



VIVANT CORPORATION

2019 SUSTAINABILITY REPORT

About The Report

Vivant Corporation (Vivant or the Company) is issuing its maiden sustainability report (the Report) covering the period January 1, 2019 to December 31, 2019.

The Report is based on the sustainability reporting framework where operations of the Company are assessed to determine its contributions towards sustainable development.

| | | |
|---------------------------------------|--|---|
| OUR COMPANY is a Sustainable Business | We conduct our businesses in an ETHICAL and RESPONSIBLE manner | Corporate Governance |
| | We manage our KEY IMPACTS | Economic Environmental Social |
| | Our products and services create VALUE TO SOCIETY | Contribution to Sustainable Development |

This Report focuses on the economic, environmental and social impacts of the Company’s operations to its key stakeholders. For purposes of this Report and based on the guidelines issued by the Securities and Exchange Commission (SEC), ‘impact’ is defined as the effect an organization has on the economy, the environment, and society, which in turn can indicate its contribution (positive or negative) to sustainable development.¹

The Report covers and presents the value creation process of Vivant, as a holding company. Given direct and significant impact to the Company’s operating and financial performance, some of its unlisted, key and material investee operating companies shall likewise be subjects of this Report. Limited information are available as the process for gathering data for some of our operating units has yet to be established. Other companies where Vivant has a minority ownership are covered in the sustainability reports of its joint venture partners.

The reporting methodology on the Company’s sustainability performance was aligned with the standards of the Global Reporting Initiative (GRI). This report has been prepared in accordance with the **GRI Standards: Core option**.

¹ SEC Draft Sustainability Reporting Guidelines and Reporting Template for Publicly-Listed Companies issued on December 14, 2018.

Materiality and Topic Boundaries [102-29, 102-31, 102-32, 102-46, 102-47]

In determining the disclosure topics that are relevant for this Report, Vivant followed the guidelines set out by the SEC. The materiality of a topic is assessed on the following criteria:

- Impact of the topic to Vivant’s value creation over the short, medium and long term
- Impact of Vivant’s business activities to the topic
- Impact of subsidiaries’ business activities to the topic
- Impact of products/services to the topic
- Information that substantively influence the assessments and decisions of stakeholders, including investors.

Below presents the materiality process undertaken by Vivant.

Table 1: Materiality Process

| Steps | Vivant’s Process |
|----------------|---|
| Identification | <p>A review of the Company’s operations was conducted. Assessment of existing and emerging local and global sustainability topics relevant to its core businesses was conducted. Benchmarking, understanding and continued monitoring of the Company’s risk landscape were also made part of the process.</p> <p>The Compliance group of Vivant was initially tasked to take the lead in the sustainability reporting initiative. Interviews and discussions were held with the relevant departments and business units to identify material factors affecting operations and stakeholders’ interest.</p> |
| Prioritization | <p>The extent of the impact to Vivant’s businesses and its stakeholders was the main consideration in prioritizing the material factors and determining boundaries for this Report. The Company’s top risks were also considered in the assessment process.</p> |
| Validation | <p>Internal discussions were conducted revolving around stakeholder interests and concerns against identified material topics.</p> |
| Review | <p>Material disclosure topics were presented to and reviewed by both the top management and the Board Corporate Governance Committee before such were presented to and approved by Vivant’s Board of Directors for disclosure through the issuance of the Report.</p> |

Stakeholder Identification and Engagement

[102-21, 102-29, 102-40, 102-42,102-43, 102-44]

Vivant endeavors to maintain the highest ethical standards when it comes to all its dealings with its stakeholders, both internal and external. Integrity, fairness and trustworthiness are essential attributes that the Company espouses to enable it to develop new and enhance existing relationships. Partnerships are key to Vivant as the creation of long term and sustainable value are essentially reliant on the cooperation, mutual understanding and shared goals between the Company and its stakeholders.

Given this, Vivant employs formal and informal avenues in engaging its stakeholders with the objective of identifying and understanding their needs to enable it to adapt and come up with better solutions.

Our Shareholders and Investors

What concerns them?

- Company strategy and growth
- Business prospects amidst macroeconomic and socio-political landscape
- Corporate governance
- Financial performance

2019 Initiatives

- Annual stockholders meeting
- Website
- PSE and SEC disclosures
- Press releases / media coverage

Our Business Partners

What concerns them?

- Value contribution of Vivant
- Management and succession
- Work relationships
- Financial capability

2019 Initiatives

- Meetings (Board, Management, Executive levels)
- Strategic planning sessions
- Annual dinners / get-togethers

Our Creditors and Banking Partners

What concerns them?

- Credit risk
- Financial performance
- Business and industry outlook
- Heavy reliance on conventional power technology

2019 Initiatives

- Regular meetings for company and project updates
- PSE and SEC disclosures
- Website
- Press releases / media coverage

Our People

What concerns them?

- Company strategy and growth
- Compensation and benefits
- Career pathing and development
- Work relationships
- Work-life balance
- Health and safety

2019 Initiatives

- Annual Kick-off / Townhall sessions
- Onboarding sessions

- Performance appraisals and quarterly performance conversations
- Bi-annual Chat and Brew with the CEO/COO
- FUNshop
- Summer outing and Christmas party
- Managers Kapihan
- Coaching and learning sessions for Managers
- Focus Group Discussions
- Key Talent Review
- Wellness program (e.g. club and gym memberships)
- Amendment of Hours of Work policy
- Candidate Referral program
- Company portal

Our Communities

What concerns them?

- Livelihood
- Availability of basic necessities (e.g. power, clean and safe water)
- Education system and school facilities

2019 Initiatives

- Brigada Eskwela
- Tree planting
- Market scoping by Business Development groups
- Table research and regular coordination by Vivant Foundation with government agencies (e.g. Department of Education)
- Vivant Foundation's Corporate Social Responsibility (CSR) projects

Government Agencies and Regulators

What concerns them?

- Corporate governance – transparency and accountability
- Compliance with laws and regulations
- Completeness, accuracy of data

2019 Initiatives

- Regular engagement with government agencies and regulators through various formal and informal channels
- Submission of regular reports

Other Stakeholders

What concerns them?

- New business developments and strategies
- Financial and operating performance
- Community relationship

2019 Initiatives

- Press briefing during Annual stockholders meeting
- Regular updates through website, social media, phone calls
- PSE and SEC disclosures

Below is the list of material disclosure topics for Vivant covering the operating year 2019. [102-46, 102-47]

Table 2: Material Disclosure Topics

| GRI Topic | Specific Topic | Reporting Company | Materiality Consideration | GRI Disclosure |
|--------------------------------|--|---|---|----------------|
| ECONOMIC | | | | |
| 201: Economic performance | Direct economic value generated and distributed | Vivant Corp | This is the direct impact our business has to the economy. | 201-1 |
| 203: Indirect economic impacts | Infrastructure investments and service supported | Vivant Corp 1590 EC DPI CIPC | Initiatives undertaken through the Company's foundation and its subsidiaries CSR projects (e.g. school buildings and facilities) promote improved community livelihood. | 203-1 |
| | Significant indirect economic impacts | Vivant Corp | Initiatives undertaken through the Company's foundation (e.g. TechVoc training, teacher training) promotes improved community livelihood. | 203-2 |
| ENVIRONMENTAL | | | | |
| 302: Energy | Energy consumption within the organization | Vivant Corp Vivant Energy 1590 EC CIPC DPI | To provide electricity to our customers, we consume energy, both in the form of electricity and fuel. | 302-1 |
| | Energy consumption outside the organization | Vivant Corp Vivant Energy | | 302-2 |
| 303: Water and Effluents | Water withdrawal | 1590 EC CIPC DPI | How are operations as a holding company impact the environment through our consumption | 303-3 |
| | Water discharge | 1590 EC CIPC DPI | | 303-4 |
| | Water consumption | Vivant Corp Vivant Energy 1590 EC CIPC DPI | | 303-5 |
| 305: Emissions | Direct (Scope 1) GHG emissions | 1590 EC CIPC DPI | Greenhouse gases. How are operations affect the environment given the by-product | 305-1 |
| 306: Effluents and Waste | Water discharge by quality and destination | 1590 EC CIPC DPI | How operations of our power generation plants affect the environment | 306-1 |
| SOCIAL | | | | |
| 401: Employment | New employee hires and employee turnover | Vivant Corp Vivant Energy Vivant Foundation 1590 EC CIPC DPI ET Vivant WPC | How our business result to job and wealth creation | 401-1 |
| | Parental leave | Vivant Corp Vivant Energy Vivant Foundation 1590 EC | | 401-3 |

| | | | | |
|--------------------------------------|---|---|--|--------------------|
| | | CIPC DPI ET Vivant WPC | | |
| 404: Training and education | Ave hours of training per year per employee Percentage of employees receiving regular performance and career development reviews | Vivant Corp Vivant Energy Vivant Foundation 1590 EC CIPC DPI ET Vivant WPC | Continuous learning for our team members should ensure the Company's sustainability. | 404-1 404-3 |
| 405: Diversity and equal opportunity | Diversity of governance bodies and employees | Vivant Corp Vivant Energy Vivant Foundation 1590 EC CIPC DPI ET Vivant WPC | How diverse background, knowledge and experience bring value to the business. | 405-1 |
| 413: Local communities | Operations with local community engagement, impact assessments and development programs | Vivant Corp | Sustainability development | 413-1 |

Companies that are not included in this Report are as follows:

Table 3: Companies Out of Scope [102-46]

| Name of Company | Comments |
|-------------------------------------|---------------------------------------|
| Visayan Electric Company | Reported by Aboitiz Power Corporation |
| Therma Visayas, Inc. | Reported by Aboitiz Power Corporation |
| Cebu Private Power Corporation | Reported by Aboitiz Power Corporation |
| Cebu Energy Development Corporation | Reported by Metro Pacific Corporation |
| Sabang Renewable Energy Corporation | Not yet on commercial operations |

A Message from Vivant's EVP

[102-14]

2019 was a landmark year for the Vivant group of companies.

While we have always identified as an energy company and have and will continue to strive within the industry that launched us, we've also known we would not limit ourselves to power. Earlier this decade, we identified a clearer vision knowing that the destiny we would work to fulfill would be to become a major conglomerate by 2040. However, while we would look toward other industries, we would keep to our mission of bringing excellence to industries that improve everyday living.

This year saw a great organizational restructuring that would lead us toward fulfilling those goals. Vivant Energy Corporation (Vivant Energy), our power arm, has existed for many years primarily as a pass-through holding company indistinct from Vivant Corporation (Vivant). This year, we operationalized Vivant Energy to allow it to focus on our main industry of power while allowing Vivant to serve as an incubator for new industries until they are ready with the manpower, experience and assets to be their own entities.

Vivant Energy will continue to approach the power sector with an all-of-the-above approach to fuels and technologies, understanding the need for the reliability and cost-effectiveness of conventional sources which are needed to maintain the country's growth while also recognizing the growing need and demand for renewable energy. We understand that energy as a sector is not one-size-fits-all, which is why we work closely with communities, cooperatives and government to find solutions that work best. Our strength is in the breadth of our experience, not focusing on one sector or technology but trying to think of how existing and emerging technologies can come together for new and relevant solutions. This is particularly true of the SPUG market where we have incorporated hybridization technologies to serve communities which have had limited access to energy and the economic growth that comes with reliable power. This approach has allowed us to become one of the largest players in the off-grid market. We also anticipate that hybridizing our existing off-grid diesel plants will serve as a large contributing factor to our goal of sourcing 20% of our energy from renewable source by 2030.

With Vivant Energy operationalized, the role of Vivant has shifted to better prepare it to be the core brand from which all other investments in various industries will grow by taking two primary roles within the conglomerate. The first role is as the home of Corporate Services which are shared throughout the Vivant group of companies, centralizing conglomerate-wide functions such as Finance, HR and Corporate Communications to name a few. In this role, it is also largely responsible for cultivating the One Vivant culture, a reminder that while we are forming a conglomerate with different entities in different sectors, we retain shared vision and values.

The second role is to serve as R&D when exploring new industries until such time that they are ready to operationalize in the same way that Vivant Energy has done. Last year, we took our first step in this direction with multiple projects in water being initiated through new partnerships. The years ahead will see us complete our first project in water as well as expand our initial forays into transport infrastructure. For both water and transport, we will primarily be focusing on our home province of

Cebu for larger projects while exploring smaller-scale opportunities in provinces where we already have a presence through our energy investments. As with energy, we will explore solutions in other industries by considering how existing and emerging technologies may be utilized and combined to find the best solutions for the communities we serve.

In all our endeavors – whether in our cornerstone of energy, in new sectors of water and transport or in our CSR initiatives – our most valuable strengths are in the relationships we build. Our growth in energy have come from nurturing partnerships so that our initial partnerships over a decade ago have resulted in multiple projects with partners who have seen the value in what we bring to the table. We have taken this approach in our principal investment in water, partnering with a well-known firm from a country that have used the latest technologies to address their own water crises. The Vivant Foundation has partnered with local and foreign NGOs to win a sizable grant from the European Union to electrify off-grid schools and improve the country’s education system to prepare for the rising demand in renewable energy technology. We work closely with our communities – both their leaders in government and the people on the ground – to ensure that we find solutions that address their needs. Most importantly as we expand into a conglomerate, we work with one another in the One Vivant framework, planning ahead for the time when our different sectors will come together for innovative integrated solutions.

A handwritten signature in black ink, appearing to read 'Arlo Angelo G. Sarmiento', is positioned above the printed name. The signature is fluid and cursive, with a prominent loop at the top.

Arlo Angelo G. Sarmiento
Executive Vice President
Vivant Corporation

About The Company

Our Vision

By 2040, Vivant will be a major conglomerate in the Philippines

Our Mission

Bringing excellence to industries that improve everyday living

Our vision describes where we would like the corporation to be in 2040. Our mission statement helps us explain our purpose or reason for being in business and our values are a set of easy to remember behaviors that we would like to become known for.

Who we are and what drives us

[102-16]

Honor

The code of conducting ourselves in the highest ethical standards at all times, even it at times, unpopular, counter-intuitive or painful. We live up to the attributes of **Integrity, Fairness** and **Trustworthiness**.

Relationships

The sense of connectedness, association and bond among ourselves, our partners and stakeholders that comes out from working together for mutual benefit in a shared reality. We live up to the attributes of **Unity, Family-Orientedness** and **Partnerships**.

Excellence

The quality of being outstanding or extremely good. We live up to the attributes of **Sustainable Growth, Relevance and Responsibility** and **Perseverance**.

Vivant is a holding company publicly-listed on the Philippine Stock Exchange with investments in various subsidiary companies engaged in electric power generation, electric power distribution and retail electricity supply.

With its aim to excel in industries that improve everyday living, the Company's continued exploration of opportunities led to its venture into infrastructure when it partnered with an Israel-based company to set up a water treatment engineering and design company in July 2019.

The Garcia-Escano family of Cebu (the Family) collectively owns approximately 76% of the outstanding capital stock of Vivant. As of December 31, 2019, the Company's outstanding common shares were held as follows:

Table 4. Ownership Structure [102-5]

| | Outstanding Common Shares | % Ownership |
|-----------------------------------|----------------------------------|--------------------|
| MAI-I Resources Corporation | 464.8 million | 45.4 |
| JEG Development Corporation | 311.5 million | 30.4 |
| Global Business Power Corporation | 116.6 million | 11.4 |
| Others | 130.5 million | 12.8 |
| Total | 1,023.5 million | 100.0 |

Vivant has its headquarters in the province of Cebu, but operations, through its subsidiaries and affiliates, span the three major regions of the Philippines.

Figure 1. Location of Operations and Markets Served [102-4, 102-6]

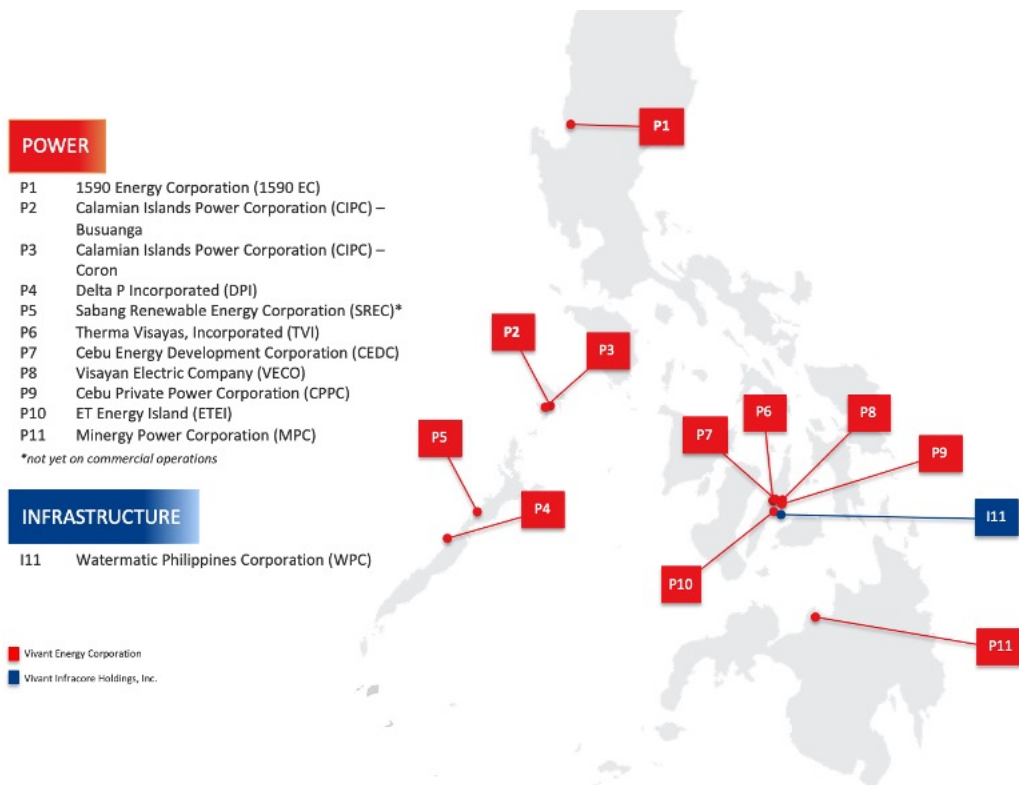
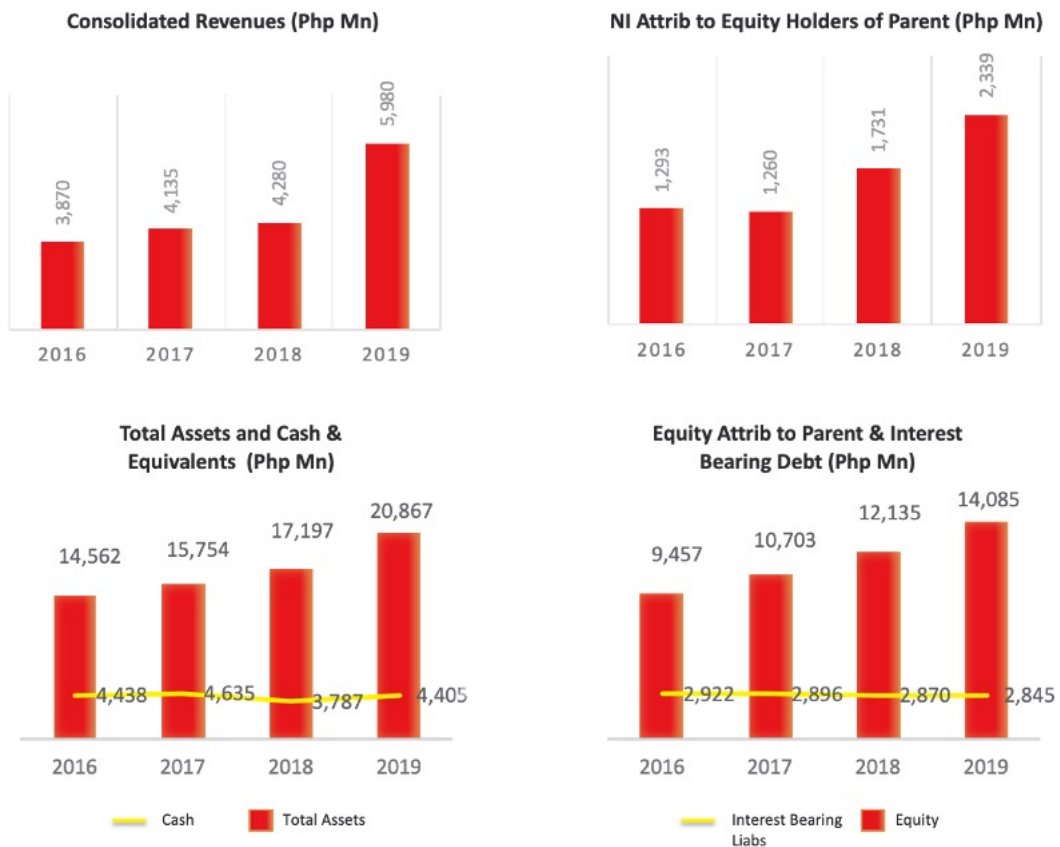


Figure 2. Historical Financial Performance [102-7]



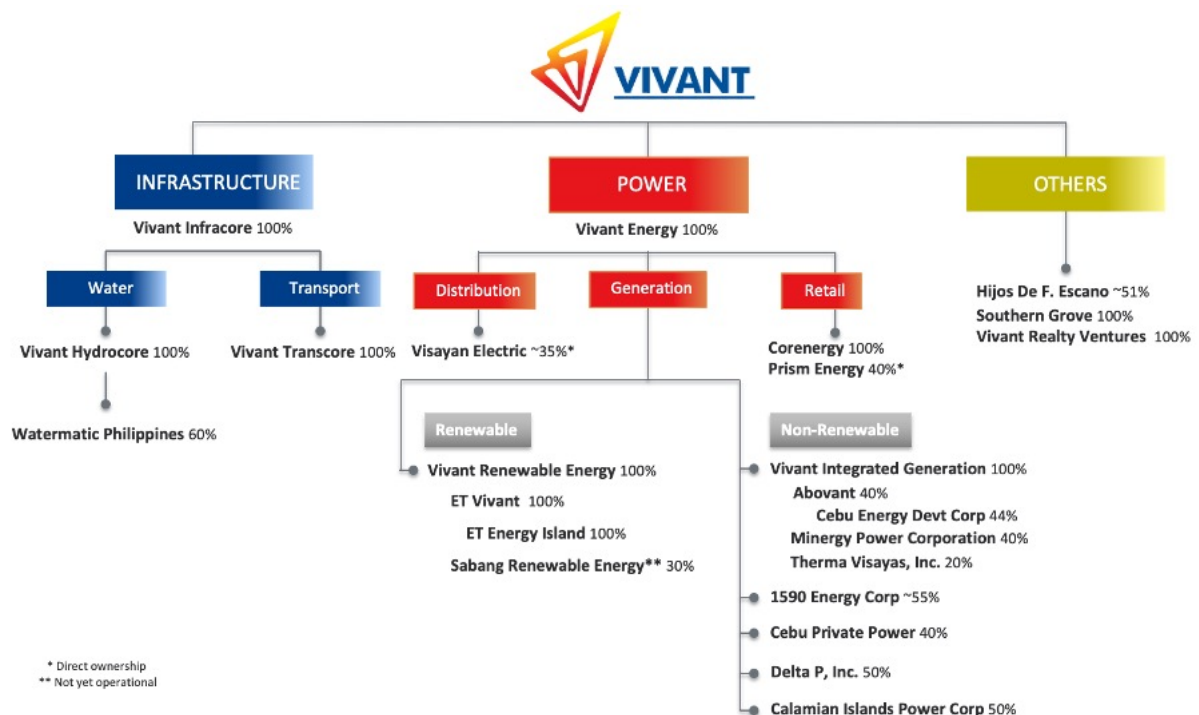
The Business

Vivant's origins can be traced back to the rich and humble beginnings of Viuda y Hijos de F. Escaño Incorporada, the successor of the enterprise that Don Fernando Escaño founded in 1879, which came to be known as Hijos de F. Escaño Inc. (HDFE). The entry into the power industry dates back to the early 1900s when the Family diversified its business interests (mainly shipping and trade) to include electricity power distribution when it took over the operations of the Visayas Electric Company (VECO). Since then, Vivant has built a diversified portfolio composed of investments in companies that are present in the generation and distribution segments of the power value chain.

The Company adds value at every state of the business with the collaboration of its key teams who are committed to its core purpose of bringing excellence to industries that improve everyday living. It continuously looks for opportunities not only in the energy sector, but also in other industries that will improve the quality of life. In 2019, Vivant entered into a joint venture company involved in the water treatment engineering and design services. This investment is intended to jumpstart Vivant's entry into the infrastructure space.

With a strong team of driven and experienced professionals at the leadership, Vivant will continue to expand and enhance its capabilities and network to support operational plans in a professional, sustainable and responsible manner, including building relationships in the local communities in which it operates.

Figure 3. Organization Structure By Business Segment [102-7]



Vivant Energy Corporation: Investing in the power value chain

Vivant Energy is a wholly owned subsidiary of Vivant that manages and owns² all the investments in the power business.

Vivant Energy, with its own business development team, continuously looks for opportunities in the power business. Various modes of investment are considered, whether via greenfield, brownfield or acquisition. The power generation segment of the business is where most of the opportunities are present. Market scoping and understanding the demand-supply situation are the usual trigger for project identification and assessment. The company conducts an extensive evaluation process before any proposed project is undertaken. [103-2]

Electric Power Distribution [102-6, 102-7, 203-1]

VECO is the 2nd largest electric distribution utility in the Philippines and the largest outside of Metro Manila. Its franchise area includes the cities of Cebu, Mandaue, San Fernando, Consolacion and Liloan. Its franchise service covers an area of about 672 square kilometers serving 450,087 customers with a peak demand of 601 MW and electricity sales of 3,501 GWh in 2019. On the back of robust electricity sales, VECO continues to be a stable source of income as it shored in Php 785.1 million as earnings contribution to Vivant for 2019.

VECO utilizes various state-of-the-art technologies in its operations to improve its efficiency and service. It uses a SCADA (Supervisory Control and Data Acquisition) system to monitor and control its electric distribution assets via remote control. It also has a GIS (Geographic Information System) to map and manage its facilities.

Power Generation [102-7, 203-1]

Vivant began its presence in power generation in 2007. To date, conventional power and renewable energy facilities comprise the Company's investments in the power generation business.

As of end-2019, the company had investments in over 1,000 MW of generation capacity generating Php 1.9 billion in earnings contribution to Vivant's profitability for the year.

² Except for VECO and PRISM Energy, Inc., which are both directly owed by Vivant.

Table 5: Generation Assets [102-2, 102-4, 102-6, 102-7, 203-1]

| Operating Unit | Location | Fuel Type | Capacity (MW) | % Own | Attributable Capacity (MW) | Products and Offtaker |
|--------------------|--------------------------|-----------|---------------|-------|----------------------------|--|
| On Grid | | | | | | |
| 1590 EC | Bauang, La Union | Oil | 225 | 55 | 124 | - Ancillary services to National Grid Corporation of the Philippines - Energy to the Wholesale Electricity Spot Market (WESM) |
| CPPC | Cebu City, Cebu | Oil | 70 | 40 | 28 | - Capacity/energy to VECO - Energy to the WESM |
| TVI | Toledo City, Cebu | Coal | 340 | 20 | 68 | - Capacity/energy to VECO - Energy to WESM - Energy to RES |
| CEDC | Toledo City, Cebu | Coal | 246 | 17 | 43 | - Energy to various offtakers |
| MPC | Cagayan de Oro | Coal | 165 | 40 | 66 | - Energy to Cagayan Electric Power & Light Co., Inc. |
| | | | | | 1,046 | 330 |
| Off Grid | | | | | | |
| Delta P | Puerto Princesa, Palawan | Oil | 42 | 50 | 21 | - Capacity/energy to Palawan Electric Cooperative |
| CIPC | Coron-Busuanga, Palawan | Oil | 9 | 50 | 4 | - Energy to Busuanga Island Electric Cooperative |
| | | | | | 51 | 25 |
| Retail | | | | | | |
| ETEI | Mandaue City, Cebu | Solar | 1 | 100 | 1 | - Energy to a manufacturing company |
| | | | | | 1 | 1 |
| GRAND TOTAL | | | 1,098 | | 356 | |

Retail Electricity Supply (RES) [102-7]

Part of the Electric Power Industry Reform Act of 2001 (EPIRA) was to open up choice of power providers to the market. Retail Competition and Open Access (RCOA) allows contestable customers to choose their supplier of electricity under agreed terms and rates. This began with the largest customers in 1MW monthly consumption with the goal of eventually reaching the household level. In order to adapt to this changing landscape, Vivant set up their own retail companies to adapt to our customer's needs. In 2019, the RES business contributed Php 53.3 million in Vivant's bottom line.

Table 6: Retail Electricity Suppliers

| Operating Unit | % Own | # of Customers in 2019 | Electricity Delivered in 2019 (in MWh) |
|--------------------|-------|------------------------|--|
| Coreenergy, Inc. | 100 | 1 | 12,052 |
| PRISM Energy, Inc. | 40 | 43 | 246,816 |

Vivant Infracore Holdings, Inc.: Foray into infrastructure

Vivant Infracore Holdings, Inc. (Vivant Infracore) is the wholly owned subsidiary that was set up to own and manage the Company's investments in the infrastructure business. With a fresh mandate of exploring investments intended to diversify Vivant's earnings sources, a business development group was set up to hone in on possible ventures in the industry. Both the transport and water segments of the infrastructure space are being considered by Vivant. In preparation, two wholly owned holding companies were set up. These are Vivant Transcore Holdings, Inc. and Vivant Hydrocore Holdings, Inc. (Vivant Hydrocore).

Water Treatment Engineering and Design

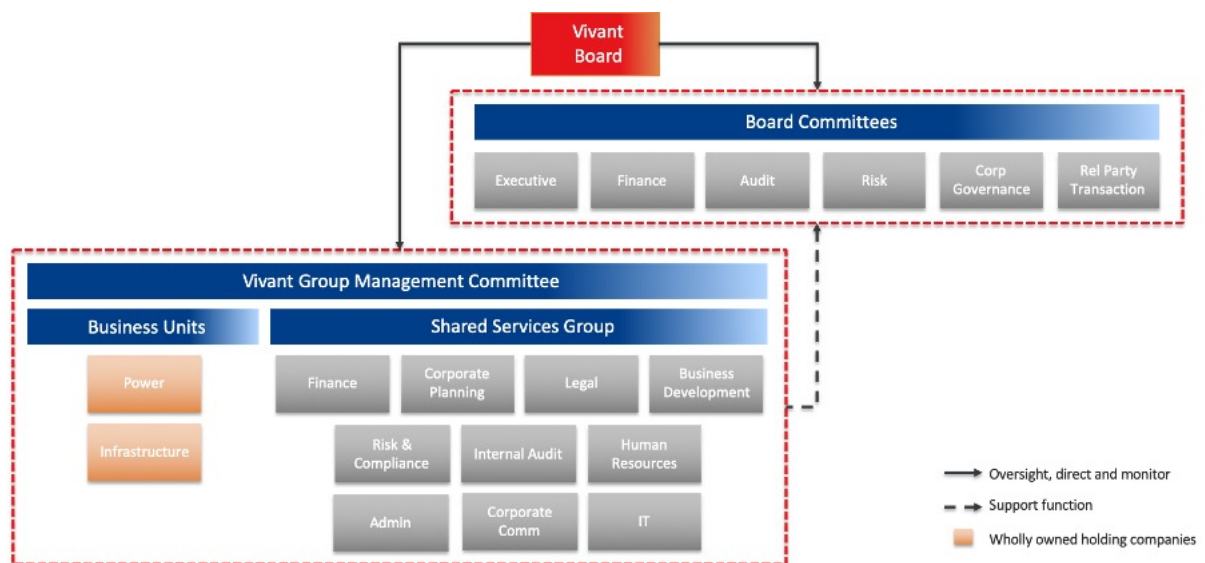
In July 2019, Vivant, through Vivant Hydrocore, formed Watermatic Philippines Corporation (WMP) via a joint venture with Israel-based Watermatic International, Inc. (WMI). WMI is a company that specializes in water and waste water treatment projects that involve the whole span of engineering, design and construction phases. The company's technical know-how is garnered from the collective experience of its team consisted of renowned experts and professionals from the water and wastewater treatment industry in Israel. Given this, WMP is seen to jumpstart Vivant's entry into the infrastructure industry given WMI's existing track record and business relationships, both globally and locally.

About Governance

Governance is at the heart of every successful business. Rooted in its core values of honor, relationships and excellence, Vivant has put in place a corporate governance framework that ensures fair and transparent resource management.

As a listed company in the PSE, Vivant understands the need for good corporate governance. The Company has continued to evolve over the years, with adoption of several policies and best practices that address stakeholder needs, including those of regulators, investors and creditors among others. It is Vivant’s intention to continue this transformation for improved accountability to its stakeholders.

Figure 4: Governance Structure [102-18]



The Board [102-18]

Key Roles and Responsibilities [102-26]

Leading Vivant’s governance system is the Board of Directors (the Board). As a body, the Board bears the fiduciary responsibility to the Company’s stakeholders in ensuring that its vision, mission and goals are properly established and regularly reviewed. Strategy formulation and implementation, key company policies and oversight over management are likewise within its purview with the end objective of ensuring continued sustainability for the Company.

As it oversees the business, the Board meets regularly to discuss strategic issues and updates on key developments in the business, industry and markets where the Company and its investee companies operate. Financial reports are likewise reviewed to affirm accuracy and fair representation of business transactions.

On an annual basis, a strategic planning session is held, which provides the venue for the review and assessment of Vivant’s vision and mission and the corresponding strategic actions taken to ensure proper alignment is realized.

Board Composition [102-22, 102-24, 102-27]

Vivant’s Board is composed of eleven (11) individuals that have good breadth of knowledge, experience and expertise in their respective fields (power, finance, banking, real estate, infrastructure). Their collective know-how is deemed necessary in guiding management as it steers through the day-to-day challenges and opportunities. Each director is nominated and elected by the shareholders during the annual shareholders meeting for a term of one year. Non-executives and independent directors comprise 73% of the Board.

Table 7: Board Composition

| Board | Executive Committee | Finance Committee | Audit Committee | Board Risk Oversight Committee | Corp Governance Committee | Rel Party Transactions Committee |
|-----------------------------------|---------------------|-------------------|-----------------|--------------------------------|---------------------------|----------------------------------|
| Dennis N. A. Garcia – C | M | C | M | M | | |
| Ramontito E. Garcia – M | M | M | M | | | |
| Arlo A. G. Garcia – M | M | | M | | | |
| Jose Marko G. Sarmiento – M | M | M | | M | | |
| Gil A. Garcia – M | M | M | | | | |
| Emil Andre M. Garcia – M | M | | | | | |
| Charles Sylvestre A. Garcia – M | M | | | | | M |
| Jesus B. Garcia, Jr. – M, LID | | M | C | M | M | M |
| Raul Ch. Rabe – M, ID | | | M | C | M | |
| Rogelio Q. Lim – M, ID | | | M | M | C | C |
| Carmelo Maria L. Bautista – M, ID | | M | | | | |

C – Chairman

M – Member

LID – Lead Independent Director

ID – Independent Director

Board Committees [102-18, 102-19, 102-22, 102-24, 102-30, 102-32]

Vivant’s Board set up six (6) committees and delegated key functions to each to ensure effective performance of its fiduciary function. These are the Executive Committee, Finance Committee, Audit Committee, Board Risk Oversight Committee, Corporate Governance Committee and Related Party Transactions Committee. All members of these committees must be nominated and voted by majority of the Board during the Organizational Meeting of the Board. A Chairman shall subsequently be voted by the Committee members whose name shall be submitted to the Board.

Table 8: Board Committee Functions

| Board Committee | Key Function | Composition |
|----------------------------|--|--|
| Executive | <ul style="list-style-type: none"> - Has the authority to exercise the powers and perform the duties of the Board within the powers granted to them. - Convenes when the Board is not in session | <ul style="list-style-type: none"> - Composition at seven (7) members |
| Finance | <ul style="list-style-type: none"> - To assist the Board in fulfilling its oversight responsibility relating to financial governance, except for financial reporting. - Oversees the formulation and implementation of Vivant’s financial policy and strategy, including capital structure, dividend policy, treasury policies and activities, capital allocation decisions that may be brought to the Board for approval. | <ul style="list-style-type: none"> - Per charter, at least three (3) members as appointed by the Board - Current composition at six (6) members with one (1) independent director |
| Audit | <ul style="list-style-type: none"> - To assist the Board in fulfilling its oversight responsibility relating to the financial reporting process, the system of internal control, the audit process and the Company’s process for monitoring compliance with laws and regulations and the code of conduct. | <ul style="list-style-type: none"> - Per charter, at least five (5) directors, at least three (3) of whom, including the Chairman, shall be independent. The Chairman should not hold any other board chairmanship. - Current composition at six (6) members with three (3) independent directors including the Chairman |
| Board Risk Oversight | <ul style="list-style-type: none"> - To assist the Board in fulfilling its oversight function relating to risk governance. - Oversees the formulation and implementation of the Board-approved company-wide Enterprise Risk Management policy, which covers risk management practices, including regulatory and ethical compliance monitoring. | <ul style="list-style-type: none"> - Per charter, at least three (3) directors, majority of whom shall be independent directors, including the Chairman. The Chairman should not hold any other board chairmanship. - Current composition at five (5) members with three (3) independent directors including the Chairman. |
| Corporate Governance | <ul style="list-style-type: none"> - To assist the Board in fulfilling its oversight function relating to the implementation of corporate governance and compliance program, which includes sustainability reporting among others. - Determination of nomination and election process for Vivant’s directors, and establishment of a remuneration policy for directors and officers | <ul style="list-style-type: none"> - Per charter, at least three (3) directors, all of whom shall be independent directors - Current composition at three (3) members all of whom are independent directors |
| Related Party Transactions | <ul style="list-style-type: none"> - Assists the Board in reviewing all material related to third party transactions of Vivant | <ul style="list-style-type: none"> - Per charter, at least three (3) non-executive directors, two (2) of whom shall be independent including the Chairman. - Current composition at three (3) members |

The Management [102-19, 102-20, 102-26]

Management is tasked to operationalize and execute the strategic goals set by Vivant’s Board. It is primarily accountable to the Board for the operations of the Company and its performance. Key to its service delivery is efficient resource management including financial capital, human capital and other assets.

A Group Management Committee (Mancom) was set up to oversee and ensure the alignment of the Company’s and its business units’ initiatives and strategic goals. The committee meets regularly to discuss group and company-specific issues and developments that affect the business. Given a macro perspective, the committee also enables the identification and implementation of synergistic collaboration among the power and infrastructure business units and the shared services group.³

Table 9: Key Officers

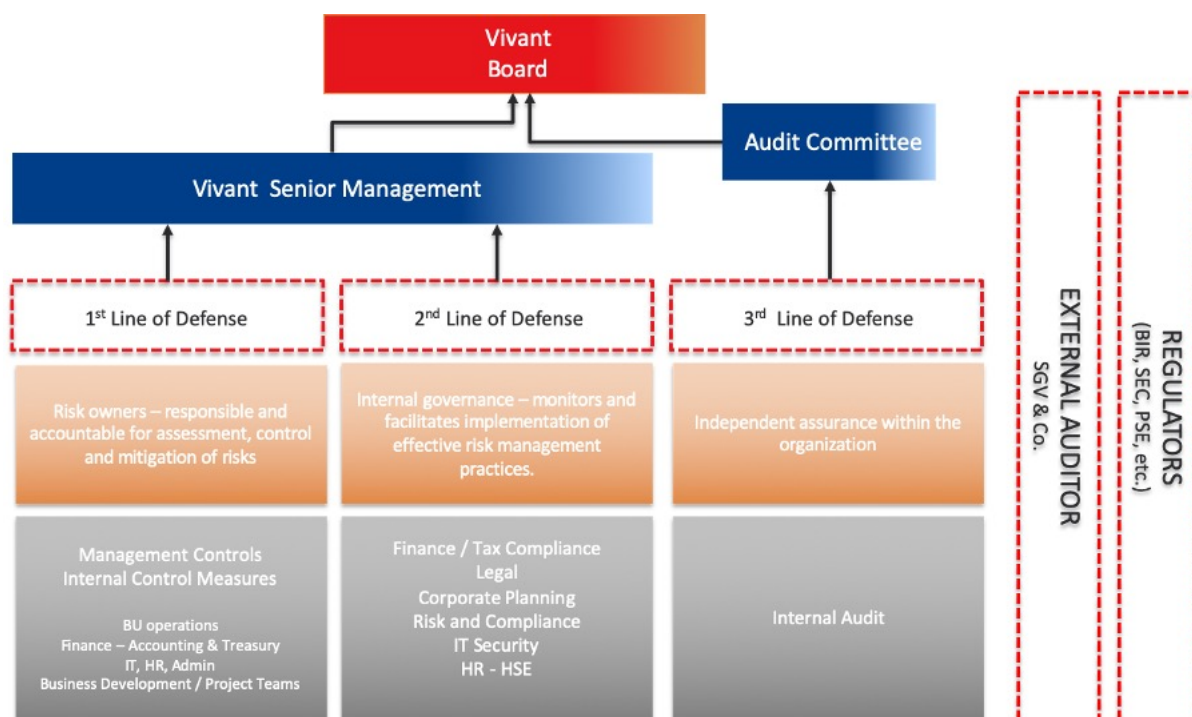
| | Position |
|------------------------------|--|
| Dennis N. A. Garcia | CEO |
| Ramontito E. Garcia | President |
| Arlo A. G. Sarmiento | Executive Vice President |
| Atty. Jess Anthony N. Garcia | Senior Vice President – Business Development for Infrastructure and Innovation; General Counsel; Chief Information Officer |
| Minuel Carmela N. Franco | Senior Vice President – Corporate and Shared Services, Chief Finance Officer and Treasurer, Chief Risk Officer, Compliance Officer |
| Maria Victoria E. Sembrano | Senior Assistant Vice President – Controllership |
| Grant Clark | Assistant Vice President – Information Technology, Administration and Business Development – Innovation; Data Privacy Officer |
| Atty. Catherine S. Bringas | Assistant Vice President – Legal |
| Brigette Cecile Garcia | Assistant Vice President – Corporate Planning |
| Shem Jose W. Garcia | Assistant Vice President – Corporate Communications and Business Development – Innovation |

³ The Power, Infrastructure and Shared Services units have their respective management committees that meet regularly.

Risk Governance [102-11, 102-15, 102-19, 102-20, 102-30]

The Board and senior management, as governing bodies, have the collective responsibility and accountability for setting Vivant’s strategic goals and objectives. Having an effective risk governance structure is key to best manage uncertainties and ensure achievement of goals and accomplishment of objectives. Vivant employs the Three Lines of Defense model for its risk management practices.

Figure 5: Risk Governance Structure



Using the framework above, there are three assurance providers that the Company utilizes. These are:

- Operational management (1st line of defense) – These are functions or departments that own the risks. They are responsible for identifying, assessing, controlling and mitigating risks on a day-to-day basis. These enable the design and implementation of internal policies and procedures that are embedded in the systems and processes used in operations.
- Risk management and compliance (2nd line of defense) – These are functions or departments that assess and monitor the effectivity of the first line of defense controls. Assistance in developing and maintaining the Company’s risk management framework and identifying known and emerging issues that could affect the business are some of the key functions of this layer.
- Internal audit (3rd line of defense) – This an independent function or department that has direct accountability to the Board, through the Audit Committee. This department assesses the effectiveness of both the first and second lines of defense.

Table 10: Vivant's Top Risks [102-15]

| Risk Description | Potential impact | Action Plan |
|--|--|--|
| Information - <i>Inability to obtain data and ensure data accuracy, integrity and security</i> | - Management's impaired decision-making; business decisions misaligned with company's strategic goals - Possible non-compliance with laws and regulations | - Process improvements on information / data management - Enhance IT security / capability |
| Portfolio and Emergence of new technology - <i>Inability to achieve and maintain a balanced portfolio of investments</i> - <i>Inability to anticipate, prepare and respond to innovations that might replace existing technologies used</i> | - Foregone growth opportunity, profit loss, sub-optimal returns, pared down shareholder value and returns - Reduced market share - Non-sustainable operations | - Development and implementation of a formal capital allocation framework - Process improvements on information / data management - Market monitoring |
| Regulatory - <i>Inability to anticipate, monitor, react/respond to changes in laws and regulations</i> | - Regulatory sanctions, litigations, disruption in operations, reduced competitiveness and company reputational damage - Profit loss; market value erosion | - Process improvements on compliance - Process improvements on information / data management |
| IT / Cyber - <i>Inability to safeguard against IT security breach, recover from hardware and software failure</i> | - Exposure of confidential information, trade secrets - Erosion of competitiveness, loss of business opportunities - Operational inefficiencies, higher operating costs, financial losses - Reputational damage | - Process improvements on information / data management - Strengthen IT capability - Development of IT Disaster Recovery Plan (part of Business Continuity Management) |
| Organizational policies - <i>Inability to set up and implement relevant policies supporting strategies and operations</i> | - Financial losses - May inhibit organizational effectiveness - Adversely affect employee recruitment and retention, diminution of company reputation - Unmet company goals and strategies | - L&D to strengthen capability - Process improvements on compliance - Process improvements on information / data management |
| Contracts - <i>Inability to establish and implement a systematic and comprehensive contract management process</i> | - Disadvantageous/unfavorable contractual terms - Non-compliance with and non-delivery of contractual obligations - Financial losses, litigation, disruption of operations and damaged reputation | - Process improvements on compliance |
| Rate design - <i>Inability to design an effective rate structure</i> | - Unrecovered cost of investment - Profit loss | - Process improvements on information / data management |
| Capital management - <i>Inability to establish and implement the capital structure and allocation policies</i> | - Foregone growth opportunity, profit loss, sub-optimal returns, pared down shareholder value and returns. - Misallocation of financial capital resources - Higher cost of money | - Development and implementation of a formal capital allocation framework - Development of financial roadmap |

| | | |
|---|---|---|
| <p>Planning and execution</p> <ul style="list-style-type: none"> - <i>Inability to plan and execute major initiatives in a timely and coordinated manner</i> | <ul style="list-style-type: none"> - Misallocation of resources - Operational inefficiencies - Financial losses - Non-achievement of goals and objectives | <ul style="list-style-type: none"> - Process improvements via technology use - Process improvements on information / data management - Use of external consultants to augment capability and allow knowledge transfer and capability building - Market monitoring |
| <p>Due diligence</p> <ul style="list-style-type: none"> - <i>Inability to perform thorough due diligence prior to any investment decisions</i> | <ul style="list-style-type: none"> - Loss of business opportunities - Misallocated resources - Erosion of company's financial position and market value | <ul style="list-style-type: none"> - Use of external consultants to augment capability and allow knowledge transfer and capability building - Process improvements via technology use |
| <p>Competition</p> <ul style="list-style-type: none"> - <i>Inability to respond to direct and indirect competitors and new market entrants</i> | <ul style="list-style-type: none"> - Loss of competitive advantage - Unsustainable operations | <ul style="list-style-type: none"> - Market monitoring - Process improvements on information / data management |

Resource Management

As a holding company, Vivant's investments are what drive its growth. Making sure that proper allocation and efficient use of resources in identifying opportunities and monitoring performance are key to the Company's sustainability.

There are three key resources or inputs that proper management and use of each should develop a strong foundation for Vivant's future. These are: financial capital, human capital and social capital.

Financial Capital

Vivant has grown its investment portfolio over the years. Opportunities were sought in areas where the Company believes it can create synergy and leverage its existing core businesses. Vivant, at present, has a number of assets in its basket that generate and provide stable stream of earnings and dividends that bankroll its operations, meet debt obligations, provide returns to shareholders and fuel its growth.

As one of the benefits of being a publicly listed company, Vivant has gained access to the financial capital markets. To deploy its financial resource, a capital allocation policy was developed and implemented. The objective is to allocate capital to investment opportunities that the Company believes would provide significant value over time. Aside from financial metrics, Vivant uses non-financial considerations, which include the following:

- Compatibility with the Vision, Mission and Core Values
- Compatibility with / possible synergies with existing core businesses
- Risk appetite

Above are the first hurdles that need to be met for an investment opportunity to be considered by Vivant. When alignment is determined, the project is then assessed for its financial viability. Financial models are developed and tested to check business resiliency against assumed stress points. A range of economic returns are generated given scenarios used and are measured up against internal financial hurdle rates. In parallel, the Corporate Planning and Finance groups check the potential impact of the project to Vivant's overall financial position ensuring checks on target capital structure and preset minimum cash reserves are done.

The investment approval process is initiated with an initial presentation to Vivant's Group Mancom. Those opportunities that pass the initial assessment are then presented to the Finance Committee. This board committee is responsible for the review and assessment of any investment plan of Vivant. If it deems fit for the Company, the committee endorses the project to the Board for its approval.

As most of its investments are of minority positions, monitoring of the performance of each business unit is key to Vivant. Aside from the Controllership group, the Company monitors the overall

performance of its investee companies through a unit called Subsidiary Monitoring. Said unit conducts monthly performance reviews of each company, where financial and non-financial performances are discussed. Presentation to the Finance Committee and the Board are made on a quarterly basis.

Human Capital [102-8]

Vivant is relatively a young organization where average age is thirty-two (32) years. The Company started with a group of five (5) employees in 2003 and has now transformed to an organization of over 100 personnel.⁴ Establishing and ingraining the company culture that is deeply rooted in the Company's Vision, Mission and Core Values were seen as an imperative to ensure that the team is one in mind and behavior in working for Vivant's future.

One Vivant is a culture initiative designed to promote a unified identity and purpose and harmonization of culture across business units. The decision to embark on this journey was made in 2019 to ensure that the people remain cohesive despite the growth trajectory Vivant is on. Roll out was done at parent and the wholly owned subsidiaries where activities were undertaken with the **One Vivant** theme headlining each event.

Below are employee core competencies that the Company considers as its success drivers.

Doing Right Things Right

Consistently adhering to principles of ethical conduct and practices in the performance of work and in the conduct of the business with all stakeholders at all times.

Fostering Synergistic Collaboration

Working synergistically with another, in a group, or in team to achieve stretched shared goals.

Mastering Change Agility

Accepting, adapting, anticipating, managing, leading and creating change opportunities while maintaining effectiveness despite the impact of changes.

Achieving Beyond Expectations

Setting, pursuing and consistently exceeding stretched goals despite insurmountable odds and obstacles.

Mindful Resource Use

Consistently utilizing resources in an efficient manner in exercising one's duties and functions to achieve company goals – this includes optimizing one's time to promote work-life balance.

Systems and processes for talent management have been established, but Vivant is cognizant of the need for further development to ensure the attraction, development and retention of key talent in the Company.

Talent Attraction

As part of its annual strategic planning exercise, Vivant regularly assesses its talent pool's capacity and capability to check its alignment with the Company's long-term plans. The expansion phase that the Company is in requires it to continuously look for talent that will invigorate the organization with fresh and innovative ideas and altogether enhance the collective skills as a group.

⁴ Inclusive of Vivant Energy

Talent acquisition has changed over the years. Vivant strengthened this initiative in 2019 by activating various social media platforms like Facebook and LinkedIn. The Company likewise initiated direct engagement with potential talent sources like professional organizations and educational centers.

Building the Vivant brand as a preferred employer is another means of enhancing the Company's ability to attract good talent. Showcasing the Company's branding attributes is key to ensure that culture match is achieved in any hiring exercise.

Talent Development

Like any other organization, it is the aim of Vivant to foster a working environment that would enable its team members to achieve their maximum potential and experience self-fulfillment in the process.

A development plan was adopted to reflect a combination of learning experience for the team. Both capability building and strength maximization are given importance. In both, the 70-20-10 plan is applied: 70% On-the-Job exposure, 20% Coaching and Mentoring, 10% Classroom Training.

As part of leadership development, learning sessions on coaching and mentoring were conducted in 2019. Proper guidance was given to the leaders to enable them to have meaningful and fruitful discussions with their teams. The quality and delivery of feedback is essential in making performance discussions effective.

Despite being a young organization, Vivant's senior management found it necessary to start its succession planning process. For the first time, a Key Talent Review was conducted in 2019. Key positions were identified based on criticality of function and urgency of need for a successor. Identified potential talents were evaluated for the 'fit for succession' and 'desire for progression'. Assessment on development plans for the high potential talents will be designed where achievements, performance, leadership, functional competency and capability will be taken into account.

Talent Retention

Getting the pulse of the workforce is always key in identifying strengths and weaknesses of the culture and engagement initiatives of the Company. Focus Group Discussions, Managers Kapihan, Chat and Brew with the CEO/COO were just among the few events held in 2019. Information generated from these activities were used in shaping and enhancing talent retention programs of Vivant.

To ensure that the Vivant core values and employee core competencies are adhered to by the team, Vivant used one of its core competencies in 2019 as its culture push initiative. **Mindful Resource Use** was the driver for all company activities during the year. Focus was given on efficiency improvements, whether it be financial or non-financial in nature.

Vivant stays attuned with the market and ensures that it remains competitive and updated with current developments in the workforce market. Vivant believes that ensuring the overall well-being of its people is most essential to making them stay and be part of the Company for the long term. Well-being is not just about financial prosperity. It's about having a total experience of health, happiness, self-purpose and fulfillment. Work-life balance and improved working conditions were likewise highlighted by the different HR-sponsored programs adopted in 2019.

Social Capital

The growth of Vivant could be well attributed to the relationships it fostered over the years. Consistent engagement and good corporate governance (transparency and accountability) have provided Vivant a foothold with these stakeholders.

Table 11: Key Relationships

| | |
|--|--|
| Business Partners | <p>Aboitiz Power Corporation</p> <ul style="list-style-type: none"> - Visayan Electric Company, Inc. - Cebu Private Power Corporation - Cebu Energy Development Corporation - Therma Visayas, Inc. <p>Global Business Power Corporation</p> <ul style="list-style-type: none"> - Cebu Energy Development Corporation <p>Minergy Energy Systems, Inc.</p> <ul style="list-style-type: none"> - Minergy Power Corporation <p>Gigawatt Power, Inc.</p> <ul style="list-style-type: none"> - 1590 Energy Corporation - Delta P, Inc. - Calamian Islands Power Corporation - Sabang Renewable Energy Corporation <p>Watermatic International, Inc.</p> <ul style="list-style-type: none"> - Watermatic Philippines Corporation |
| Creditors and Banking Partners | <p>Bank of the Philippine Islands BDO Unibank, Inc. China Banking Corporation Development Bank of the Philippines Metropolitan Bank and Trust Company Philippine Savings Bank Philippine National Bank Rizal Commercial Banking Corporation Robinsons Bank Corporation Security Bank Corporation Union Bank of the Philippines</p> |
| Government Agencies and Regulators (not full list) | <p>Department of Energy Energy Regulatory Commission Department of Environment and Natural Resources Local Government Units Securities and Exchange Commission Philippine Stock Exchange</p> |

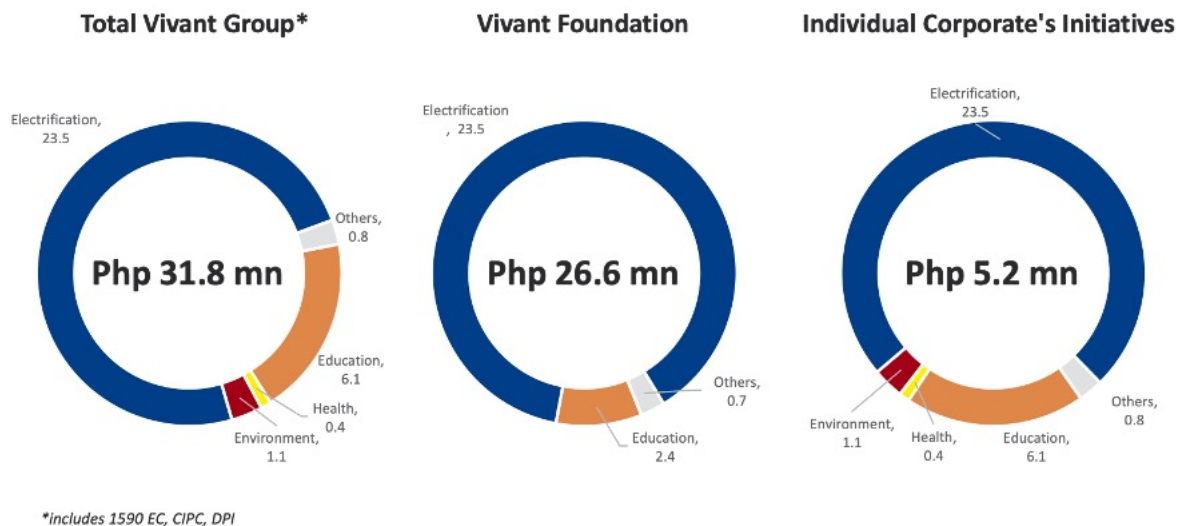
Community Engagement [203-1, 203-2, 413-1]

The local communities where Vivant’s investee companies operate are also key relationships that the Company gives importance to. As key partners, Vivant endeavors to promote cooperation, mutual understanding and shared goals between the Company and its local host communities. Through Vivant Foundation, Inc. (Vivant Foundation) and its investee companies, formal and informal engagement avenues were utilized to determine the needs and concerns of each community. With focus on sustainable solutions, program development and priority projects were identified and implemented.

As a company, Vivant allocates a certain percentage of its profits to fund projects. In 2019, through the efforts of Vivant Foundation, external funding was obtained as the foundation successfully secured a grant from the European Union in the amount of EUR 2.2 million. This grant will be used to bankroll Project Renewable Energy for Livelihood and Youth (RELY). This endeavor was done in partnership with sequa gGmbH and PROCESS-Bohol.

In 2019, the collective efforts of the Company and its investee companies where Vivant Foundation administers and/or assists in project implementation are as follows:

Figure 6: 2019 CSR Initiatives



Feature on



Project RELY is an endeavor funded by the European Union that aims to promote the use of renewable energy to improve lives and foster climate change mitigation in poor and remote communities in the Central Visayas and Southern Tagalog (MIMAROPA) Regions of the Philippines by energizing their off-grid public schools. The approach combines solar electrification with community development and improved vocational education by collaborating with partner senior high schools.

Project RELY is jointly implemented by international development organization sequa gmbH, Vivant Foundation, the corporate social responsibility arm of Vivant Corporation, and PROCESS-Bohol, a social development NGO.

The EU support comes under the Access to Sustainable Energy Programme (ASEP), a joint undertaking of the Department of Energy and the European Union, whose goal is to assist the Philippine Government in expanding sustainable energy generation to meet growing economic needs and provide energy access to the poor and marginalized sectors.

The project runs for 30 months from January 15, 2019 to July 14, 2021.

SOLAR ELECTRIFICATION RECIPIENTS

Cebu

- ▶ Moamboc Elementary School, Bantayan
- ▶ Mambacayao Elementary School, Bantayan
- ▶ Carnaza Elementary School & Carnaza National High School, Daanbantayan

Bohol

- ▶ Bilangbilangan Daku Elementary School, Bien Unido
- ▶ Malingin Elementary School, Bien Unido
- ▶ Hingotanan Elementary School, Bien Unido
- ▶ Hingotanan National High School, Bien Unido
- ▶ Cataban Integrated School, Talibon
- ▶ Guindacpan Elementary School Main Campus & Annex Campus, Talibon

Palawan

- ▶ New Canipo Elementary School & New Canipo National High School, San Vicente
- ▶ Old Caruray Elementary School & Caruray National High School, San Vicente
- ▶ New Panggangan Elementary School, Puerto Princesa City
- ▶ Marufinas Elementary School, Puerto Princesa City

PARTNER SENIOR HIGH SCHOOLS

Cebu: Bantayan Senior High School
Daanbantayan Senior High School

Bohol: San Jose National High School

Palawan: Roxas Senior High School
Palawan National School

Excerpts from the press release during the opening conference:

The European Union (EU) has allotted EUR 2.2 million (or Php 120 million) for a project that will energize off-grid communities in Cebu, Bohol and Palawan through solar energy.

Project Renewable Energy for Livelihood and Youth (RELY) is one of the seven awardees of the EU-Access to Sustainable Energy Programme (ASEP) Call for Proposals. RELY aims to promote use of renewable energy to improve lives and foster climate change mitigation in poor and remote communities by energizing 16 off-grid public schools in the three Philippine provinces. The approach combines solar electrification with community development and improved vocational education by collaborating with partner senior high schools.

The project proponents are sequa gGmbH, Vivant Foundation and PROCESS-Bohol.

According to the European Consensus on Development, the project contributes to the blueprint which aligns the Union's development policy with the 2030 Agenda for Sustainable Development: "Energy is a critically important development enabler and central to solutions for a sustainable planet."

The EU selected RELY from among 71 proposals.

Under Project RELY, solar electrification of the schools is accompanied by awareness raising activities on renewable energy and climate change for all stakeholders and by support to the communities in improving their livelihoods.

"We are extremely honored that the EU and our project and government partners have shown their confidence in expanding our pilot project. It was always our intention that one senior high school with the enhanced curriculum will serve several off-grid schools within a cluster. This grant allows us to fulfill that dream by forming four of these clusters. At Vivant, we plan all our projects to be detail-oriented, forward-looking and adaptable and we strongly feel that this project allows communities to live according to all three concepts," VFI Executive Director Shem Jose Garcia said.

Components of Project Liadlaw are replicated in RELY and expanded to involve the entire community. To involve the community, PROCESS Bohol organizes trainings and workshops to promote understanding of renewable energy and enable beneficiaries to optimize the benefits that RELY brings to their areas. These trainings include but are not limited to knowledge and skills transfer on livelihood activities that take advantage of solar energy.

"Improving the quality of life of poor and vulnerable communities is the underlying vision of PROCESS Bohol, which inspires us to work with our development partners from the government, private sector, and civil society organizations," said PROCESS-Bohol Executive Director Aurelio Salgados Jr. "To make

RELY sustainable, we need to invoke community participation by conducting livelihood skills training and by supporting the growth of micro, small and medium enterprises to create opportunities for deserving students. We believe that social preparation is a vital component of any development project to be more sustainable and to achieve a collective impact.”

ASEP is a joint project of the Department of Energy and the European Union that aims to assist the Government of the Philippines in expanding its sustainable energy generation to meet the growing needs of its economy and provide energy access to the poor and marginalized sector.

Key Metrics

Economic Value Generated, Distributed and Retained [201-1]

| | 2019 Consolidated (in Php Mn) |
|--|----------------------------------|
| Economic Value Generated | 5,979.6 |
| Economic Value Distributed | |
| Operating Costs | 3,032.4 |
| Payments to Employees – compensation and benefits | 182.9 |
| Payments to Providers of Capital – Debt and Equity | 763.8 |
| Payment to Government – Taxes | 242.8 |
| Economic Value Retained | 1,757.7 |

Energy Consumption Within the Organization [302-1]

| | Vivant and Vivant Energy | | 1590 EC | CIPC | DPI |
|----------------------------------|--------------------------|--------|-----------|--------|--------|
| | Cebu | Makati | | | |
| Fuel consumption – LFO (L/kWh) | n/a | n/a | 0.0057 | 0.0047 | 0.0083 |
| Fuel consumption – HFO (L/kWh) | n/a | n/a | 0.2304 | 0.2381 | 0.5018 |
| Electricity consumption – in MWh | 130.09 | 58.47 | 6,217 | 1,933 | 4,935 |
| Electricity Sold – in MWh | n/a | n/a | 1,371,864 | 37,598 | 89,281 |

Energy Consumption Outside of the Organization [302-2]

| Vivant and Vivant Energy | Distance traveled (in km) | Equivalent Fuel Consumption (in L) | CO2 Emission Equivalent (metric tons CO2) |
|-----------------------------|---------------------------|------------------------------------|---|
| Fuel consumption (Diesel) | 1,087,710 | 20,995 | 54.80782 |
| Fuel consumption (Gasoline) | 374,791 | 20,225 | 47.72936 |
| Air Travel * Note 1 | 1,155,005 | 34,132 | 86.252 |

Note 1: Amounts based on number of flights taken total in 2019 and converted using assumptions of flying on an Airbus A320:

- Average cruising speed - 853 km/h
- Average fuel consumption – 3025 l/h
- Average flying time - 1.35 hours per flight
- Average passenger load – 80% of 150 average passenger capacity (120)

Water Withdrawal [303-3]

| | 1590 EC | CIPC | DPI |
|---|---------|------|-----|
| From third party water (in Mega liters) | n/a | 1.82 | 146 |
| From ground water (in Mega liters) | 38.25 | n/a | 306 |

Water Discharge [303-4, 306-1]

| | 1590 EC | CIPC | DPI |
|------------------------------------|---------|------|------|
| Third party water (in Mega liters) | n/a | .92 | n/a |
| Seawater (in Mega liters) | 3.515 | n/a | n/a |
| Surface water (in Mega liters) | n/a | n/a | 32.4 |

Water Consumption [303-5]

| | Vivant and Vivant Energy | | 1590 EC | CIPC | DPI |
|---|--------------------------|--------|---------|------|-----|
| | Cebu | Makati | | | |
| Drawn from Water Utilities (in Mega liters) | 0.12 | .71703 | 38.25 | 1.82 | 306 |

Direct (Scope 1) GHG Emissions [305-1]

| | 1590 EC | CIPC | DPI |
|-------------------------|--|---------|--|
| CO2 Emissions (MT/year) | not measured due to intermittent dispatch / operations | 14.8616 | not measured due to intermittent dispatch / operations |

Total New Hires [401-1]

| Gender | Age Group | Vivant | Vivant Energy | 1590 EC | CIPC | DPI | ET Vivant | WMP | Vivant Foundation |
|--------|---------------|--------|---------------|---------|------|-----|-----------|-----|-------------------|
| Male | Below 30 | 5 | 4 | 5 | 5 | 6 | n/a | 2 | n/a |
| | 30–50 yrs old | 1 | 3 | n/a | n/a | 1 | n/a | 2 | n/a |
| Female | Below 30 | 10 | 5 | n/a | n/a | | 1 | 2 | 2 |
| | 30–50 yrs old | 2 | n/a | n/a | n/a | 2 | 1 | n/a | n/a |
| Totals | | 18 | 12 | 5 | 5 | 9 | 2 | 6 | 2 |

Total Employee Turnover [401-1]

| Gender | Age Group | Vivant | Vivant Energy | 1590 EC | CIPC | DPI | ET Vivant | WMP | Vivant Foundation |
|--------|---------------|--------|---------------|---------|------|-----|-----------|-----|-------------------|
| Male | Below 30 | 3 | 2 | 3 | 4 | 5 | n/a | n/a | n/a |
| | 30–50 yrs old | | 1 | n/a | 1 | 5 | n/a | n/a | n/a |
| Female | Below 30 | 9 | 3 | n/a | n/a | n/a | n/a | n/a | n/a |
| | 30–50 yrs old | 5 | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Totals | | 17 | 6 | 3 | 5 | 10 | n/a | n/a | n/a |

Parental Leave [401-3]

| | | Vivant & Vivant Energy | 1590 EC | CIPC | DPI | ET Vivant | WMP | Vivant Foundation |
|--|--------|------------------------|---------|------|------|-----------|-----|-------------------|
| Number of employees that entitled to parental leave | Male | 47 | 81 | 5 | 45 | n/a | 2 | 2 |
| | Female | 65 | 2 | 1 | 7 | 2 | n/a | 2 |
| Number of employees that took parental leave | Male | 2 | 4 | 1 | 2 | n/a | n/a | n/a |
| | Female | 3 | 0 | 0 | 0 | n/a | n/a | n/a |
| Number of employees that returned to work in the reporting period after parental leave ended | Male | 2 | 4 | 1 | 2 | n/a | n/a | n/a |
| | Female | 0* | 0 | 0 | 0 | n/a | n/a | n/a |
| Number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work | Male | 1 | 4 | 1 | 2 | n/a | n/a | n/a |
| | Female | 0 | 0 | 0 | 0 | n/a | n/a | n/a |
| Return to work and retention rates of employees that took parental leave | Male | 100% | 100 | 100% | 100% | n/a | n/a | n/a |
| | Female | 100% | 0% | n/a | n/a | n/a | n/a | n/a |

*Note: Some who took parental leave will not return until 2020

Average Hours of Training [404-1]

| | | Vivant & Vivant Energy | 1590 EC | CIPC | DPI | ET Vivant | WMP | Vivant Foundation |
|--|------------|------------------------|---------|------|-----|-----------|-----|-------------------|
| By Gender | | | | | | | | |
| | Male | 14 | 30 | 22 | 64 | n/a | 177 | 2 |
| | Female | 16 | 57 | 18 | 32 | n/a | 531 | n/a |
| Total Training Hours for Each Level | | | | | | | | |
| | Management | 18 | 28 | 25 | 40 | n/a | 201 | 8 |
| | Staff | 5 | 27 | 18 | 64 | n/a | 177 | n/a |

Employees Receiving Performance Reviews [404-3]

| | Vivant | Vivant Energy | 1590 EC | CIPC | DPI | ET Vivant | WMP | Vivant Foundation |
|--|--------|---------------|---------|------|------|-----------|-----|-------------------|
| Percentage Receiving Performance Reviews | 100% | 100% | 100% | 100% | 100% | 100% | 0% | 50% |

Note: WMP Performance Reviews were scheduled in 2020

Diversity of Governance Bodies [405-1]

| | Vivant | Vivant Energy | 1590 EC | CIPC | DPI | ET Vivant | WMP | VFI |
|-----------------|--------|---------------|---------|------|------|-----------|-----|-----|
| By Gender | | | | | | | | |
| Male | 100% | 100% | 100% | 100% | 100% | 80% | 67% | 67% |
| Female | -- | -- | -- | -- | -- | 20% | 33% | 33% |
| By Age Group | | | | | | | | |
| 30–50 yrs old | 27% | 73% | 71% | 67% | 67% | 100% | 83% | 50% |
| Over 50 yrs old | 57% | 43% | 29% | 33% | 33% | 0% | 17% | 50% |

Workforce by Gender Distribution [102-7, 405-1]

| | Vivant | Vivant Energy | 1590 EC | CIPC | DPI | ET Vivant | WMP | Vivant Foundation |
|--------|--------|---------------|---------|------|-----|-----------|-----|-------------------|
| Male | 22 | 23 | 80 | 27 | 45 | n/a | 4 | 2 |
| Female | 46 | 15 | 2 | 2 | 7 | 2 | 2 | 2 |
| Totals | 68 | 38 | 82 | 29 | 52 | 2 | 6 | 4 |

Workforce by Age Distribution [102-7, 405-1]

| | Vivant | Vivant Energy | 1590 EC | CIPC | DPI | ET Vivant | WMP | Vivant Foundation |
|--------------------|--------|---------------|---------|------|-----|-----------|-----|-------------------|
| Under 30 years old | 31 | 15 | 12 | 10 | 15 | 1 | 4 | 2 |
| 30-50 yrs old | 36 | 23 | 43 | 15 | 28 | 1 | 2 | 2 |
| Over 50 yrs old | 1 | n/a | 27 | 4 | 9 | n/a | n/a | n/a |

Workforce by Location [102-7, 102-8]

| | Vivant | Vivant Energy | 1590 EC | CIPC | DPI | ET Vivant | WMP | Vivant Foundation |
|-------------|--------|---------------|---------|------|-----|-----------|-----|-------------------|
| Cebu City | 58 | 22 | n/a | n/a | n/a | n/a | 5 | 4 |
| Makati City | 10 | 16 | n/a | 1 | 1 | 2 | n/a | n/a |
| Luzon | n/a | n/a | 82 | 28 | 51 | n/a | n/a | n/a |
| Visayas | n/a | n/a | n/a | n/a | n/a | n/a | 1 | n/a |
| Mindanao | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |

GRI Content Index [102-55]

The GRI Content Index below indicates the reported disclosures and the location of information in this report.

| GRI 101: Foundation 2016 | | | |
|--|---|--|---|
| GRI 102: General Disclosures 2016 | | | |
| GRI Standard | Disclosure | Direct answers and/or page number | |
| GRI 102: General Disclosures 2016 | Organizational Profile | | |
| | 102-1 | Name of the organization | Vivant Corporation |
| | 102-2 | Activities, brands, products and services | pp. 12-15 |
| | 102-3 | Location of headquarters | Cebu, Philippines |
| | 102-4 | Location of operations | pp. 11, 14 |
| | 102-5 | Ownership and legal form | p. 10 |
| | 102-6 | Markets served | pp. 11, 13-14 |
| | 102-7 | Scale of the organization | pp. 11-14, 34 |
| | 102-8 | Information on employees and other workers | pp. 24, 32-34 |
| | 102-9 | Supply chain | The Company is a holding company and has no significant supplier relationship. |
| | 102-10 | Significant changes to the organization and its supply chain | Refer to remarks for 102-9. |
| | 102-11 | Precautionary principle or approach | pp. 20-22 The Company established its Enterprise Risk Management program in 2017. Current initiatives are focused on the implementation of the Risk Management and Strategic Action Plans for its top risks. As a key initiative, the development of the Business Continuity Management plan was started in 2019 and is scheduled for completion in 2020. |
| | 102-12 | External initiatives | The Company has not implemented any. |
| | 102-13 | Membership of associations | Vivant Corporation: - Cebu Chamber of Business - Mandaue Chamber of Business - Cebu Business Club - Regional Development Council – VII Vivant Energy Corporation - Philippine Independent Power Producers Association - Retail Electricity Suppliers Association - Philhydro Association, Inc. - Solar and Storage Alliance of the Philippines - Young President’s Organization Vivant Foundation, Inc. - League of Corporate Foundations |
| | Strategy | | |
| | 102-14 | Statement from senior decision-maker | pp. 7-8 |
| | 102-15 | Key impacts, risks and opportunities | pp. 21-22 |
| Ethics and integrity | | | |
| 102-16 | Values, principles, standards and norms of behavior | p. 9 | |
| 102-17 | Mechanisms for advice and concerns about ethics | The Whistleblowing policy can be seen and reviewed in the company’s website. | |

| | | |
|-------------------|---|--|
| | | http://vivant.com.ph/sec-filings/board-policies/ |
| Governance | | |
| 102-18 | Governance structure | pp. 16-18 |
| 102-19 | Delegating authority | pp. 16-20 |
| 102-20 | Executive-level responsibility for economic, environment and social topics | pp. 19-20 |
| 102-21 | Consulting stakeholders on economic, environment and social topics | pp. 2-4 |
| 102-22 | Composition of the highest governance body and its committees | pp. 17-18 |
| 102-23 | Chair of the highest governance body | Mr. Dennis N.A. Garcia |
| 102-24 | Nominating and selecting the highest governance body | pp. 17-18 |
| 102-25 | Conflicts of interest | This policy can be seen and reviewed in the company's website. http://vivant.com.ph/corporate-governance/company-policy/ |
| 102-26 | Role of the highest governance body in setting purpose, values and strategy | pp. 16-17, 19 |
| 102-27 | Collective knowledge of highest governance body | p. 17 |
| 102-28 | Evaluating the highest governance body's performance | The Company has an existing policy on the board's performance appraisal, but has yet to conduct one. |
| 102-29 | Identifying and managing economic, environmental and social impacts | pp. 2-4 |
| 102-30 | Effectiveness of risk management processes | pp. 17, 20-22 |
| 102-31 | Review of economic, environmental and social topics | p. 2 |
| 102-32 | Highest governance body's role in sustainability reporting | p. 2 |
| 102-33 | Communicating critical concerns | The Whistleblowing policy can be seen and reviewed in the company's website. http://vivant.com.ph/sec-filings/board-policies/ |
| 102-34 | Nature and total number of critical concerns | None |
| 102-35 | Remuneration policies | Remuneration of key officers and board members will be aligned with the long-term interests of Vivant. Remuneration is performance-based, where specific financial and non-financial metrics are used to measure performance. Considerations in determining proper compensation include the following: <ul style="list-style-type: none"> • The level of remuneration is commensurate to the responsibilities of the role; • No director shall participate in discussions or deliberations involving his own remuneration; and • Remuneration pay-out schedules should be sensitive to risk outcomes over a multi-year horizon. |
| 102-36 | Process for determining remuneration | Current process employed by the company is benchmarking with industry peers. Studies on benefits and compensations are likewise conducted regularly by the Company's Human Resources team. External consultants, if necessary, are engaged. All these initiatives |

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| | | | are undertaken to ensure attraction and retention of key talent. |
| 102-37 | Stakeholders' involvement in remuneration | | No mechanism/process in place |
| 102-38 | Annual total compensation ratio | | Vivant regularly reports the names of its five highest paid corporate officers in its Annual Report (SEC Form 17-A). Considering applicable laws and regulations, the Company believes that the information provided is sufficient information on remuneration. |
| 102-39 | Percentage increase in annual total compensation ratio | | |
| Stakeholder Engagement | | | |
| 102-40 | List of stakeholder groups | | pp. 2-4 |
| 102-41 | Collective bargaining agreements | | None |
| 102-42 | Identifying and selecting stakeholders | | pp. 2-4 |
| 102-43 | Approach to stakeholder engagement | | pp. 2-4 |
| 102-44 | Key topics and concerns raised | | pp. 2-4 |
| Reporting Practice | | | |
| 102-45 | Entities included in the consolidated financial statements | | Refer to Vivant Corporation and Subsidiaries Consolidated Financial Statements for December 31, 2019 and 2018, Notes to Consolidated Financial Statements, pp. 1-7 |
| 102-46 | Defining report content and topic boundaries | | pp. 2, 5-6 |
| 102-47 | List of material topics | | p. 5-6 |
| 102-48 | Restatement of information | | No previous report. |
| 102-49 | Changes in reporting | | No previous report. |
| 102-50 | Reporting period | | January 1, 2019 to December 31, 2019 |
| 102-51 | Date of the most recent report | | No previous report. |
| 102-52 | Reporting cycle | | Annual |
| 102-53 | Contact point for questions regarding this report | | Office of the Compliance Officer |
| 102-54 | Claims of reporting in accordance with the GRI standards | | Core option |
| 102-55 | GRI content index | | p. 35 |
| 102-56 | External assurance | | SGV for financial reports. None for the Sustainability Report. |

Material Topics

| ECONOMIC | | | |
|---|------------|--|-----------------------------------|
| GRI Standard | Disclosure | | Direct answers and/or page number |
| Economic Performance | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | p. 5 |
| | 103-2 | The management approach and its components | pp. 23-24 |
| | 103-3 | Evaluation of the management approach | pp. 23-24 |
| GRI 201: Economic Performance 2016 | 201-1 | Direct economic value generated and distributed | p. 31 |
| Indirect Economic Impacts | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | p. 5 |
| | 103-2 | The management approach and its components | pp. 4, 25-26 |
| | 103-3 | Evaluation of the management approach | pp. 25-26 |

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|---|-------|---|---------------|
| GRI 203: Indirect Economic Impacts | 203-1 | Infrastructure investments and services supported | pp. 13, 26-30 |
| | 203-2 | Significant indirect economic impacts | pp. 26-30 |

| ENVIRONMENT | | | |
|--|-------------------|--|---|
| GRI Standard | Disclosure | | Direct answers and/or page number |
| Energy | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | p. 5 |
| | 103-2 | The management approach and its components | The Company launched its Green Initiative in 2017. Several programs were launched, which were intended to have positive impact on how we do things both at corporate and on a personal basis. Plant operations include periodic preventive maintenance works to ensure plant efficiency. |
| | 103-3 | Evaluation of the management approach | |
| GRI 302: Energy 2016 | 302-1 | Energy consumption within the organization | p. 31 |
| | 302-2 | Energy consumption outside the organization | p. 31 |
| Water and Effluents | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | p. 5 |
| | 103-2 | The management approach and its components | The Company launched its Green Initiative in 2017. Several programs were launched, which were intended to have positive impact on how we do things both at corporate and on a personal basis. Plant operations include periodic preventive maintenance works to ensure plant efficiency. |
| | 103-3 | Evaluation of the management approach | |
| GRI 303: Water and Effluents 2018 | 303-3 | Water withdrawal | p. 31 |
| | 303-4 | Water discharge | p. 31 |
| | 303-5 | Water consumption | p. 32 |
| Emissions | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | p. 5 |
| | 103-2 | The management approach and its components | Plant operations include periodic preventive maintenance works to ensure plant efficiency. |
| | 103-3 | Evaluation of the management approach | |
| GRI 305: Emissions 2016 | 305-1 | Direct (Scope 1) GHG emissions | p. 32 |
| Effluents and Waste | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | p. 5 |
| | 103-2 | The management approach and its components | Plant operations include periodic preventive maintenance works to ensure plant efficiency. |
| | 103-3 | Evaluation of the management approach | |
| GRI 306: Effluents and Waste 2016 | 306-1 | Water discharge by quality and destination | p. 31 |

| SOCIAL | | | |
|---|------------|--|-----------------------------------|
| GRI Standard | Disclosure | | Direct answers and/or page number |
| Employment | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | p. 5 |
| | 103-2 | The management approach and its components | pp. 3-4, 24-25 |
| | 103-3 | Evaluation of the management approach | pp. 24-25 |
| GRI 401: Employment 2016 | 401-1 | New employee hires and employee turnover | p. 32 |
| | 401-3 | Parental leave | p. 33 |
| Training and Education | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | p. 5 |
| | 103-2 | The management approach and its components | pp. 3-4, 25 |
| | 103-3 | Evaluation of the management approach | p. 25 |
| GRI 404: Training and Education 2016 | 404-1 | Average hours of training per year per employee | p. 33 |
| | 404-3 | Percentage of employees receiving regular performance and career development reviews | p. 34 |
| Diversity and Equal Opportunity | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | p. 5 |
| | 103-2 | The management approach and its components | pp. 24-25 |
| | 103-3 | Evaluation of the management approach | pp. 24-25 |
| Diversity and Equal Opportunity 2016 | 405-1 | Diversity of governance bodies and employees | p. 34 |
| Local Communities | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | p. 5 |
| | 103-2 | The management approach and its components | pp. 4, 26-27 |
| | 103-3 | Evaluation of the management approach | pp. 26-27 |
| GRI 413: Local Communities 2016 | 413-1 | Operations with local community engagement, impact assessments, and development programs | pp. 4, 26-30 |