014	FY 2014-2015		
COMPETITION ON DEVELOPMENT		300,055.00	Increased income of registered, organized People's Organizations	+
		175,000.00		+
ECOLOGICAL SOLID WASTE MANAGEMENT PROGRAM (YEAR 2012-2015)	698,341.94	290,894.11	Increased awareness and appreciation of Solid Waste Management	+
GINTONG BINHI SA KARUNUNGAN SCHOLARSHIP PROGRAM	2,195,811.15	2,302,056.16		+
BALIK ARAL SA KAUNLARAN FOR THE OUT OF SCHOOL YOUTH	237,214.89	471,958.6	On skills upgrading and employment opportunity	+
BINAHAAN PROTECTION AND MANAGEMENT	353,346.32	408,600.00	On empowering locals in forest protection	+
PROJECT FUNDED THROUGH TEAM ENERGY FOUNDATION, INC. FROM TEAM ENERGY				
COMMUNITY CARBON POOL PROJECT - REDUCING EMISSIONS FROM DEFORESTATION AND FOREST DEGRADATION	1,022,377.75	352,859.33	Education through trainings, and provision of alternative livelihood	+
SIOASIO EAST UPLAND REHABILITATION PROJECT	654,582.25	658,920.08	Reforestation	+
BRIGADA ESKWELA (PANGASINAN AND QUEZON)	398,741.79	513,814.75	Improvement of public school facilities through donation of school items, minor repairs, and maintenance	+
QUEZON LIVELIHOOD PROGRAM		25,000,000.00	Productivity and skills development for livelihood	+
TYPHOON GLENDA ASSISTANCE TO THE PROVINCE OF QUEZON		4,281,394.74	Improvement of basic services and households through donation of generator sets, shelter kits and rehabilitation of public schools affected by Typhoon Glenda	+
SOLAR STREET LIGHTING PROJECT IN LINGAYEN, PANGASINAN		2,501,182.44	Access to electricity through donation of solar street lights in the Baywalk of Lingayen, Pangasinan	+
CLASSROOM CONSTRUCTION IN SUAL, PANGASINAN AND PAGBILAO, QUEZON		1,599,260.00	Improvement of school facilities through donation of classroom unit in Sual, Pangasinan and Pagbilao, Quezon	+

SIGNIFICANCE OF IMPACT/S	COMMERCIAL, IN-KIND OR PRO-BONO
Tulong Kalinga Foundation (Lucena City, project is Pagbilao-based); Project: Food Cart Enterprise	Commercial
Anda KLAP SEA K Multi-Purpose Cooperative (Anda, Pangasinan); Project: Expansion of Feeds Supply Business for Deep Bedding Backyard Hog Raising	
Total of five (5) barangays. Two (2) barangays in Pagbilao, Quezon and three (3) barangays in Sual, Pangasinan	In-kind
19 scholars Pagbilao and 14 scholars at Sual	In-kind
The following locals benefitted in the program in partnership with TESDA accredited schools/course provider:	In-kind
• Pagbilao: 15 OSYs (2013) on Shielded Metal Arc Welding (SMAW) Course and 24 OSYs (2014) on Basic Body Massage and Beauty Care Course • Sual: 50 OSYs (2014) on Scaffold Erectors Certification	
Under the Binahaan Protection and Management, number of registered Deputy Environmental and Natural Resource Officers (DENROs) is 12 (2013), 10 (2014) and 8 2015. Cases reported to the barangay by the DENROs: 2 in 2011 and 3 in 2013. There is no reported case to the CENRO in 2013 and 2014.	In-kind
• Protection of 144,000 hectares of forest in Sierra Madre Mountain Range • At least 20 Agta leaders and members were trained on biodiversity and carbon stock assessment • At least 30 Agta/Dumagat-Remontado, members from known areas practicing destructive way of gathering honey, attended the community training on sustainable honey harvesting. • Production, dissemination, orientation of IEC materials on REDD Plus and website development of SAGIBIN and Tribal Center for Development • Purchase of equipment for Pigteponan Livelihood Center for enterprise development	In-kind
Protection and maintenance of 60 hectares of upland forest in Sioasio East, Sual, Pangasinan benefitting 130 households (209 individuals). The reforestation project has an average survival rate of 94%, better than the targeted national average 85%.	In-kind
24 schools in Sual and Bani, Pangasinan, 34 schools in Pagbilao, and 8 in Taguig and Pasay City	In-kind
Increased livelihood income of various barangays in Quezon Province	In-kind
• Distributed G.I. corrugated sheets to 220 households • Rehabilitated 11 schools in Pagbilao that were partially damaged by Typhoon Glenda • Donated 3 units generator sets to the Province for the municipal district hospitals of the municipalities of Jomalig-Polilio, Sampaloc and San Francisco whose power supply were disconnected by Typhoon Glenda.	In-kind
Adopted alternative energy for cost savings to the provincial local government (approximately Php2,087,500/year savings; increased safety for the community and tourists	In-kind
One unit each of classroom building for Seselangen, Sual and Binahaan, Pagbilao furnished with student chairs, writing boards, electric fans and comfort room	In-kind



TEAM ENERGY PROJECTS

PROJECT FUNDED THROUGH TEAM ENERGY				
PROJECT	PROJECT COST (PHP)		INDIRECT IMPACT/S	+/-
	FY 2013-2014	FY 2014-2015		
CARBON SINK INITIATIVE - PAGBILAO MANGROVE EXPERIMENTAL FOREST (CSI-PMEF) REHABILITATION		1,395,877.96	Rehabilitation of hanging bridge for the experimental forest of DENR	+
DISASTER RISK REDUCTION TRAINING IN SUAL, PANGASINAN AND PAGBILAO, QUEZON		682,095.99	Increased level of awareness on disaster preparedness	+
BADJAO COMMUNITY ASSISTANCE		513,544.50	Increased income of Badjao Communities in Dalahican, Lucena City	+
			Improved nutrition for Badjao kids	+
			Improved access to education	+
BRIDGING LEADERSHIP AND COMMUNITY INTEGRITY IN PAGBILAO, QUEZON		521,350.33	Increased awareness on integrity and governance	+
MEDICINES TURN-OVER		208,271.08	Access to various medicines for residents of Sual, Pangasinan	+

G4-EC8

Significant indirect economic impacts, including the extent of impacts.

INDIRECT ECONOMIC IMPACTS	+/-	SIGNIFICANCE OF IMPACT						
ON MEAN HOUSEHOLD INCOME AT HOST COMMUNITIES	+	Based on the latest Socio-Economic Monitoring at Pagbilao (2013), the comparative mean household income at Pagbilao's host communities is as follows:						
		<table><tr><th>YEAR</th><th>MEAN HOUSEHOLD INCOME (IN PHP)</th></tr><tr><td>2008</td><td>9,423*</td></tr><tr><td>2013</td><td>8,660 (Brgy. Ibabang Polo)**</td></tr></table>	YEAR	MEAN HOUSEHOLD INCOME (IN PHP)	2008	9,423*	2013	8,660 (Brgy. Ibabang Polo)**
YEAR	MEAN HOUSEHOLD INCOME (IN PHP)							
2008	9,423*							
2013	8,660 (Brgy. Ibabang Polo)**							
		Based on the latest Socio-Economic Monitoring at Sual (2011), the comparative mean household income at Sual's host communities is as follows:						
	+	<table><tr><th>YEAR</th><th>MEAN HOUSEHOLD INCOME (IN PHP)</th></tr><tr><td>2006</td><td>8,271</td></tr><tr><td>2011</td><td>8,963</td></tr></table>	YEAR	MEAN HOUSEHOLD INCOME (IN PHP)	2006	8,271	2011	8,963
YEAR	MEAN HOUSEHOLD INCOME (IN PHP)							
2006	8,271							
2011	8,963							
		The Socio-Economic Monitoring is conducted every 5 years at both Sual and Pagbilao.						
		<i>* for the 12 barangays (Pagbilao - Brgys Alupaye, Bantigue, Daungan, Ibabang Polo, Ilayang Polo, Kanlurang Malicboy, Mapagong, Silangang Malicboy; Padre Burgos - Brgys. Lipata, Rizal, Sipa and Tulay Buhangin) covered by the Survey</i>						
		<i>** P6,813.70 (Brgy. Ilayang Polo), P4,297 (Brgy. Tulay Buhangin), P7560.90 (Brgy. Kanlurang Malicboy) and P10,135.30 (Brgy. Binahaan)</i>						

SIGNIFICANCE OF IMPACT/S	COMMERCIAL, IN-KIND OR PRO-BONO
Protection of 145 hectares of mangrove ecosystem in Quezon Province, which is declared as the 2nd most diverse in the world; promotion of mangrove conservation, increased public safety	In-kind
- In Sual, 17 barangays were represented with two participants each, 13 from the municipal government, 10 from other government agencies, 10 from NGOs, religious org, youth and PTA for a total of 67 participants - In Pagbilao, 10 barangays were represented with two persons each; 11 from the municipal government; and 32 persons from NGOs, religious sectors and other government agencies for a total of 63 participants	In-kind
- Provided two units of fishing boat with engine and fishing accessories - Constructed one livelihood center for soap making & other projects intended for Badjao women of 34 households - Provided starting seed capital for livelihood for Badjao women mothers	In-kind
Six months daily feeding for 50 Badjao kids enrolled in informal literacy class	In-kind
20 Badjao kids who are enrolled in formal school are provided daily fare allowance and school materials like bags, shoes and uniforms	In-kind
23 barangay chairpersons representing 23 barangays of Pagbilao Quezon	In-kind
63 boxes with 59 different types of medicines for the medical facility of Sual and for the LGU's regular medical outreach to its 21 barangays	In-kind



INDIRECT ECONOMIC IMPACTS		+/-	SIGNIFICANCE OF IMPACT															
ON MUNICIPALITIES REVENUE	LBT - Local Business Tax, does not include contractors & suppliers	+																
			<table><thead><tr><th>YEAR</th><th>PAGBILAO'S INCOME (PHP) (A)</th><th>TEC'S LBT* (PHP) (B)</th><th>% C = B/A</th></tr></thead><tbody><tr><td>2013</td><td>156,396,480.27</td><td>38,273,921.00</td><td>24%</td></tr><tr><td>2014</td><td>196,729,678.39</td><td>39,029,047.00</td><td>20%</td></tr></tbody></table>				YEAR	PAGBILAO'S INCOME (PHP) (A)	TEC'S LBT* (PHP) (B)	% C = B/A	2013	156,396,480.27	38,273,921.00	24%	2014	196,729,678.39	39,029,047.00	20%
YEAR	PAGBILAO'S INCOME (PHP) (A)	TEC'S LBT* (PHP) (B)	% C = B/A															
2013	156,396,480.27	38,273,921.00	24%															
2014	196,729,678.39	39,029,047.00	20%															
			* paid at Pagbilao Municipality															
			<table><thead><tr><th>YEAR</th><th>SUAL'S INCOME (PHP) (A)</th><th>TSC'S LBT* (PHP) (B)</th><th>% C = B/A</th></tr></thead><tbody><tr><td>2013</td><td>131,723,856.28</td><td>34,877,896.00</td><td>26%</td></tr><tr><td>2014</td><td>178,234,086.28</td><td>40,850,596.00</td><td>23%</td></tr></tbody></table>				YEAR	SUAL'S INCOME (PHP) (A)	TSC'S LBT* (PHP) (B)	% C = B/A	2013	131,723,856.28	34,877,896.00	26%	2014	178,234,086.28	40,850,596.00	23%
YEAR	SUAL'S INCOME (PHP) (A)	TSC'S LBT* (PHP) (B)	% C = B/A															
2013	131,723,856.28	34,877,896.00	26%															
2014	178,234,086.28	40,850,596.00	23%															
			* paid at Sual Municipality															
ON RURAL ELECTRIFICATION		+	Pagbilao As of the 2008 Socio-Economic Monitoring survey, a little over half (53%) of households responded that they already have access to electricity, while 47% still did not have electricity. In 2013, a greater majority (74%) of households in the host Barangays reported having access to electricity. Both Ibabang Polo and Ilayang Polo have high access at 79.9% and 74.4%, respectively.															

INDIRECT ECONOMIC IMPACTS	+/-	SIGNIFICANCE OF IMPACT											
ON RURAL ELECTRIFICATION	+	Sual 58% of the households in the 2011 Socio-Economic Monitoring survey have direct access to electricity and of these, 99% have metered electricity, sourced from CENPELCO. The remaining respondents do not have direct access to electricity, and among these, more than half (66.6%) tap on their neighbors' electricity sources. For those with neither direct access to electricity nor tapped neighbor's electricity sources, nearly all (91%) use other lighting sources such as the "gasera". TeaM Energy Foundation, Inc. The HEART AND SOUL Project (Household Electrification Assistance through Renewable Technology and Social Preparation for the Upliftment of Lives) of TEFI energized 267 households benefitting 1,335 individuals in Barangays Pita and Babuyan, Municipality of Infanta, Province of Pangasinan. Since 2010, the HEART AND SOUL project energized 5,818 households benefitting an estimated 29,090 individuals in Polilio Islands in Quezon Province and Infanta in Pangasinan. The HEART AND SOUL project is a public-private effort of the Department of Energy (DOE) and TEFI promoting the use of photovoltaic systems (solar home systems). More importantly, Project HEART and SOUL aims to bring energy to the farthest and remotest areas, using electricity as a means to catalyze growth and bring sustainable development to marginalized communities. What differentiates this project from other electrification projects is it uses a framework that includes pro-active stakeholder engagement, shared responsibilities and progressive leadership development to deepen the commitment of the communities to sustain the changes and benefits well after TEFI or the DOE have finished the project											
ON JOB GENERATION AND INCOME GENERATION BY LOCALLY-BASED COOPERATIVES/CONTRACTORS (AS A RESULT OF CONTRACTS AND GOODS AND SUPPLIES TO THE POWER STATIONS)	+	<table border="1"> <thead> <tr> <th rowspan="2">CONTRACTOR/SUPPLIER</th><th colspan="2">IN PHP</th></tr> <tr> <th>FY 2013 - 2014</th><th>FY 2014 - 2015</th></tr> </thead> <tbody> <tr> <td>Kapit-Bisig Ugnayan MPC (Pagbilao)</td><td>40,113,540.99</td><td>57,736,058.38</td></tr> <tr> <td>Federation of Sual Multi-Purpose Cooperative (Sual)</td><td>28,893,145.84</td><td>29,949,819.28</td></tr> </tbody> </table>	CONTRACTOR/SUPPLIER	IN PHP		FY 2013 - 2014	FY 2014 - 2015	Kapit-Bisig Ugnayan MPC (Pagbilao)	40,113,540.99	57,736,058.38	Federation of Sual Multi-Purpose Cooperative (Sual)	28,893,145.84	29,949,819.28
CONTRACTOR/SUPPLIER	IN PHP												
	FY 2013 - 2014	FY 2014 - 2015											
Kapit-Bisig Ugnayan MPC (Pagbilao)	40,113,540.99	57,736,058.38											
Federation of Sual Multi-Purpose Cooperative (Sual)	28,893,145.84	29,949,819.28											

ASPECT: PROCUREMENT PRACTICES

G4-EC9

Proportion of spending on local suppliers at significant locations of operation.

WE ARE COMMITTED TO PATRONIZING LOCALLY-BASED SUPPLIERS, WE SOURCE LOCALLY-MADE GOODS AND AVAIL OF LOCAL SERVICES IF IT IS ADVANTAGEOUS TO ACQUIRE THESE IN TERMS OF COST, DELIVERY LEAD TIME, AND THE REQUIRED QUALITY.

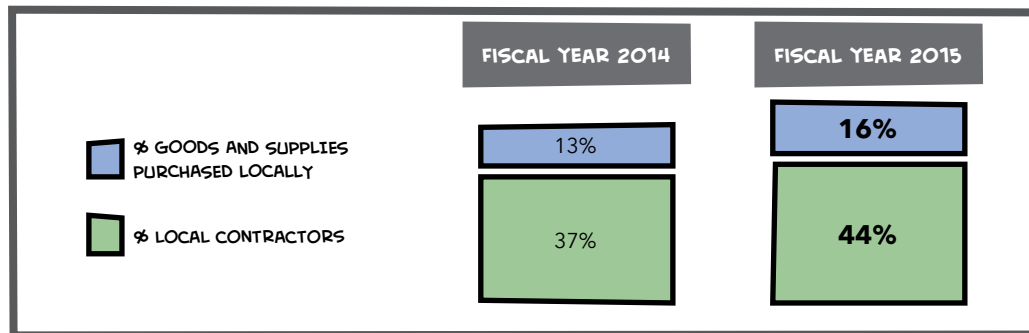
The amount we spent on local suppliers and contractors has increased in 2015.

The upgrade and replacement of various parts of boiler and turbine controllers in our Pagbilao Power Station has resulted in higher payments of local goods and supplies in FY 2014-15.

Higher planned maintenance and routine expenses in our Sual Power Station has also contributed to this increase.

As for our Corporate or Energy Supply Business, more local contractors were needed due to higher demands from existing and new customers.

Finally, TEFI's increase in community investments has led to increased purchase requirements from both local contractors and providers of goods and supplies.



FISCAL YEAR 2014				
	PAGBILAO	SUAL	CORPORATE	TEFI
PERCENTAGE				
% OF LOCAL GOODS AND SUPPLIES PURCHASED	19%	23%	1%	0%
% OF LOCAL CONTRACTORS	42%	42%	29%	100%
% OF LOCAL PURCHASE PER COMPANY	61%	65%	30%	100%
AMOUNT IN (USD)				
LOCAL GOODS AND SUPPLIES PURCHASED	7,987,689	8,032,432	370,676	1,325
LOCAL CONTRACTORS	18,087,300	14,802,351	14,538,133	311,224
TOTAL LOCAL PURCHASES PER COMPANY	26,074,989	22,834,783	14,908,808	312,549
TOTAL PURCHASES	43,057,750	35,382,569	50,564,388	312,549

FISCAL YEAR 2015				
	PAGBILAO	SUAL	CORPORATE	TEFI
PERCENTAGE				
% OF LOCAL GOODS AND SUPPLIES PURCHASED	24%	24%	1%	3%
% OF LOCAL CONTRACTORS	49%	42%	41%	97%
% OF LOCAL PURCHASE PER COMPANY	73%	66%	42%	100%
AMOUNT IN (USD)				
LOCAL GOODS AND SUPPLIES PURCHASED	8,569,244	9,197,822	456,062	27,844
LOCAL CONTRACTORS	17,179,036	15,874,681	16,818,332	919,911
TOTAL LOCAL PURCHASES PER COMPANY	25,748,280	25,072,503	17,274,394	947,755
TOTAL PURCHASES	35,111,786	37,547,665	41,150,458	947,755

ASPECT: AVAILABILITY AND RELIABILITY

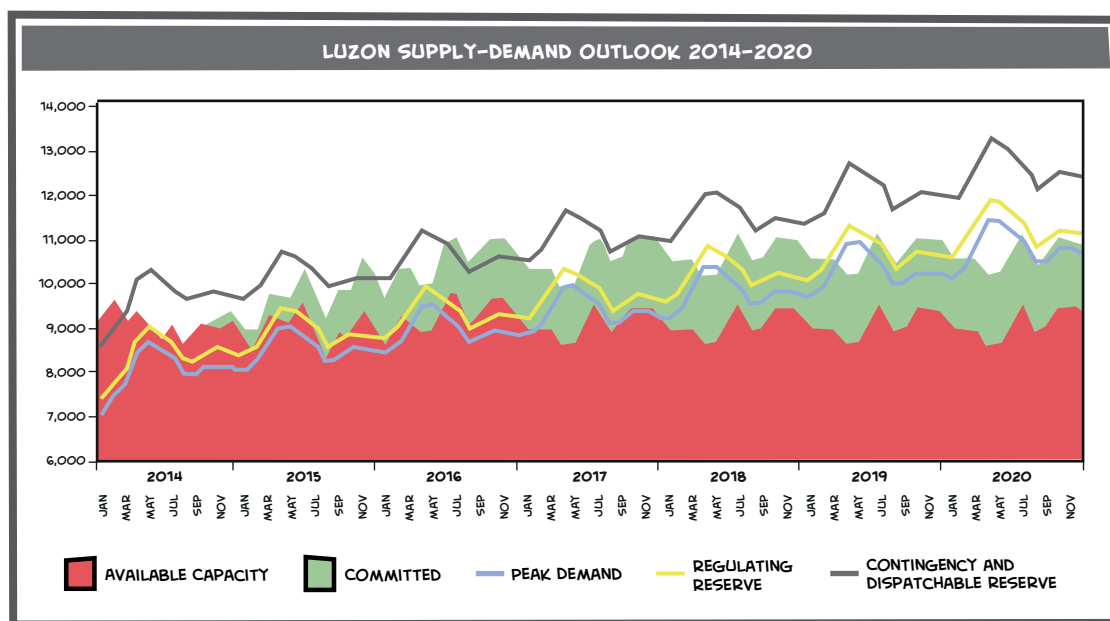
EU10

Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime.

T TEAM ENERGY WILL INDIRECTLY HAVE 50% OWNERSHIP OF THE PROPOSED THIRD UNIT OF THE PAGBILAO POWER STATION WHICH IS CURRENTLY BEING CONSTRUCTED AND WHICH IS EXPECTED TO BE OPERATIONAL IN LATE-2017. THE THIRD UNIT'S CAPACITY IS 400MW.

Team Energy is looking at other potential projects, including investments in renewable projects.

Below is the Luzon Power Demand Outlook as provided by the Department of Energy in its website (accessed on August 25, 2015):



EU11

Average generation efficiency of thermal plants by energy source and by regulatory regime

G ENERATION EFFICIENCY IS THE RATIO OF GROSS ENERGY GOING INTO A PLANT AGAINST THE NET ENERGY SUPPLIED. THE ENERGY EFFICIENCY OF A CONVENTIONAL THERMAL POWER STATION IS TYPICALLY 32% TO 42%. BOTH OUR PAGBILAO AND SUAL POWER STATIONS OPERATE WITHIN THOSE LIMITS.

	FISCAL YEAR 2014 APRIL 2013-MARCH 2014	FISCAL YEAR 2015 APRIL 2014-MARCH 2015
PAGBILAO POWER STATION AVERAGE GENERATION EFFICIENCY	33.65%	34.46%
SUAL POWER STATION AVERAGE GENERATION EFFICIENCY	35.08%	35.98%

EH12

Transmission and distribution losses as a percentage of total energy

This indicator is not applicable to TeaM Energy.



ENVIRONMENT

OUR APPROACH

TEAM ENERGY ACKNOWLEDGES THE FACT THAT ALL MEMBERS OF SOCIETY HAVE A RESPONSIBILITY TOWARDS NATURE AND THE ENVIRONMENT. WE CONSIDER IT AN ETHICAL OBLIGATION TO ACT RESPONSIBLY AND TO SAFEGUARD THE WELL-BEING OF FUTURE GENERATIONS. WITH THESE PRIORITIES IN MIND, WE FOCUS PRIMARILY ON POLLUTION PREVENTION BY EFFICIENT UTILIZATION OF RESOURCES AND APPLYING THE PRIVILEGE OF RECYCLING, RECOVERY, CONSERVATION, AND AN INTEGRATED ENVIRONMENTAL MANAGEMENT PRACTICE. WE EMPLOY THE BEST AVAILABLE TECHNOLOGY TO GENERATE AND SUPPLY THE MOST ENERGY OUT OF EVERY RESOURCE WE USE IN PRODUCTION. WE MITIGATE THE IMPACT OF OUR OPERATIONS THROUGH THE CONTINUOUS IMPLEMENTATION OF AN ENVIRONMENTAL MANAGEMENT SYSTEM BASED ON ISO 14001:2004. FINALLY, AND MOST IMPORTANTLY, WE COMMIT TO COMPLY WITH ALL RELEVANT ENVIRONMENTAL LAWS AND REGULATIONS. WE MEASURE OUR COMPLIANCE THROUGH REALISTIC INDICATORS, SELF-ASSESSMENT, AND THIRD-PARTY AUDITING OF OUR ENVIRONMENTAL PERFORMANCE.





TeaM Energy Foundation, Inc. (TEFI) breathes life into our vision of creating significant social contribution through protection of biodiversity and creating partnerships, by making the environment a key focus area in their initiatives. While the plant operations are keen on mitigation, TEFI leads in creating positive impacts that radiate beyond our immediate impact areas and communities, measured and evaluated through our Company Scorecard.

MATERIALS (G4-DMA)

TEA M ENERGY IS AWARE THAT OUR USE OF FOSSIL FUELS, OIL PRODUCTS, WATER AND VARIOUS CHEMICALS IN OUR POWER PLANTS HAVE DIRECT EFFECTS ON AIR EMISSION, WATER DISCHARGE AND WASTE GENERATION. THIS KNOWLEDGE COMPELS US TO BE MORE DILIGENT IN OUR COMMITMENT TO USE THE MOST ENVIRONMENTALLY-SOUND TECHNOLOGY THAT IS LESS RESOURCE-INTENSIVE AND LESS POLLUTING. WITH THE RECENT DEVELOPMENTS IN REGULATIONS ON THE USE AND DISPOSAL OF MATERIALS CONTAINING LEAD AND POLYCHLORINATED BIPHENYLS (PCBS), WE HAVE BEGUN TO INSTITUTE MANAGEMENT PRACTICES TO ALIGN WITH THE REQUIREMENTS AND, WHERE POSSIBLE, REPLACE THE MATERIALS OR REDUCE THEIR USE. MOREOVER, PRODUCTS OF COAL COMBUSTION ARE HAULED FROM OUR FACILITIES AS INPUT MATERIAL TO THIRD-PARTY CEMENT MANUFACTURING FIRMS.

ENERGY (G4-DMA)

B EING IN THE BUSINESS OF GENERATING ELECTRICITY, WE NEVERTHELESS PURSUE INITIATIVES TO CONTINUALLY REDUCE OUR OPERATING COSTS AND OUR IMPACT ON THE ENVIRONMENT. ENERGY CONSERVATION MEASURES ARE ENCOURAGED IN ALL OUR PROCESSES, NOT ONLY TO FURTHER VALIDATE OUR ENVIRONMENTAL STEWARDSHIP, BUT BECAUSE IT MAKES PERFECT BUSINESS SENSE TO TRANSLATE ENERGY SAVINGS INTO ENERGY WE CAN SELL.

We implement the Heat Rate Improvement (HRI) Program to ensure that we are optimizing coal usage with the same energy output. We seek to reduce our consumption while increasing our production, and have since sought the technology and expertise that would enable that transition.

We use two statistics to measure our operating efficiency: the Equivalent Forced Outage Rate (EFOR) and the Equivalent Availability Factor (EAF). The EFOR is a measure of the probability that a generating unit will not be available due to forced outages and forced deratings, while the EAF is the fraction of a given operating period which a generating unit is available without any outages and equipment or seasonal deratings.

WATER (G4-DMA)

E VEN THOUGH THERMAL PLANT OPERATIONS ARE HIGHLY DEPENDENT ON WATER USE, OUR COMMITMENT TO ENVIRONMENTAL PRESERVATION HAS LED US TO ENTER COLLABORATIVE AGREEMENTS WITH THE LOCAL COMMUNITIES WHERE WE OPERATE, WHICH INCLUDE LIMITING WITHDRAWAL FROM NEARBY RIVER SYSTEMS. WE HAVE ALSO SUCCESSFULLY REDUCED OUR IMPACT ON SURROUNDING BODIES OF WATER BY USING A WASTEWATER TREATMENT FACILITY THAT REDUCES THE HARMFUL QUALITY OF OUR WATER DISCHARGE TO DEGREES THAT RENDER ITS IMPACT TO ALMOST INSIGNIFICANT LEVELS.

BIODIVERSITY (G4-DMA)

T EAM ENERGY UNDERSTANDS THAT OUR ACTIVITIES CAN POTENTIALLY AFFECT BIODIVERSITY IN AREAS WHERE WE OPERATE. WE ACKNOWLEDGE THAT BIODIVERSITY IS A NECESSITY FOR THE PRESERVATION OF BIOLOGICAL RESOURCES. JUST AS IMPORTANT IS THE PROTECTION OF THE SURROUNDING ECOSYSTEM WITHIN THE VICINITIES OF OUR POWER PLANTS THAT A MULTITUDE OF ANIMAL AND PLANT SPECIES RELY ON TO THRIVE.

One of our priorities is the habitat preservation of these areas. One way to counterbalance the effect of carbon emissions is through the preservation of the ecology that is found in areas near our operations. For this reason, we currently implement a variety of environmental programs such as reforestation and other nature rehabilitation projects, as well as monitoring of population and habitats of migratory and endemic birds that have found home within our plant premises. We further manage our impacts on biodiversity by partnering with government agencies, academic institutions, and people's organizations to help us magnify our biodiversity preservation and awareness activities.

SIOASIO EAST UPLAND REHABILITATION PROJECT



EMISSIONS, EFFLUENTS AND WASTE (G4-DMA)

THE NEEDS OF OUR CLIENTS REQUIRE US TO GENERATE ENOUGH ELECTRICITY TO LIGHT UP COUNTLESS HOMES, SUSTAIN BUSINESSES, EMPOWER COMMUNITIES AND UPLIFT LIVES. HOWEVER, WE ARE CAREFUL IN MEETING THESE DEMANDS BECAUSE EVERY MWH WE PRODUCE RESULTS IN DIRECT GHG AND OTHER EMISSIONS, WASTEWATER DISCHARGE, AND SOLID AND HAZARDOUS WASTES FROM POWER GENERATION.

We continue to rise to the occasion and cater to the steadily expanding needs of our clients, while at the same time gradually reducing our over-all impact.

Our continued conscientiousness with regard to our business practice is what enables our pursuit of operational efficiency. The maintenance of installed flue-gas cleaning equipment and wastewater treatment is always set as a high priority to improve the efficiency of our facilities so that emissions, effluents, and wastes are avoided or minimized. In addition, use of low NOx burners in our plants and coal blending technology allow us to maintain our emission performance within local and international standards.

PRODUCTS AND SERVICES (G4-DMA)

AS TEAM ENERGY'S PRODUCT (ELECTRICITY) IS NOT TANGIBLE AND CANNOT BE FURTHER DIVERSIFIED, THE OPPORTUNITIES FOR REDUCTION OF ENVIRONMENTAL IMPACTS ARE DEMONSTRATED IN OUR BUSINESS ACTIVITIES COVERING THE ENTIRE LIFE CYCLE, FROM THE INPUTS TO THE BYPRODUCTS. WE MITIGATE THESE USING OPERATIONAL CONTROLS AND STATION PROGRAMS UNDER OUR INTEGRATED MANAGEMENT SYSTEM (IMS).

COMPLIANCE (G4-DMA)

OUR FIRM COMMITMENT TO COMPLIANCE IS INGRAINED IN OUR POWER STATIONS' IMS POLICY. WE RECOGNIZE THAT COMPLIANCE TO REGULATIONS IS A VITAL ASPECT TO DEMONSTRATE OPERATIONAL EXCELLENCE IN OUR BUSINESS, AND ANY NON-COMPLIANCE RESULTING IN FINES AND PENALTIES CAN SIGNIFICANTLY IMPACT OUR REVENUES. THROUGH EFFECTIVE IMPLEMENTATION OF OUR IMS, WE ARE ABLE TO DETERMINE APPLICABLE REQUIREMENTS, INSTITUTE MECHANISMS FOR COMPLIANCE, PERFORM COMPLIANCE AUDITS TO DETECT ANY POTENTIAL LAPSES, AND PROVIDE APPROPRIATE PREVENTIVE AND CORRECTIVE ACTIONS.

TRANSPORT (G4-DMA)

TTEAM ENERGY CONTINUES TO SEEK NEW WAYS TO REFINE OUR BUSINESS PRACTICE AND OPERATIONS METHODOLOGY. WE INNOVATE AND IMPLEMENT NOVEL WAYS TO MITIGATE IMPACTS ARISING FROM TRANSPORTATION SUCH AS EMISSIONS, MATERIAL AND ENERGY USE, AND SPILLS. WE COMMUNICATE CLOSELY WITH OUR INDEPENDENT POWER PRODUCER ADMINISTRATOR (IPPA), SUPPLIERS AND CONTRACTORS OUR POLICIES ON TRANSPORT OF MATERIALS NECESSARY FOR OUR OPERATIONS. WE IMPLEMENT CHECKING MECHANISMS IN THE DELIVERY AND ACCEPTANCE OF FUEL AND CHEMICALS TO ENSURE THAT ENVIRONMENTAL SAFEGUARDS ARE IN PLACE. WE MAKE SURE THAT EACH DELIVERY HAS THE NECESSARY PERMITS, LABELS, PROVISIONS FOR SPILL CONTROL, AND EMERGENCY RESPONSE SYSTEMS.

OVERALL: ALLOCATING RESOURCES FOR ENVIRONMENTAL MANAGEMENT (G4-DMA)

WE PUT A PREMIUM IN INVESTMENTS THAT ENSURE IMPACT MITIGATION AND PROTECTION OF THE ENVIRONMENT. FOR CAPITAL EXPENDITURES AND NON-RECURRING EXPENSES, OUR ENVIRONMENT, HEALTH AND SAFETY (EHS)-RELATED PROJECTS INTENDED TO ENHANCE PERFORMANCE AND COMPLIANCE ARE CLASSIFIED AS TOP PRIORITY FOR BUDGET ALLOCATION AND IMPLEMENTATION. ANNUAL MANAGEMENT REVIEWS ALLOW US TO REVISIT OUR PERFORMANCE AND IDENTIFY ENVIRONMENTAL INITIATIVES REQUIRING RESOURCE ALLOCATION. LIKewise, WE HEAVILY INVEST IN BUILDING THE CAPACITY OF OUR PEOPLE IN MANAGING ENVIRONMENTAL ASPECTS AND IMPACTS THROUGH TRAININGS, DRILLS, AND INFORMATION, EDUCATION AND COMMUNICATION CAMPAIGNS.

SUPPLIER ENVIRONMENTAL ASSESSMENT (G4-DMA)

ALL POTENTIAL SUPPLIERS UNDERGO A GENERAL ACCREDITATION PROCESS. ONLY ACCREDITED SUPPLIERS ARE INVITED TO BID FOR COMPANY REQUIREMENTS. AS PART OF THE ACCREDITATION PROCESS, SUPPLIERS SUBMIT A COMPANY PROFILE (E.G., COMPANY BACKGROUND, LIST OF CLIENTS/ PROJECTS UNDERTAKEN, SUMMARY OF CORE COMPETENCIES/CAPABILITIES, TABLE OF ORGANIZATIONS, ETC.), AND SAFETY, HEALTH, AND ENVIRONMENT COMPLIANCE PROCEDURES AND GUIDELINES.

ENVIRONMENTAL GRIEVANCE MECHANISMS (G4-DMA)

OPEN AND EFFECTIVE COMMUNICATIONS WITH INTERNAL AND EXTERNAL PARTIES REGARDING THE ORGANIZATION'S INTEGRATED MANAGEMENT SYSTEM AND OTHER SAFETY, HEALTH, AND ENVIRONMENTAL (SHE) MATTERS ARE MAINTAINED THROUGH PROCEDURES OUTLINED IN THE COMPANY'S EXISTING. THESE PROCEDURES DESCRIBE HOW TO RECEIVE, DOCUMENT, AND RESPOND TO COMMUNICATIONS FROM INTERNAL AND EXTERNAL PARTIES, AND ALSO DISCUSS PROACTIVE STEPS NEEDED TO MAINTAIN A MEANINGFUL DIALOGUE ON SHE MATTERS.

ASPECT: MATERIALS

G4-EN1

Materials used by weight or volume.

MATERIALS	UNITS	SUAL		PAGBILAO	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
NON RENEWABLE MATERIALS					
COAL	MT	2,851,533.00	2,878,136.00	1,914,608.82	2,089,406.56
HFO	m³	2,160.22	2,622.52	n/a	n/a
LFO	m³	54.91	143.67	803.42	934.02
OTHER MATERIALS					
OIL PRODUCTS FOR MAINTENANCE	m³	90,320.00	107,143.00	26.01	41.98
SEAWATER	m³	3,619,982.00	3,638,115.43	1,882,137.01	1,747,080.00
FILTERED WATER	m³	1,247,532.73	1,164,796.97	n/a	n/a
FRESH WATER	m³	n/a	n/a	530,878.08	459,059.86
LIMESTONE	MT	12,473.60	6,225.80	n/a	n/a
BULK CHEMICALS	m³	517,146.93	610,709.33	166,391.55	192,556.77

Team Energy generates electricity via coal-fired power plants. The process involves the use of coal as we convert fuel into thermal energy. This energy is then used to heat water in order to generate steam. The pressure created by the steam is used to turn a turbine that is connected to a generator.

In our commitment to pollution prevention and protection of the environment, we continually improve our energy efficiency programs and operational processes which ultimately lead to optimization in resource use. In addition, we conduct periodic review of our identified significant environmental aspects to recognize opportunities to eliminate harmful substances or substitute them with environmentally-acceptable materials.

From 2013 to 2015, we eliminated the use of asbestos and radioactive materials in our power plants and have implemented measures to phase out lead and mercury in our facilities.

G4-EN2

Percentage of materials used that are recycled input materials.



OUR PAGBILAO AND SUAL POWER STATIONS DO NOT MAKE USE OF RECYCLED INPUT MATERIALS TO MANUFACTURE OUR PRIMARY PRODUCT AND SERVICE - THE GENERATION OF ELECTRICITY.

ASPECT: ENERGY

G4-EN3

Energy consumption within the organization.



WE COMPUTE OUR TOTAL ENERGY CONSUMPTION BY DEDUCTING SOLD ELECTRICITY FROM THE SUM OF NON-RENEWABLE FUEL, RENEWABLE FUEL AND PURCHASED ELECTRICITY CONSUMPTION.

Total energy consumption increased by approximately 3% from FY 2013-2014 to FY 2014-2015. Most of our energy consumption has come as a result of our energy generation process. We use coal to fire up power station boilers, while light fuel oil (LFO) and heavy fuel oil (HFO) function as secondary fuel used during unit start-up. Hence, increase in energy consumption during the reporting period is caused by increase in our net generated electricity.

MATERIALS	UNITS	SUAL		PAGBILAO		CORPORATE	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
NON RENEWABLE MATERIALS							
COAL	GJ	73,630,957.75	74,593,006.99	44,289,386.80	48,556,645.94	n/a	n/a
HFO	GJ	90,452.88	109,810.26	n/a	n/a	n/a	n/a
LFO	GJ	2,134.37	5,584.90	34,000.00	35,899.58	n/a	n/a
GASOLINE	GJ	1,284.68	4,023.65	443.99	291.59	2,470.19	2,551.24
DIESEL	GJ	18,047.70	16,173.98	11,003.86	12,482.71	1,728.24	1,441.42
LPG	GJ	852.73	800.38	601.82	526.60	n/a	n/a
TOTAL	GJ	73,743,730.12	74,729,400.15	44,335,436.48	48,605,846.42	4,198.43	3,992.66

Energy consumed in our organization also emanates from gasoline and diesel used in stand-by generator sets, fuel-fired equipment, heavy equipment and company-issued vehicles, as well as the Liquefied Petroleum Gas (LPG) used in the canteens within the plant sites and company-owned accommodation areas.

MATERIALS	UNITS	SUAL		PAGBILAO		CORPORATE	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
RENEWABLE ENERGY SOURCES (BIOFUELS)							
ETHANOL (BLENDED WITH GASOLINE)	GJ	99.03	310.15	34.22	22.48	190.41	196.65
COCO METHYL ESTER (WITH DIESEL)	GJ	340.32	304.98	207.49	235.38	32.59	27.18
TOTAL	GJ	439.34	615.13	241.72	257.86	222.99	223.83
ELECTRICITY CONSUMPTION							
PURCHASED ELECTRICITY	GJ	13,083.36	23,787.36	119,319.91	127,020.69	3,581.45	2852.79
ELECTRICITY SOLD							
NET GENERATION (SOLD)	GJ	25,891,394.40	26,856,543.60	14,913,598.32	16,753,634.35	n/a	n/a
TOTAL ENERGY CONSUMPTION	GJ	47,865,858.42	47,897,259.05	29,541,399.78	31,979,490.61	8,002.87	7,069.29
TOTAL ENERGY CONSUMPTION FOR APRIL 2013 TO MARCH 2014	GJ	77,415,261.08					
TOTAL ENERGY CONSUMPTION APRIL 2014 TO MARCH 2015	GJ	79,883,818.94					

G4-EN4

Energy consumption outside of the organization.

MATERIALS	UNITS	SUAL		PAGBILAO		CORPORATE	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
NON RENEWABLE ENERGY SOURCES							
DIESEL	GJ	14,194.66	7,003.64	50.30	48.59	461.36	1,174.78
BUNKER FUEL	GJ	1,640.00	3,679.25	no data available	no data available	n/a	n/a
RENEWABLE ENERGY SOURCES (BIOFUELS)							
COCO METHYL ESTER (WITH DIESEL)	GJ	267.66	132.06	0.95	0.92	8.70	22.15
TOTAL ENERGY CONSUMPTION	GJ	16,102.32	10,814.95	51.25	49.51	470.06	1,196.93
TOTAL ENERGY CONSUMPTION FOR APRIL 2013 TO MARCH 2014	GJ	16,623.62					
TOTAL ENERGY CONSUMPTION APRIL 2014 TO MARCH 2015	GJ	12,061.39					

Team energy operations are not confined to the power stations we own. For the most part, members of our organization find it necessary to travel to and from certain locations whether for business meetings, research, or community development.

In Sual and Pagbilao Power Stations, energy consumed outside the organization is due to fuel consumption of rented cars during official business travel, rented service vehicles to transport employees to and from work and rented courier service; transport of purchased fuels by IPPA; and transport of wastes.

At the Corporate Office, energy consumed outside the organization is due only to fuel consumption of rented shuttle services that transport employees to and from work.

G4-EN5 Energy intensity

MATERIALS	UNITS	SUAL		PAGBILAO	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
ENERGY CONSUMED WITHIN THE ORGANIZATION					
COAL	GJ	0	74,593,006.99	44,289,386.80	48,556,645.94
HFO	GJ	0	109,810.26	n/a	n/a
LFO	GJ	22.48	5,584.90	34,000.00	35,899.58
GASOLINE	GJ	235.38	4,023.65	443.99	291.59
DIESEL	GJ	257.86	16,173.98	11,003.86	12,482.71
LPG	GJ	0	800.38	601.82	526.60
ETHANOL (BLENDED WITH GASOLINE)	GJ	0	310.15	34.22	22.48
COCO METHYL ESTER (WITH DIESEL)	GJ	16,753,634.35	304.98	207.49	235.38
PURCHASED ELECTRICITY	GJ	0	23,787.36	119,319.91	127,020.69
TOTAL	GJ	16,754,150.06	74,753,802.65	44,454,998.10	48,733,124.96
ELECTRICITY PRODUCED					
GROSS GENERATION	GJ	7,772,369.05	8,124,159.00	4,353,313.34	4,864,394.50
ENERGY INTENSITY RATIO*	GJ/MWh	2.16	9.20	10.21	10.02

Our energy intensity describes energy consumed within the organization in order to produce one MWh of electricity.

It is our core business strategy to be more and more efficient at making the most of the energy we consume. The success of our efforts to improve our equipment, processes and knowledge is demonstrated by the decrease in both our plants' energy intensity ratio from FY 2013-2014 to FY 2014-2015.

G4-EN6

Reduction of energy consumption

	UNITS	SUAL		PAGBILAO	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
AMOUNT OF REDUCTION IN ENERGY CONSUMPTION	GJ	21,950.64	1,041,195.65	242,347.48	418,880.12
TYPES OF ENERGY INCLUDED	GJ	Coal		Coal	
ENERGY REDUCTION INITIATIVE IMPLEMENTED	GJ	Plant HRI Program		Plant HRI Program	

I NITIATIVES TO REDUCE ENERGY CONSUMPTION INCLUDE TEAM ENERGY'S HEAT RATE IMPROVEMENT (HRI) PROGRAM. BETTER HEAT RATE MEANS THAT A POWER STATION IS CONSUMING LESSER AMOUNT OF COAL TO GENERATE THE SAME AMOUNT OF ENERGY. THIS RESULTS IN LOWER ENERGY COSTS AND IS A GOOD MEASURE OF ENERGY PRODUCTION EFFICIENCY. LIKEWISE, HEAT RATE IMPROVEMENT POSITIVELY IMPACTS PRESERVATION OF THE ENVIRONMENT BY WAY OF REDUCING RESOURCE EXTRACTION AND MINIMAL CARBON DIOXIDE AND OTHER COAL BY-PRODUCT EMISSIONS.

In our Sual and Pagbilao Power Stations, the HRI Program from April 2013 to March 2015 consists mainly of turbine heat rate and boiler efficiency enhancements. Annual maintenance inspections, tests, and evaluations were done to further locate other areas of improvement that can additionally enhance our heat rate.

G4-EN7

Reductions in energy requirements of products and services

I N 2013, TEAM ENERGY INITIATED THE ENERGY CONSUMPTION REPORTING AND CONSERVATION PROGRAM. THE FIRST PHASE OF THE PROGRAM COVERED BY THE REPORTING PERIOD STILL INVOLVES ESTABLISHING A BASELINE OR BASE YEAR AS REFERENCE FOR ENERGY CONSUMPTION REDUCTION ACTIVITIES. HENCE, NO DATA CAN BE PROVIDED FOR THIS INDICATOR AS OF THE REPORTING PERIOD.

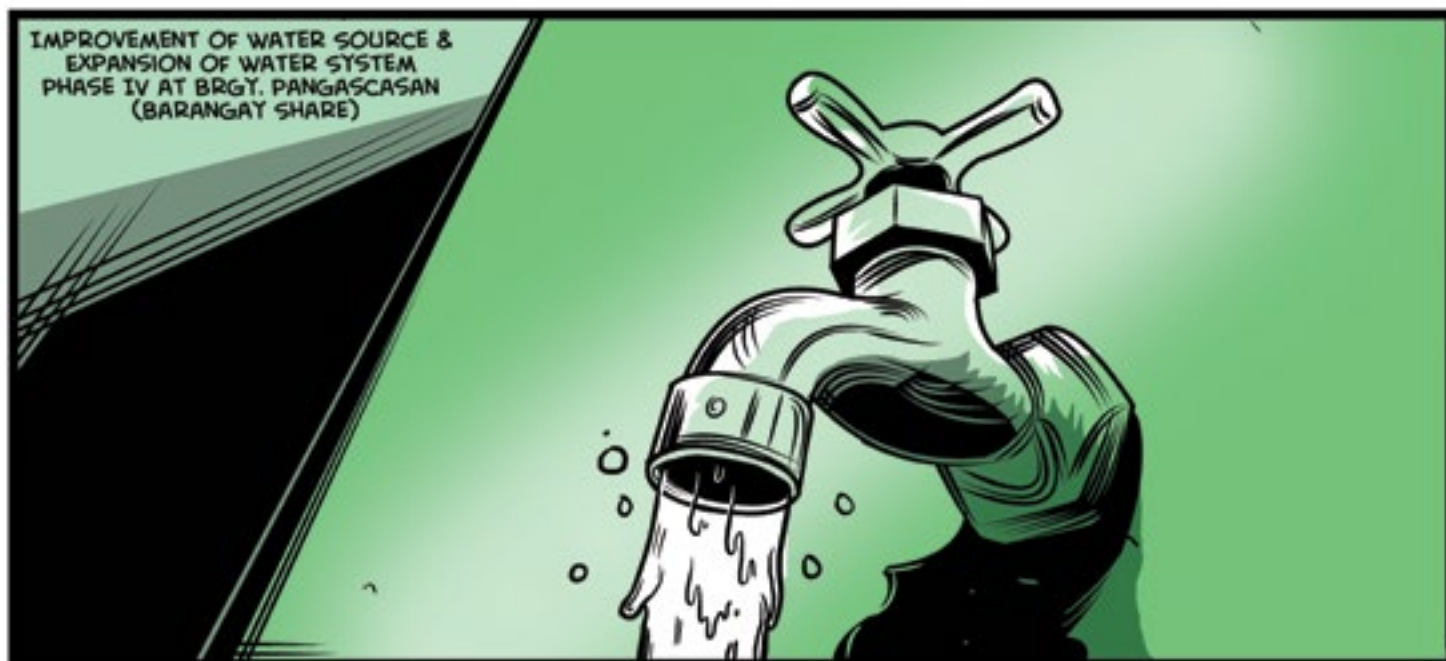
ASPECT: WATER

G4-EN8

Total water withdrawal by source

C OAL-FIRED THERMAL PLANTS INVOLVE WATER-INTENSIVE OPERATIONS. OUT OF OUR ANNUAL WATER USE OF 2.61 BILLION CUBIC METERS, ONLY 0.1% IS ACTUALLY CONVERTED TO STEAM OR WASTEWATER IN THE POWER GENERATION PROCESS, WHILE 99.90% PASSES THROUGH AS COOLING WATER IN A CIRCULATION SYSTEM WHICH REVERTS WATER BACK INTO ITS SOURCE.

SOURCES	NAME OF WATER BODY	APRIL 2013 TO MARCH 2014 VOLUME	APRIL 2014 TO MARCH 2015 VOLUME	HOW WAS THIS COMPUTED? (ESTIMATED, MODELED OR SOURCED FROM DIRECT MEASUREMENTS?)
		M ³	M ³	
PAGBILAO				
SURFACE WATER (RIVER)	Locohin River	530,878.08	459,059.86	Direct measurements using flow meter installed at Locohin River
SURFACE WATER (SEA)	Pagbilao Bay	658,747.95	611,478.00	Direct measurements using flow meter installed at RO
COOLING WATER	Pagbilao Bay	844,492,032.00	844,492,032.00	Estimated based on pump capacity and intake designed
BVA (PPS ACCOMMODATION)				
DOMESTIC USE (WATER UTILITIES)	Quezon Metro Water District	55,516.00	38,853.00	Water consumption billing
SUAL				
PROCESS WATER	Pao Bay	1,247,532.73	1,164,796.97	Direct measurements using flow meter
COOLING WATER	Pao Bay	1,766,016,000.00	1,766,016,000.00	Estimated based on pump capacity and intake designed
DOMESTIC USE – ACCOM	Pao Bay	68,094.35	127,055.20	Direct measurements using flow meter
CORPORATE OFFICE				
DOMESTIC USE (WATER UTILITIES)	Maynilad (Water utilities)	6,028.71	3,441.95	Water consumption billing
TOTAL		2,613,074,829.81	2,612,912,716.98	



G4-EN9

Water sources significantly affected by withdrawal of water

SUAL POWER STATION IS WITHIN THE VICINITY OF BAQUIOEN BAY AND PAO BAY, WHILE ITS ASH DISPOSAL AREA IS ADJACENT TO LOGOLOG RIVER. AS OF THIS WRITING, NO GOVERNMENT-DETERMINED BIODIVERSITY VALUE FOR THESE WATERS IS PUBLISHED. HOWEVER, OUR ADHERENCE TO ENVIRONMENTAL PRESERVATION COMPELS US TO INCLUDE THE MONITORING OF CORALS, REEF FISH, MARINE PLANKTON, SOFT BOTTOM BENTHOS, SEAGRASS AND SEAWEED, AS PART OF OUR SEMI-ANNUAL 3RD PARTY MARINE RESOURCES MONITORING.

Our Pagbilao Power Station is near Pagbilao and Tayabas Bays and also withdraws water from the Locohin River, which is around 14 km from the plant. Locohin River is a tributary of the Binahaan River, which is part of the Binahaan River Watershed Forest Reserve (BRWFR), established under Proclamation No. 735. Since it is the main water source of the residents of Binahaan, Pagbilao, Quezon, TeaM Energy has entered into an agreement with the local community for the permission to draw water from the river for our operational use. In the Agreement, the farmers and the locals are given priority in using freshwater from the Locohin River, especially during dry season; during those times, Pagbilao Power Station shifts water source from the river to the sea. In 2015, the DENR under DENR-Memo Circular 2015-01 classified Locohin River's upstream portion as a Class B water body, and from the bridge to the mouth of the river as a Class C water body.

G4-EN10

Percentage and total volume of water recycled and reused.

BOTH OUR PAGBILAO AND SUAL POWER STATIONS DO NOT REUSE PROCESS WATER. WE USE A ONCE-THROUGH CIRCULATING WATER SYSTEM, THUS ACCORDING TO COMPILATION PROTOCOL DEFINITIONS, THIS INDICATOR IS NOT APPLICABLE TO OUR BUSINESS.

ASPECT: BIODIVERSITY

G4-EN11

Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

SUAL POWER STATION IS LOCATED IN THE PHILIPPINES, ON THE ISLAND OF LUZON IN THE PROVINCE OF PANGASINAN, ABOUT 200 KM NORTH OF MANILA. THE NEAREST PROTECTED AREA IS THE HUNDRED ISLANDS NATIONAL PARK WHICH IS AROUND 12 KM AWAY FROM SUAL POWER STATION. THIS NATIONAL PARK WAS CREATED BY PRESIDENTIAL PROCLAMATION NO. 667, COVERING AN AREA OF 16.76 SQUARE KILOMETRES (6.47 SQUARE MILES) AND SIGNED BY PRESIDENT MANUEL L. QUEZON ON JANUARY 18, 1940, FOR THE BENEFIT AND ENJOYMENT OF THE PEOPLE OF THE PHILIPPINES.

In terms of marine environment, Sual Power Station is within the vicinity of Baquioen Bay, Pao Bay, and Logolog River. However, none of these locations are considered protected areas. About 65% of the terrestrial community surrounding the station consists largely of grasslands. Smaller portions are forest lands and agricultural lands planted with crops, various cash crops, and fruit bearing trees.

Observed in these areas are also notable bird species that have been documented to be within Sual Power Station, which include the Java sparrow (*Padda oryzivora*) and Philippine duck (*Anas luzonica*). Both these species are classified as Vulnerable by IUCN Red List of Threatened Species. Similarly, the Philippine duck has also been classified as Vulnerable by the DENR Administrative Order (DAO) 2014-15 Philippine Wildlife Resources and Conservation Act. Pagbilao Power Station is adjacent to the Locohin River, a tributary of the Binahaan River, which is part of the Binahaan River Watershed Forest Reserve, established under Proclamation No. 735. We conduct terrestrial monitoring on a reforestation site in the forest reserve and water quality monitoring in the tributary closest to the plant's pumping station. Based on its DENR profile, the BRWFR is home to various species of amphibians, mammals, and birds, including the following species listed under the IUCN Red List:

- Golden-capped fruit bat - Endangered
- Visayan hornbill - Endangered
- North Philippine dwarf-kingfisher - Vulnerable
- Philippine Deer - Vulnerable
- Rufous coucal - Near threatened

Pagbilao Power Station is also near the Quezon National Park, a 983-hectare forest conservation area declared as a Protected Area under Proclamation No. 594 on August 5, 1940 and Republic Act 7586 on June 1, 1992. It has a very high diversity value, being the home of hundreds of flora and fauna species.

Another location high in diversity value within the vicinity of the power station are the Pagbilao and Tayabas Bays, which are classified as Important Bird Areas (IBA) by BirdLife International. Some parts of Tayabas Bay were proclaimed as a Mangrove Swamp Forest Reserve by virtue of Proclamation No. 2152 on December 29, 1981.

Despite their proximity to habitats with high biodiversity values, we make sure that our power plants pose no significant negative environmental impacts to the local environment. We strictly comply with local regulations, hold resource monitoring, and initiate habit restoration activities. Our tree planting activities help enhance biodiversity, by increasing carbon sequestration, and preventing surface water runoff and soil erosion.



IMPACTS OF POWER GENERATION

With a combined installed capacity of 1,953 MW, Sual and Pagbilao Power Stations are among the Philippines' largest base-load, coal-fired, electricity-generating plants. Potential major impacts associated with coal-fired power plant operations include resource depletion due to use of coal and seawater, air pollution due to generation of stack emissions, and water pollution due to discharge of wastewater and thermal discharges. Consequently, species thriving in the impacted areas may also be affected by power plant operations.

TeaM Energy upholds responsible citizenship and ensures that appropriate controls are in place to mitigate environmental impacts that may arise from our operations. Pockets of green spaces within Sual and Pagbilao Power Stations have allowed for various species of endemic and migratory birds to thrive. The perimeter enclosure of the plant limits hunting or habitat destruction, while established buffer zones provide availability of food and cover, for birds seeking sanctuary.

IMPACTS OF WATER USE

Large quantities of water are withdrawn from Pao Bay, Lingayen Gulf for utilization in Sual Power Station and Tayabas Bay for Pagbilao Power Station. The potential impacts on local biodiversity are impingement (fish caught on intake screens) and entrainment (passage of small fish and eggs of marine organisms through the condenser cooling system).

Though there was a previous incident of jelly fish impingement on the intake screens (1999 incident) in Sual Power Station, there are no known similar incidents experienced, as three layers of nets have since been placed in the intake area. We also conduct periodic inspection of intake structures in both power stations to ensure integrity of impingement and entrainment controls.

IMPACTS OF TREATED WATER DISCHARGE

Our Sual and Pagbilao Power Stations likewise discharge large quantities of water to Pao Bay, Baquioen Bay and Tayabas Bay as detailed in EN22. The presence of wastewater treatment facilities ensures that effluent is treated prior to discharge to receiving water bodies to comply with the DENR effluent standards.

Water quality parameters are monitored on a monthly basis, and discharges of both Sual and Pagbilao are always within the prescribed limits. Potential impacts of wastewater discharges to the marine environment are mitigated through the proper operation and maintenance of wastewater treatment facilities and appropriate drainage system design.

IMPACTS OF THERMAL DISCHARGES

Our Sual and Pagbilao Power Stations utilize a once-through cooling of heated condenser water formed by waste heat in the steam cycle. The condenser water is cooled by passive heat transfer as water withdrawn from Pao Bay and Tayabas Bay is pumped into the condenser and returned (at a higher temperature) to the receiving body of water.



The potential impacts of heated cooling water on biodiversity include the temporary displacement of thermally sensitive aquatic species in the immediate area where the thermal discharge mixes with the receiving water body. Such rises in temperature can also cause the depletion of dissolved oxygen in the water. The design of the plants' cooling water discharge canal effectively dissipates heat to ensure compliance with the DENR maximum allowable temperature change of 3°C. As such, adverse impacts are not expected to arise. We implement monitoring programs to detect any abnormality to marine life as an effect of thermal discharges.

IMPACTS OF EMISSIONS

The combustion of coal generally produces emissions consisting of NO_x, SO_x, and particulates, among others. Although these do not have direct effects on the surrounding vegetation, insects, and other invertebrates, these emissions may reach the atmosphere and result in air pollution.

TeaM Energy employs technologies to reduce pollutants in emissions and further mitigate any potential damage to the environment. Both our Sual and Pagbilao Power Stations are installed with low NO_x boilers, electrostatic precipitators (EP), dust suppression systems, fly ash silos, and ash lagoons. These technologies have been installed to manage and control emissions.

We also make use of Continuous Emission Monitoring Systems (CEMS), stack emission testing for heavy metals, EP efficiency test, Relative Accuracy Test Audit (RATA), air monitoring stations/ systems and semi-annual ambient air and noise monitoring to ensure that our Sual and Pagbilao Power Stations comply with the air quality standards set by DENR.

THE PROTECTION AND RESTORATION OF WILDLIFE AND ECOLOGICAL HABITATS IS AN IMPORTANT CONSIDERATION INCLUDED IN OUR OPERATIONS. APART FROM THE NATURAL RESOURCES MONITORING CONDUCTED BY THE POWER STATIONS' ENVIRONMENTAL UNITS, TEAM ENERGY WORKS IN PARTNERSHIP WITH TEFI TO PRESERVE, RESTORE, AND ENHANCE EXISTING HABITATS. OUR RESTORATION ACTIVITIES HAVE A FAR-REACHING IMPACT ON THE DEVELOPMENT OF THE COMMUNITIES WE BELONG TO. THE FOLLOWING IS A LIST OF ACTIVITIES WE HAVE SUPPORTED IN OUR ATTEMPT TO ADHERE TO HIGHER STANDARDS OF SUSTAINABLE DEVELOPMENT.

SUAL

• Sioasio East Upland Rehabilitation Project

The Sioasio East Forest Developers Association (SEFDA) together with TEFI maintained the upland reforestation in Barangay Sioasio East, Sual, Pangasinan.

In one of our programs specifically in Sioasio East in Sual, Pangasinan, the forest areas maintained by our partner communities had a survival rate of 94% as against the minimum survival rate of the National Greening Project which is 85%. Through this project, the area flourishes with bountiful Agoho, Alibangbang, Narra, and Duhat plants.

SEFDA's strong desire to rehabilitate and conserve the area is manifested in their active pursuit to replace dead seedlings and vigilance in preventing grassfire in the area. They have been recognized by the government for their best practices.



- **Logolog Riverbank Rehabilitation Program**

The DENR launched an “Adopt-A-River Program,” which was aimed to establish environmental awareness and community support for environmental protection initiatives through the rehabilitation of riverbanks. Clean-up drives, slope erosion protection, and the improvement of irrigation facilities are all part of the rehabilitation program.

Our Sual Power Station responded to the call of DENR by contributing to efforts made in Logolog River, in Barangay Pangascasan and Barangay Baybay Sur. We have made contributions in initiatives concerning slope protection measures, whose first phase has already been completed. The station also helped in the completion of the tree planting initiative along riverbanks, which was last February 2014.

Meanwhile, the station continues to contribute to the improvement of irrigation facilities in the area.

PAGBILAO

- **Community Carbon Pool Program (C2P2)**

TEFI continues to support the implementation of the worldwide effort on REDD+, which stands for Reducing Emissions from Deforestation and Forest Degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks. It is a carbon financing mechanism that will provide a steady revenue stream to developing countries for keeping forests standing.

TEFI partnered with Flora and Fauna International (FFI) and SAGIBIN-LN (Samahan ng mga Katutubong Agta/Dumagat-Remontado na Binabaka at Ipinagtatanggol ang Lupaing Ninuno) to implement the Community Carbon Pool Program (C2P2) at General Nakar in Quezon Province. The C2P2 is a pilot project in the Philippines that adopts the United Nations Framework Convention on Climate Change of REDD+. About 144,000 hectares of forest ecosystem will benefit from this initiative.

The REDD+ project helped the Agta/Dumagat-Remontado tribe, the forest-dependent communities living in General Nakar, to understand deeply the importance of biodiversity conservation and climate change. Through seminars, meetings, and trainings they have attended under the C2P2, they are empowered to spread these advocacies to fellow Agta members, non-Agtas, and non-indigenous peoples.

Under C2P2, they were also provided with alternative livelihoods, such as sustainable honey production. For this reporting period, more Agta harvesters were trained to practice non-destructive methods of honey harvesting. An Enterprise Development Center will be established in Infanta, Quezon as the central business station for all of their products. This is expected to increase their incomes.

Crucial to the REDD+ Program are baseline data to ensure that the area is preserved and conserved. Hence, 20 Agta leaders and members were equipped with the necessary skills to perform carbon stock and biodiversity assessments.



- **Carbon Sink Initiative**

Team Energy and TEFI have made contributions in rehabilitating 150 hectares of upland forest and 150 hectares of mangrove forest in Pagbilao and Padre Burgos, Quezon from 2003 to 2008. Communities continue to protect and maintain the area as they recognize the vital ecosystem services it provides.

TEFI commissioned the University of the Philippines Los Baños Foundation, Inc. (UPLBFI) to monitor the carbon stock of the area for the development of a strategy for sustainable and resilient upland and mangrove ecosystems in the area. Initial results revealed an increased biomass and carbon stock. Future activities may include enrichment planting activities to further increase the carbon sequestration potential of the area.



TEFI also participates in the crafting of a Development and Management Plan for the Pagbilao Mangrove Experimental Forest (PMEF), an area considered as one of the most botanically-diverse mangrove ecosystems in the Philippines. The Plan will serve as a guide for the development of PMEF as the national site for biodiversity and genetic conservation of mangroves; rehabilitation of the experimental forest as the national education, training, and research site for mangroves; and development/ promotion of the site as a showcase of ecotourism and sustainable eco-friendly livelihood opportunities.

• **Adopt-a-River: Locohin River**

Our Pagbilao Power Station responded to DENR's "Adopt-A-River Program" by attempting to maintain the quality of water in Locohin River where the station extracts fresh water for its service water requirements.

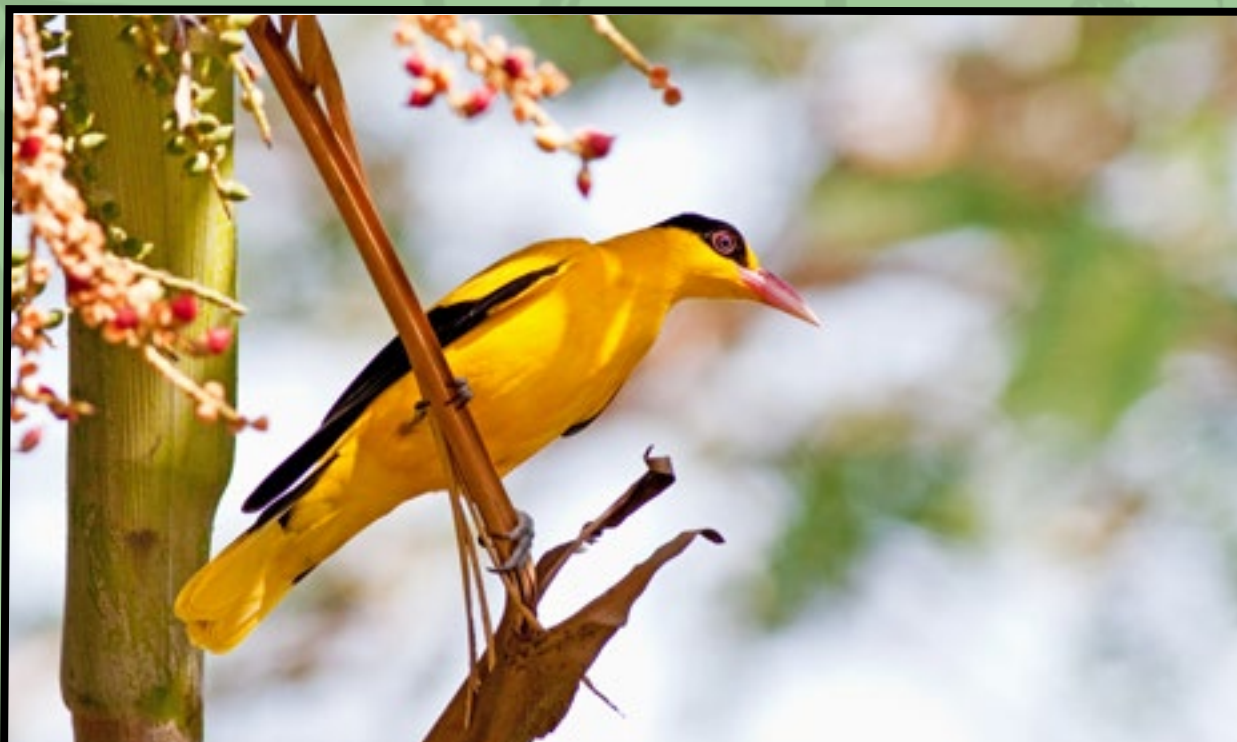
This project will benefit a one kilometer portion of the total 3.36 km stretch of Binahaan River located at Brgy. Binahaan Pagbilao, Quezon.

With multiple partners including AECOM (for the 3rd party monitoring of terrestrial ecosystem), the Protected Area Management Board of Binahaan (PAMB), Deputy Environment and Natural Resources Officer (DENRO)/the Binahaan Protection Group, and KasamaKa Quezon Inc., our Pagbilao Power Station contributes to the maintenance of the Locohin River through: regular desilting activities, river clean ups, tree planting, monitoring of tree planting areas, water quality analysis downstream of the Locohin River near the pumping station, and the conduct of Information and Education Campaigns (IEC) on river classification and river protection.

SEVERAL BIRD SPECIES ARE FOUND IN THE VICINITY OF OUR PAGBILAO POWER STATION. AMONG THESE SPECIES, A NUMBER ARE CONSIDERED TO BE VULNERABLE. THE PHILIPPINE DUCK, THE CHINESE EGRET, AND THE PHILIPPINE DWARF KINGFISHER ARE ALL LISTED AS "VULNERABLE."

Our Sual Power Station is within the vicinity of habitats home to the Philippine duck and the Java sparrow, which are both listed as "vulnerable" in the IUCN Red List of Threatened Species. However, the usual presence of these species in the Sual Power Station's ash disposal area imply that the presence of the plant provides a clean and safe environment that contributes to the protection and preservation of these birds.

SPECIES	TOTAL NUMBER	HABITAT AREA	LEVEL OF EXTINCTION
SUAL			
PHILIPPINE DUCK (<i>Anas luzonica</i>)	2013 SA1 = 302 2013 SA2 = 244 2014 SA1 = 397 2015 Wild Bird Club of the Philippines= 205	Sual, Pangasinan	Vulnerable
JAVA SPARROW (<i>Padda oryzivora</i>)	2014 SA1 = 45 2014 SA2 = 55	Sual, Pangasinan	Vulnerable
PAGBILAO			
PHILIPPINE DUCK (<i>Anas luzonica</i>)	2013 SA1 = 653 2013 SA2 = 207 2014 SA1 and SA2 = 6 2015 Wild Bird Club of the Philippines= 806	Pagbilao, Quezon	Vulnerable
CHINESE EGRET (<i>Egretta eulophotes</i>)	2014 SA1 and SA2 = 10	Pagbilao, Quezon	Vulnerable
RUFIOUS NIGHT HERON (<i>Nycticorax caledonicus</i>)	2014 SA1 and SA2 = 1	Pagbilao, Quezon	Least Concern



IN 2014, PART OF THE PREPARATION FOR THE PAGBILAO EXPANSION PROJECT WAS VEGETATION CLEARING WITHIN PAGBILAO POWER STATION PREMISES. THE CLEARING OPERATION INVOLVED CUTTING 3,113 TREES, WHICH INCLUDE THE FOLLOWING SPECIES: ANTIPOLLO, APATOT, BATINO, BASIAD, BINUNGA, HAWILI, MAKASIM, MALAPAPAYA, WISAK, IPIL-IPIL AND NARRA.

The Special Private Land Timber Permit issued to TeaM Energy by DENR requires the company to replace each of the cut trees with one hundred (100) seedlings to be planted in a watershed supporting the DENR's National Greening Program, the NGP and Climate Change initiatives of the government.

The seedlings shall be maintained for a period of 3 years with 85% survival rate. In compliance with the requirements of said permit, TeaM Energy donated 300,000 seedlings in Catanauan, Quezon.

As of this report, monitoring of the status of the offset habitat is still underway. Results of monitoring will be communicated in the next report.

ASPECT: EMISSIONS
G4-EN15

Direct greenhouse gas (GHG) emissions (Scope 1).

EMISSION SOURCE	UNITS	SUAL		PAGBILAO		CORPORATE	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
STATIONARY COMBUSTION	tons CO ₂ e	6,569,394.15	6,656,793.13	3,949,818.93	4,330,606.46	0.23	0.23
MOBILE COMBUSTION	tons CO ₂ e	1,435.81	1,469.66	756.19	757.11	315.86	300.25
FUGITIVE EMISSIONS	tons CO ₂ e	654.33	380.84	823.94	1,191.62	n/a	n/a
SUBTOTAL	tons CO ₂ e	6,571,484.29	6,658,643.63	3,951,399.05	4,332,555.20	316.09	300.48
TOTAL SCOPE 1 EMISSIONS FOR APRIL 2013 TO MARCH 2014	tons CO ₂ e	10,523,199.43					
TOTAL SCOPE 1 EMISSIONS FOR APRIL 2014 TO MARCH 2015	tons CO ₂ e	10,991,499.31					

GASES INCLUDED IN THE MONITORING OF DIRECT GHG EMISSIONS ARE THE FOLLOWING: CO₂, CH₄, N₂O, HFCS, AND SF₆. HFCS INCLUDED FOR SUAL ARE R-22 AND R-134A. HFCS INCLUDED FOR PAGBILAO ARE R-22, R-134A AND R-410.

The production of electricity through coal-fired processes involves combustion, and inevitably results in CO₂ emissions. The major contributors to these emission sources in both power plants are the boiler furnaces and turbines, auxiliary boilers, stand-by generator sets, and fuel-fired equipment.

Our Sual Power Station produced 6.57 and 6.66 million tons of CO₂ equivalents as a direct result of power generation in FY 2013-14 and FY 2014-15, respectively. In the same periods, our Pagbilao Power Station produced 3.95 and 4.33 million tons of CO₂ equivalents, respectively. Meanwhile, our Corporate Office produced 300.8 tons of CO₂ equivalents, mostly from mobile emission sources.

In our Sual Power Station, mobile emission sources include heavy equipment and company-issued vehicles, while fugitive emission sources include transformers in the switchyard (SF₆) and refrigerants (HFCs).

In our Pagbilao Power Station, mobile emission sources include heavy equipment and company-issued vehicles, company-owned ferry boat used as service vehicle of employees, and a security patrol boat and a jet ski. Its fugitive emission sources include refrigerants (HFCs).

Included in the Corporate Office GHG inventory are stationary emission sources such as stand-by generator sets and fuel-fired equipment used in TPEC sites. Its mobile emission sources include heavy equipment used in TPEC sites and company-issued vehicles.

G4-EN16

Energy indirect greenhouse gas (GHG) emissions (Scope 2)

EMISSION SOURCE	UNITS	SUAL		PAGBILAO		CORPORATE	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
PURCHASED ELECTRICITY	tons CO ₂ e	1,886.19	3,426.05	17,201.95	18,312.15	516.33	411.28
TOTAL SCOPE 1 EMISSIONS FOR APRIL 2013 TO MARCH 2014	tons CO ₂ e	19,604.46					
TOTAL SCOPE 1 EMISSIONS FOR APRIL 2014 TO MARCH 2015	tons CO ₂ e	22,149.47					

BESIDES EMISSIONS RELATED DIRECTLY TO ENERGY PRODUCTION, WE HAVE INDIRECT EMISSIONS ATTRIBUTED TO OUR PURCHASED ELECTRICITY. CO₂ IS THE ONLY GAS INCLUDED IN OUR INDIRECT GHG EMISSION.

Our Sual Power Station uses purchased electricity on the start-up/stand-by transformer, the ash disposal area and on ambient air monitoring stations. Our Pagbilao Power Station uses purchased electricity in Reserve Auxiliary Transformer (RAT) consumption and in Bayview Accommodation (BVA). Our Corporate Office electricity is purchased from Meralco.

EMISSION SOURCE	UNITS	SUAL		PAGBILAO		CORPORATE	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
EMPLOYEE BUSINESS TRAVEL THROUGH CAR RENTALS	tons CO ₂ e	15.25	18.52	Data not available	Data not available	Data not available	Data not available
RENTED BUSES/VANS USED AS SERVICE VEHICLES OF EMPLOYEES TO AND FROM WORK	tons CO ₂ e	71.29	73.95	Data not available	Data not available	35.14	88.92
RENTED COURIER SERVICE	tons CO ₂ e	35.64	34.59	19.96	20.04	n/a	n/a
TRANSPORTATION OF PURCHASED FUELS BY IPPA	tons CO ₂ e	244.67	262.58	6,958.95	8,350.05	n/a	n/a
TRANSPORTATION OF WASTES	tons CO ₂ e	952.03	409.70	0.0085	3.68	n/a	n/a
SUBTOTAL	tons CO ₂ e	1,318.87	799.34	6,978.91	8,373.76	35.14	88.92
TOTAL SCOPE 1 EMISSIONS FOR APRIL 2013 TO MARCH 2014	tons CO ₂ e	8,332.93					
TOTAL SCOPE 1 EMISSIONS FOR APRIL 2014 TO MARCH 2015	tons CO ₂ e	9,262.02					

C O₂, CH₄, AND N₂O ARE THE INDIRECT GHG EMISSIONS UNDER SCOPE 3 FOR TEAM ENERGY. THE FINAL SOURCE OF INDIRECT EMISSIONS THAT COME AS A RESULT OF TEAM ENERGY OPERATIONS IS DUE TO OUR EMPLOYEES' TRAVEL. IN BOTH SUAL AND PAGBILAO POWER STATIONS EMISSIONS WERE THE PRODUCT OF FUEL CONSUMED FROM EMPLOYEE BUSINESS TRAVEL THROUGH CAR RENTALS, RENTED BUSES/VANS USED AS SERVICE VEHICLES OF EMPLOYEES TO AND FROM WORK, AND RENTED COURIER SERVICE AND TRANSPORTATION OF WASTES.

G4-EN18

Greenhouse gas (GHG) emissions intensity.

MATERIALS	UNITS	SUAL		PAGBILAO	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
GHG EMISSIONS					
SCOPE 1 EMISSIONS	Tons CO ₂ e	6,571,484.29	6,658,643.63	3,951,399.05	4,332,555.19
SCOPE 2 EMISSIONS	Tons CO ₂ e	1,886.19	3,426.05	17,201.95	18,312.15
ELECTRICITY PRODUCED					
GROSS GENERATION	MWh	7,772,369.05	8,124,159.00	4,353,313.34	4,864,394.50
ENERGY INTENSITY RATIO*	Tons CO ₂ e/ MWh	0.85	0.82	0.91	0.89

AS AN OFF-SHOOT OF OUR ENERGY EFFICIENCY PROGRAMS, THE EMISSION INTENSITY RATIO OF SUAL POWER STATION DECREASED FROM 0.85 TO 0.82 TONS CO₂E/MWH FROM FY 2013-2014 TO FY 2014-2015. FOR THE SAME PERIOD, PAGBILAO POWER STATION'S GHG EMISSION INTENSITY DECREASED FROM 0.91 TO 0.89 TONS CO₂E/MWH.

G4-EN19

Reduction of greenhouse gas (GHG) emissions.

MATERIALS	UNITS	SUAL		PAGBILAO	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
ENERGY REDUCTION INITIATIVE IMPLEMENTED	-	Plant HRI Program (EN6)		Plant HRI Program (EN6)	
TYPES OF ENERGY INCLUDED	-	Coal (Scope 1)		Coal (Scope 1)	
REDUCTION IN GHG EMISSIONS BASED ON COAL SAVINGS	tons CO ₂ e	5,149.06	236,745.01	61,089.40	103,587.30
TOTAL GHG EMISSIONS REDUCTION FOR APRIL 2013 TO MARCH 2014	tons CO ₂ e	66,238.46			
TOTAL GHG EMISSIONS REDUCTION FOR APRIL 2014 TO MARCH 2015	tons CO ₂ e	340,332.30			

TEAM ENERGY'S MOST SIGNIFICANT INITIATIVE TO REDUCE ENERGY CONSUMPTION AND GHG EMISSIONS IS THE PLANT HEAT RATE IMPROVEMENT (HRI) PROGRAM. REPORTED IN THIS INDICATOR ARE GHG EMISSIONS REDUCTION (IN TONS CO₂E) BASED ONLY ON FUEL SAVINGS AS BROUGHT ABOUT BY THE HRI PROGRAM. DETAILS OF THE HRI PROGRAM ARE DISCUSSED IN EN6.

In response to the growing need to act against global warming and to ensure that TeaM Energy minimizes our impact on the environment, we issued the CCOP-019 GHG Inventory Program on September 11, 2014. During this period, TeaM Energy established a system for compiling GHG emissions using WRI and WBCSD "GHG Protocol Corporate Accounting and Reporting Standard" and other documents from the International Panel on Climate Change (IPCC).

By enacting CCOP-019 in 2014, we have enabled a uniform calculation methodology, the accurate measurement of emission factors and the up-to-date consolidation of activity data. FY 2015-2016 will be the baseline year that will provide a basis for tracking emission trends for mitigation initiatives.

G4-EN20

Emissions of ozone-depleting substances (ODS).

MATERIALS	UNITS	SUAL		PAGBILAO	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
R22	MT CFC-11 equivalent	0.01250	0.00990	0.02299	0.03496
TOTAL ODS EMISSIONS FOR APRIL 2013 TO MARCH 2014	MT CFC-11 equivalent	0.03549			
TOTAL ODS EMISSIONS FOR APRIL 2014 TO MARCH 2015	MT CFC-11 equivalent	0.04486			



OUR PLANTS HAVE BEEN PHASING OUT ODS IN ACCORDANCE WITH THE PHASE OUT SCHEDULE IN DENR AO 2004-08 (REVISED CHEMICAL CONTROL ORDER FOR ODS). TO DATE, THE ONLY REMAINING CCO-COVERED SUBSTANCE IN THE PLANTS IS THE REFRIGERANT R22, WHOSE PHASE OUT SCHEDULE IS 2040.



G4-EN21

NO_x, SO_x, and other significant air emissions.

EMISSIONS	UNITS	SUAL		PAGBILAO		MITIGATING MEASURES	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	SUAL	PAGBILAO
SULFUR DIOXIDE	kg	24,600,140.03	23,433,081.96	9,262,618.69	9,330,811.38	Flue Gas Desulfurizer	Mixed firing with low sulfur coal
NITROGEN OXIDE	kg	9,777,081.76	9,434,764.58	6,883,362.44	5,813,348.57	Low-NO _x boilers	Low-NO _x boilers
PARTICULATE MATTER	kg	395,410.27	283,429.83	192,719.06	147,572.49	Electrostatic precipitators	Electrostatic precipitators

WE QUANTIFIED THE AMOUNT OF AIR EMISSION USING CONTINUOUS EMISSIONS MONITORING SYSTEM (CEMS) INSTALLED IN THE CHIMNEYS OF OUR POWER PLANTS TO MONITOR SULFUR OXIDES (SO_x), NITROGEN OXIDES (NO_x) AND OPACITY IN THE FLUE GAS 24 HOURS A DAY, 7 DAYS A WEEK.

ASPECT: EFFLUENTS AND WASTE

G4-EN22

Total water discharge by quality and destination.

GENERATED WASTEWATER FROM PLANT PROCESSES ARE PUMPED TO WASTEWATER TREATMENT PLANTS OR CATCHMENT BASINS PRIOR TO DISCHARGE TO THE RECEIVING WATER BODY. TEAM ENERGY COMPLIES WITH DENR STANDARDS, WITH REGARD TO WATER DISCHARGE. NEITHER THE SUAL NOR THE PAGBILAO POWER PLANT HAS CAUSED ANY INCIDENT RESULTING IN SIGNIFICANT DAMAGE TO THE MARINE ENVIRONMENT.

SUAL

DISCHARGE POINT/ TYPE OF WATER DISCHARGE	TREATMENT METHOD	TOTAL ANNUAL VOLUME DISCHARGED
		m ³
OUTLET NO. 1: EFFLUENT FROM CHEMICAL TREATMENT	Attenuation Basin/Sedimentation Basin 1; WWTP	1,454,250.42
OUTLET NO. 2: STORMDRAINS COLLECTING POND	Attenuation Basin/Sedimentation Basin 2	255,563.97
OUTLET NO. 3: TREATED EFFLUENT COMING FROM STP MAIN PLANT AND STP ACCOMMODATION'S AREA	Sewage Treatment Plant Lagoon; biological treatment	405,286.40
OUTLET NO 4: DISCHARGE FROM SANITARY LANDFILL	Wetland	1,766,016,000.00
OUTLET NO. 5: COOLING WATER DISCHARGE		41,201.79
OUTLET NO. 6: RO BRINE REJECT DISCHARGE		3,566,582.95
DENR STANDARD (CLASS SC)		Allowable discharge volume based on DP

WASTE DISPOSAL METHOD	UNITS	TOTAL WEIGHT OF WASTE			
		SUAL		PAGBILAO	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
HAZARDOUS WASTES					
COMPOSTING	MT	13.44	13.44	n/a	n/a
ON-SITE STORAGE	MT	0.78	0.35	0.00318	0.00320
OFF-SITE TREATMENT	MT	87.39	103.73	39.62	55.29
TOTAL HAZARDOUS WASTES	MT	101.61	117.52	39.62	55.30
NON-HAZARDOUS WASTES					
RECYCLING	MT	85,234.20	77,950.13	0.44	1.01
COMPOSTING	MT	46.23	44.99	0.30	0.71
LANDFILL	MT	234,249.92	208,899.09	0.30	0.89
MUNICIPAL DUMPSITE	MT	n/a	n/a	0.16	0.013
TOTAL NON-HAZARDOUS WASTES	MT	319,530.35	286,894.21	1.19	2.62
TOTAL WEGHT OF WASTE	MT	319,631.96	287,011.73	40.81	57.92
TOTAL WEIGHT OF WASTE FOR APRIL 2013 TO MARCH 2014	MT	319,672.77			
TOTAL WEIGHT OF WASTE FOR APRIL 2014 TO MARCH 2015	MT	287,069.65			

MITIGATION MEASURES FOR HAZARDOUS WASTES INCLUDE: COMPOSTING FOR GREASE TRAP WASTES, ESTABLISHED HAZARDOUS WASTE STORAGE AREAS, OFF-SITE TREATMENT THROUGH DENR-ACCREDITED HAZARDOUS WASTE TRANSPORTERS AND MANAGEMENT FACILITIES. THERE ARE NO NEGATIVE IMPACTS SINCE NO UNTREATED WASTE REACHES SENSITIVE ENVIRONMENTS.

APRIL 2013 TO MARCH 2014				APRIL 2014 TO MARCH 2015					DISCHARGE DESTINATION
EFFLUENT QUALITY (ANNUAL AVERAGE)				TOTAL ANNUAL VOLUME DISCHARGED	EFFLUENT QUALITY (ANNUAL AVERAGE)				
TEMP INCREASE	BOD	TSS	PH		TEMP INCREASE	BOD	TSS	PH	
°C	mg/L	mg/L	-		m³	°C	mg/L	mg/L	
n/a	2.68	8.07	7.97	1,225,345.28	n/a	2.49	9.82	7.90	Pao Bay
n/a	n/a	4.55	6.07	24,393.44	n/a	n/a	3.03	5.48	Baquoien Bay
n/a	4.66	12.87	7.37	1,076,370.39	n/a	3.40	11.44	7.35	Baquoien Bay
1.96	n/a	n/a	n/a	1,766,016,000.00	1.77	n/a	n/a	n/a	Baquoien Bay
n/a	5.50	7.42	6.71	105.43	n/a	2.11	5.53	4.90	Pao Bay
n/a	n/a	21.23	7.88	4,255,769.30	n/a	n/a	14.56	7.76	Pao Bay
max 3°C increase	100	150	6.0 - 9.0	Allowable discharge volume based on DP	max 3°C increase	100	150	6.0 - 9.0	

G4-EN22

Continuation...

PAGBILAO

DISCHARGE POINT/ TYPE OF WATER DISCHARGE	TREATMENT METHOD	TOTAL ANNUAL VOLUME DISCHARGED
		m ³
OUTLET NO. 1: STP DISCHARGE FROM DOMESTIC WASTEWATER	Sewage Treatment Plant	40,756.00
COOLING WATER	Non-contact/Once-through	844,492,032.00
DENR STANDARD (CLASS SC)		Allowable discharge volume based on DP

G4-EN23

Continuation...

Mitigation measures for solid wastes include the implementation of a comprehensive ecological solid waste management program with the following components: segregation at source, off-site recycling, and establishment and maintenance of sanitary landfill.

G4-EN24

Total number and volume of significant spills.

UNDER CORPORATE CODE OF PRACTICE (CCOP)-009: EHS INCIDENT REPORTING AND INVESTIGATION PROCEDURE, OIL/PETROLEUM SPILLS ARE CONSIDERED ENVIRONMENTAL INCIDENTS IF ANY QUANTITY IS DISCHARGED TO A WATER BODY OR ANY SENSITIVE ENVIRONMENT.

Our company faced the challenge of containing an oil leak at our Sual Power Station on October 27, 2014. During the start-up of one of our units, 12.96 m³ of heavy fuel oil (HFO) leaked from the supply line. While the operation was land-based, HFO traced its way to our plant cooling water outfall within the plant premises. Our rapid, calibrated response helped in ensuring that no significant damage was done to the immediate marine ecosystem. The prompt deployment of oil spill booms, application of dispersants and continuous monitoring of coastlines within the plant's vicinity were crucial in preventing this incident from causing harm to the environment, particularly to the sea. This was evidenced by water quality testing carried out by DENR-EMB, which showed compliance with applicable standards.

Fishing activities along the coastal waters surrounding the power plant were never disrupted or affected. Regional EMB personnel conducted inspection and noted that the coastlines located as far as 800 meters from the plant did not show any trace of HFO.

This incident led our organization to take measures and to put in place additional safeguards to prevent similar occurrences in the future. To ensure a non-recurrence of the incident, relief valves were tested, pipe thickness was inspected, and carbon steel pipes are being upgraded to stainless steel pipes.

APRIL 2013 TO MARCH 2014				APRIL 2014 TO MARCH 2015					DISCHARGE DESTINATION
EFFLUENT QUALITY (ANNUAL AVERAGE)				TOTAL ANNUAL VOLUME DISCHARGED	EFFLUENT QUALITY (ANNUAL AVERAGE)				
TEMP INCREASE	BOD	TSS	PH		TEMP INCREASE	BOD	TSS	PH	
°C	mg/L	mg/L	-	m³	°C	mg/L	mg/L	-	
n/a	16.44	11.18	7.03	38,690.20	n/a	17.91	28.33	6.99	Pagbilao/ Tayabas Bay
2.03	n/a	16.91	8.07	844,492,032.00	1.65	n/a	13.00	8.21	Pagbilao/ Tayabas Bay
max 3°C increase	100	150	6.0 - 9.0	Allowable discharge volume based on DP	max 3°C increase	100	150	6.0 - 9.0	

G4-EN25

Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally

Team Energy does not export, import, transport, treat, or ship waste internationally. All waste considered hazardous are treated locally by DENR-ACCREDITED MANAGEMENT FACILITIES.

G4-EN26

Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff

The discharge points of our Sual Power Station are within Lingayen Gulf, Pao Bay and Baquioen Bay. Neither of these bays is designated as a protected area.

According to our 3rd-party Semi-Annual Marine Resources Monitoring Report, reefs in Sisay and Calpay remained to be in poor condition while reefs in Bangar are in fair condition. However, the relatively disturbed coral community in the monitoring stations is not a consequence of our operations and may be attributed to the continuously increasing total suspended solids and nutrient input from the excess feeds and waste materials from the surrounding fish cages.

The discharge points of our Pagbilao Power Station are in Pagbilao Bay and Tayabas Bay. Although both bays are not designated as protected areas, BirdLife International considers the area as an Important Bird Area (IBA) as it serves as an important wintering area for migratory herons, egrets, and shorebirds.

As for marine resources in the bays, the Pagbilao Semi-Annual Marine Resources Monitoring Report noted that the average live coral cover in the five monitoring stations was in poor condition yielding a result of 24.13%, which is below the threshold of 25%.

Of the five monitoring stations, only Mag-asawang Bato and Outfall were in fair condition with live coral cover between 25% to 50%. Live coral cover in Capas-Capas has been continuously

decreasing since September 2013 monitoring which changed the status of Capas-Capas coral reefs from fair to poor condition.

Despite poor coral cover, abundance of reef fish increased from 2013 to 2014. 59 reef fish species were detected with an abundance of 1083. The total standing stock biomass also increased from the previous survey of 11.48 kg/500m² to 33.61 kg/500m².

Results also show that 7 seagrass species with estimated total seagrass shoot density of 9,242 shoots/m² has decreased compared to the previous monitoring.



ASPECT: PRODUCTS AND SERVICES

G4-EN27

Extent of impact mitigation of environmental impacts of products and services.

ASPECTS	IMPACTS	MITIGATION STRATEGIES	QUANTITATIVE EXTENT TO WHICH IMPACTS HAVE BEEN MITIGATED	
			SUAL	PAGBILAO
MATERIALS USE (E.G., USE OF NON-RENEWABLE, ENERGY-INTENSIVE, TOXIC MATERIALS)	Resource depletion	Improvements on combustion efficiency and heat rate were implemented. We now use less coal to achieve same amount of energy.	From 2013-2014, we have saved a total of 104,699 MT of coal due to these improvements.	From 2013-2014 we have saved about 169,218 MT of coal due to heat rate improvements.
WATER USE (E.G., VOLUMES USED DURING PRODUCTION AND/OR USE)	Resource depletion	Installation of additional flow integrators to monitor consumption and later identify possible reduction in water use	FY 2013 and 2014 monthly average consumption was 0.197 m ³ /MWH and 0.193 m ³ /MWH. These are 23% and 25% lower than consumption limit of 0.257 m ³ /MWH.	During summer months of April until around June, the average extracted volume of 51,000 cubic meters from the Locohin River is reduced by 67% to about 22,000 cubic meters. This is due to the agreement with the local community to prioritize usage of river water by farmers and residents when water falls below critical level. During such times, water production via the reverse osmosis plant is increased and water conservation in various areas of the plant are implemented.
EMISSIONS (E.G., GHG, TOXIC, OZONE-DEPLETING EMISSIONS)	Air pollution	Improvements on combustion efficiency and heat rate were implemented. We now use less coal to achieve same amount of energy, thus, GHG emission is avoided.	From 2013-2014, we have avoided a total of 100,573 MT of CO ₂ emissions due to these improvements.	Around 387,963 tons CO ₂ equivalent were avoided due to heat rate improvements.
NOISE	Air pollution Potential for negative health impact	Noise is inherently within the power generation system especially in the turbine area. But administrative controls like exposure limits, signage, and provision of personal protective equipment (PPE) ensure that there is no negative health impact to personnel.	Work environment measurement results for FY 2013-2014 did not have areas non-compliant to Noise Occupational Health and Safety Standards.	Work environment measurement results for FY 2013-2014 did not have areas non-compliant to Noise Occupational Health and Safety Standards. No complaints regarding noise were recorded in the reporting period.
EFFLUENTS (E.G., QUALITY OF WATER USED DURING PRODUCTION AND/OR USE)	Water pollution Ecological disturbance Negative impact on marine environment	Engineering controls like wastewater treatment plant, sewage treatment plants, wetland system, ensure that all wastewater from plant operations are treated prior to discharge.	All effluent data complied with the DENR Effluent Standard. Water Quality and Marine Resources Monitoring of our 3rd-party consultant reported that there are no negative impacts to water quality and marine environment attributable to power plant operations.	
WASTE (E.G., NON-RECLAIMABLE, TOXIC MATERIALS/ COMPOUNDS)	Land and water pollution (toxic and hazardous)	Domestic waste and hazardous wastes are managed in accordance with RA 9003 Ecological Solid Waste Management Act and RA 6969 Chemicals and Hazardous Waste Management Act. Proper waste segregation is practiced. SPS has its own sanitary landfill to ensure proper disposal of residual wastes. Hazardous wastes are temporarily stored at the hazardous wastes storage area and disposal is through DENR-accredited hazardous waste transporter and treater.	Domestic and hazardous wastes generated are properly managed and reported in the Quarterly Self-Monitoring Report. No Notice of Violation related to domestic and hazardous wastes was issued to SPS by DENR during the reporting period.	In 2013-2014, 43 MT of asbestos containing materials (ACM) were demolished/decommissioned through controlled methods approved by the DENR. This was after the discovery of ACM in the building structures of the old MHI complex within the Pagbilao Power Station that was intended to be renovated and converted in temporary administration and office facilities during the construction of Unit 3.

G4-EN28

Percentage of products sold and their packaging materials that are reclaimed by category.



OUR PRODUCTS, COMPONENTS, OR MATERIALS ARE NOT CONVERTED INTO MATERIALS FOR NEW PRODUCTION PROCESSES. THUS, THIS DISCLOSURE IS IMMATERIAL TO OUR BUSINESS OPERATIONS.

G4-EN29

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations



OUR CORPORATE OFFICE AND OUR PAGBILAO POWER STATION RECEIVED NO SIGNIFICANT FINES OR SANCTIONS FOR NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS.

Our Sual Power Station was fined Php 226,000 for the Heavy Fuel Oil (HFO) leak on October 27, 2014 (see disclosure on EN24). It also received a Marine Pollution Apprehension Report from the Philippine Coast Guard (PCG), and a Notice of Violation (NOV) from the DENR-EMB. By June 2015, NOV on HFO leak incident had been fully resolved.

ASPECT: TRANSPORT

G4-EN30

Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce

Team Energy's operations do not involve extensive supply and distribution networks. The significant environmental impacts of Team Energy's transportation activities are the use of fuel for transport (see disclosure in EN3), vehicular emissions, and potential marine discharges from coal ships. These were determined as significant impact through Station Environment Code of Practice (SECOP) on Environmental Aspects Determination.

We implement programs and protocols as part of our operational controls to mitigate the impact of our transportation methods:

- We execute an Operations Code of Practice on Coal Ship Unloading and provide guidelines for incoming coal deliveries. We make it a policy that coal ships are not allowed to discharge bilge water into the sea while docked in our port facilities.
- Our contractors and suppliers participate in the Safety, Health and Environment (SHE) Program. We require our chemical suppliers to secure permits from regulators and have spill response plans. Furthermore, their personnel need to undergo hazardous materials handling training.
- Our Warehouse Section monitors fuel withdrawal for transport use.

Our vehicle emissions are checked for compliance with emission standards during the renewal of vehicle licenses.

G4-EN31

Total environmental protection expenditures and investments by type

OUR TOTAL ENVIRONMENTAL PROTECTION EXPENDITURES AND INVESTMENTS AMOUNT TO USD805,095 IN FY 2013-2014 AND USD719,700 IN FY 2014-2015, WHICH MAKES UP 0.62% AND 0.64%, RESPECTIVELY, OF THE TOTAL OPERATING COSTS AND CAPITAL EXPENDITURES INCURRED DURING SAID YEARS.

In addition, we maintain insurance for environmental liability through our Environmental Guarantee Fund (EGF) amounting to a total of USD1.7 million.

EXPENDITURE TYPE	CORPORATE		PAGBILAO		SUAL	
	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
	USD	USD	USD	USD	USD	USD
WASTE DISPOSAL, EMISSIONS TREATMENT, AND REMEDIATION COSTS	73,988.64	80,050.40	7,685.99	8,024.18	102,196.72	74,411.78
PREVENTION AND ENVIRONMENTAL MANAGEMENT COSTS	9,204.49	11,578.29	380,627.72	309,044.69	231,392.28	236,591.51
TOTAL ENVIRONMENTAL INVESTMENT	83,193.13	91,628.69	388,313.71	317,068.87	333,589.00	311,008.29
APRIL 2013 TO MARCH 2014 TOTAL ENVIRONMENTAL INVESTMENT	805,095.84					
APRIL 2014 TO MARCH 2015 TOTAL ENVIRONMENTAL INVESTMENT	719,700.85					

% IN RELATION TO TOTAL OPERATING COSTS AND CAPEX

0.64%

% IN RELATION TO TOTAL OPERATING COSTS AND CAPEX

0.62%

ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT

G4-EN32

Percentage of new suppliers that were screened using environmental criteria

ALL POTENTIAL SUPPLIERS UNDERGO A GENERAL ACCREDITATION PROCESS IN ORDER TO BE INVITED TO BID FOR COMPANY REQUIREMENTS. INCLUDED AMONG THE REQUIRED DOCUMENTS/INFORMATION ARE THE COMPANY PROFILE (INCLUDES COMPANY BACKGROUND, LIST OF CLIENTS/PROJECTS UNDERTAKEN, SUMMARY OF CORE COMPETENCIES/CAPABILITIES, TABLE OF ORGANIZATION, ETC.), AND SAFETY, HEALTH AND ENVIRONMENT COMPLIANCE PROCEDURES AND GUIDELINES. THESE ARE ALL TAKEN INTO CONSIDERATION IN ACCREDITATION.

During the reporting period, the Materials Management Department had come up with proposed revised accreditation guidelines including criteria for impacts on society. These have not yet been approved and rolled-out.

G4-EN33

Significant actual and potential negative environmental impacts in the supply chain and actions taken

EIGHTEEN (18) SUPPLIERS FROM AMONG THE TOP SUPPLIERS OF TEAM ENERGY IN TERMS OF VOLUME WERE REQUESTED BY THE COMPANY TO CONDUCT A SELF-ASSESSMENT ON THEIR ACTUAL AND POTENTIAL ENVIRONMENTAL IMPACTS. THIS IS THE FIRST STEP UNDERTAKEN BY THE COMPANY TO DETERMINE THE SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE ENVIRONMENTAL IMPACTS OF ITS SUPPLIERS.

Of these 18 suppliers, 16 responded. Nine (9) of them stated that they may have had potential environmental impacts which include: materials waste, possible leakages and possible spillages, smoke emissions, vehicle emissions, paper and other office waste, and those due to employee behavior & equipment.

The next step would be to validate the replies of the suppliers who conducted the self-assessment, which will be conducted in the next reporting period. Thereafter, the company intends to cover more suppliers to determine the environmental impacts.

Service providers at the plants are required to undergo screening and EHS orientation prior to performing their activities in conformance with CCOP 017 Contractors EHS Management Program. A crucial step in this process is the preparation and submission of an Environmental Management Plan which identifies environmental aspects and impacts in each stage of their work scope. Corresponding operational controls are identified and implemented to mitigate any potential impacts. The most common environmental impacts identified by our long-term contractors are generation of solid and hazardous wastes, potential chemical and oil spills, and use of chemicals.

ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS

G4-EN34

Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms

GRIEVANCES	SUAL		PAGBILAO	
	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
TOTAL NUMBER OF GRIEVANCES	1	2	1	0
NUMBER OF GRIEVANCES ADDRESSED DURING THE PERIOD	1	2	1	0
NUMBER OF GRIEVANCES RESOLVED DURING THE PERIOD	1	2	0	1
NUMBER OF GRIEVANCES FILED PRIOR TO THE PERIOD THAT WERE RESOLVED DURING THE GIVEN PERIOD	1	2	0	1

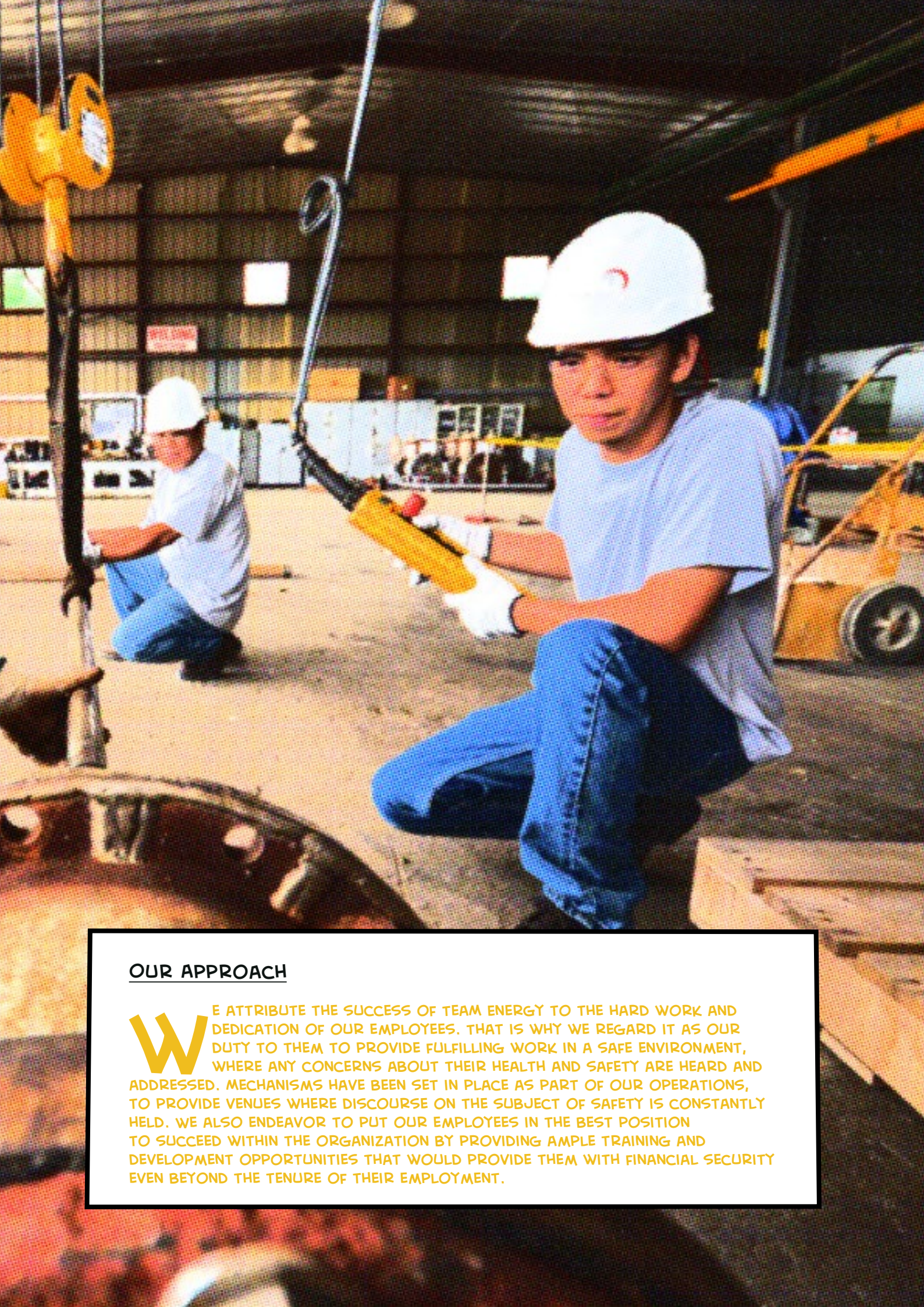
THE PROCESSES INVOLVED IN MAINTAINING OPEN AND EFFECTIVE COMMUNICATIONS WITH INTERNAL AND EXTERNAL PARTIES ARE HANDLED BY OUR EXTERNAL AFFAIRS DEPARTMENT USING SUAL AND PAGBILAO POWER STATION'S COMMUNICATION PROCEDURES. THESE PROCEDURES DESCRIBE HOW OUR POWER PLANTS RECEIVE, DOCUMENT, AND RESPOND TO COMMUNICATIONS FROM INTERNAL AND EXTERNAL PARTIES. LIKEWISE, IMS POLICIES IN BOTH PLANTS UNDERSCORE STAKEHOLDER CONSULTATION AND PARTICIPATION IN ADDRESSING EHS MATTERS.

We maintain transparency and good partnership with multi-partite groups that are empowered to monitor environmental compliance and facilitate resolution of grievances coming from the general public. In 2013, the Pagbilao Multipartite Monitoring Team (PPSMMT) tackled a complaint lodged by the Pagsasanib ng Bisig-Lakas Organization (PAGBILAO) at the EMB Region 4A Office on alleged environmental damages by the power station and ongoing expansion activities. After about 4 months of dialogue with the complainant in the presence of the MMT and Regional Office, it was determined that the allegations have no solid basis. The complaint was formally closed through an MMT resolution dated April 2014.

Over the span of the reporting period, three grievance cases were filed against our Sual Power Station. All were addressed and resolved during the period.



**SOCIAL: LABOR
PRACTICES AND
DECENT WORK**



OUR APPROACH

WE ATTRIBUTE THE SUCCESS OF TEAM ENERGY TO THE HARD WORK AND DEDICATION OF OUR EMPLOYEES. THAT IS WHY WE REGARD IT AS OUR DUTY TO THEM TO PROVIDE FULFILLING WORK IN A SAFE ENVIRONMENT, WHERE ANY CONCERNS ABOUT THEIR HEALTH AND SAFETY ARE HEARD AND ADDRESSED. MECHANISMS HAVE BEEN SET IN PLACE AS PART OF OUR OPERATIONS, TO PROVIDE VENUES WHERE DISCOURSE ON THE SUBJECT OF SAFETY IS CONSTANTLY HELD. WE ALSO ENDEAVOR TO PUT OUR EMPLOYEES IN THE BEST POSITION TO SUCCEED WITHIN THE ORGANIZATION BY PROVIDING AMPLE TRAINING AND DEVELOPMENT OPPORTUNITIES THAT WOULD PROVIDE THEM WITH FINANCIAL SECURITY EVEN BEYOND THE TENURE OF THEIR EMPLOYMENT.

EMPLOYMENT (G4-DMA)

THE LENGTH OF EMPLOYMENT OF OUR EMPLOYEES TYPICALLY SPANS A PERIOD OF SEVERAL YEARS. IN PAGBILAO, THE AVERAGE TENURE IS 14.9 YEARS, IN SUAL IT IS 13.7 YEARS, AND IN OUR CORPORATE OFFICE IT IS 10.9 YEARS. THE REASON FOR OUR ABILITY TO RETAIN A COMPETITIVE WORKFORCE IS THAT THE COMPENSATION AND BENEFITS WE OFFER IS COMPETITIVE IN THE ENERGY INDUSTRY. WE ARE ON PAR, IF NOT OVER AT TIMES, WITH THE ENERGY INDUSTRY MEDIAN. OUR EMPLOYEES ALSO UNDERGO A THOROUGH SKILL EVALUATION TO GIVE THEM ACCURATE INFORMATION ON THEIR PERFORMANCE STATUS, KNOWLEDGE OF HOW THEY CAN DEVELOP THEIR SKILLS FURTHER, AND GUIDANCE IF THERE ARE GAPS IN PERFORMANCE THAT NEED TO BE ADDRESSED. THIS PROCESS PROVIDES OUR WORKFORCE THE MEANS TO PURSUE PROFESSIONAL GROWTH.

LABOR/MANAGEMENT RELATIONS (G4-DMA)

OPEN COMMUNICATION IS THE TRADEMARK OF TEAM ENERGY'S PEOPLE-ORIENTED APPROACH TO MAINTAIN HARMONIOUS RELATIONS WITH OUR INDUSTRY PARTNERS AND THE LABOR UNIONS. THE COLLECTIVE BARGAINING AGREEMENTS BETWEEN MANAGEMENT AND THE "KAISAHAN NG MANGGAGAWA SA PAGBILAO POWER STATION" (KAMPPS) IN PAGBILAO, AS WELL AS THE "UNION OF SUAL POWER PLANT EMPLOYEES" (USPPE) IN SUAL, RESPECTIVELY, CONTAIN A PROVISION FOR A GRIEVANCE MACHINERY AS A VENUE TO VOICE OUT ANY CONCERNS REGARDING THE MANDATES OF MANAGEMENT. NON-MEMBERS OF THE UNION ON THE OTHER HAND, HAVE THE EMPLOYEE CONCERN PROGRAM.

OCCUPATIONAL HEALTH AND SAFETY (G4-DMA)

WE CONSIDER OUR DEDICATED WORKFORCE OUR GREATEST ASSET. THAT IS WHY WE PLACE A HIGH PRIORITY ON EMPLOYEE HEALTH AND SAFETY. THE NATURE OF OUR BUSINESS DEMANDS THAT OPERATING PROCEDURES ADHERE TO STRICT SAFETY REGULATIONS. WE ENSURE THE SAFETY OF OUR STAFF, NOT ONLY BY GIVING THEM THE NECESSARY EQUIPMENT, BUT ALSO BY ENSURING THAT EACH EMPLOYEE IS PROVIDED THE KNOWLEDGE AND TRAINING NECESSARY TO FULFILL THE SAFETY GUIDELINES WE HAVE INSTALLED FOR THEIR OWN PROTECTION.

The implementation of these precautions is not limited to our employees. We have organized Safety Committees for our contractors to ensure that safety issues are discussed with utmost regularity. The health and safety records of our contractors are included in the reports we submit to the Department of Labor and Employment.

TRAINING AND EDUCATION (G4-DMA)

TEAM ENERGY BELIEVES THAT THE SUCCESS OF THE ORGANIZATION IS DEPENDENT ON THE SUCCESS OF ITS EMPLOYEES. ONE WAY TO ENSURE THE SUCCESS OF EMPLOYEES IS TO SUPPORT THE DEVELOPMENT OF THEIR PROFESSIONAL AND PERSONAL COMPETENCIES. EMPLOYEES ARE PROVIDED WITH LEARNING AND DEVELOPMENT OPPORTUNITIES TO ASSIST THEM IN ACHIEVING THEIR GOALS. ALL OUR EMPLOYEES ARE PROVIDED WITH THE OPPORTUNITY TO ATTEND COMPANY-SPONSORED TRAININGS TO ACQUIRE KNOWLEDGE, SHARPEN THEIR PROFESSIONAL AND LIFE SKILLS, DEVELOP THEIR ATTITUDE AND INCREASE THEIR AWARENESS ON ENVIRONMENTAL, SAFETY AND HEALTH ISSUES. EMPLOYEES WHO ARE NEARING RETIREMENT ARE ALSO PROVIDED WITH LIFE SKILLS TO PREPARE THEM FOR THE NEXT PHASE OF THEIR LIVES.



DIVERSITY AND EQUAL OPPORTUNITY (G4-DMA)

THE MARK OF A WORLD-CLASS ORGANIZATION IS ITS CAPACITY TO WELCOME DIVERSITY BROUGHT ABOUT BY RAPID GLOBALIZATION. TEAM ENERGY RECOGNIZES THE NECESSITY FOR DIVERSITY TO ORGANIZATIONAL GROWTH. WE NEED MEMBERS WITH DIFFERENT TALENTS, PERSPECTIVES, AND KNOWLEDGE TO BUILD AN ORGANIZATION THAT IS VERSATILE AND READY FOR GLOBAL CHANGE. THUS, WE DO NOT CONSIDER GENDER, AGE, RACE, CREED, DISABILITY, OR SEXUAL ORIENTATION AS CONSTRAINTS WHEN HIRING FOR EMPLOYMENT INTO OUR ORGANIZATION.

We also ensure that no discrimination occurs within the workplace. Each employee is made aware of the contents of the Employee Manual and the Code of Ethics and Business Conduct, which covers matters such as discipline, conflict of interest, and sexual harassment, among others.

REMUNERATION FOR MEN AND WOMEN (G4-DMA)

Team Energy considers performance as the primary measure for employee salary and benefits. The rate at which compensation is provided is based on the market rates of the energy industry. We ensure that our employees are fairly compensated by being diligent in making annual evaluations and comparisons with the market median.

Remuneration is not based on gender. The primary basis for salary is job worth, based on an internal equity mechanism of job evaluation. The secondary basis is comparison with the market median.

Provision for compensation and additional benefits is subject to mandated, physical, familial, and social needs. There is no distinction made with regard to an employee's gender or orientation.

SUPPLIER ASSESSMENT FOR LABOR PRACTICES (G4-DMA)

Team Energy holds itself to a high standard with regard to our business practice. We adhere to the ideals stated in our mission and vision statements; as such, we are discerning with the partners we involve in our operations, selecting them based on shared values of sustainability and ethical business practice.

We have recently made proposed revisions to our accreditation guidelines to include criteria for impacts on society, which include labor practices. Although these revisions have not yet been approved and implemented, our selected suppliers have already been required to conduct self-assessment evaluations of their own operations.

LABOR PRACTICES GRIEVANCE MECHANISMS (G4-DMA)

WE MAKE SURE THAT OUR EMPLOYEES FEEL THAT THEY HAVE A VOICE WITHIN THE ORGANIZATION. WE KNOW THAT THE INABILITY OF EMPLOYEE CONCERNS IN REACHING MANAGEMENT CAN BE A GROWING SOURCE OF DISSATISFACTION AND FRUSTRATION. THUS, WE HAVE INSTALLED

MULTIPLE, ACCESSIBLE VENUES WHERE ANY GRIEVANCES CAN BE FILED. ASIDE FROM THE CBA-STIPULATED GRIEVANCE MACHINERY, THERE IS ALSO THE EMPLOYEE CONCERN PROGRAM.

We do not see employee grievance reports as slights against the organization; rather, we see these as a means for our workforce to help us find gaps and weaknesses to further improve relationships and communication channels within the company.

ASPECT: EMPLOYMENT

G4-LA1

Total number and rates of new employee hires and employee turnover by age group, gender and region

IN THE PERIOD FROM 2013 TO 2014, WE HIRED 21 NEW EMPLOYEES, WHILE 7 LEFT EMPLOYMENT. EMPLOYEE RETENTION ROSE IN 2014-2015; WE HIRED 46 NEW EMPLOYEES, WHILE ONLY 8 DEPARTED. IN TOTAL, OVER A TWO-YEAR PERIOD, 52 NEW HIRES HAVE RETAINED THEIR EMPLOYMENT.

FISCAL YEAR 2014 APRIL 2013-MARCH 2014										
BY AGE							TOTAL	AVERAGE AGE	BY GENDER	
NEW HIRES	<24	25-34	35-44	45-54	55-64	65			MALE	FEMALE
CORPORATE	1	3	2	0	0	0	6	31.20	3	3
PAGBILAO	1	1	0	1	0	0	3	35.43	3	0
SUAL	0	7	3	2	0	0	12	34.87	11	1

BY AGE							TOTAL	AVERAGE AGE	BY GENDER	
LEAVING EMPLOYMENT	<24	25-34	35-44	45-54	55-64	65			MALE	FEMALE
CORPORATE	-	-	1	-	-	-	1	38.85	1	-
PAGBILAO	-	3	4	-	1	-	8	39.09	8	-
SUAL	-	-	-	-	-	-	0	-	0	-

TENURE OF RETIREES (NO. OF YEARS)					AVERAGE TENURE
	≤5	6-10	11-15	16++	
CORPORATE	-	1	-	-	9.44
PAGBILAO	3	2	-	3	8.88
SUAL	-	-	-	-	-

**FISCAL YEAR 2015
APRIL 2014-MARCH 2015**

BY AGE							TOTAL	AVERAGE AGE	BY GENDER	
NEW HIRES	<24	25-34	35-44	45-54	55-64	65			MALE	FEMALE
CORPORATE	5	7	4	5	-	1	21	38.90	13	8
PAGBILAO	1	4	2	2	-	1	10	37.78	10	0
SUAL	1	1	1	2	-	-	5	35.90	2	3

BY AGE							TOTAL	AVERAGE AGE	BY GENDER	
LEAVING EMPLOYMENT	<24	25-34	35-44	45-54	55-64	65			MALE	FEMALE
CORPORATE	-	-	1	-	-	-	1	37.07	-	1
PAGBILAO	-	-	-	-	1	-	1	55.05	1	-
SUAL	-	-	1	2	3	-	6	53.12	6	-

TENURE OF RETIREES (NO. OF YEARS)					AVERAGE TENURE
	<5	6-10	11-15	16++	
CORPORATE	-	1	-	-	9.71
PAGBILAO	-	-	2	-	14.13
SUAL	-	1	3	3	16.72

G4-LA2

Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation

FISCAL YEAR 2014 APRIL 2013 - MARCH 2014				FISCAL YEAR 2015 APRIL 2014 - MARCH 2015		
FULL TIME REGULAR	FULL TIME PROBATIONARY	FULL TIME CONTRACT		FULL TIME REGULAR	FULL TIME PROBATIONARY	FULL TIME CONTRACT
Y	Y	Y	13 th Month Pay	Y	Y	Y
Y	Y	N	14 th Month Pay	Y	Y	N
Y	Y	N	Monthly Rice Allowance	Y	Y	N
Y	N	N	Off base Allowance	Y	N	N
Y	Y	N	Off base Meal Allowance	Y	Y	N
Y	Y	Y	Overtime and Holiday Premium	Y	Y	Y
Y	Y	N	Performance Based Short Term Incentive	Y	Y	N
Y	Y	N	Extended Work Allowance	Y	Y	N
Y	Y	N	Annual Merit or Negotiated Increase	Y	Y	N
Y	Y	N	Service Awards	Y	Y	N
Y	Y	N	Medical and Hospitalization Benefits for Employee and Dependents	Y	Y	N
Y	Y	N	Annual Physical Exam for Employee and Dependents	Y	Y	N
Y	Y	N	Medicine Allowance	Y	Y	N
Y	Y	N	Optical Allowance	Y	Y	N
Y	Y	N	Dental Coverage	Y	Y	N
Y	Y	N	Maternity Assistance	Y	Y	N
Y	Y	N	Retirement Benefits	Y	Y	N

FISCAL YEAR 2014 APRIL 2013 – MARCH 2014				FISCAL YEAR 2015 APRIL 2014 – MARCH 2015		
FULL TIME REGULAR	FULL TIME PROBATIONARY	FULL TIME CONTRACT		FULL TIME REGULAR	FULL TIME PROBATIONARY	FULL TIME CONTRACT
Y	Y	N	Paid Time Off	Y	Y	Y
Y	Y	N	Permanent or Group Life Insurance	Y	Y	N
Y	Y	Y	Shuttle Service	Y	Y	Y
Y	Y	Y	Free meal while on duty	Y	Y	Y
Y	Y	Y	OT Transport and Meal	Y	Y	Y
Y	Y	Y	Housing for qualified employees / employee+family	Y	Y	Y
Y	PPE only	PPE only	Free uniforms / personal protective equipment	Y	PPE only	PPE only
Y	Y	N	Separation Pay for Redundancy, Resignation, Health Reasons, Sale of Company	Y	Y	N
Y	Y	N	Career development programs	Y	Y	N
Y	Y	N	Performance Management	Y	Y	N
Y	Y	N	Learning Management	Y	Y	N
Y	Y	Y	Family Welfare Programs	Y	Y	Y
Y	Y	Y	Paid Time Off for Family	Y	Y	Y
Y	Y	Y	Sportsfest	Y	Y	Y
Y	Y	N	Family Visits	Y	Y	N
Y	Y	Y	Summer Development Program for Children	Y	Y	Y
Y	Y	Y	Sumer Youth Camp -- Power plant Fundamentals for Teens	Y	Y	Y
Y	Y	Y	Family Day	Y	Y	Y
Y	Y	Y	Christmas Party	Y	Y	Y
Y	Y	Y	Eucharistic Celebrations	Y	Y	Y

G4-LA3

Return to work and retention rates after parental leave, by gender

Team Energy complies with all legal mandates concerning parental leaves. We understand our employees' need to face the numerous obligations and responsibilities that come with parenthood. We fully support employees and assist them in their eventual transition back into the workplace.

To ensure full recuperation, returning female employees are required to use the full period of their maternity leave and early return to work is not allowed. The workplace also provides for a "Breastfeeding Area" where returning mothers can express their milk and properly store breast milk to be taken home to their baby.

Work opportunities also remain available to them until after their parental leaves. In the span of the reporting period, from 2013-2015, 39 employees have taken a parental leave and all returned to work.

ASPECT: LABOR/MANAGEMENT RELATIONS

G4-LA4

Minimum notice periods regarding operational changes, including whether these are specified in collective agreements

TEAM ENERGY HAS GREAT RESPECT AND CONCERN FOR ITS MEMBERS AND ENSURES THAT EVERY EMPLOYEE IS GIVEN FAIR TREATMENT AND IS PROVIDED GENEROUS BENEFITS TO GIVE THEM REASON TO STAY LOYAL TO THE ORGANIZATION. THIS RESPECT AND CONCERN REMAINS EVEN IN MOMENTS WHEN THE EMPLOYEE AND THE ORGANIZATION HAVE CONFLICTING PRIORITIES, AND HAVE TO PART WAYS.

The policies we implement regarding this subject favor the employee. As provided by law, a 30-day notice is required for management-initiated separations. Apart from those initiated by management, there are no prescribed notice periods for any significant operational changes.

ASPECT: OCCUPATIONAL HEALTH AND SAFETY

G4-LA5

Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs

TEAM ENERGY GIVES ITS EMPLOYEES MANY OPPORTUNITIES TO VOICE OUT AND ADDRESS ANY CONCERNS THEY HAVE REGARDING SAFETY. 11% OF OUR TOTAL WORKFORCE ARE MEMBERS OF FORMAL JOINT MANAGEMENT-WORKER HEALTH AND SAFETY COMMITTEES REPRESENTING BOTH OUR POWER STATIONS, AS WELL AS OUR CORPORATE OFFICE. ALL OF THESE HEALTH AND SAFETY COMMITTEES ARE REGISTERED WITH THE DEPARTMENT OF LABOR AND EMPLOYMENT (DOLE).

The committee regularly conducts monthly meetings and submits minutes of the meeting to DOLE on a quarterly basis. The health and safety concerns raised in these meetings are heard and addressed by management with immediacy, ensuring that health and safety concerns are immediately resolved.

The Health and Safety Committee reorganizes every 2 years for the Corporate Office and our Pagbilao Power

PARAMETERS

TEAM ENERGY EMPLOYEES

NUMBER OF WORK-RELATED FATALITIES

NUMBER OF LOST TIME INJURIES

NUMBER OF MEDICAL ATTENTION CASES

NUMBER OF FIRST AID CASES

INJURY RATE (IR)

BY SITE

BY GENDER

OCCUPATIONAL DISEASES RATE

BY SITE

BY GENDER

LOST DAY RATE (LDR)

BY SITE

BY GENDER

ABSENTEE RATE

BY SITE

BY GENDER

CONTRACTORS

NUMBER OF WORK-RELATED FATALITIES

NUMBER OF LOST TIME INJURIES

NUMBER OF MEDICAL ATTENTION CASES

NUMBER OF FIRST AID CASES

INJURY RATE (IR)

BY SITE

BY GENDER

OCCUPATIONAL DISEASES RATE

BY SITE

BY GENDER

LOST DAY RATE (LDR)

BY SITE

BY GENDER

ABSENTEE RATE

BY SITE

BY GENDER

Team Energy keeps accurate tracking of the number of injuries sustained by employees that require medical attention or first aid treatments, as well as occupational diseases, lost days due to injury and employee absentee rate.

SUAL				PAGBILAO				CORPORATE OFFICE			
APRIL 2013 TO MARCH 2014		APRIL 2014 TO MARCH 2015		APRIL 2013 TO MARCH 2014		APRIL 2014 TO MARCH 2015		APRIL 2013 TO MARCH 2014		APRIL 2014 TO MARCH 2015	
MALE	FEMALE	MALE	FEMALE	MALE	FEMALE			MALE	FEMALE	MALE	FEMALE
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
1	0	1	0	0	0	0	0	0	0	0	0
3	0	0	0	1	1	4	0	5	2	1	7
1.03		0.25		0.58		1.18		3.66		4.06	
1.03	0	0.25	0	0.29	0.29	1.18	0	2.61	1.05	0.51	3.56
(ODR)											
0.00		0.00		0.00		0.00		0.00		0.00	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00		0.00		0.00		0.00		0.00		0.00	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
-		-		-		-		-		-	
-	-	-	-	-	-	-	-	-	-	-	-
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	2	0
4	0	3	0	2	0	2	0	0	0	0	0
3	0	5	0	15	3	8	1	0	0	3	1
0.73		0.80		2.21		1.36		No available data on the total time worked by all contractors			
0.73	0	0.80	0	1.88	0.33	1.24	0.12	No available data on the total time worked by all contractors			
(ODR)											
0.00		0.00		0.00		0.00		No available data on the total time worked by all contractors			
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	No available data on the total time worked by all contractors			
0.00		0.00		0.00		0.00		No available data on the total time worked by all contractors			
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	No available data on the total time worked by all contractors			
No available data on the total time worked by all contractors											
No available data on the total time worked by all contractors											

Station. As for Sual, the committee is composed of all section heads, and membership in the committee is concurrent to their position as section head; therefore, changes in membership only occur when there is manpower movement.

2 Health and Safety Committee slots are allotted for Union representatives in Pagbilao and Sual. For Pagbilao, these 2 Union members are replaced every 2 years. For Sual, the 2 representatives are retained until the Union recommends new representatives; as a formality, though, confirmation of these representatives' names is sought by the committee on an annual basis.

Our plants have been implementing these S&H committees as an integral part of operations. Our Corporate Office established a Safety Committee in 2011.

FISCAL YEAR 2014 APRIL 2013-MARCH 2014				
	CORPORATE	PAGBILAO	SUAL	TOTAL
TOTAL NO. OF EMPLOYEES	190	266	303	759
NO. OF HEALTH AND SAFETY COMMITTEE MEMBERS	14	32	37	83
PERCENTAGE	7%	12%	12%	11%
FISCAL YEAR 2015 APRIL 2014-MARCH 2015				
	CORPORATE	PAGBILAO	SUAL	TOTAL
TOTAL NO. OF EMPLOYEES	198	274	304	776
NO. OF HEALTH AND SAFETY COMMITTEE MEMBERS	13	32	37	82
PERCENTAGE	7%	12%	12%	11%

None of our workers have any high risk diseases that can be connected to their occupation.

Team Energy works closely with its 2 unions ("Kaisahan ng Manggagawa sa Pagbilao Power Station" and "Union of Sual Power Plant Employees") to ensure that its employees are placed in positions where they can succeed, not just as employees, but as individuals. We attribute our success to the loyalty and hard work of our labor force, and this fact is one of the inspirations behind our decision to put "Team" as part of our organization's name.

To promote personal progress in our workforce, we have the responsibility to provide for their right to occupational health and safety. Thus, we ensure that their OHS needs are covered in formal agreements with the unions.

The topics covered in our formal agreement include:

- **membership in joint management-employee health and safety committees**

We discuss the necessity of our employees to be properly represented in joint management-employee health and safety committees. Approximately 10% of our total workforce are members of various committees that ensure the safety of our operations.

- **provision of personal protective equipment**

We discuss the need to make sure that each member working in potentially dangerous positions are provided proper protective equipment.

- **participation of worker representatives in health & safety inspections, audits and accident investigations**

Worker representatives are invited to participate in health and safety inspections, audits and accident investigations.

- **training and education**

We discuss the prerequisite of giving all employees proper training and education before they are asked to perform duties that require ample skill and knowledge to accomplish.

- **complaints mechanism**

We discuss the implementation of a complaints mechanism that would make it more convenient for our employees to file grievances and raise concerns regarding their work load, their work environment, or their working conditions.

- **right to refuse unsafe work**

We discuss the reservation of the employees' right to refuse work that he or she deems unsafe or hazardous.

- **periodic inspections**

We discuss the necessity of periodic inspections, allowing worker representatives to voice out opinions on the manner and regularity of these inspections.



ASPECT: TRAINING AND EDUCATION

G4-LA9

Average hours of training per year per employee by gender, and by employee category

I N FY 2014-2015, OUR WORKFORCE LOGGED 38,722 TRAINING HOURS IN A VARIETY OF MANAGERIAL, PROFESSIONAL, AND TECHNICAL FIELDS. OUR TOTAL WORKFORCE OF 776 EMPLOYEES RECEIVED AN AVERAGE OF AROUND 50 TRAINING HOURS EACH.

Majority of these programs are aimed at our rank and file employees, to ensure that they are provided with enough knowledge and skills to work safely and efficiently.

In Fiscal Year 2013-2014, our workforce logged 47,165 training hours which average 62 man hours per employee.

CORPORATE OFFICE						
	FISCAL YEAR 2013-2014**			FISCAL YEAR 2014-2015		
	NUMBER	TOTAL	AVERAGE	NUMBER	TOTAL	AVERAGE
MANAGERIAL	44	964	24	44	696	16
	22	552	24	22	345	16
PROFESSIONAL/TECHNICAL	16	612	38	16	384	24
	22	723	33	24	531	22
RANK AND FILE	46	778	17	46	728	16
	44	972	22	46	663	14
TOTAL	194	4,601	24	198	3,347	17
PAGBILAO						
MANAGERIAL	41	2,643	64	41	1,440	35
	4	138	35	4	116	29
PROFESSIONAL/TECHNICAL	24	2,247	94	32	456	14
	1	7	7	1	32	32
RANK AND FILE	161	13,847	86	162	12,917	80
	35	1,174	34	35	1,077	31
TOTAL	266	20,056	75	275	16,038	58
SUAL						
MANAGERIAL	42	2,173	52	41	2,017	49
	5	126	25	5	194	39
PROFESSIONAL/TECHNICAL	31	2,367	76	31	2,471	80
	1	51	51	1	40	40
RANK AND FILE	199	17,255	87	195	14,313	73
	29	566	20	31	302	10
TOTAL	307	22,538	73	304	19,337	64
COMPANY-WIDE TOTAL	767	47,165	62	776	38,722	50

The disparity in average training man hours reflected here is due to the difference in training undergone by our corporate offices and power plants.

Employees in the organization are given trainings based on their competency gaps and individual development plans which they submit yearly to the Learning & Development Team.

LEGEND:



NOTE:
**2013-2014:
TOTAL NUMBER OF
EMPLOYEES INCLUDE
PROJECT EMPLOYEES
AND PROBATIONARY
EMPLOYEES.



G4-LA10

Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings

Team Energy believes that personal development is a lifelong process, and it is in our interest to place our employees in positions that would enable their personal progress for the entire duration of their service with the company and beyond it. Additional training and knowledge will not only ensure the career development, health and safety of our employees, it will also provide them with more opportunities for upward mobility.

In 2013 to 2014, we began the implementation of the Technical Competency Project for the Main Plant and Coal Plant Operations of the power stations. We identified the skills, knowledge, and attitude required for employees to be successful in their jobs and assessed incumbents against these standards.

Once the gaps were identified, the Learning and Development Team prepared developmental programs to close those gaps and bring the skill, knowledge, and attitude to a level that would yield better performance, while leaving the door open for continued development.

We implement the use of Individual Development Plans (IDPs) throughout the organization, and these are submitted in time with the Performance Management Plans so that training programs can be appropriately provided.

Our development programs exist in various forms and with multiple specializations. The categories of learning and development programs we implement include:

- **Compliance trainings**

These trainings are provided for all employees, to instruct them on the company ideals for health & safety, environmental compliance, as well as security and regulatory practices.

- **Technical Trainings**

Employees who work in our power plants receive sufficient technical training to ensure their own safety and others. Before they are allowed to operate any machinery or equipment, they undergo a rigorous training procedure that will give them the skills and knowledge needed to execute their duties with great care and efficiency.

- **Functional Trainings**

Employees from the Shared Services Groups who provide the necessary support to the power plants and those who handle the Business Development, Energy Supply Business and Energy Trading are provided with the trainings to dispense their roles successfully.

- **Leadership and Management Development Programs**

Employees in management level undergo development programs to enable them to perform their jobs to maximum capacity, by giving them the skills necessary to facilitate the development of a positive work culture that adheres to the vision and goals of the organization.

TeaM Energy values Responsible Citizenship and believes that its employees are in a position to continue being productive members of society even beyond their employment with the organization. We believe that a good preparation and acquisition of the right mindset is key in helping our employees transition into a life after employment with the company.

In March 2014, our HR launched the Golden Circle Club Program, to assist our employees in securing their financial well-being before the end of their careers. The first run of this program was conducted in Pagbilao Power Station, and of the 55 eligible employees, 40 had participated.

The primary purpose of the Golden Circle Club is to provide employees with a venue to plan well and to prepare for a life of retirement. The program itself consists of a series of trainings and visits to successful businesses or enterprises that employees may be interested to emulate.

The preparatory program is entitled "Retire from Work, not from Life: Fulfilling One's Purpose and Destiny." This module discusses the 8 Principles of Effective Retirees, and participants leave the program with a blueprint of steps they can take to reach their dreams of retiring in comfort.

Two batches were conducted, on March 18 to 19, 2014 and on April 1 to 2, 2014.

This program was followed by a workshop and tour of Costales Nature Farms, an organic farming facility in Majayjay, Laguna. 18 participants were invited to join and observe the operations of the farm, to see if this would be a viable option for their retirement.

In the future, we intend to hold financial literacy programs, as well as business facility tours.

G4-LA11

a. Report the percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.

T TEAM ENERGY ASSESSES AND EVALUATES THE PERFORMANCE OF ALL ITS EMPLOYEES. WE PROVIDE EACH AND EVERY ONE OF THEM FEEDBACK ON WHERE THERE ARE AREAS OF IMPROVEMENT, TO ASSIST THEM IN THEIR PROFESSIONAL DEVELOPMENT. WE DO THIS THROUGH AN ANNUAL REVIEW—TEAM ENERGY'S PERFORMANCE MANAGEMENT PROGRAM (PMP).

G4-LA12

Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity

ALMOST 90% OF OUR EMPLOYEES IN THE SITES ARE MALE. THIS IS LARGELY DICTATED BY THE PRESENT AVAILABLE WORKFORCE IN THE PHILIPPINES. WE UNDERSTAND THIS AS A CHALLENGE. THEREFORE, TEAM ENERGY IS WORKING TOWARDS EQUALIZING THE GENDER DIVIDE.

a. Percentage of individuals within the organization's governance bodies

FISCAL YEAR 2014 APRIL 2013 – MARCH 2014					
BY GENDER					
	TOTAL MEMBERS	NO. OF MALE	NO. OF FEMALE	% OF MALE	% OF FEMALE
EXECUTIVE COMMITTEE	6	6	0	100.00%	0.00%
MANAGEMENT COMMITTEE	35	27	8	77.14%	22.86%
CORPORATE	27	19	8	70.37%	29.63%
PAGBILAO	4	4	0	100.00%	0.00%
SUAL	4	4	0	100.00%	0.00%

BY AGE GROUP							
	TOTAL MEMBER/%	<24	25-34	35-44	45-54	55-64	65+
EXECUTIVE COMMITTEE	6 100%	0 0%	0 0%	2 33%	3 50%	0 0%	1 17%
MANAGEMENT COMMITTEE	35 100%	0 0%	1 3%	15 43%	10 29%	9 26%	0 0%
CORPORATE	27 100%	0 0%	1 4%	14 52%	7 26%	5 19%	0 0%
PAGBILAO	4 100%	0 0%	0 0%	0 0%	2 50%	2 50%	0 0%
SUAL	4 100%	0 0%	0 0%	0 0%	2 50%	2 50%	0 0%

FISCAL YEAR 2015 APRIL 2014 – MARCH 2015					
BY GENDER					
	TOTAL MEMBER	NO. OF MALE	NO. OF FEMALE	% OF MALE	% OF FEMALE
EXECUTIVE COMMITTEE	5	5	0	100.00%	0.00%
MANAGEMENT COMMITTEE	40	31	9	77.50%	22.50%
CORPORATE	32	23	9	71.88%	28.13%
PAGBILAO	4	4	0	100.00%	0.00%
SUAL	4	4	0	100.00%	0.00%

BY AGE GROUP							
	TOTAL MEMBER/%	<24	25-34	35-44	45-54	55-64	65+
EXECUTIVE COMMITTEE	5 100%	0 0%	0 0%	2 40%	3 60%	0 0%	0 0%
MANAGEMENT COMMITTEE	40 100%	0 0%	1 3%	14 35%	13 33%	12 30%	0 0%
CORPORATE	32 100%	0 0%	1 3%	13 41%	10 31%	8 25%	0 0%
PAGBILAO	4 100%	0 0%	0 0%	1 25%	1 25%	2 50%	0 0%
SUAL	4 100%	0 0%	0 0%	0 0%	2 50%	2 50%	0 0%

b. Percentage of employees per employee category

FISCAL YEAR 2014 APRIL 2013 – MARCH 2014					
BY GENDER					
	TOTAL MEMBER	NO. OF MALE	NO. OF FEMALE	% OF MALE	% OF FEMALE
CORPORATE					
MANAGERIAL	25	12	13	48.00%	52.00%
PROFESSIONAL/TECHNICAL	42	19	23	45.24%	54.76%
RANK AND FILE	90	47	43	52.22%	47.78%
PAGBILAO					
MANAGERIAL	41	37	4	90.24%	9.76%
PROFESSIONAL/TECHNICAL	25	24	1	96.00%	4.00%
RANK AND FILE	196	161	35	82.14%	17.86%
SUAL					
MANAGERIAL	39	34	5	87.18%	12.82%
PROFESSIONAL/TECHNICAL	32	31	1	96.88%	3.13%
RANK AND FILE	228	199	29	87.28%	12.72%

BY AGE GROUP							
	TOTAL MEMBER/%	<24	25-34	35-44	45-54	55-64	65+
CORPORATE							
MANAGERIAL	25 100%	0 0%	4 16%	8 40%	10 32%	3 12%	0 0%
PROFESSIONAL/TECHNICAL	42 100%	0 0%	12 29%	16 38%	11 26%	3 7%	0 0%
RANK AND FILE	90 100%	4 4%	22 24%	34 38%	23 26%	7 8%	0 0%

PAGBILAO							
MANAGERIAL	41	0	2	5	23	11	0
	100%	0%	5%	12%	56%	27%	0%
PROFESSIONAL/TECHNICAL	25	0	2	8	9	6	0
	100%	0%	8%	32%	36%	24%	0%
RANK AND FILE	196	5	31	79	50	31	0
	100%	3%	16%	40%	26%	16%	0%
SUAL							
MANAGERIAL	39	0	1	12	23	3	0
	100%	0%	3%	31%	59%	8%	0%
PROFESSIONAL/TECHNICAL	32	0	1	22	4	5	0
	100%	0%	3%	69%	13%	16%	0%
RANK AND FILE	228	2	41	95	63	27	0
	100%	1%	18%	42%	28%	12%	0%

FISCAL YEAR 2015 APRIL 2014 - MARCH 2015					
BY GENDER					
	TOTAL MEMBER	NO. OF MALE	NO. OF FEMALE	% OF MALE	% OF FEMALE
CORPORATE					
MANAGERIAL	25	13	12	52.00%	48.00%
PROFESSIONAL/TECHNICAL	45	20	25	44.44%	55.56%
RANK AND FILE	91	45	46	49.45%	50.55%
PAGBILAO					
MANAGERIAL	41	37	4	90.24%	9.76%
PROFESSIONAL/TECHNICAL	33	32	1	96.97%	3.03%
RANK AND FILE	196	162	34	82.65%	17.35%
SUAL					
MANAGERIAL	42	37	5	88.10%	11.90%
PROFESSIONAL/TECHNICAL	32	31	1	96.88%	3.13%
RANK AND FILE	226	195	31	86.28%	13.72%

BY AGE GROUP							
	TOTAL MEMBER/%	<24	25-34	35-44	45-54	55-64	65+
CORPORATE							
MANAGERIAL	25	0	4	9	9	3	0
	100%	0%	16%	36%	36%	12%	0%
PROFESSIONAL/TECHNICAL	45	0	14	16	10	5	0
	100%	0%	31%	36%	22%	11%	0%
RANK AND FILE	91	3	24	32	25	7	0
	100%	3%	26%	35%	27%	8%	0%

PAGBILAO							
MANAGERIAL	41	0	3	5	20	13	0
	100%	0%	7%	12%	49%	32%	0%
PROFESSIONAL/TECHNICAL	33	0	6	10	9	7	1
	100%	0%	18%	30%	27%	21%	3%
RANK AND FILE	196	3	31	72	56	34	0
	100%	2%	16%	37%	29%	17%	0%
SUAL							
MANAGERIAL	42	0	1	9	26	6	0
	100%	0%	2%	21%	62%	14%	0%
PROFESSIONAL/TECHNICAL	32	0	0	19	8	5	0
	100%	0%	0%	59%	25%	16%	0%
RANK AND FILE	226	1	34	93	73	25	0
	100%	0%	15%	41%	32%	11%	0%

E415

Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region

The table below provides a breakdown by job category and by plant site:

FISCAL YEAR 2014 APRIL 2013 – MARCH 2014						
	% RETIRABLE IN THE NEXT 5 YRS			% RETIRABLE IN THE NEXT 10 YRS		
	CORPORATE	PAGBILAO	SUAL	CORPORATE	PAGBILAO	SUAL
OPERATIONS	13.6%	21.9%	20.2%	13.6%	23.8%	26.4%
MAINTENANCE	-	19.6%	21.2%	-	20.0%	24.1%
TECHNICAL SUPPORT	-	7.5%	4.6%	-	8.7%	3.9%
ADMINISTRATIVE SUPPORT	-	11.3%	5.9%	-	16.2%	10.4%
FINANCE/LEGAL/HR/ CORPORATE SERVICES	18.2%	-	-	24.2%	-	-
BD AND COMMERCIAL AFFAIRS	12.1%	-	-	11.6%	-	-
OTP/CAT	1.5%	-	-	2.5%	-	-

FISCAL YEAR 2015 APRIL 2014 – MARCH 2015						
	% RETIRABLE IN THE NEXT 5 YRS			% RETIRABLE IN THE NEXT 10 YRS		
	CORPORATE	PAGBILAO	SUAL	CORPORATE	PAGBILAO	SUAL
OPERATIONS	12.1%	21.9%	23.4%	11.1%	25.9%	27.6%
MAINTENANCE	-	19.3%	22.0%	-	19.0%	24.3%
TECHNICAL SUPPORT	-	9.1%	4.3%	-	11.0%	5.9%
ADMINISTRATIVE SUPPORT	-	13.5%	7.6%	-	15.6%	10.9%
FINANCE/LEGAL/HR/ CORPORATE SERVICES	21.1%	-	-	27.4%	-	-
BD AND COMMERCIAL AFFAIRS	15.3%	-	-	17.4%	-	-
OTP/CAT	1.6%	-	-	4.7%	-	-

EH17

Days worked by contractor and subcontractor employees involved in construction, operation and maintenance activities

EMISSION SOURCE	UNIT	SUAL		PAGBILAO	
		APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015	APRIL 2013 TO MARCH 2014	APRIL 2014 TO MARCH 2015
FULL TIME EQUIVALENT DAYS WORKED BY CONTRACTOR AND SUBCONTRACTOR EMPLOYEES	days	239,597.50	248,662.90	226,321.54	201,751.44
TOTAL SCOPE 1 EMISSIONS FOR APRIL 2013 TO MARCH 2014	days	465,919.04			
TOTAL SCOPE 1 EMISSIONS FOR APRIL 2014 TO MARCH 2015	days	450,414.35			

EH18

Percentage of contractor and subcontractor employees that have undergone relevant health and safety training

T EAM ENERGY IMPLEMENTS CCOP-017 CONTRACTORS MANAGEMENT PROGRAM FOR ENVIRONMENT, HEALTH, SAFETY AND SECURITY (EHSS) TO PREVENT EHSS-RELATED INCIDENTS INVOLVING CONTRACTORS. WE REQUIRE CONTRACTORS TO UNDERGO EHSS ORIENTATION AND SUBMIT NECESSARY EHSS REQUIREMENTS CORRESPONDING TO THE WORK THAT THEY WILL RENDER PRIOR TO MOBILIZATION.

We ensure every contractor's compliance to EHSS regulations; reduce contract costs associated with redundant submission of EHSS requirements, and speed-up the processing of EHSS requirements for contractors as well, to encourage the immediate implementation of these parameters.

The program ensures that contractors and subcontractors are aware of occupational risks and operational controls that they may encounter while working inside PPS and SPS.

Thus, 100% of our contractor and subcontractor employees have undergone health and safety training.

ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN**G4-LA13**

Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation

	FISCAL YEAR 2014 APRIL 2013-MARCH 2014	FISCAL YEAR 2015 APRIL 2014-MARCH 2015
	RATIO	
CORPORATE		
MANAGERIAL	147%	106%
PROFESSIONAL/TECHNICAL	95%	94%
RANK AND FILE	130%	130%

PAGBILAO		
MANAGERIAL	78%	94%
PROFESSIONAL/TECHNICAL	83%	97%
RANK AND FILE	79%	83%
SUAL		
MANAGERIAL	91%	100%
PROFESSIONAL/TECHNICAL	96%	96%
RANK AND FILE	80%	75%



ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES

G4-LA14

Percentage of new suppliers that were screened using labor practices criteria

DURING THE REPORTING PERIOD, THE MATERIALS MANAGEMENT DEPARTMENT HAD COME UP WITH PROPOSED REVISED ACCREDITATION GUIDELINES, INCLUDING CRITERIA FOR IMPACTS ON SOCIETY. HOWEVER, THESE REVISIONS HAVE NOT YET BEEN APPROVED AND IMPLEMENTED. AS OF THE MOMENT, WE DO NOT HAVE INFORMATION TO DISCLOSE ON THIS CRITERION.

G4-LA15

Significant actual and potential negative impacts for labor practices in the supply chain and actions taken

AS OF THIS WRITING, WE HAVE TAKEN THE FIRST STEP IN PREVENTING POTENTIAL NEGATIVE IMPACTS IN THE SUPPLY CHAIN BY REQUIRING SELECTED SUPPLIERS (NUMBERING 18) TO CONDUCT SELF-ASSESSMENT OF THEIR OPERATIONS. IN THE FUTURE, WE SEEK TO ESTABLISH A VALIDATION PROCESS THAT CAN HELP US IMPLEMENT THESE PREREQUISITES TO ALLOW MORE SUPPLIERS TO BE COVERED BY OUR NEW GUIDELINES.

ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS

G4-LA16

Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms

IN THE SPAN OF THE REPORTING PERIOD THERE HAVE BEEN FOUR (4) CASES FILED AS GRIEVANCES IN OUR PAGBILAO POWER STATION, AND ONE (1) CASE FILED IN OUR SUAL POWER STATION. THESE CASES WERE FILED DUE TO DIFFERENCES IN POLICY INTERPRETATION OF THE COMPLAINANTS' TERMS OF EMPLOYMENT AND DO NOT CONSTITUTE SERIOUS GRIEVANCES.

NO. OF GRIEVANCES ON LABOR PRACTICES ADDRESSED	FISCAL YEAR 2014 APRIL 2013-MARCH 2014		FISCAL YEAR 2015 APRIL 2014-MARCH 2015	
	RAISED	ADDRESSED	RAISED	ADDRESSED
PAGBILAO POWER STATION	1	1	1	1
SUAL POWER STATION	2	4	3	0

SOCIAL: HUMAN RIGHTS



OUR APPROACH

TEAM ENERGY DOES NOT TOLERATE ANY FORM OF HUMAN RIGHTS VIOLATION. WE OPERATE OUR BUSINESS FREE FROM ANY DIRECT ASSOCIATION WITH ANY OF THESE VIOLATIONS. TO FURTHER STRESS THE IMPORTANCE OF HUMAN RIGHTS IN OUR ORGANIZATION, WE REQUIRE ALL OUR EMPLOYEES TO FOLLOW OUR CODE OF ETHICS AND BUSINESS CONDUCT.





The Code of Ethics and Business Conduct, policies, guidelines of TeaM Energy substantially comply with existing Philippine laws, including those pertaining to freedom of association, nondiscrimination, privacy, collective bargaining, compulsory and child labor, immigration, and wages and hours. It serves as the standard to which every member of our organization should conform to.

Human rights are a constant concern when we do our business in all its aspects, and we adhere to these principles in every area of our business, including our investment and procurement practices.

We also ensure that our business partners share this commitment and similarly adhere to respecting human rights. We have a stringent Supplier/Contractor Accreditation System that screens all our potential partners to ensure that in our business dealings, we are only dealing with legitimate organizations with whom we share a common values system.

The provision of equal opportunities is another policy we implement in our business practice. This covers equal opportunities for both sexes and strict opposition to discrimination on the grounds of ethnic or national origin, religion, or age. We respect our employees' freedom of association and collective bargaining.

We provide training and awareness on our Code of Ethics and Business Conduct to promote and address our expectations in these areas.

We understand that the issue of Human Rights is broad and complex and it is our goal to embed human rights principles in all aspects of our operations.

INVESTMENT (G4-DMA)

NON-DISCRIMINATION (G4-DMA)

THE PRINCIPLE OF ANTI-DISCRIMINATION IS ESTABLISHED IN THE CODE OF ETHICS, BUSINESS CONDUCT, POLICIES, AND GUIDELINES OF TEAM ENERGY, WHICH SUBSTANTIALLY COMPLY WITH ALL EXISTING PHILIPPINE LAWS RELATING TO HUMAN RIGHTS, INCLUDING THOSE PERTAINING TO FREEDOM OF ASSOCIATION, NON-DISCRIMINATION, PRIVACY, COLLECTIVE BARGAINING, COMPULSORY CHILD LABOR IMMIGRATION, AND WAGES AND HOURS. IT SERVES AS THE STANDARD TO WHICH EVERY MEMBER OF OUR ORGANIZATION SHOULD CONFORM TO.

We provide continuous training and awareness on our Code of Ethics and Business Conduct to promote and address our expectations in these areas.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING (G4-DMA)

THE CODE OF ETHICS AND BUSINESS CONDUCT, POLICIES, AND GUIDELINES OF TEAM ENERGY SUBSTANTIALLY COMPLY WITH EXISTING PHILIPPINE LAWS, PARTICULARLY THE CONSTITUTION, ON THE GUARANTEE GOVERNING EMPLOYEE'S FREEDOM OF ASSOCIATION, NON-DISCRIMINATION, PRIVACY, COLLECTIVE BARGAINING, COMPULSORY CHILD LABOR, IMMIGRATION, AND WAGES AND HOURS. IT SERVES AS THE STANDARD TO WHICH EVERY MEMBER OF OUR ORGANIZATION SHOULD CONFORM TO.

We provide training and awareness on our Code of Ethics and Business Conduct to promote and address our expectations in these areas. We also attend seminars and training and cascade learnings within the organization.

The company acknowledges the right to associate and collective bargaining. There is no discrimination within the workplace for those belonging to a bargaining unit that would result in an unfair labor practice punishable under existing labor laws.

CHILD LABOR (G4-DMA)

THE HIRING POLICY OF TEAM ENERGY DOES NOT ALLOW EMPLOYMENT OF MINORS, BELOW THE AGE OF 18. THE CODE OF ETHICS AND BUSINESS CONDUCT, POLICIES, AND GUIDELINES OF TEAM ENERGY SUBSTANTIALLY COMPLY WITH EXISTING PHILIPPINE LAWS, INCLUDING THOSE PERTAINING TO FREEDOM OF ASSOCIATION, NON-DISCRIMINATION, PRIVACY, COLLECTIVE BARGAINING, COMPULSORY CHILD LABOR, IMMIGRATION, AND WAGES AND HOURS. IT SERVES AS THE STANDARD TO WHICH EVERY MEMBER OF OUR ORGANIZATION SHOULD CONFORM TO.

We provide training and awareness on our Code of Ethics and Business Conduct to promote and address our expectations in these areas.

FORCED OR COMPULSARY LABOR (G4-DMA)

THE CODE OF ETHICS AND BUSINESS CONDUCT, POLICIES, AND GUIDELINES OF TEAM ENERGY SUBSTANTIALLY COMPLY WITH EXISTING PHILIPPINE LAWS, INCLUDING THOSE PERTAINING TO FREEDOM OF ASSOCIATION, NON-DISCRIMINATION, PRIVACY, COLLECTIVE BARGAINING, COMPULSORY CHILD LABOR, IMMIGRATION, AND WAGES AND HOURS. IT SERVES AS THE STANDARD TO WHICH EVERY MEMBER OF OUR ORGANIZATION SHOULD CONFORM TO.

We provide training and awareness on our Code of Ethics and Business Conduct to promote and address our expectations in these areas.

SECURITY PRACTICES (G4-DMA)

THE COMPANY'S INTERNAL SECURITY TEAM IS TRAINED IN THE COMPANY'S CODE OF ETHICS, WHICH INCLUDES RESPECT OF HUMAN RIGHTS. PERSONNEL FROM CONTRACTED SECURITY AGENCIES ARE REQUIRED TO RECEIVE TRAINING ON RESPECT FOR HUMAN RIGHTS AND OTHER ASPECTS OF SECURITY SERVICE, AS REQUIRED BY THEIR SECURITY SERVICE CONTRACTS WITH THE COMPANY. IT IS EXPECTED THAT BOTH INTERNAL AND EXTERNAL SECURITY TEAMS ULTIMATELY RESPECT THE HUMAN RIGHTS OF OTHERS IN THE EXERCISE OF THEIR SECURITY OBLIGATIONS.

INDIGENOUS RIGHTS (G4-DMA)

The company's respect for human rights includes indigenous peoples.

ASSESSMENT (G4-DMA)

Respect for human rights is integrated into Team Energy's processes, though reviews on more concrete and strategic methods to uphold human rights has not been conducted.

SUPPLIER HUMAN RIGHTS ASSESSMENT (G4-DMA)

WE ALSO ENSURE THAT OUR BUSINESS PARTNERS SHARE THIS COMMITMENT AND SIMILARLY ADHERE TO RESPECTING HUMAN RIGHTS. WE HAVE A STRINGENT SUPPLIER / CONTRACTOR ACCREDITATION SYSTEM THAT SCREENS ALL OUR POTENTIAL PARTNERS TO ENSURE THAT IN OUR BUSINESS DEALINGS, WE ARE ONLY DEALING WITH LEGITIMATE ORGANIZATIONS WITH WHOM WE SHARE A COMMON VALUES SYSTEM AND WHICH DO NOT VIOLATE THE HUMAN RIGHTS OF THEIR EMPLOYEES.

Improvements are being made to revise the screening process of all contractors to incorporate criteria relating to observance of human rights and which would be considered in the selection.

There are no significant actual and potential negative impacts reported.

Since observance of laws is part of the conditions of the contract with contractor, any breach of this condition may give rise to a termination event.

HUMAN RIGHTS GRIEVANCE MECHANISMS (G4-DMA)

THE COMPANY'S CODE OF ETHICS AND EMPLOYEE MANUAL PROVIDES PROCEDURES FOR THE RAISING OF COMPLAINS OR GRIEVANCES. GRIEVANCES FROM EXTERNAL PARTIES ARE COORDINATED WITH THE RELEVANT DEPARTMENTS (E.G., COMPLAINTS FROM SUPPLIERS ARE COORDINATED WITH THE MATERIALS MANAGEMENT DEPARTMENT).

ASPECT: INVESTMENT

G4-HR1

Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

TEAM ENERGY ENSURES THAT HUMAN RIGHTS LAWS ARE AMONG THE RELEVANT LAWS AND REGULATIONS THAT MUST BE COMPLIED WITH. OUR SERVICE CONTRACTS WITH OUR VENDORS/CONTRACTORS SPECIFICALLY HAVE PROVISIONS REQUIRING COMPLIANCE WITH STANDARD LABOR LAWS AND REGULATIONS. THERE IS A SCREENING PROCESS DONE BEFORE ANY BUSINESS AGREEMENTS ARE ENTERED INTO WITH ANY OF OUR PARTNERS. WHILE THE SCREENING DONE IS NOT PARTICULARLY ON HUMAN RIGHTS, IT INCLUDES A THOROUGH BACKGROUND CHECK ON THE REPUTATION, PAST PERFORMANCE, OTHER PROJECTS, AND CREDITWORTHINESS OF OUR PARTNERS. WE ALSO PERFORM SITE VISITS, WHEN WE DEEM IT NECESSARY.

Through our screening process, we are able to filter and determine whether a prospective partner has committed any prior violation of any laws and regulations, including those on human rights.

G4-HR2

Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained

IN THE SPAN OF THE REPORTING PERIOD, NO TRAINING SPECIFICALLY ON HUMAN RIGHTS POLICIES OR PROCEDURES WAS DONE. HOWEVER, THE COMPANY HAS PROVIDED TRAINING IN THE ROLL-OUT OF THE CODE OF ETHICS AND BUSINESS CONDUCT, WHICH INCLUDES RESPECT FOR HUMAN RIGHTS. THERE IS A REGULAR ROLL-OUT PROCESS TO COVER NEW EMPLOYEES.

Our future plans also include the company-wide dissemination of information on the United Nations Declaration on Human Rights.

ASPECT: NON-DISCRIMINATION

G4-HR3

Total number of incidents of discrimination and corrective actions taken

No human rights violation, discrimination case, or incidence of forced labor among TeaM Energy employees, contractors, subcontractors, or suppliers has been reported during the reporting period.

ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

G4-HR4

Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights

THERE WERE NO VIOLATIONS RELATING TO THE RIGHT TO EXERCISE FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING FILED DURING THE REPORTING PERIOD. TEAM ENERGY ADHERES TO THE CONSTITUTIONAL GUARANTEE GOVERNING OUR EMPLOYEES' FREEDOM OF ASSOCIATION. IN BOTH OUR SUAL AND PAGBILAO SITES, OUR RANK AND FILE EMPLOYEES ARE MEMBERS OF LABOR UNIONS AND ARE GIVEN THE FREEDOM TO PARTICIPATE IN COLLECTIVE BARGAINING AGREEMENTS. EMPLOYEES IN OUR CORPORATE OFFICE DID NOT SEEK TO FORM A UNION, PARTICULARLY THOSE OCCUPYING SENSITIVE POSITIONS IN HUMAN RESOURCES, LEGAL AND FINANCE, AS WELL AS THE EXECUTIVE SECRETARIES.

ASPECT: CHILD LABOR

G4-HR5

Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor

Team Energy does not hire employees who are below the legal age of 18; as such, there have been no incidents of child labor reported in relation to our organization.

ASPECT: FORCED OR COMPULSORY LABOR

G4-HR6

Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of all forms of forced or compulsory labor

There were no records of operations and suppliers identified as having significant risk for incidents of forced or compulsory labor during the reporting period.

ASPECT: SECURITY PRACTICES

G4-HR7

Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations

CONTRACTED SECURITY GUARDS ASSIGNED AT OUR PAGBILAO POWER PLANT UNDERWENT HUMAN RIGHTS TRAINING FROM AUGUST TO SEPTEMBER 2013 WITH 123 ATTENDEES. THE EMPLOYEES WHO ARE PART OF THE SECURITY UNIT AT THE PAGBILAO POWER PLANT ALSO ATTENDED SAID TRAINING. THE CONTRACTED SECURITY GUARDS ASSIGNED AT OUR SUAL POWER PLANT UNDERWENT HUMAN RIGHTS TRAINING DURING THE PRIOR REPORTING PERIOD.

ASPECT: INDIGENOUS RIGHTS

G4-HR8

Total number of incidents of violations involving rights of indigenous peoples and actions taken

TeaM Energy's respect for human rights includes indigenous people (IP). There were no recorded incidents of violations against IPs during the reporting period.

ASPECT: ASSESSMENT

G4-HR9

Total number and percentage of operations that have been subject to human rights reviews or impact assessments

REVIEWS OF OUR OPERATIONS, PARTICULARLY ON HUMAN RIGHTS, OR IMPACT ASSESSMENTS ARE NOT CONDUCTED. HOWEVER, OBSERVANCE OF HUMAN RIGHTS IN ITS MANY VARIED FORMS IS INTEGRATED IN ALL TEAM ENERGY COMPANY POLICIES AND REGULATIONS AND THEY ARE REVIEWED PERIODICALLY TO ENSURE THAT THEY REMAIN UPDATED AND CONSISTENT WITH ALL LAWS AND REGULATIONS IN THE COUNTRY.



ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT

G4-HR10

Percentage of new suppliers that were screened using human rights criteria

ALL POTENTIAL SUPPLIERS UNDERGO A GENERAL ACCREDITATION PROCESS IN ORDER TO BE INVITED TO PARTICIPATE IN BIDDINGS FOR COMPANY REQUIREMENTS. INCLUDED AMONG THE REQUIRED DOCUMENTS/INFORMATION ARE THE COMPANY PROFILE (INCLUDES COMPANY BACKGROUND, LIST OF CLIENTS/PROJECTS UNDERTAKEN, SUMMARY OF CORE COMPETENCIES/CAPABILITIES, TABLE OF ORGANIZATION, ETC.) AND SAFETY, HEALTH, AND ENVIRONMENT COMPLIANCE PROCEDURES AND GUIDELINES. THESE ARE ALL TAKEN INTO CONSIDERATION IN ACCREDITATION.

During the reporting period, the Materials Management Group had come up with proposed revised accreditation guidelines, including criteria for impacts on society. These have not yet been approved and rolled-out.

However, an area of improvement identified in the sustainability agenda of the company is the accreditation process for suppliers critical to our business. In response to this, the leadership of the Materials Management Department (MMD) together with the Legal Group and Learning & Development designed the Sustainable Partnership Program. This aims to educate both the MMD team and the critical suppliers on the direction of the organization to deal with the suppliers who reflect the company's own sustainability objectives.

On September 17, 2014, 8 management and 3 rank & file employees of the MMD attended the Introductory Course on Greening the Supply Chain. Atty. Ross Factor and Atty. John Virginio from the Legal Group and Ricky de Castro, Executive Director of Team Energy Foundation were the resource speakers for the course. This was followed by a workshop on October 24, 2014, where the same participants looked at the global standards pertaining to Supply Chain Management and then assessing internal processes against the global standards. This allowed participants to identify the gaps and steps that the group needs to take and commit to in order to close the identified gaps.

The participants came up with the following process to improve the screening and accreditation process:



In the next months, the AVP of the MMD assigned groups to work on steps 1 & 2 of the process. L&D, guided by the Strategic Planning and Legal Group worked on steps 3 & 4 and the Sustainable Partnership Program was launched on March 25, 2015 at F1 Hotel. 18 of the identified critical suppliers of TeaM Energy attended the launch and 16 suppliers submitted their self-assessment on the same day.

G4-HR11

Significant actual and potential negative human rights impacts in the supply chain and actions taken

EIGHTEEN (18) SUPPLIERS FROM AMONG THE TOP SUPPLIERS (IN TERMS OF VOLUME) OF TEAM ENERGY WERE REQUESTED BY THE COMPANY TO CONDUCT A SELF-ASSESSMENT ON THEIR ACTUAL AND POTENTIAL HUMAN RIGHTS IMPACT. THIS IS THE FIRST STEP UNDERTAKEN BY THE COMPANY TO DETERMINE THE SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE HUMAN RIGHTS IMPACTS OF ITS SUPPLIERS.

The next step would be to validate the replies of the suppliers who conducted the self-assessment, which will be conducted in the next reporting period. Thereafter, the company intends to expand and cover more suppliers to determine their observance of human rights in their operations.

ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS

G4-HR12

Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms

There were no records of operations and suppliers identified as having significant risk for incidents of forced or compulsory labor during the reporting period.



SOCIAL: SOCIETY



OUR APPROACH

TEAM ENERGY SEEKS TO BE A POSITIVE FORCE WHEREVER WE ESTABLISH OUR BUSINESS. WE HOLD THE LOCAL COMMUNITIES WE WORK WITH IN HIGH REGARD AND WE SEEK TO FIND ARRANGEMENTS THAT WILL YIELD MUTUAL BENEFITS. THIS POSITIVE RELATIONSHIP IS BUILT WITH COMMUNITIES THROUGH OUR COMMUNITY DEVELOPMENT PROGRAMS AND OUR ENGAGEMENT WITH KEY STAKEHOLDERS. OUR REGULAR DIALOGUE WITH KEY MEMBERS OF OUR COMMUNITIES HELPS ESTABLISH OUR POSITION, NOT JUST AS A LEADING BRAND, BUT AS A MODEL CORPORATE CITIZEN.





Our performance and commitments to society are regularly monitored by the measures we have set in place, to ensure that the initiatives we launch are responsive, not only to those immediate societal needs, but also provide sustained benefits to our community partners. These monitoring activities are the periodic socio-economic surveys and third-party audits. We also have mechanisms that provide employees a venue where they can report any breaches of our Code of Ethics and Business Conduct.

LOCAL COMMUNITIES (G4-DMA)

OUR SIGNIFICANT SOCIAL CONTRIBUTION (SSC) ACTIVITIES SPAN SEVERAL AREAS OF DEVELOPMENT: MISSIONARY ELECTRIFICATION, EDUCATION, HEALTH, ECONOMIC DEVELOPMENT, ENVIRONMENT (BIODIVERSITY), AND PARTNERSHIPS. TEAM ENERGY AND TEAM ENERGY FOUNDATION, INC. MAINTAIN A BUDGET TO IMPLEMENT IDENTIFIED COMMUNITY PROGRAMS AND SUPPORT LOCALLY-BASED ORGANIZATIONS AND CAUSES IN OUR HOST COMMUNITIES. THIS IS OVER AND ABOVE OTHER SOCIAL OBLIGATIONS SUCH AS PAYMENT OF TAXES AND COMMITMENTS UNDER ENERGY REGULATION 1-94 AND THE MAN-HOURS WE INVEST THROUGH EMPLOYEE VOLUNTEERISM EFFORTS.

ANTI-CORRUPTION (G4-DMA)

OUR VISION STATEMENT DECLARES OUR GOAL TO BE "A WORLD-CLASS ORGANIZATION AND THE LEADING POWER COMPANY IN THE NATION" AND TO "DELIVER RESULTS WITH THE HIGHEST STANDARDS OF ETHICAL BEHAVIOR." THIS IS THE STANDARD AND IDEAL WE HOLD OURSELVES TO. IT IS OUR BENCHMARK FOR SUCCESS.

Our Code of Ethics and Business Conduct sets the standard for employee behavior and external engagement. It has specific mandates on what we consider as corruption and unethical practice. This foundation sets the groundwork for a corporate culture that has clear guidelines on corruption, anti-competitive behavior, conflicts of interest and other unethical practices.

PUBLIC POLICY, ANTI-COMPETITIVE BEHAVIOR, COMPLIANCE (G4-DMA)

OUR CODE OF ETHICS AND BUSINESS CONDUCT SETS THE STANDARD FOR EMPLOYEE AND EXTERNAL ENGAGEMENT. IT ALSO ESTABLISHES EXPECTATIONS AROUND INTERNAL CORRUPTION, ANTI-COMPETITIVE BEHAVIOR, CONFLICTS OF INTEREST AND OTHER UNETHICAL PRACTICES.

SUPPLIERS ASSESSMENT FOR IMPACTS ON SOCIETY (G4-DMA)

GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY (G4-DMA)

OUR COMPANY HAS INTERNAL POLICIES WHICH PROVIDE FOR GRIEVANCE MECHANISMS ON VARIOUS ASPECTS, INCLUDING THOSE AFFECTING LOCAL COMMUNITIES, WHERE MANY OF THE OUTSOURCED/CONTRACTED WORKERS ARE FROM.

ASPECT: LOCAL COMMUNITIES

G4-S01

Percentage of operations with implemented local community engagement, impact assessments, and development programs

TEAM ENERGY MAKES SURE THAT KEY STAKEHOLDERS AND MEMBERS OF THE HOST COMMUNITIES OF OUR TWO GENERATING POWER PLANTS ARE ENGAGED AND CONSULTED. WE GUARANTEE THAT THE IMPACTS OF OUR BUSINESS ARE PROPERLY ASSESSED AND MONITORED TO ENSURE SAFETY, EFFICIENCY AND SUSTAINABILITY. WE IMPLEMENT DEVELOPMENT PROGRAMS TO POSITIVELY AFFECT OUR HOST COMMUNITIES.

Our commitment to both our stakeholders and the community is engrained in Significant Social Contribution, which is one of the four pillars of our Vision. Along with other key performance indicators, the achievement of our SSC is reflected in our corporate scorecard to assess the fulfillment of our commitments and engagements with our stakeholders and program partners.

The results of the environmental and social impact assessments and surveys carried out are publicly disclosed through bulletin boards and focus group discussions.

PROGRAM	APPROACH	ACTUAL PROJECTS
COMMUNITY ENGAGEMENT PROGRAMS	Describe the community engagement approach of the company. The description of the program should include discussions of the following elements (minimum): • Strategy for determining local community needs; • Mapping of stakeholders; • Stakeholder engagement plan(s); • Representation processes for including vulnerable and marginalized groups in the consultation as well as in working committees; • Processes for resolving local community grievances;	References: 1. Environmental impact assessments and ongoing monitoring (copy of MMT reports) 2. Public disclosure of results of environmental and social impact assessments (photos of MMT Public Bulletin Boards and FGDs) 3. Works councils, occupational health and safety committees and other employee representation bodies to deal with impacts (SSO/SCOP on Emergency Response Groups) 4. Formal local community grievance processes (SSO 030 - External Communication (Sual) and SCOP 010 - Emergency Preparedness and Response; SSO 060 - Internal and External Communication Procedures (Pagbilao) and SCOP 009 - Emergency Preparedness and Response 5. Significant Social Contribution Scorecards
IMPACT ASSESSMENT PROGRAMS	Describe the impact assessment programs in the site. The description of impact assessment should include the following elements (minimum):	

Should there be any community or stakeholder concerns, we implement a local community grievance process to ensure that these concerns are addressed.

TYPES OF ASSESSMENT	ELEMENT	DISCLOSURE	EMPLOYEE PARTICIPATION	COMMUNITY GRIEVANCES
SOCIAL IMPACT ASSESSMENT (SIA)	SIA+how gender considerations are incorporated	Describe mechanisms and strategies to disclose and communicate to the public the results of assessment	Describe bodies, committees, health and safety councils and other employee representation to help deal and mitigate the impact	Describe mechanisms for dealing and resolving with local grievance
ENVIRONMENTAL IMPACT ASSESSMENT (EIA)	EIA+monitoring mechanism			

G4-S02

Operations with significant actual and potential negative impacts on local communities

BOTH SUAL AND PAGBILAO POWER STATIONS ARE COAL-FIRED THERMAL POWER PLANTS WITH POTENTIAL AND ACTUAL SIGNIFICANT ENVIRONMENTAL AND SOCIAL IMPACTS. PRIOR TO THE CONSTRUCTION OF EACH POWER PLANT, AN ENVIRONMENTAL IMPACT STATEMENT (EIS) WAS PRODUCED TO SERVE AS AN INPUT FOR THE DESIGN TO BE COMPLIANT WITH ALL LEGAL AND OTHER REQUIREMENTS.

The EIS identified seven (7) barangays within the Municipality of Pagbilao and 4 barangays at the adjacent municipality, Padre Burgos, as the direct-impact zone of the Pagbilao Power Station. At Sual, seven (7) barangays were identified under the EIS as within the direct-impact zone.

Given this, the respective Multi-Partite Monitoring Teams of both Sual and Pagbilao Power Stations have conducted semi-annual compliance monitoring verification activities. As of this writing, activities relative to the operations of both power plants that were seen to cause potential impacts yield no negative impacts on the local communities mentioned.

No families from any of the barangays required resettlement as a result of our operations. No member of the community was economically displaced in the span of our operations. In fact, our presence had a positive impact in the over-all development of the communities where we operate.

According to the 2013 Environmental Health Monitoring at Pagbilao Communities and 2011 Environmental Health Monitoring at Sual Communities, there is no direct link that can be established between the current health status of the communities and power plant emissions. If any community members experienced symptoms during the reporting period, it was linked to indoor air pollution from cooking fuel, congestion, and smoking.



ASPECT: ANTI-CORRUPTION

G4-S03

Total number and percentage of operations assessed for risks related to corruption and the significant risks identified

T EAM ENERGY SUBMITTED ITSELF TO A VALIDATION PROCESS AS PART OF BEING A SIGNATORY TO THE INTEGRITY PLEDGE. THE VALIDATION WAS CONDUCTED BY 3RD PARTY VALIDATORS SENT BY INTEGRITY INITIATIVE / MAKATI BUSINESS CLUB.

One hundred percent (100%) of our operations are assessed for risks related to corruption. An integrity risk assessment was done at one of the Management Committee meetings during the reporting period. This assessment was done with a representatives from all departments of the company present.

TeaM Energy took the initiative to develop an initial risk assessment, based on the Integrity Management Model of the UN Global Compact's "A Guide for Anti-Corruption Risk Assessment."

The MANCOM, composed of the Executive Committee and functional heads of the company, underwent this process which was facilitated by Strategic Planning in partnership with TeaM's Compliant Officers. During the MANCOM Meeting on December 3, 2014, the MANCOM underwent the following:

- Were given updates on the Integrity Pledge and TeaM's involvement
- Were informed of key features in Integrity Risk Assessment
- Were informed of the 6 steps of Integrity Risk Management
- Reviewed key terms (corruption, bribery, conflict of interest, gifts) and kinds of integrity risks
- Identified and rated Integrity Risks related to their areas of responsibility

MANCOM members were provided with a questionnaire where they noted the stakeholders they interacted with and where they identified integrity risks with corresponding definitions, and were given time to reflect on their function's possible exposure to integrity risks. The identified risks that they believed their functions/departments were exposed to.

The Risk Register is a summary which captures the following:

- a) The list of kinds of integrity risks presented during the learning session
- b) Each department's identification of what integrity risks there is a possibility for it to be exposed to
- c) Each department's self-assessment on the level of exposure it is exposed to (i.e. low, some, high) for each risk noted in (b)
- d) A comparison between the total number of risks naturally inherent in the department. The latter is based on risks normally associated with stakeholders that groups may be exposed to and is identified by Strategic Planning. This ratio or percentage is noted as Risk Awareness, i.e., the level of awareness the group knows itself to be exposed to for integrity risks.
- e) Department/Group Risk: A comparison of the department's total weighted score for its identified risks vs. the total product of the department's identified risks.

G4-S04

Communication and training on anti-corruption policies and procedures

TEAM ENERGY HAS STRICT PROCEDURAL GUIDELINES THAT HELP UPHOLD ANTI-CORRUPTION POLICIES. ALL EMPLOYEES OF THE COMPANY, INCLUDING OFFICERS, MANAGEMENT COMMITTEE MEMBERS AND EXECUTIVE COMMITTEE MEMBERS ACROSS ALL SITES HAVE RECEIVED COMMUNICATIONS RELATING TO THE COMPANY'S ANTI-CORRUPTION POLICIES AND PROCEDURES THROUGH EMAIL.

On September 13, 2013, the Management Committee received in an email, information on the subject of gift policies. This email was followed by another one on January 17, 2015 concerning our anti-bribery policies.

These policies were further disseminated throughout our company on the following dates:

- **Corporate Affairs and TEFI** (Patio Madrigal) - *October 1, 2013*
- **Secretaries, Staff with Finance** (Board Room, Corporate Office) - *November 6, 2013*

- **Pagbilao Management Forum** - February 12, 2014
- **Sual EAGLES** (Employees who Always Go for Leadership Excellence in Sual)
- February 20, 2014

G4-S05

Confirmed incidents of corruption and actions taken

There were no incidents of corruption reported during the reporting period.

EH22

Number of people physically or economically displaced and compensation, broken down by type of project

There were no incidents of physical or economical displacements that occurred as a direct result of our operations.

ASPECT: PUBLIC POLICY

G4-S06

Total value of political contributions by country and recipient/beneficiary

No financial and in-kind contributions during the covered period were made to political parties, politicians and related institutions for political purposes.

ASPECT: ANTI-COMPETITIVE BEHAVIOR

G4-S07

Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes

IN THE REPORTING PERIOD, TEAM ENERGY WAS NOT INVOLVED IN ANY LEGAL ACTION CONCERNING ANTI-COMPETITIVE BEHAVIOR, ANTI-TRUST, OR MONOPOLY PRACTICES.

ASPECT: COMPLIANCE

G4-S08

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

No significant fines or sanctions were imposed by TeaM Energy due to human rights violations or non-compliance with any labor laws or regulations.

ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY

G4-S09

Percentage of new suppliers that were screened using criteria for impacts on society

ONE HUNDRED PERCENT (100%) OF NEW SUPPLIERS UNDERGO A GENERAL ACCREDITATION PROCESS IN ORDER TO SECURE THEIR PARTICIPATION IN BIDDINGS FOR COMPANY REQUIREMENTS. THE SCREENING PROCESS REQUIRES THEM TO SUBMIT SEVERAL DOCUMENTS INCLUDING THEIR COMPANY PROFILE. THE COMPANY PROFILE SUBMITTED SHOULD HAVE INFORMATION ON THE COMPANY BACKGROUND, ITS LIST OF CLIENTS, PROJECTS UNDERTAKEN, A SUMMARY OF THEIR CORE COMPETENCIES, AND A TABLE OF ORGANIZATION. ALSO REQUIRED ARE THEIR SAFETY, HEALTH AND ENVIRONMENT COMPLIANCE PROCEDURES AND GUIDELINES.

These are all taken into consideration before they are given accreditation.

In addition, the Materials Management Group has come up with proposed revised accreditation guidelines, including specific and more detailed societal criteria. However, these revisions had not yet been approved and implemented during the reporting period.

G4-S010

Significant actual and potential negative impacts on society in the supply chain and actions taken

TEAM ENERGY HAS NO CURRENT KNOWLEDGE OF THE POTENTIAL NEGATIVE IMPACTS IN THE SUPPLY CHAIN. HOWEVER, ACTIONS HAVE BEEN TAKEN TO TRY TO IDENTIFY THESE IMPACTS. EIGHTEEN (18) SUPPLIERS FROM AMONG THE TOP SUPPLIERS OF TEAM ENERGY IN TERMS OF VOLUME WERE REQUESTED BY THE COMPANY TO CONDUCT SELF-ASSESSMENT EVALUATIONS ON THEIR ACTUAL AND POTENTIAL IMPACTS ON SOCIETY. THIS IS THE FIRST STEP UNDERTAKEN BY THE COMPANY TO DETERMINE THE SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE IMPACTS OF OUR SUPPLIERS ON SOCIETY.

Upon completion of this requirement, we will seek to validate the replies of these suppliers who conducted the self-assessment. We will include this information in the next reporting period. In the future, the company intends to cover more suppliers to determine the impacts on society.

ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY

G4-S011

Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms

There were no grievances about impacts on society filed, addressed, and resolved through our formal grievance mechanisms.



ASPECT: DISASTER/EMERGENCY PLANNING AND RESPONSE

G4-EH-DMA-DISASTER EMERGENCY

TEA M ENERGY HAS A CORPORATE-WIDE PROTOCOL FOR EMERGENCIES/ DISASTERS. OUR MANAGEMENT PROCEDURES ARE INDICATED IN OUR EMERGENCY MANAGEMENT PLAN (SSCOP-2042). WE TEST THE EFFICIENCY OF THESE GUIDELINES REGULARLY THROUGH ANNOUNCED AND UN-ANNOUNCED DRILLS INVOLVING OUR EMPLOYEES AND CONTRACTORS ON SITE, WITH GOVERNMENT AUTHORITIES AND EXTERNAL FORCES PRESENT TO HELP US WITH OUR EVALUATION.

TeaM Energy also has a comprehensive OHS Management System. This system covers Hazard Identification, Risk Assessment, and Determining Controls (HIRADC). It is meant to identify areas of risk with regard to employee safety, public safety, emergency management, business continuity management, and enterprise risk management.

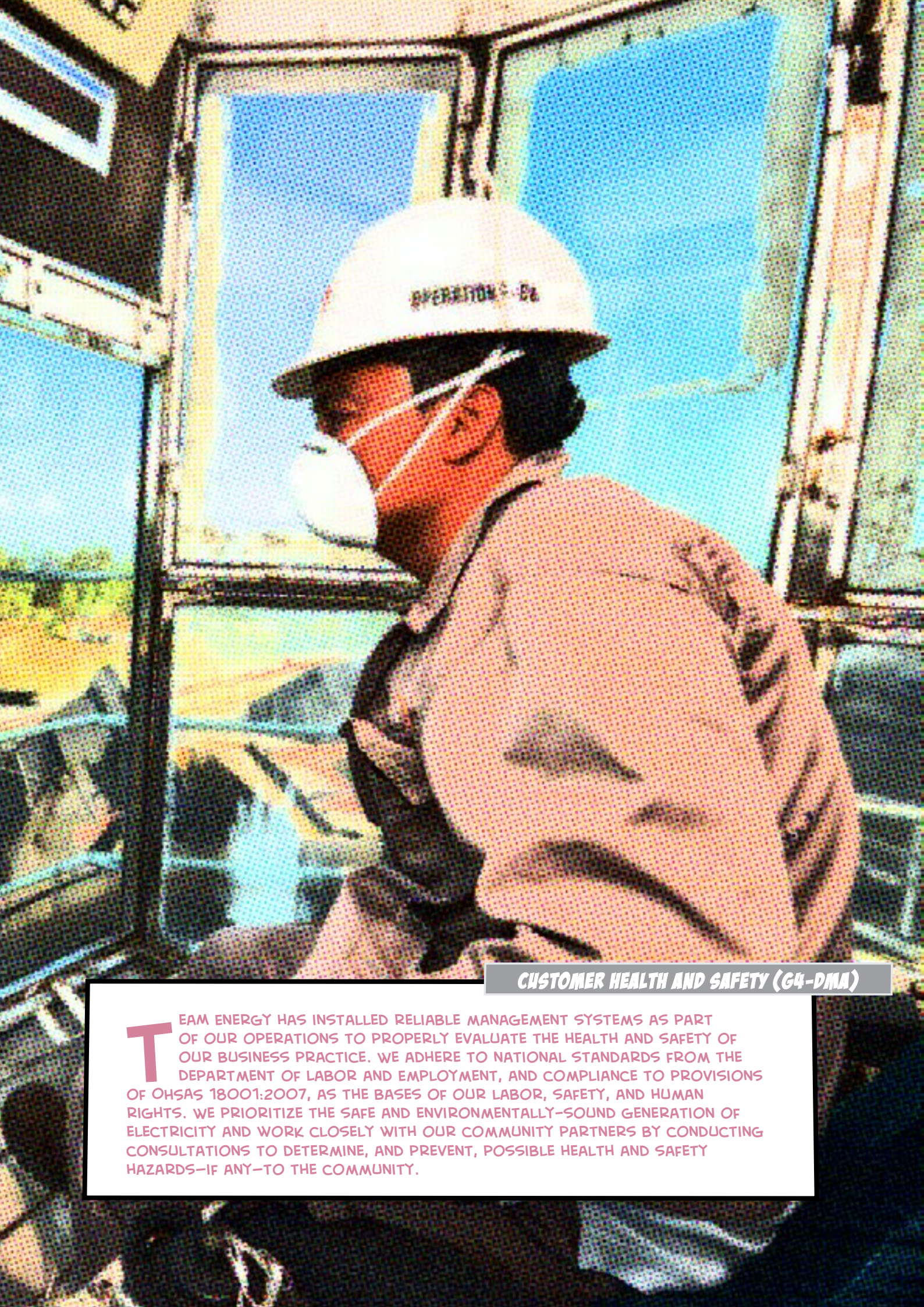
Annual emergency drills are held as part of our emergency-preparedness and response procedures. These procedures are disseminated through employee and contractor training on safety, health and environment guidelines and instructions.

Our emergency personnel have immediate access to multiple communication channels such as a private phone network, a private radio network, public cellular networks, and purpose-built web-based tools that enable immediate coordination and emergency response.

Lastly, we have an Emergency Management Committee whose purpose is to communicate all information related to emergency preparedness to internal and external stakeholders.



**SOCIAL: PRODUCT
RESPONSIBILITY**



CUSTOMER HEALTH AND SAFETY (G4-DMA)

Team Energy has installed reliable management systems as part of our operations to properly evaluate the health and safety of our business practice. We adhere to national standards from the Department of Labor and Employment, and compliance to provisions of OHSAS 18001:2007, as the bases of our labor, safety, and human rights. We prioritize the safe and environmentally-sound generation of electricity and work closely with our community partners by conducting consultations to determine, and prevent, possible health and safety hazards—if any—to the community.



We emphasize consistent operational excellence as part of our vision, and this is embodied in the type of company culture we instill in our employees. We ensure that all our personnel are operating with the highest standards of skill and knowledge. We put guidelines and protocols in place to make sure that electricity is produced without any breach in legal and other requirements.

Our corporate vision of “delivering results with the highest standards of ethical behavior” is the ideal we all aspire to. TeaM Energy is committed to conducting our business with the highest standards of business ethics, by complying with any and all applicable laws, rules and regulations.

PRODUCT SERVICE LABELING (G4-DMA)

THERE ARE NO APPLICABLE REQUIREMENTS FOR PRODUCT SERVICE INFORMATION AND LABELING FOR THE ELECTRICITY THE COMPANY PRODUCES FOR NPC/PSALM, ELECTRIC COOPERATIVES, PRIVATE UTILITIES, AND CONTESTABLE CUSTOMERS.

MARKETING COMMUNICATIONS (G4-DMA)

THE COMPANY ENSURES COMPLIANCE WITH ALL REGULATIONS AND VOLUNTARY CODES CONCERNING MARKETING COMMUNICATIONS, INCLUDING ADVERTISING, PROMOTION, AND SPONSORSHIP.

CUSTOMER PRIVACY (G4-DMA)

THE COMPANY COMPLIES WITH ALL CONTRACTUAL AND REGULATORY CONFIDENTIALITY OBLIGATIONS TOWARDS ITS CUSTOMERS AND CUSTOMER DATA.

COMPLIANCE (G4-DMA)

THE COMPANY COMPLIES WITH APPLICABLE LAWS AND REGULATIONS THAT CONCERN THE DISTRIBUTION AND USE OF ITS PRODUCTS AND SERVICES.

ACCESS (G4-DMA)

BELIEVING THAT ENERGY ACCESS CONTRIBUTES TO QUALITY OF LIFE AND GRASSROOTS DEVELOPMENT, TEAM ENERGY SUPPORTS THE NATIONAL GOVERNMENT'S EFFORTS TO IMPROVE ACCESS TO ELECTRICITY THROUGH THE RURAL ELECTRIFICATION PROGRAM AND MISSIONARY ELECTRIFICATION UNDER ER 1-94. WE ALSO HAVE HOUSEHOLD ELECTRIFICATION ASSISTANCE THROUGH RENEWABLE TECHNOLOGY AND SOCIAL PREPARATION FOR THE UPLIFTMENT OF LIVES (HEART AND SOUL), WHICH IS HELPING THE DEPARTMENT OF ENERGY ATTAIN ITS 2017 TARGET FOR HOUSEHOLD ELECTRIFICATION.



PROVISIONAL INFO ASPECT: PROVISIONAL INFORMATION (G4-DMA)

GIVEN THAT OUR POWER PLANT OPERATIONS ARE LOCATED IN PROVINCES WITH THEIR OWN REGIONAL LANGUAGES, WE MAKE SURE THAT THERE ARE NO COMMUNICATION BARRIERS TO THE USE OF LOCAL DIALECTS IN PROMOTING THE SAFE USE OF ELECTRICITY AND TO ENHANCE CUSTOMER SUPPORT. CONTRACTORS USE THE LOCAL LANGUAGE THEY ARE MOST FAMILIAR WITH IN PREPARING A JOB HAZARD ANALYSIS. VARIOUS SIGNAGES IN THE PLANTS ARE ALSO TRANSLATED INTO FILIPINO AND ACCOMPANIED BY DESCRIPTIVE GRAPHIC MATERIALS OR PHOTOS.

A 30-minute video material on Safety, Health and Environment orientation for contractors uses the Filipino language to create better understanding of the various hazards in the workplace. The company also has bilingual contracts with local government units to make sure that the terms of agreement are clear for both parties. Considering that our operations cover electricity generation and energy trading, we do not deal directly with the end-users of our end product (i.e., electricity).

G4-PR1

Percentage of significant product and service categories for which health and safety impacts are assessed for improvement

TEAM ENERGY'S CORPORATE CODE OF PRACTICE (CCOP) NO. 014 (HAZARD IDENTIFICATION, RISK ASSESSMENT AND CONTROL) DISCUSSES THE METHODOLOGY FOR IDENTIFYING OCCUPATIONAL HEALTH AND SAFETY (OHS) HAZARDS, ASSESSING RISKS AND DETERMINING NECESSARY CONTROLS FOR BOTH PAGBILAO AND SUAL POWER STATIONS. IT ENSURES THAT ALL OHS RISKS AND DETERMINED CONTROLS ARE TAKEN INTO ACCOUNT IN ESTABLISHING, IMPLEMENTING AND MAINTAINING THE OHS MANAGEMENT SYSTEM OF BOTH STATIONS.

Furthermore, CCOP No. 14 specifically enumerates under its Scope, its applications to:

- Routine and non-routine plant activities
- Activities of all persons having access to the workplace (including contractors and visitors)
- Human behavior, capabilities, and other human factors
- Identified hazards originating outside the workplace capable of adversely affecting the health and safety of persons under the control of the organization within their workplace
- Hazards created in the vicinity of the workplace by work-related activities under the control of the organization
- Infrastructure, equipment, and materials at the workplace, whether provided by the organization or others
- Changes or proposed changes in the organization, its activities or materials
- Modifications to the OHSMS, including temporary changes, and their impacts on operations, processes, and activities
- Any applicable legal obligations relating to risk assessment and implementation of necessary controls
- Design of work areas, processes, installations, machinery/equipment, operating procedures and work
- Organization, including their adaptation to human capabilities

CCOP No. 14 is complemented by Station Environment Code of Practice on Environmental Aspects. The Code defines the "methodology for identifying the environmental aspects of SPS and determining those aspects that can have significant impacts on the environment." As

such, the procedure ensures that the significant environmental aspects of SPS are taken into account in establishing, implementing and maintaining its Integrated Quality, Safety, Health and Environment Management System.

In addition, the procedure covers all activities, products, and services within the control of the Stations' operations and those under their influence, taking into account planned or new developments, or new or modified activities, products, and services.

Given these procedures, TeaM Energy maintains its commitment of prioritizing safety, health, and the environment (SHE) in all aspects of its operations, thus ensuring that 100% of its products and service categories are assessed for SHE improvements.

G4-PR2

Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes

THERE HAVE BEEN NO INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS AND VOLUNTARY CODES CONCERNING THE HEALTH AND SAFETY IMPACTS OF PRODUCTS AND SERVICES. WE COMPLY WITH ALL LEGAL AND OTHER REQUIREMENTS BASED ON PHILIPPINE STANDARDS.

EH25

Number of injuries and fatalities to the public involving company assets, including legal judgments, settlements and pending legal cases of diseases

There were no injuries or fatalities to the public involving any company assets; neither is there any pending legal case or settlement with regard to disease.

ASPECT: PRODUCT SERVICE LABELING AND MARKETING COMMUNICATIONS

G4-PR3

Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements

This indicator is not applicable to TeaM Energy's products and services. Team Energy produces electricity for NPC/PSALM, electric cooperatives, private utilities and contestable customers.

G4-PR4

Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes

This indicator is not applicable to TeaM Energy.

TO MEASURE CUSTOMER SATISFACTION, TEAM ENERGY CONDUCTS A COMPREHENSIVE CUSTOMER SATISFACTION SURVEY ON ITS MAIN MARKETS. THE RESULT OF THIS SURVEY IS THE BASIS FOR THE STRATEGIES WE IMPLEMENT FOR TACTICAL TARGETS AND OPERATIONAL DEVELOPMENT.

As part of this process, TPEC employs a continuing Customer Relationship Management (CRM) program that is customized to meet the specific needs of its customers. We create venues where customer-related concerns may be discussed, as we develop ways to incorporate continual improvement in our system to address customer concerns that have been identified as critical.

In addition, we hold constant dialogues with customers via face to face meetings, phone calls, and email exchanges to ensure that customers are abreast of developments related to ongoing projects. Through this, TPEC was able to obtain the customer satisfactory rating on its services.

On the other hand, both Sual and Pagbilao Power Stations had put in place in 2014 a communication protocol with customers NPC and the TPEC management team, through their respective Station Quality Code of Practice Customer Communication, under the Quality Management System.

Under Provision 5.4 (Customer Feedback Protocol) of said Policy, both the Sual and Pagbilao Power Station, through their respective Commercial and Performance Section, shall distribute a Customer Satisfaction Survey Form to all customers on an annual basis. The Customer Feedback specifically measures four (4) areas in particular:

- Process covering Communicating the Plant's incidents and information in a timely manner as well as timely submission of required reports
- Product (SPS' Operating Performance)
- Over-all Performance

In FY 2014, all identified customers of SPS were asked to rate SPS in the areas identified using a five-level scale: Needs Improvement, Good Enough, Satisfactory, Very Satisfactory, and Excellent.

AREAS EVALUATED	RATINGS EARNED
PROCESS: COMMUNICATING THE PLANT'S INCIDENTS AND INFORMATION IN A TIMELY MANNER:	For both areas, three (3) out of four (4) Respondents rated SPS with Very Satisfactory, and one (1) gave an Excellent rating
PROCESS: TIMELY SUBMISSION OF REQUIRED REPORTS	
PRODUCT: OPERATING PERFORMANCE	Three (3) out of four (4) Respondents rated SPS with Very Satisfactory, and one (1) gave a Satisfactory rating
OVER-ALL PERFORMANCE	All four respondents rated SPS with "Very Satisfactory"



ASPECT: MARKETING COMMUNICATIONS

G4-PR6 Sale of banned or disputed products

This indicator is not applicable to TeaM Energy, which is in the business of converting fuel into electricity; electricity is neither banned in any market in the Philippines, nor is it a disputed product.

G4-PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes

TeaM Energy complies with all regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship; as such, there have been no incidents of non-compliance concerning this field.

ASPECT: CUSTOMER PRIVACY

G4-PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data

There were no substantiated complaints regarding breaches of customer privacy and losses of customer data filed during the reporting period.

ASPECT: COMPLIANCE

G4-PR9

Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

No significant fines were incurred by TeaM Energy for non-compliance with laws and regulations concerning the provision and use of products and services.

ASPECT: ACCESS

EU26

Percentage of population unserved in licensed distribution or service areas

This indicator is not applicable to TeaM Energy; our customers are mainly institutions and not individual end-users.

EU27

Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime

This indicator is not applicable to TeaM Energy. We serve institutions and not individual end-users. Thus, we do not have residential customers.

EU28

Power Outage Frequency

	FISCAL YEAR 2014 APRIL 2013-MARCH 2014		FISCAL YEAR 2015 APRIL 2014-MARCH 2015	
	UNIT 1	UNIT 2	UNIT 1	UNIT 2
PAGBILAO POWER STATION				
NO OF TRIPS	2	1	3	3
EQUIVALENT NO OF DAYS	13.47	0.45	8.94	13.73
EQUIVALENT NO OF HOURS	323.32	10.75	214.58	329.47
SUAL POWER STATION				
NO OF TRIPS	5	0	7	4
EQUIVALENT NO OF DAYS	4.16	0.00	6.82	5.07
EQUIVALENT NO OF HOURS	99.85	0.00	163.58	121.72

GRI defines power outage frequency as the total number of customer interruptions divided by the total number of customers served. The table above shows unplanned outages of TeaM Energy during the reporting period.

EH29

Average Power Outage Duration

EQUIVALENT NUMBER OF HOURS	FISCAL YEAR 2014 APRIL 2013–MARCH 2014		FISCAL YEAR 2015 APRIL 2014–MARCH 2015	
	UNIT 1	UNIT 2	UNIT 1	UNIT 2
PAGBILAO POWER STATION	161.66	10.75	71.53	109.82
SUAL POWER STATION	19.97	0.00	23.37	30.43

The table above shows our average number of hours per unplanned outage during the reporting period.

EH30

Average plant availability factor by energy source and by regulatory regime

AVERAGE PLANT AVAILABILITY FACTOR	FISCAL YEAR 2014 APRIL 2013–MARCH 2014	FISCAL YEAR 2015 APRIL 2014–MARCH 2015
PAGBILAO POWER STATION	82.99%	87.84%
SUAL POWER STATION	89.30%	89.34%

Unit 1 of Sual Power Station experienced “Boiler Tube Leak” failure, which affected the Equivalent Availability Factor (EAF). The unplanned outage hours attributed to this failure are 34.82hrs for FY 2013 and 66.08hrs for FY2014.

In FY 2013, Pagbilao Unit 2 major overhauling was extended for 15 days for additional work due to replacement of condenser module and the forced outage due to a boiler tube leak which affected the EAF.



EXTERNAL REVIEW COMMITTEE ASSURANCE STATEMENT

AS PART OF THE SUSTAINABILITY REPORTING PROCESS, THE ERC OFFERS THE FOLLOWING FINDINGS AND RECOMMENDATIONS FOR TEAM ENERGY'S CONSIDERATION AND ATTENTION.

ECONOMIC PERFORMANCE

The economic aspect of the sustainability report (SR) indicates the value TeaM Energy places on its most important stakeholders, namely the nation, its manpower, and the community, notwithstanding its shareholders to whom the company regularly declares dividends. Company investments on a new and fully owned power generation plant in Pagbilao show strong commitment of TeaM Energy to supply more power to a nation that is going through a phase of rapid economic growth. Its generous Social Significant Contributions (SSC) program continues to benefit the host and nearby communities. In addition to providing competitive salaries, the company has set aside sufficient funds to cover its pension and other obligations especially that a number of employees will be adversely affected when the contract or "cooperation period" with the national government expires. Moreover, jobs, livelihoods, prospects for education and better quality of community life are among the apparent fruits of the company's efforts to formally and regularly engage the communities.

While the company's presence has benefited the host communities by providing them among others with opportunities to formally engage the company through contracted work and other local supply agreements, the length of time between the cooperatives are fully paid and the period the services have been fully rendered extends to at least 3 months. The long period of settlement of the cooperative's receivables from the company tends to diminish the positive economic impact of the engagement since members/workers tend to advance expenses and incur debts as they report to work. The main reason behind the delay is the late compliance by the local service providers especially the cooperatives of the Company's requirements for payments. It is proposed that closer and regular dialogues between the cooperatives and the company be held to find the ways and means to cut short the collection period of the cooperatives. It is also recommended that the company, through its SSC, focus resources and efforts on reducing the total dependence of the cooperatives on the company's local procurement services. This may include programs aimed at developing new markets or acquiring more skills and capabilities for members of the cooperatives. This way, the cooperatives will be able to grow and diversify their revenue base and wean away the communities' total dependence on the prospects of the company.

ENVIRONMENTAL PERFORMANCE

Based on technological improvements and accomplishments TeaM Energy is on the way forward to the sustainable development of fossil-fueled power plants in the country. TeaM Energy commits to comply with Philippine guidelines, will continue to monitor developments on global guidelines, and is currently studying possible renewable energy sources. Commitment to the

Paris COP21 Accord at global and national levels is a necessary minimum requirement for the company's environmental operations. Thus, the company's operations should continue and strengthen to showcase how technologies, efficiency and compliance to government standards can contribute to material, emission and input reductions. The goal is to contribute to reduction/control of global emission of harmful pollutants to the environment. An effective information campaign with concerned stakeholders and the enhancement of independent auditing and monitoring are indispensable support programs. While the company is doing well in most environmental indicators, efforts should really focus on further lowering any emissions arising from plant operations, even going lower than government standards especially for bottom smoke stack emission.

TeaM Energy should also consider the provision on science and technologies in the Paris COP21 Accord to undertake rapid reductions thereafter, in accordance with best available science. The intention is to reduce net greenhouse gas emissions to zero "in the second half of this century." Efficient use of fuel and other input resources coupled with continuing innovation on fossil fuel technologies are the key factors in environmental management. Fossil fuels directly contribute to emissions and pollutants, so maximized efficiency and less intensiveness in resource use is necessary. Other materials also include various bulk chemicals for the treatment of input water, wastewater, and emissions.

Climate risk mitigation and adaptation should be further strengthened in coordination with local stakeholders and cooperating scientists, with TeaM Energy Foundation, Inc. (TEFI) taking the lead in pertinent activities and initiatives, through TEFI participants in the Reducing Emissions from Deforestation and forest Degradation Plus (REDD+) program, which promotes the conservation and enhancement of forest carbon stocks and sustainable management of forest. The overall focus on climate change should be a major concern in the coming years. This is the way forward to real environmental sustainability. CC adaptation and mitigation should have regular budget allocation and technical staff. Monitoring and evaluation equipment should be purchased and personnel trained especially on biomass assessment. The Foundation should avail of REDD and REDD+ support in all aspects of sustainable forest management. This should also be tied up with the government National Greening Program to enhance carbon stocks and reforestation of indigenous tree species in partnership with local communities and IPs. The provision of livelihood opportunities to beneficiaries can assure effectiveness of the partnerships. Guidance from specific forest provisions in the Paris COP21 Accord and UN Declaration on Forests will be helpful. TeaM Energy should understand that their activities can potentially affect biodiversity in areas where they operate. It is important to protect the surrounding ecosystems within the vicinities of their power plants that a multitude of animal and plant species rely on to thrive. Monitoring and assessment of wildlife species should be regularly done. The planting and maintenance of mangrove forest species in both power plants should be enhanced as buffer and protection to future typhoon surges.

Linkage with LGUs and concerned stakeholders should be strengthened. While an environmental information management is in place, this can be improved with linkage to measurements at the control rooms especially for direct linkage with effluent and emission readings. Cross linkage with both power plants can improve real time operations. Adding GIS capability will provide the geospatial infrastructure for sustainable development. These will be addressed in the near future. The NOV case was already resolved last June 2015, wherein

despite actions to explain and resolve, TSC was still fined. Thus, TSC paid the Php 200,000 fine under protest and without any admission of liability on the company's part. TeaM Energy should make best efforts not to have any case of environmental violation in the future.

SOCIETY PERFORMANCE

The identification of the gap in the promotion of Livelihood Programs will help in giving a deeper focus in providing the women sector a more guided self-growth economic empowerment program, to liberate their potentials in helping themselves nurture their personal capacity for productive activities. This will be a more intensive program in terms of deepening the dialogues and consultations with beneficiaries to "help the people help themselves" toward capacitating them to be on their own. It is suggested that the CSR staff develop instruments for impact evaluation of projects to determine the extent to which project targets are being met and specific accountabilities of project interventions to the community can be concretely identified as a social contribution of the business for the enhancement of community life.

It is further suggested that the focus on education will be more substantive by going beyond infrastructure development and information dissemination about the Plant's operations by initiating teacher training programs for strengthening learning competencies for Science and Math which can help the students improve their NAT scores. The business is very much in a position to reinforce the ability of DEP-ED to reach out to remote areas, and contribute to the national agenda for basic education. While there appears to be an admirable synergy of functions between EA and the Foundation in undertaking the CSR program, it is suggested that a rethinking of the functional differentiation between PR and CSR, i.e., each having its own functional identities, be reflected for (potentially) better delivery of CSR's developmental function.

Also, while tests on emissions may have been proven negative, i.e., not caused by company operations, still the most wide-ranging standard of CSR would hold that business has a social responsibility to do good things and express goodwill, to make society a better place to live in. The suggestion is to address the persistent medical issues (respiratory ills, itchiness, asthma, etc.) directly through means that can remedy the problem. Overall, the Company has the commitment to undertake its CSR program, given the reconfiguration of the organizational structure to expand and re-direct PR to integrate the functions of the CSR program, as the actualization of its conviction to address obligations as a corporate citizen.

LABOR AND HUMAN RIGHTS PERFORMANCE

Average length of service or tenure is mentioned in the report. Decent work, which means work carried out under conditions of freedom, equity, security, and human dignity, is thus present in TeaM Energy. The low turnover rate (separation rate minus accession rate) indicates that it is not easy to leave TeaM Energy due to job satisfaction and voice mechanisms. A very good combination of the metrics of efficiency, equity and voice exists.

While there is no report on the definition used for "significant locations of operation," there is a very good number/variety of benefits above the minimum in the GRI.G4 Manual, as evinced by rank and file collective bargaining agreements in both plants. Inherent in collective bargaining

processes are the vital elements of efficiency (as to allocation of resources), equity (fairness) and voice (participation in decision making). That is why TeaM Energy and the Unions ought to fully utilize the collective bargaining processes to address workplace issues, if any. The joint assessment-a process of evaluating compliance with labor laws jointly undertaken by the Labor Laws Compliance Officer of the Department of Labor and Employment (DoLE), representatives of TeaM Energy and Unions using the DoLE prescribed assessment checklist - is relevant in achieving sustainability and sustainable workplaces. Certificates of compliance are issued to compliant workplaces. In this regard, TeaM Sual received Certificates of Compliance on General Labor Standards and Occupational Safety and Health Standards, as well as the Tripartite Certificate of Compliance with Labor Standards, during the reporting period. Recent joint assessment conducted on the Pagbilao Power Plant also shows "no violation on general labor standards and social welfare benefits." These also reveal that collaborative governance, involving information exchange, action or movement harmonization, resource sharing, and capacity enhancement, among TeaM Energy, the Unions and its employees is well in place. Data show higher total training hours in the Sual Plant compared to the Pagbilao Plant, albeit this may be a function of the bigger number of employees in the former. It is anticipated that training hours that are equitably distributed would translate to greater capacity to innovate, i.e., the capacity to find new solutions to new problems, at the workplace.

The firm reported that reviews on human rights are not conducted. But observance of human rights is integrated in policies which are reviewed periodically. Relative to G4-LA12, no minority group is reported. If it is because there is really none, such fact should be stated. While there is no mention of resolved grievances, addressed grievances are reported. It appears that the firm is using the terms interchangeably. The firm ought to clarify this as well. On the whole, it is expected that TeaM Energy's action on these recommendations would contribute immensely to decent work, collaborative governance and capacity to innovate, which are key ingredients of a sustainable workplace.

EXTERNAL REVIEW COMMITTEE

WE, AS MEMBERS OF THE EXTERNAL REVIEW COMMITTEE, HAVE VALIDATED VIA EXTERNAL ASSURANCE ACTIVITIES THE TEAM ENERGY'S 2013-2015 PERFORMANCE, AS PRESENTED IN ITS SUSTAINABILITY REPORT, BASED ON GLOBAL REPORTING INITIATIVE G4 (GRI.G4) SUSTAINABILITY REPORTING AND DISCLOSURE GUIDELINES AND REQUIREMENTS AND RELYING ON RELEVANT DATA OR INFORMATION DISCLOSED TO AND/OR RECEIVED BY US DURING THE VALIDATION PROCESS. THIS CERTIFICATION DOES NOT EXTEND TO MATTERS BEYOND THE COVERAGE OF SUCH DATA OR INFORMATION AND/OR OUTSIDE THE SCOPE OF SUCH PROCESS. OUR COLLECTIVE EXTERNAL ASSURANCE STATEMENT IS ATTACHED HERETO. IN WITNESS WHEREOF, WE HAVE HEREUNTO SET OUR HANDS THIS 17TH DAY OF FEBRUARY 2016 AT THE UNIVERSITY OF ASIA AND THE PACIFIC.



ATTY. JONATHAN P. SALE

ATTY. JONATHAN P. SALE, DPA. HE FINISHED HIS BACHELOR OF ARTS (POLITICAL SCIENCE), BACHELOR OF LAWS, MASTER OF INDUSTRIAL RELATIONS (WITH ACADEMIC EXCELLENCE), AND DOCTOR OF PUBLIC ADMINISTRATION (AS TOP GRADUATE) AT THE UNIVERSITY OF THE PHILIPPINES (UP) DILIMAN. A MEMBER OF THE PHILIPPINE BAR, DR. SALE IS ASSOCIATE PROFESSOR AND DEAN AT THE UP SCHOOL OF LABOR AND INDUSTRIAL RELATIONS.

Dr. Sale received the UP Diliman Centennial Faculty Grant Award in 2012 and 2013 and the UP International Publication Award twice in 2014. He was cited as an expert contributor to the World Justice Project Rule of Law Index for 2010, 2011, and 2014. He received the 2010 Natatanging Alumni Award for Research and Labor Education.

As a lawyer, he has counseled for labor, business, among others, in different venues. Dr. Sale's pleadings and practice have contributed to labor jurisprudence via Supreme Court and Court of Appeals decisions concerning workers' rights, benefits and tenure, and management prerogatives. He has lectured in the UP Law Center's Mandatory Continuing Legal Education (MCLE) Program on Human Resource Management in the Public Sector and Changes in Philippine Labor Relations Policy.

Dr. Sale has published researches in the peer-viewed Philippine Journal of Labor and Industrial Relations (UP), Ontario International Development Agency International Journal of Sustainable Development (Canada), Social Science Research Network, World Technopolis Review (South Korea), Bulletin of Comparative Labour Relations (Kluwer Law International, The Netherlands), The Economic and Labour Relations Review (University of New South Wales, Australia; SAGE Publications), Journal of the Philippine Association on Voluntary Arbitration, and others. He has disseminated research in conferences of the International Society for Labour and Social Security Laws, International Labour and Employment Relations Association, World Technopolis Association, Working-Class Studies Association, as well as the International Labour Process Conference, How Class Works Conference, and so on. A recent publication in the Philippine Journal of Labor and Industrial Relations is Classifying the Legal System of the Philippines: A Preliminary Analysis with Reference to Labor Law which Dr. Sale co-authored with UP Visiting Professor Petra Mahy.



Nanette G. Dungo
NANETTE G. DUNGO, PH.D.

DR. NANETTE G. DUNGO, PH.D. SOCIOLOGY PROFESSOR NANETTE G. DUNGO, SERVED AS CHAIR OF THE DEPARTMENT OF SOCIOLOGY OF THE UNIVERSITY OF THE PHILIPPINES IN DILIMAN. AS FACULTY OF THE UNIVERSITY, SHE WORKED WITH THE CHANCELLOR ON RESEARCHES ON DEVELOPMENT STUDIES, CONDUCTED TRAINING SEMINARS FOR SOCIAL SCIENCE TEACHERS AND WROTE PAPERS FOR INTERNATIONAL CONFERENCES. SHE WAS PART OF THE RESEARCH TEAM WHO STUDIED THE SOCIAL COSTS OF MIGRATION ACROSS FOUR COUNTRIES (PHILIPPINES, INDONESIA, THAILAND AND VIETNAM) WHICH WAS FUNDED BY THE UN WOMEN BANGKOK, THAILAND. SHE ALSO SERVED AS A RESEARCH CONSULTANT FOR THE FOOD AND NUTRITION INSTITUTE OF THE DEPARTMENT OF SCIENCE AND TECHNOLOGY (DOST).

A true-blooded professor, she continues teaching at the School of Law and Governance of the University of Asia & the Pacific (UA&P) while conducting research work for the Center for Social Responsibility and

Corporate Research Communications Office. Her current research interests include Migration and Gender Studies, and in the Political Economy of Development. Her recent publications include, *Violence Against Women Is Not Inevitable. A Comprehensive Study on Gender-Based Violence in CARAGA Region (2009)* with co- authors Aurora J. De Dios and Miraluna Herrera, *Negotiating From the Margins: Dynamics of Women's Work in a Globalized Agricultural Economy*, *Organizational Culture & Symbolism in the Philippines*, with co-author Dr. Normita G. Recto.

.....



Ricardo M. Umali
MR. RICARDO M. UMALI

U/SEC. RICARDO M. UMALI. HE HAS EXTENSIVE INTERNATIONAL AND NATIONAL EXPERIENCES FOR 42 YEARS IN THE PRIVATE, GOVERNMENT, AND ACADEMIC SECTORS ON FORESTRY, NATURAL RESOURCES, AND ENVIRONMENTAL MANAGEMENT, CLIMATE CHANGE, AND RELATED FIELDS. FOR THE LAST 20 YEARS AFTER HIS RETIREMENT FROM GOVERNMENT, HE HAS BEEN THE PRESIDENT AND CEO OF SUSTAINABLE ECOSYSTEMS INTERNATIONAL CORP. AND MANAGED ABOUT 90 DEVELOPMENT PROJECTS IN ASIA-PACIFIC. HE IS BOARD DIRECTOR OF PICOP RESOURCES INC. AND GEODATA SYSTEM TECHNOLOGIES INC. AND OTHER COMPANIES, PROFESSIONAL ORGANIZATIONS AND NGOS DEALING ON SUSTAINABLE DEVELOPMENT, COMPUTERS, INTERNET AND ORGANIC FERTILIZERS. HE SERVED AS INTERNATIONAL TEAM LEADER / CONSULTANT / PROJECT MANAGER TO 90 ENVIRONMENT, NATURAL RESOURCES AND RELATED PROJECTS FUNDED BY MULTILATERAL AND BILATERAL ORGANIZATIONS LIKE THE WB, UN, ADB, ITTO, FAO, UNDP, ESCAP, CIDA, FINNIDA, EAST-WEST CENTER AND

OTHERS IN BANGLADESH, INDONESIA, MALAYSIA, ROME, HAWAII, NEW YORK, JAPAN, BRAZIL, AND SOME PARTS OF AFRICA. HE IS AT PRESENT A UN EXPERT ON THE NEW INTERNATIONAL ARRANGEMENT ON FORESTS AND SUSTAINABLE FOREST MANAGEMENT.

He was a former Assistant Secretary, Undersecretary, Acting Secretary, and Director-General (Natural Resources Management Center) of the Philippine Department of Environment and Natural Resources (DENR). He has been Assistant Professor at the University of the Philippines, Diliman and Visiting Professorial Lecturer and Adjunct Professor at the University of the Philippines, Los Baños. He was speaker or chairman of about 200 international and national conferences and meetings. He had contributed 45 international and national published works and researches on forestry and allied fields. He obtained a degree in forestry from the University of the Philippines College of Forestry and Renewable Natural Resources and graduated with a Master's degree, university fellow, from the Yale University School of Forestry and Environmental Studies in 1974. He received post graduate certificates in Environmental Administration (Japan) and Satellite Remote Sensing Applications (USA). He graduated as Valedictorian from the M.A. Roxas High School in Manila. He is a licensed forester and has civil service eligibility as technological specialist in environmental science.



DR. WINSTON B. PADOJINOG, DBA

DR. WINSTON CONRAD B. PADOJINOG, DBA. WINSTON OR STAN, A SENIOR ECONOMIST, IS CURRENTLY THE PRESIDENT OF THE UNIVERSITY OF ASIA AND THE PACIFIC (UA&P). HE IS ALSO SENIOR RESEARCH FELLOW OF THE CENTER FOR RESEARCH AND COMMUNICATION FOUNDATION, INC.

Stan teaches economics and strategic management in the multicultural class of the Graduate School of Management, University of Western Australia. He forms part of the faculty in microeconomics of the Management Associates Program of the Development Bank of the Philippines.

Stan is currently a strategy consultant and mentor of medium to large scale companies of various industries like mining, hotel, real estate and construction, port logistics, franchising, financial and food services. He also serves as policy advisor to a number of industry associations like the SEIPI, Philippine Franchise

Association to over 20 local government units. Stan is frequently invited to speak in international and local forums to discuss issues on strategy, policy and industry prospects. He obtained his Bachelor of Arts degree double major in economics and management from the University of the Philippines, Visayas as a student scholar. He obtained his master's degree in industrial economics in the Center for Research and Communication also as a scholar of the Hanns Siedel Stiftung Foundation of Germany. In September 2009, he obtained his doctor of business administration degree at the De La Salle University's Graduate School of Business. In the same year, he also attended the international faculty program of the IESE Business School in Barcelona, Spain. Last 2011, he revisited IESE to attend a module on Advanced Management Program.

SUSTAINABILITY REPORT TECHNICAL WORKING GROUP

WANDA FE L. ASTILLA
BENJIE V. BANAE
ELLEN G. BAUTO
ARNEL D. BUEZA
HAZEL E. CAASI
JESUSA C. CALAUNAN
MA. VIRGINIA C. COOK
DORCAS M. CROOC
RODERICK F. DE CASTRO
LENORE V. DELA ROSA
MARIA ANNA F. DELOS REYES
ROSALIE F. FACTOR
ADONIS V. GORNEZ
MAE LINA JALIPA-CODILLA
JOSEPH ALBERT F. JAYME
MARY JAY G. JAYME
RUBEN H. LICERIO
MARIA TERESA C. LOPEZ
SANTIAGO S. MALACCA
JUAN FRANCISCO T. MAPA
AUGUST D. CASTRO

HILARION C. MEDRANO
NARCISA S. MENDOZA
MELISSA M. MENESES
JOSE REYNATO M. MORENTE
ETHEL S. OSIO
CARMELA B. PALAGANAS
JENNY ROSE PANALIGAN-TAGHOY
NICANOR B. RAMOS, JR.
ANGELA LOURDES R. REBUENO
FROILAN GREGORY H. ROMUALDEZ III
ROSEMARIE S. RONE
MARIA CATHERINE BERNADETTE R. ROXAS
MARY ROSE C. ROXAS
RODOLFO N. ROXAS
PRINCESS D. SY
REGINALDO MARTIN D. TARROSA
TARYN F. UBERITA
JULIET A. VELASCO
EUGENE F. VERTUDAZO
JOHN P. VIRGINO

EDITORIAL TEAM

CONTRIBUTORS:
SUSTAINABILITY TECHNICAL WORKING GROUP

ILLUSTRATOR:
JORGE HENRYK

COPY, LAYOUT AND INFOGRAPHICS:
DRINK

PHOTOGRAPHY:
JOHN CARLO P. DESPI, CARMELA PALAGANAS, EUGENE VERTUDAZO

GRI G4 CONTENT INDEX

TeaM Energy Sustainability Report 2015 is prepared in accordance with Electric Utilities Sector Supplement (EUSS) released by GRI in 2009 and GRI G4 Sustainability Reporting Guidelines 'In accordance' option Comprehensive. This content index lists GRI G4 General and Specific Standard Disclosures and EUSS standard disclosures. It also summarizes TeaM Energy'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 website (<http://www.teamenergy.ph/>). For a detailed explanation of GRI G4 Standard Disclosures, please visit www.globalreporting.org



GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page	Omissions	External Assurance
STRATEGY AND ANALYSIS			
G4-1	p. 1		Fully Reported
G4-2	p. 25		Fully Reported
ORGANIZATIONAL PROFILE			
G4-3	p. 33		Fully Reported
G4-4	p. 34		Fully Reported
G4-5	p. 35		Fully Reported
G4-6	p. 35		Fully Reported
G4-7	p. 36		Fully Reported
G4-8	p. 36		Fully Reported
G4-9	p. 37		Fully Reported
G4-10	p. 37		Fully Reported
G4-11	p. 40		Fully Reported
G4-12	p. 41		Fully Reported
G4-13	p. 45		Fully Reported
G4-14	p. 45		Fully Reported
G4-15	p. 45		Fully Reported
G4-16	p. 46		Fully Reported
EU1	p. 47		Fully Reported
EU2	p. 47		Fully Reported
EU3	p. 48		Fully Reported
EU4	p. 48		Fully Reported
EU5	p. 49		Fully Reported
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	p. 49		Fully Reported
G4-18	p. 49		Fully Reported
G4-19	p. 50		Fully Reported
G4-20	p. 52		Fully Reported
G4-21	p. 52		Fully Reported
G4-22	p. 52		Fully Reported
G4-23	p. 53		Fully Reported
STAKEHOLDER ENGAGEMENT			
G4-24	p. 53		Fully Reported
G4-25	p. 53		Fully Reported
G4-26	p. 53		Fully Reported
G4-27	p. 54		Fully Reported
REPORT PROFILE			
G4-28	p. 57		Fully Reported
G4-29	p. 57		Fully Reported
G4-30	p. 57		Fully Reported
G4-31	p. 58		Fully Reported
G4-32	p. 58		Fully Reported
G4-33	p. 58		Fully Reported

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page	Omissions	External Assurance
GOVERNANCE			
G4-34	p. 58		Fully Reported
G4-35	p. 60		Fully Reported
G4-36	p. 60		Fully Reported
G4-37	p. 60		Fully Reported
G4-38	p. 61		Fully Reported
G4-39	p. 61		Fully Reported
G4-40	p. 61		Fully Reported
G4-41	p. 61		Fully Reported
G4-42	p. 62		Fully Reported
G4-43	p. 63		Fully Reported
G4-44	p. 63		Fully Reported
G4-45	p. 63		Fully Reported
G4-46	p. 63		Fully Reported
G4-47	p. 63		Fully Reported
G4-48	p. 64		Fully Reported
G4-49	p. 64		Fully Reported
G4-50	p. 64		Fully Reported
G4-51	p. 64		Fully Reported
G4-52	p. 65		Fully Reported
G4-53	p. 65		Fully Reported
G4-54	p. 65		Fully Reported
G4-55	p. 65		Fully Reported
ETHICS AND INTEGRITY			
G4-56	p. 66		Fully Reported
G4-57	p. 67		Fully Reported
G4-58	p. 68		Fully Reported

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page or Direct Answer	Omissions	External Assurance
CATEGORY: ECONOMIC			
ECONOMIC PERFORMANCE			
G4-DMA	p. 72		Fully Reported
G4-EC1	p. 75		Fully Reported
G4-EC2	p. 77		Data not yet available
G4-EC3	p. 78		Fully Reported
G4-EC4	p. 79		Fully Reported
MARKET PRESENCE			
G4-DMA	p. 73		Fully Reported
G4-EC5	p. 79		Fully Reported
G4-EC6	p. 79		Fully Reported
INDIRECT ECONOMIC IMPACTS			
G4-DMA	p. 74		Fully Reported
G4-EC7	p. 80		Fully Reported
G4-EC8	p. 85		Fully Reported
PROCUREMENT PRACTICES			
G4-DMA	p. 74		Fully Reported
G4-EC9	p. 87		Fully Reported
AVAILABILITY AND RELIABILITY			
G4-DMA	p. 75		Fully Reported
EU10	p. 89		Fully Reported

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page or Direct Answer	Omissions	External Assurance
DEMAND-SIDE MANAGEMENT			
G4-DMA	p. 75		Fully Reported
RESEARCH AND DEVELOPMENT			
G4-DMA	p. 75		Fully Reported
PLANT DECOMMISSIONING			
G4-DMA	p. 75		Not applicable. We do not own nuclear power plants
SYSTEM EFFICIENCY			
G4-DMA	p. 75		Fully Reported
EU11	p. 89		Fully Reported
EU12	p. 90		Not applicable
CATEGORY: ENVIRONMENTAL			
MATERIALS			
G4-DMA	p. 93		Fully Reported
G4-EN1	p. 97		Fully Reported
G4-EN2	p. 98		Fully Reported
ENERGY			
G4-DMA	p. 94		Fully Reported
G4-EN3	p. 98		Fully Reported
G4-EN4	p. 99		Fully Reported
G4-EN5	p. 100		Fully Reported
G4-EN6	p. 101		Fully Reported
G4-EN7	p. 101		Fully Reported
WATER			
G4-DMA	p. 94		Fully Reported
G4-EN8	p. 101		Fully Reported
G4-EN9	p. 103		Fully Reported
G4-EN10	p. 103		Not applicable
BIODIVERSITY			
G4-DMA	p. 94		Fully Reported
G4-EN11	p. 103		Fully Reported
G4-EN12	p. 105		Fully Reported
G4-EN13	p. 107		Fully Reported
G4-EN14	p. 111		Fully Reported
EU13	p. 112		Fully Reported
EMISSIONS			
G4-DMA	p. 95		Fully Reported
G4-EN15	p. 112		Fully Reported
G4-EN16	p. 113		Fully Reported
G4-EN17	p. 114		Fully Reported
G4-EN18	p. 115		Fully Reported
G4-EN19	p. 115		Fully Reported
G4-EN20	p. 116		Fully Reported
G4-EN21	p. 117		Fully Reported
EFFLUENTS AND WASTE			
G4-DMA	p. 95		Fully Reported
G4-EN22	pp. 117 & 119		Fully Reported
G4-EN23	pp. 118 - 119		Fully Reported
G4-EN24	p. 119		Fully Reported

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page or Direct Answer	Omissions	External Assurance
G4-EN25	p. 120		Fully Reported
G4-EN26	p. 120		Fully Reported
PRODUCTS AND SERVICES			
G4-DMA	p. 96		Fully Reported
G4-EN27	p. 122		Fully Reported
G4-EN28	p. 123		Fully Reported
COMPLIANCE			
G4-DMA	p. 96		Fully Reported
G4-EN29	p. 123		Fully Reported
TRANSPORT			
G4-DMA	p. 96		Fully Reported
G4-EN30	p. 123		Fully Reported
OVERALL			
G4-DMA	p. 96		Fully Reported
G4-EN31	p. 124		Fully Reported
SUPPLIER ENVIRONMENTAL ASSESSMENT			
G4-DMA	p. 97		Fully Reported
G4-EN32	p. 125		Fully Reported
G4-EN33	p. 125		Fully Reported
ENVIRONMENTAL GRIEVANCE MECHANISMS			
G4-DMA	p. 97		Fully Reported
G4-EN34	p. 126		Fully Reported
CATEGORY: SOCIAL			
Sub-Category: Labor Practices and Decent Work			
EMPLOYMENT			
G4-DMA	p. 129		Fully Reported
G4-LA1	p. 132		Fully Reported
G4-LA2	p. 133		Fully Reported
G4-LA3	p. 134		Fully Reported
LABOR/MANAGEMENT RELATIONS			
G4-DMA	p. 129		Fully Reported
G4-LA4	p. 135		Fully Reported
OCCUPATIONAL HEALTH AND SAFETY			
G4-DMA	p. 129		Fully Reported
G4-LA5	pp. 135 & 137		Fully Reported
G4-LA6	p. 136		Fully Reported
G4-LA7	p. 137		Fully Reported
G4-LA8	p. 137		Fully Reported
TRAINING AND EDUCATION			
G4-DMA	p. 130		Fully Reported
G4-LA9	p. 139		Fully Reported
G4-LA10	p. 140		Fully Reported
G4-LA11	p. 141		Fully Reported
DIVERSITY AND EQUAL OPPORTUNITY			
G4-DMA	p. 131		Fully Reported
G4-LA12	p. 142		Fully Reported

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page or Direct Answer	Omissions	External Assurance
EU15	p. 145		Fully Reported
EU17	p. 146		Fully Reported
EU18	p. 146		Fully Reported
EQUAL REMUNERATION FOR WOMEN AND MEN			
G4-DMA	p. 131		Fully Reported
G4-LA13	p. 146		Fully Reported
SUPPLIER ASSESSMENT FOR LABOR PRACTICES			
G4-DMA	p. 131		Fully Reported
G4-LA14	p. 148		Fully Reported
G4-LA15	p. 148		Fully Reported
LABOR PRACTICES GRIEVANCE MECHANISMS			
G4-DMA	p. 131		Fully Reported
G4-LA16	p. 148		Fully Reported
Sub-Category: Human Rights			
INVESTMENT			
G4-DMA	p. 152		Fully Reported
G4-HR1	p. 154		Fully Reported
G4-HR2	p. 154		Fully Reported
NON-DISCRIMINATION			
G4-DMA	p. 152		Fully Reported
G4-HR3	p. 154		Fully Reported
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
G4-DMA	p. 152		Fully Reported
G4-HR4	p. 155		Fully Reported
CHILD LABOR			
G4-DMA	p. 152		Fully Reported
G4-HR5	p. 155		Fully Reported
FORCED OR COMPULSORY LABOR			
G4-DMA	p. 153		Fully Reported
G4-HR6	p. 155		Fully Reported
SECURITY PRACTICES			
G4-DMA	p. 153		Fully Reported
G4-HR7	p. 155		Fully Reported
INDIGENOUS RIGHTS			
G4-DMA	p. 153		Fully Reported
G4-HR8	p. 156		Fully Reported
ASSESSMENT			
G4-DMA	p. 153		Fully Reported
G4-HR9	p. 156		Fully Reported
SUPPLIER HUMAN RIGHTS ASSESSMENT			
G4-DMA	p. 153		Fully Reported
G4-HR10	p. 157		Fully Reported
G4-HR11	p. 158		Fully Reported

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page or Direct Answer	Omissions	External Assurance
HUMAN RIGHTS GRIEVANCE MECHANISMS			
G4-DMA	p. 154		Fully Reported
G4-HR12	p. 158		Fully Reported
Sub-Category: Society			
LOCAL COMMUNITIES			
G4-DMA	p. 161		Fully Reported
G4-SO1	p. 162		Fully Reported
G4-SO2	p. 163		Fully Reported
ANTI-CORRUPTION			
G4-DMA	p. 162		Fully Reported
G4-SO3	p. 164		Fully Reported
G4-SO4	p. 165		Fully Reported
G4-SO5	p. 166		Fully Reported
EU22	p. 166		Fully Reported
PUBLIC POLICY			
G4-DMA	p. 162		Fully Reported
G4-SO6	p. 166		Fully Reported
ANTI-COMPETITIVE BEHAVIOR			
G4-DMA	p. 162		Fully Reported
G4-SO7	p. 166		Fully Reported
COMPLIANCE			
G4-DMA	p. 162		Fully Reported
G4-SO8	p. 166		Fully Reported
SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY			
G4-DMA	p. 162		Fully Reported
G4-SO9	p. 167		Fully Reported
G4-SO10	p. 167		Fully Reported
GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY			
G4-DMA	p. 162		Fully Reported
G4-SO11	p. 167		Fully Reported
DISASTER / EMERGENCY PLANNING AND RESPONSE			
G4-DMA	p. 168		Fully Reported
Sub-Category: Product Responsibility			
CUSTOMER HEALTH AND SAFETY			
G4-DMA	p. 170		Fully Reported
G4-PR1	p. 173		Fully Reported
G4-PR2	p. 174		Fully Reported
EU25	p. 174		Fully Reported
PRODUCT AND SERVICE LABELING			
G4-DMA	p. 171		Fully Reported
G4-PR3	p. 174		Not applicable
G4-PR4	p. 174		Not applicable
G4-PR5	p. 175		Fully Reported

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Page or Direct Answer	Omissions	External Assurance
MARKETING COMMUNICATIONS			
G4-DMA	p. 171		Fully Reported
G4-PR6	p. 176		Not Applicable
G4-PR7	p. 176		Fully Reported
CUSTOMER PRIVACY			
G4-DMA	p. 172		Fully Reported
G4-PR8	p. 176		Fully Reported
COMPLIANCE			
G4-DMA	p. 172		Fully Reported
G4-PR9	p. 177		Fully Reported
ACCESS			
G4-DMA	p. 172		Fully Reported
EU26	p. 177		Not applicable
EU27	p. 177		Not applicable
EU28	p. 177		Fully Reported
EU29	p. 178		Fully Reported
EU30	p. 178		Fully Reported
PROVISION OF INFORMATION			
EU30	p. 173		Fully Reported



"I F YOU WANT TO BUILD A SHIP, DON'T DRUM
UP PEOPLE TOGETHER TO COLLECT WOOD
AND DON'T ASSIGN THEM TASKS AND
WORK, BUT RATHER TEACH THEM TO LONG
FOR THE ENDLESS IMMENSITY OF THE SEA.

"

Unknown





